

**LIMITED SOURCES JUSTIFICATION**

**ORDER >\$150,000**

**FAR PART 8.405-6**

**Acquisition Plan Action ID:** VA243-16-AP-1948

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: Managed Resources

Manufacturer/Contractor POC & phone number: Richard Ueligitone 562-216-2580

Mfgr/Contractor Address: 11 Golden Shore, Suite 360, Long Beach, CA 90802

Dealer/Rep address/phone number: 562-499-2190

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

**(1) AGENCY AND CONTRACTING ACTIVITY:**

Department of Veterans Affairs

James J Peters VA Medical Center

130 West Kingsbridge Road

Bronx, NY 10468-3904

**VISN:**

VISN 3/ NCO2

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

Provide Remote Offsite HIMS Coding and Auditing services for VISN 3 Medical Centers. Request for an emergency firm fixed price bridge contract to extend Managed Resources Inc. services. Current contract expires on 3/31/2015 with no option to extend. A Long Term Contract is currently being solicited and a bridge contract would be beneficial in order to not have any breaks in service during Phase In-Phase Out transition of the new contract/vendor. It is imperative that the continuation of services for this requirement remains in place to allow for quality offsite medical coding for all VISN 3 facilities. Award of a new contract will require the time and effort to provide PIV access to all contractor coders. Access is a multi-step process that would cause a delay in work productivity.

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

All VISN 3 Facilities are in need of Off Site HIMS coding Support Services to supplement on-site coding services in an effort to ensure all bills are sent to the third party carriers for non-service connected care in a timely fashion. The vendor will be utilized to avoid backlogs during staff vacations and illnesses, therefore increasing revenue. This bridge BPA contract will be a one month base period followed by 4 one month option periods. A breakdown of the specific dates is displayed in a table below. The need is for up to 5 months in total. A long term contract has been solicited and proposals are currently being

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evaluated. An estimated award date is for April 13, 2016. If award is made to a contractor other than the incumbent, a period of finger-printing and background investigation will have to take place for all new contractor coders.

-	<b><u>VISN Roll-up</u></b>
<b><u>Base Period - FY2016 (4/1/16 - 4/30/16)</u></b>	-
<b><u>TOTAL Base Period</u></b>	<b><u>\$76,869</u></b>
<b><u>Option Period - FY2016 (5/1/16 - 5/31/16)</u></b>	-
<b><u>TOTAL Option Period 1</u></b>	<b><u>\$76,869</u></b>
<b><u>Option Period - (6/1/16 - 6/30/16)</u></b>	-
<b><u>TOTAL Option Period 2</u></b>	<b><u>\$76,869</u></b>
<b><u>Option Period - (7/1/16 - 7/31/16)</u></b>	-
<b><u>TOTAL Option Period 3</u></b>	<b><u>\$76,869</u></b>
<b><u>Option Period - (8/1/16 - 8/31/16)</u></b>	-
<b><u>TOTAL Option Period 4</u></b>	<b><u>\$76,869</u></b>
<b><u>Total Bridge Period of Performance</u></b>	<b><u>\$384,345</u></b>

(b) ESTIMATED DOLLAR VALUE: \$384,343

(c) REQUIRED DELIVERY DATE: 4/1/16

**(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. (CHECK ALL THAT APPLY AND COMPLETE)**

☒ 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.

An interruption in the current service provided by Managed Resources Inc. may cause a delay in VISN 3's revenue cycle as coding is an important part of the billing process for non- service connected care. The amount of time between the expiration of the current contract and the estimated award date of the new contract is approximately two weeks. The incumbent vendor Managed Resources Inc. has remote coders who already have access and are familiar with the processes of the VA systems for retrieving workload data. The timeframe to provide access and systems familiarity with any other vendor would lead to a backlog of work.

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☐ A patent, copyright or proprietary data limits competition. The proprietary data is:  
(If FAR 8.405-6(a) (2) iii before posting. Do not include specific proprietary data. Only mention the  
type of equipment, procedure, etc. to show that proprietary supplies or services are being procured.)

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☐ These are “direct replacements” parts/components for existing equipment.

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☐ The material/service must be compatible in all aspects (form, fit and function) with existing  
systems presently installed/performing. Describe the equipment/function you have now and how the  
new item/service must coordinate, connect, or interface with the existing system.

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☐ The new work is a logical follow-on to an original Federal Supply Schedule order provided that  
the original order was placed in accordance with the applicable Federal Supply Schedule ordering  
procedures. The original order must not have been previously issued under sole source or limited source  
procedures.

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☒ An urgent and compelling need exists, and following the ordering procedures would result in  
unacceptable delays.

Interruption of coding services will have a profound impact on the revenue cycle. All facilities in VISN 3  
depend on Managed Resources Inc.’s services to be able to code timely so that billing can then proceed  
without delay.

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**(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:**

At this time a Bridge Contract will avoid any breaks in service with the incumbent vendor. This decision will be in the best interest of the VISN in that pricing will remain the same through the duration of the BRIDGE as was the current contract. A new contract will be awarded within two weeks of commencement of this BRIDGE contract. All efforts will be made to assure that final pricing is fair and reasonable in accordance with FAR 8.405-4 and are no greater than the contract holders established GSA pricing.

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

Market research has not been conducted due to urgent and compelling need. The current contract cannot be extended, a long-term procurement is in process, but award is not anticipated within a timeframe which would prevent a break in service. A break in service would result in significant negative revenue impact to VISN 3.

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**(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:**

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**(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:**

A Long Term (Base + 4) Coding Contract is scheduled to be awarded within weeks of award of the bridge contract. The Long Term Procurement has been competitively solicited from the SAC National Coding BPA Contract Holders.

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**(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. *(This signature is the requestor's supervisor, fund control point official, chief of service or someone with responsibility and accountability.)*

SIGNATURE

April Esposito

NAME

Northport (632) on behalf of VISN 3

FACILITY

Asst. Chief Bus. Office

TITLE

DATE

3/22/2016

Business Office/VAMC NP (632)

SERVICE LINE/SECTION

**(10) APPROVALS IN ACCORDANCE WITH THE VHAPM, Volume 6, Chapter VI: OFOC SOP:** *This part if filled out by Contracting Staff as part of the Justification*

**a. CONTRACTING OFFICER'S CERTIFICATION (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

CONTRACTING OFFICER'S SIGNATURE

DATE

Nicole Howerton

Specialized Team II – Branch Chief

NCO2

FACILITY

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

SIGNATURE

DATE

Sherin Rabadi

Specialized Team II – Division Chief

3.30.16