

LIMITED SOURCES JUSTIFICATION
ORDER >\$150,000
FAR PART 8.405-6

2237 Number 640-16-1-044-0003
Acquisition Plan VA261-15-AP-6785

2237 Transaction # or Vista Equipment Transaction #: 640-16-1-044-0003

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in par. 3 below is sole source, therefore, consideration of the number of contractors required by FAR Subpart 8.4 – Federal Supply Schedules, is precluded for the reasons indicated below.

Restricted to the following source:

Manufacturer/Contractor: Quest Diagnostics Incorporated (DUNS: 05354640)

Manufacturer/Contractor POC & phone number: Michael Anderton @ 615-672-9798

Mfr/Contractor Address: 3 Giralda Farms, NJ 07940-1027

☒ The requested material or service represents the minimum requirements of the Government.

(1) AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs
Network Contracting Office (NCO) 21
VA Sierra Nevada Health Care System
975 Kirman Ave, Reno, NV 89502

VISN: 21

(2) NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:

Specialized reference laboratory testing services. Services include pickup and transport specimens to the contractor's laboratory and perform the following: preanalytic processing; analysis, reporting of analytic results directly into the VA's Computerized Patient Record System (CPRS) and consultation regarding selection, collection, transportation and results interpretation.

(3) (a) A DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEED:

The VA Palo Alto Health Care System (VAPAHCS) requires reference lab testing services for tests that cannot be performed on-site. The reference laboratory must be able to provide an electronic computer interface to send lab orders to the testing facility and to receive results automatically in the VA Palo Alto HCS Computerized Patient Record System (CPRS).

(b) ESTIMATED DOLLAR VALUE: \$1,106,153.43 [REDACTED]

(c) REQUIRED DELIVERY DATE: 10/1/2015 – 09/30/2016 [REDACTED]

(4) IDENTIFICATION OF THE JUSTIFICATION RATIONALE (SEE FAR 8.405-6), AND IF APPLICABLE, A DEMONSTRATION OF THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS TO PROVIDE THE REQUIRED SUPPLY OR SERVICE.

☒ Specific characteristics of the material or service that limit the availability to a sole source (unique features, function of the item, etc.). Describe in detail why only this suggested source can furnish the requirements to the exclusion of other sources.

Quest Diagnostics Inc. has provided an electronic interface capability (bi-directional) system (EFC-bd) which is housed at the VA Palo Alto Health Care System. The equipment required for this interface was provided to the VA free of charge, other laboratories offering an interface do so at a cost to the VA. This

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allows electronic order entry, inquiry, test status, results, test methodologies, etc. Each laboratory in VISN 21 has a Quest interface software program that connects through the EFC-bd that acts as a host to host connection. This allows for interfacing between Quest Diagnostics and all laboratories in VISN 21. The EFC-bd is based on Health Level System (HL 7) Version 2.3 messaging protocol and the Veterans Health Information Systems and Technology Architecture (Vista) interchange. The interface allows VA laboratory personnel to construct shipping lists using VISTA that includes specimens, tests ordered and other information to identify the shipment before Quest physically receives it. This allows for tracking of all specimens that are shipped and gives data as to why a specimen was not received at Quest. When Quest completes testing the interface allows for automatic release for review before release of the results depending on the lab's preference. In case of a computer outage, Quest has a contingency plan in place to provide hard copies of patient results to the ordering facility.

The interface equipment is currently installed and operating, a transition would be both costly and time-consuming.

(5) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.4 TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:

The interface provided by Quest Diagnostics provides many benefits, including:

- Patient Safety Standard (Joint Commission Laboratory Patient Safety Standards IM: Interfaced functionality is preferred whenever possible; this will reduce the patient safety risk from both clerical errors introduced with the data is manually entered and through misplaced reports. With the electronic interface there is little chance that the paper reports will end up in the wrong hands, further protecting patient data.
- Real time results: The results are available to providers in CPRS as soon as they are complete; there is no wait time for VA staff to enter the results in CPRS.
- Error reduction (lab orders and veteran test results were being manually entered in CPRS)
- Wasted resources reduction: There are no printed copies to handle/account for, enter into CPRS and shred.

(6) DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:

A Sources Sought was posted to GSA eBuy from 08/20/2015 to 08/26/2015. All of the schedule holders under SIN 621-200 through 621-212 were invited to respond with their capability to provide the same interface. A total of 3 responses were received; Cedar Diagnostics, LLC, Laboratory Corporation of America and Quest Diagnostics. Quest Diagnostics is currently the only laboratory with an operable interface capable of providing electronic test ordering and results delivery that allows healthcare providers to view test results in CPRS at the VA Palo Alto Health Care System.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

Services under the current agreement expire on September 30, 2015. In order to avoid an interruption of this critical service, the VA Palo Alto must continue to use the equipment that is currently in place.

(8) A STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE RESTRICTED CONSIDERATION BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES IS MADE:

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The VA Palo Alto Health Care System will remain open to allowing other laboratories the same opportunity to provide the middleware that interfaces between the laboratories' reporting system and CPRS.

(9) 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. I understand that processing of this limited sources justification restricts consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4.

SANG P. GROSS 449842

Digitally signed by SANG P. GROSS 449842
DN: dc=gov, o=Internal, ou=people,
0.9.2342.1.1=100.100.1.1=sang.gross@va.gov, cn=SANG P.
GROSS 449842
Date: 2015.08.28 13:33:36 -07'00'

SIGNATURE**DATE**Sang GrossLaboratory ManagerPathology & Lab Medical Service**NAME****TITLE****SERVICE LINE/SECTION**VA Palo Alto Health Care System**FACILITY****(10) 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.

**Tracy E. Worrell
674419**

Digitally signed by Tracy E. Worrell 674419
DN: dc=gov, dc=va, o=Internal, ou=people,
0.9.2342.1.1=19200300.100.1.1=tracy.worrell@va.gov,
cn=Tracy E. Worrell 674419
Date: 2015.08.28 13:00:25 -07'00'

CONTRACTING OFFICER'S SIGNATURE**DATE**Tracy Worrell, Contracting OfficerNetwork Contracting Office (NCO) 21**NAME AND TITLE****FACILITY**

b. Director of Contracting/DESIGNEE: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Samuel Harbin

Digitally signed by Samuel Harbin
DN: cn=Samuel Harbin, o=NCO 21, ou=Department of
Veterans Affairs, email=samuel.harbin@va.gov, c=US
Date: 2015.08.28 14:26:51 -07'00'

28 August 2015**SIGNATURE****DATE**Samuel Harbin**NCO Director of Contracting****HIGHER LEVEL APPROVAL (Required For orders over \$650,000):**

c. SAO: I certify the justification meets requirements for restricting consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4.

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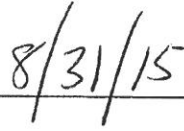
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SIGNATURE

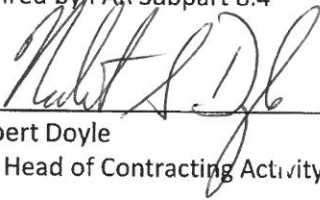


DATE

Christopher S. Williams

Acting Director, SAO West, Acting Director

d. **VHA HCA REVIEW AND APPROVAL (over \$650,000 to \$12.5 million):** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for restricting consideration of the Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4



Norbert Doyle

VHA Head of Contracting Activity (HCA)



DATE