

## DEPARTMENT OF VETERANS AFFAIRS

### Justification and Approval (J&A) For Other Than Full and Open Competition (>\$150K)

Acquisition Plan Action ID: VA248-16-AP-6438

1. **Contracting Activity:** Department of Veterans Affairs, Veterans Integrated Service Network 08 (VISN 08), Network Contracting Office 8 (NCO 8) Approved purchase request (2237) number 548-16-3-2781-0024 applies to this procurement.
2. **Nature and/or Description of the Action Being Processed:** This is a request for Other than Full and Open Competition for Off-Site In-Patient Emergency Cardiology services in West Palm Beach, FL. The Medicine Service is requesting the Contracting Office process an interim contract in order to allow for sufficient time for completion of a solicitation and award of a long term contract. The resulting action will be a fixed price contract with a three (3) month base period and one (1), one (1) month option period to be exercised should the Government deem necessary.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The Contractor shall provide a full spectrum of cardiology and interventional cardiology consultative services for cardiac catheterization and interventional cardiology procedures. The Contractor shall provide the facility in which to perform the service including but not limited to professional and technical services, materials, supplies, equipment, qualified supervision and physicians as specified within the performance work statement (PWS). The Contractor's facility must be located within twenty (20) miles of the West Palm Beach VAMC due to the critical nature of the service. The current contract contains 33 diagnosis regulated group (DRG) codes. This requirement is for critical patient care services provided by physicians. The resulting action will be awarded as a fixed priced contract. The period of performance for the interim contract including options will be May 1, 2016 through August 31, 2016. The total estimated cost for the contract is \$645,000.00, including options. The solicitation number is VA248-16-R-0204 and the estimated award date is July 1, 2016.
4. **Statutory Authority Permitting Other than Full and Open Competition:**
  - ( ) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
  - (X) (2) Unusual and Compelling Urgency per FAR 6.302-2(a)(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):** JFK Medical Center is currently performing these services under contract VA248-P-1522. NCO 08 intends to award a contract on a sole source basis to JFK Medical Center, 5301 Congress Ave. 2<sup>nd</sup> Lake Worth, FL 33462. JFK Medical Center's staff has already been credentialed privileged and has already completed the background investigations. JFK Medical Center can continue services without interruption or cessation of

Beach VAMC. The incumbent has the resources to provide the service without impeding patient care and jeopardizing the lives of Veterans. The incumbent has completed contractor personnel security requirements and is equipped to provide services immediately. Additionally, an award to any other source would result in a duplication of costs that the Government does not expect to recover through competition.

JFK Medical Center has been able to provide the necessary cardiologist with the requisite skills to accommodate the additional workload to include emergent cases. Patients who are considered to be hemodynamically unstable and would benefit from emergent cardiac intervention are transferred to JFK Medical Center. JFK Medical has been able to provide the necessary services for these patients in emergent need of a Percutaneous Coronary Intervention or Coronary Artery Bypass/valve surgery. These emergent services have been provided within one (1) hour, upon notification.

For fiscal year 16 (FY16), year to date, █ patients have been sent to JFK Medical Center for emergent procedures. Based on the year to date amount for FY16, Medicine Service projects that an additional █ patients will be sent to JFK Medical Center for emergent services. Not having an interim contract as a short term solution for obtaining care, will be detrimental to the life and welfare of patients requiring these urgent services. If emergency cardiology services are not available for eligible beneficiaries of the West Palm Beach VAMC, it could result in loss of life, law suits and legal fees.

JFK Medical Center is currently performing under a six (6) month extension to a five (5) year contract (VA248-P-1522), which will expire on April 30, 2016. A break in service could result in a burden to patients and will compromise the quality of care. For patients requiring emergent cardiology service this could be fatal. A break in service will also result in serious injury, a financial burden to the Government and could lead to serious loss.

