

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval (J&A)

For

Other Than Full and Open Competition (>\$150K)

1. **Contracting Activity:** Department of Veterans Affairs, VISN 20, The Mann-Grandstaff VA Medical Center (MGVAMC) has the requirement to continue uninterrupted Primary Care Services for veterans in the Bonner County, ID Community Based Outpatient Clinic (CBOC) utilizing funding provided with 2237 number [REDACTED]
2. **Nature and/or Description of the Action Being Processed:** This procurement is for an interim Firm Fixed Price contract for Community Based Outpatient Clinic (CBOC) services. This IDIQ will be awarded for a six month period of 1 October 2015 through 31 March 2016. Federal Acquisition Regulation (FAR) clause 52.217-8, Option to Extend Services, will be included for up to a possible additional six months, 1 April 2016 through 30 September 2016. Due to the nature of CBOC services, the incumbent contractor is the only responsible source to provide CBOC services for such a short amount of time while the long term contract is being competed. The estimated value of this procurement is \$475,160.40.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The contractor shall provide the facility, equipment, furnishing, and staff required to operate the Sandpoint CBOC program. The clinic is currently providing primary care and mental health services for approximately 2,000 patients. MGVAMC has contracted CBOC services in the Sandpoint, ID location since 1 April 2010.
4. **Statutory Authority Permitting Other than Full and Open Competition:**
  - (X) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
  - ( ) (2) Unusual and Compelling Urgency per FAR 6.302-2;
  - ( ) (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
  - ( ) (4) International Agreement per FAR 6.302-4
  - ( ) (5) Authorized or Required by Statute FAR 6.302-5;
  - ( ) (6) National Security per FAR 6.302-6;
  - ( ) (7) Public Interest per FAR 6.302-7;
5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** An interim contract is needed to prevent a break in service while a new follow-on contract is solicited and awarded. Work on the new requirement began in April 2015 during a meeting between the Contracting Officer (CO) and Contracting Officer's Representative (COR). The requirement was previously solicited and awarded as a Rural Health Clinic (RHC). Since that time, the VA has since reclassified all RHCs as CBOCs. The COR had to convert the Performance Work Statement to the new VHA Central Office Medical Sharing Office (MSO) mandatory CBOC template. This also required the COR to develop all the documents normally required for a CBOC Business Plan. That data was not readily available to the COR as the COR had to develop the information from scratch. The COR finalized all of the required

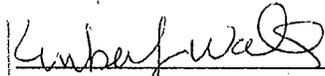
documentation required by VA Directive 1663 and MSO on 3 September 2015. The VA Directive 1663 package is currently being routed to the VISN for the appropriate signatures

Boundary Regional Community Health Center (BRCHC) is the incumbent contractor under VA260-P-0806 which will expire on 30 September 2015. All available options and extensions have been exercised. As the incumbent, BRCHC has a VA approved leased facility, credentialed and privileged providers, equipment and furnishings in place to serve the enrolled Veterans. Market research conducted by Contract Specialist indicates that it would take a new company approximately 120 days after contract award to lease a facility, process employees in, and have equipment and furnishings in place. The estimated 2,000 patient panel looks to the VA contractor for primary care medical services and mental health services. Primary care includes, but is not limited to, medical diagnosis and medically necessary treatment(s) of physiological and pathological conditions. Care is directed toward health promotion and disease prevention, screening and treatment for traumatic brain injury, suicide prevention, management of acute and chronic medical conditions, pharmacological management, referral to specialty care, and continuity across the inpatient and outpatient settings. MGVAMC cannot handle an influx of 2,000 patients should a break in service occur while a new contract is competed. The Patient Centered Community Care (PC3) contract and Veterans Choice Program (VCP) are not viable alternatives as they too are unable to handle this large of an influx without causing a gap or significant delay in services for the 2,000 Veterans.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Under normal circumstances this requirement would be solicited through open-market competition by any and all eligible contractors. However, the, critical need for uninterrupted services precludes procurement for this interim requirement from any source other than the incumbent.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The established reimbursement methodology is a capitated rate which reimburses the contractor on a flat rate of per patient, per month regardless of the type of care provided. The capitated rate for the interim contract will be compared with the current contracted rate of \$46.85 which has already been determined to be fair and reasonable on the expiring contract. Additionally the rate will be compared to the other RHCs for MGVAMC as the scope and size of the requirements are similar.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** No market research was conducted for this short term contract. Market Research was conducted for the long term contract, including posting a 2014 and a 2015 Request for Information (RFI) on the Federal Business Opportunities website.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** Under the expiring contract, Federal Acquisition Regulation clause 52.217-8, Option to Extend Services, has already been exercised, 1 April 2015 through 30 September 2015. No further contractual authority is available to extend services.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** No other parties expressed interest in this acquisition without interrupting services provided to the Veterans in the Bonner County, ID catchment area.

11. **A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required:** The subsequent acquisition will be competed. The solicitation is being developed. There are no barriers to competition for the follow on contract. The follow on contract will be a contract with a base period plus 4 one-year option periods.

12. **Requirements Certification:** I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

  
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Kimberly Waller  
Rural Health Coordinator

9-17-15  
\_\_\_\_\_  
Date

13. **Approvals in accordance with the VHAPM, Volume 6, Chapter VI: OFOC SOP.**

a. **Contracting Officer's Certification (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Mary B. Accomando  
225554

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cn=Mary B. Accomando 225554  
Reason: I agree to specified portions of this document.  
Date: 2015.09.18 09:31:28 -0700

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MARY B. ACCOMANDO  
Contracting Officer

09/18/2015  
\_\_\_\_\_  
Date

b. **Director of Contracting /Designee (Required \$150K and above):** I certify the justification meets requirements for other than full and open competition.

Thomas R.  
Guyer  
901226

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THOMAS GUYER  
NCO 20 Director of Contracting or Designee

18 Sep 2015  
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Date