

JUSTIFICATION  
FOR OTHER THAN FULL AND OPEN COMPETITION

1. Contracting Activity: Department of Veterans Affairs (VA)  
Office of Acquisition Operations  
Technology Acquisition Center  
23 Christopher Way  
Eatontown, NJ 07724
2. Description of Action: The proposed firm-fixed-price sole source action is for Vitria BusinessWare Programming Services with Rhyen Technology Services LLC (Rhyen Technology), 901 S. Mopac Expressway Plaza 2, Austin, Texas 78748.
3. Description of Supplies or Services: The proposed action is for Vitria Programming Services to support the processing of Electronic Data Interchange (EDI) transactions using the Accredited Standards Committee X12 electronic transactions format. Financial Service Center (FSC) provides EDI services to the Veterans Health Administration (VHA), Chief Business Office (CBO). These services are in support of the CBO eBusiness initiatives related to the VHA Revenue Collection Cycle for healthcare claims and insurance verification. Some of the applications developed to support these eBusiness initiatives were developed utilizing Vitria BusinessWare, Oracle, and Java software components. Currently these applications are the Electronic Insurance Verification and Electronic Outpatient Pharmacy Claims. Contractor support is required for sustainment of CBO's eBusiness applications related to VHA Revenue Collection Cycle activities for medical care to Veterans at VA Medical Centers. Additionally, the Vitria programming services are required to support the Health Claims Processing System (HCPS), and Camp Lejeune Family Member (CLFM) system. The eBusiness applications as well as HCPS and CLFM applications were created using BusinessWare which is a Vitria Tool. FSC does not have internal expertise or knowledge of Vitria BusinessWare. The period of performance for this action is two months. The total estimated value of the proposed action is . The subject contract action will provide required services until a competitive contract is awarded to avoid a lapse in service and will allow for a transition period to the new contractor.
4. Statutory Authority: The statutory authority permitting other than full and open competition is 41 U.S.C. 3304(a)(1) as implemented by the Federal Acquisition Regulation (FAR) 6.302-1 entitled, "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."
5. Rationale Supporting Use of Authority Cited Above: The proposed source for this action is Rhyen Technology. VA previously entered into an Interagency Agreement with the Department of Interior (DOI) for the required services, and DOI awarded a contract to Rhyen Technology under the Small Business Administration (SBA) 8(a) program with a period of performance that will end on August 31, 2015. An extension to the projected award date for a follow on contract was required due to changes to the requirements. As a result, award by the required date of August 31, 2015 is not achievable. Failure to

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have the necessary resources with the knowledge and expertise to support the applications developed using Vitria BusinessWare would leave VA without the necessary certified support required when production problems occur and to complete ongoing development projects. A two month bridge will allow VA time to award the competitive action under the SBA 8(a) program and properly transition from the incumbent service provider.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in section 8 of this justification. This effort did not yield any additional sources that can meet the Government's requirements within the required timeframe. Additionally, the proposed action will be posted as a combination synopsis and solicitation on the Federal Business Opportunities (FBO) website in accordance with FAR 5.201 and FAR 12.603. Any proposals that are received shall be evaluated.

7. Actions to Increase Competition: VA will issue a competitive Request For Proposal for the required services among SBA 8(a) vendors. This action is to avoid a lapse in service between the last day of the current period of performance, August 31, 2015 and award of the competitive contract. All future actions will be competed.

8. Market Research: Market research was conducted in August 2015 to ascertain if other service providers could satisfy VA's requirements. Specifically, VA subject matter experts looked at Rhyon Technology and Kforce Government Solutions (KGS) and determined that only Rhyon Technology could continue to provide services to the existing VA applications while a new contract is being competed. Rhyon Technology is the company that developed the Vitria BusinessWare-based applications. They have also provided continuous development and technical support for these applications since they were implemented in a production environment. This experience and expertise allows Rhyon Technology to continue to provide the required services until a new contract is awarded. KGS does not have the staff with the required expertise and knowledge to support the applications developed using Vitria BusinessWare, therefore, they cannot provide the services required. The current Vitria BusinessWare programming support contract was awarded to Rhyon Technology under the SBA 8(a) program. Rhyon Technology graduated from the SBA 8(a) program; however, follow-on or renewal contracts must remain under SBA 8(a) program unless SBA agrees to release it. A Request for Information (RFI) was issued on July 21, 2015 on the FBO website as an 8(a) set-aside. The RFI yielded three responses from SRR International Inc., Protege, and Inalab Consulting. All three vendors are 8(a) certified vendors. Based on the analysis of the response received one vendor appears capable to perform the requirements, however they cannot perform the services in the timeframe required. This action will provide the required services until the competed contract is awarded.

9. Other Facts: None.

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10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

for

Orentha Harris III

Date: 8/31/2015

Information Technology Specialist

Signature: Julio Irizarry  
155233

Digitally signed by Julio Irizarry 155233  
DN: cn=Julio Irizarry, o=Vitria BusinessWare, ou=IT, email=julio@vitria.com, c=US  
c=US, o=Vitria BusinessWare, ou=IT, email=julio@vitria.com, cn=Julio Irizarry 155233  
Date: 2015.08.31 10:06:57 -0500

11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on previous contract awarded for the same services having already been determined to be fair and reasonable. The proposed price will be compared to historical prices paid for the same services. Finally, the successful quote will be compared to the Independent Government Cost Estimate.

Jan Oberdick

Date: 8-31-2015

Procuring Contracting Officer

Signature: Jan Oberdick

12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief. As this contract action does not exceed \$650,000, the certification below required by FAR 6.303-2(b)(12) serves as approval.

Jan Oberdick

Date: 8-31-2015

Procuring Contracting Officer

Signature: Jan Oberdick