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable: Due to the urgency of this requirement, a synopsis was not posted to fedbizopps. FAR 5.202 (a) (2) allows exception to the requirement of publicizing proposed contract actions due to unusual and compelling urgency circumstances. It has been deemed impracticable to contact other potential sources due to the following: Award to any other source would result in a break in service, jeopardizing the life and welfare of the Veteran population. This is a highly complex requirement to provide a full range of cardiology procedures. Any potential source would require a minimum of thirty days to prepare a proposal for this requirement. Additional time would be needed for start-up requirements. It is highly unlikely that any potential new contractor will be capable of providing these critical services on May 1, 2016. Request for Proposal (RFP) VA248-16-R-0204 will be solicited on the open market as unrestricted. This short term solution is required to continue services in the interim.
7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable: ~~The Contractor has agreed to honor the current pricing, terms and conditions for contract number VA248-P-1522 and any additional work being submitted by JFK Medical Center was conducted by the Contracting Officer. The proposed rates for line item (1) through line item (22) ranged from \$9,620.00 to \$85,586.00, depending on the type of equipment. The Contracting Officer (CO) conducted a search on the Google search engine utilizing the key words "Average Heart Surgery Costs". The CO utilized the Cost Helper Health website as a means to verify cost reasonableness. In accordance with the website, the American Heart Association reports that the~~

average charge for all common heart surgery and procedures not including the physician fee is \$62,509.00. The website identified specific procedures ranging from \$30,588.00 to \$164,238.00. Reference below for table:

<u>Procedure Type</u>	<u>Average Cost</u>
Removal of Plaque	\$30,588.00
Heart Bypass	\$117,094.00
Heart Valve Replacement	\$164,238.00

The price range for the various procedures being conducted at the JFK Medical Center falls well below the average costs of \$30,588.00 to \$164,238.00. Based on the aforementioned, the CO has determined that the pricing submitted by JFK Medical Center remains fair and reasonable representing the best value to the Government. This requirement does not require certified cost or pricing data, technical evaluations or audits.

8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** The CO reviewed the National Acquisition Center Catalog Search Tool (CCST), GSA e-library, VA Western States Network Consortium (WSNC) blanket purchase agreement (BPA) and System for Award Management Websites to locate any potential sources. The CO discovered that the services can only be procured via the open market. Off-site In-Patient Emergency Cardiology services are a commercially available service. The CO was able to locate four (4) potential sources capable of providing the service. The complex requirements of the performance work statement (PWS) and start-up requirements which cannot be deferred or waived, would be cost and time prohibitive for the limited duration of the interim contract. The requirement is usual and customary in a commercial market place and there is not an unusual VA requirement that would exclude the procurement as a commercial service.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** The required services are particularly important in light of the increased emphasis placed by the Veterans Health Administration in improving the quality and accessibility of healthcare to the Veterans they serve. The department is not equipped to accommodate emergent procedures and only performs invasive procedures and diagnostics. Patients whose conditions cannot be treated at the West Palm Beach VAMC and are not considered emergent are transferred to the Miami VAMC. The Government will be severely affected if there is a break in patient care for this service. Contracted Off-Site In-Patient Emergency Cardiology Services are critical to the mission of the West Palm Beach VAMC to provide emergency treatment to our veterans. Approval of this justification for an Unusual and Compelling Urgency, short term procurement is necessary to ensure healthcare services are not discontinued nor interrupted pending contract award of solicitation number VA248-16-R-0204. Veterans could experience serious and traumatic disruptions to their healthcare services which is contrary to the VA's primary mission. This has the potential of resulting in massive negative media publicity that can harm the VA's image and impede the VA's continued mission to provide healthcare.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** There are no other known sources capable of providing the service without causing a break in services but the proposed. Although the CO was able to locate four (4) potential sources. The sources are not likely to express interest in this requirement due to the complexity of the service, lead time for

credentialing and privileging and background investigations. It is not feasible to award to another contractor due to the short duration of this contract.

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 solicitation for the follow-on contract for a base year and four (4), one (1) year options was prepared and submitted to the Medical Sharing Office (MSO) for a pre-solicitation review on January 27, 2016. The Contract Review Board (CRB) was held on April 20, 2016. The long term requirement will be published to fedbizopps soliciting competition amongst Contractors. The solicitation number for the follow-on contract is VA248-16-R-0204.

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.

[REDACTED]

4/26/2016  
Date

13. Approvals in accordance with the

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

SHAUNDRICA M.  
CLOSE 226288

Digitally signed by SHAUNDRICA M. CLOSE  
226288  
DN: dc=gov, dc=va, o=Internal, ou=people,  
0.9.2342.19200100.100.1.1=shaundrica.close@  
va.gov, cn=SHAUNDRICA M. CLOSE 226288  
Date: 2016.04.28 09:53:39 -04'00'

Shaundrica M. Close  
Contracting Officer  
Network Contracting Office 08

4/28/2016  
Date

[REDACTED]

4/28/2016  
Date

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

[REDACTED]

4/28/2016  
Date