

LIMITED SOURCE JUSTIFICATION

1. Identify the agency and contracting activity.

This justification is executed by the Department of Veterans Affairs, CAI-Frederick on behalf of Veterans Benefits Administration (VBA), Veterans Benefits Management System (VBMS).

2. Nature/description of the action/contract type.

In support of the Secretary's charge to ensure that all Compensation and Pension benefits claims are processed within 125 days with 98% accuracy and to improve consistency in processing claims across the VA's 57 Regional Offices (ROs), the government intends to negotiate a logical follow-on contract with Booz Allen Hamilton (BAH) for continuing Business Transformation (BT) / Business Process Reengineering (BPR) services. These services are currently being provided under the Business Transformation Contract (BTC) VA798-P-011. The contract has an Option Year 2 period of performance ending 2/12/12.

The original BTC outlined six tasks for the BT/BPR workstream as follows:

- Future state redesign and site implementation recommendations
- Performance measures and metrics
- Business requirements prioritization matrix
- Policy and procedures assessment and integration approach
- Implementation and transition plans
- Updated value stream and process maps

During the base year and Option Year 1 of the contract, BAH visited multiple Regional Offices (ROs) and Pension Management Centers (PMCs), documented multiple claim type workflows, developed Value Stream Maps, and provided preliminary process analyses. Through these site visits, meetings with subject matter experts, in-depth analysis, and interactions with Regional Office leadership, BAH gained institutional knowledge of the claims process and existing data structures, including existing logical and functional data models.

BT/BPR work performed during base year and Option Year 1 provided the initial outlining of process and technology improvements needed to transform VBA's claims process. The work was not originally intended to provide the detailed technical and functional requirements necessary for OIT to implement the improvements. In addition, the BT/BPR deliverables focused on near term goals and tactical implementation. It is now critical to outline a broader approach to ensure long term technical efforts are in alignment with short term tactical implementation.

The knowledge gained during the previous work coupled with a comprehensive understanding of the process, procedures, outcomes, and deliverables completed as part of the six tasks above is critical to successfully completing the proposed tasks.

This follow-on contract order will provide VBA with the necessary technical expertise to translate claims processing knowledge and recommended improvements into artifacts that define the business requirements, business rules models, business data models, and business process workflow modeling.

The proposed deliverables allow VBA to meet the Office of Information & Technology (OI&T) prerequisite for business documentation necessary to develop the next generation of claim processing software.

VBMS has an immediate need to acquire incremental support with institutional knowledge of VBA processes and systems for requirements definition and solution design in direct support of the OI&T development efforts for each phase of VBMS development. Awarding this logical follow-on contract to BAH will provide industry expert contract support to accurately detail workflow modeling in support of the current and "to-be" VBMS processes. In addition, these follow-on tasks will:

- ensure the processes are described and modeled in a way that allows for future workflow and process improvements with minimal impact to the VBMS technical software solution;
- assist in detailed business requirements elicitation and translation;
- assist in the discovery and modeling of the VBMS detailed technical business rules; and
- assist in the discovery and modeling of the business data artifacts and elements (commonly referred to as entities and attributes).

Extensive analysis and planning must be accomplished to ensure data modeling is scalable and able to meet future needs. This analysis requires a specific skill set with understanding of existing processes, data, and workflow combined with technical skill in information technology requirements gathering and translation.

3. Description of supplies/services.

BAH has the skill set to continue work in-progress related to defined process workflows for VBMS necessary to develop business requirements needed for efficient implementation of VBMS. The follow-on contract will expand the BT / BPR services Booz Allen Hamilton is currently providing. All of the tasks requested are a result of analyses of existing skill sets available within VBA and VBMS compared to those needed to develop various components of VBMS. Those skill set gaps are to be bridged by the execution of this contract. Execution of these tasks will leave the organization with a comprehensive team of VBA subject matter experts and contract support sufficient to create a robust application framework upon which future VBMS design work will be completed.

The following tasks are identified as essential in the development of VBMS functionality:

Tasks
1. Internal Contractor Program Management.
2. Business Process Architecture

3. Data Models
4. Requirements Management
5. Performance Measurement Metrics and Analysis
6. Configuration Management
7. Enterprise Business Service Definitions
8. Program Dependencies Analysis

Execution of these tasks as a logical follow-on is advantageous to the Government as BAH has already gained an institutional knowledge of claims processes, has assisted VBMS in planning future process improvements based on anticipated technology improvements, and has an expert understanding of the history of current and future VBMS development. These advantages help maintain the continuity needed to ensure the organization's focus aligns with future activities planned for execution in Option Year 3 of the existing BTC contract. To reach the level of understanding of BAH, a new vendor would require a significant period of time; time VBA does not have to implement a solution to meet the Secretary's goals. BAH is ready to begin implementation of tasks immediately upon award.

The follow-on contract will have an estimated performance period of 9/26/2011 - 09/25/12. The estimated value of this requirement is \$7.4 M. FY11 funds are available.

4. Identification of justification rationale.

In accordance with FAR 8.405-6(a)(1)(i)(C), the new work is a logical follow-on to an original Firm Fixed Price Contract for Business Transformation Services, which was competed in accordance with the applicable contract ordering procedures.

5. A determination by the ordering activity Contracting Officer that the order represents the best value to the Government.

Re-competing this requirement would result in substantial duplication of cost to the Government not expected to be recovered through competition. The Contracting Officer will evaluate pricing and determine the price to be fair and reasonable before awarding a new contract.

6. A description of market research conducted.

No market survey was conducted since these services are follow-on requirements to existing services. Market surveys were conducted at the time of the original award.

7. Any other supporting facts.

None.

8. Actions taken to remove barriers to competition.

This method of awarding follow-on task orders is not considered a barrier to competition. Booz Allen Hamilton was the successful contractor under competition that was conducted for the services currently in place.