

## DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA251-16-AP-1178

1. **Contracting Activity:** Department of Veterans Affairs, Network Contracting Office 11, Jared Tritle, Contracting Officer, supporting the Northern Indiana Health Care System (NIHCS).

2. **Nature and/or Description of the Action Being Processed:**

This Sole Source Justification is for a firm-fixed price contract for reference laboratory testing services to Laboratory Corporation of America, 2331 Maple Ave, Burlington, NC 27215-5848.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:**

This requirement is for reference laboratory testing services for patients of the NIHCS, Fort Wayne, IN Campus located at 2121 Lake Avenue, Fort Wayne, IN 46805. The testing menu will be varied and based upon test orders placed by the clinicians. This request is for the time period of 01/01/2016 through 3/31/2016. Total Estimated value for the three (3) month period of performance is \$210,000.00

4. **Statutory Authority Permitting Other than Full and Open Competition:**

- (v) (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):**

Laboratory Corporation of America has been performing these services via a VISN wide BPA for the last five years. This three (3) months contract bridges the gap between the end of coverage for FY16 Q1 and the start of the new VISN 10 and 12 BPA estimated to be awarded 3/31/2016, which is being competed among FSS and GSA contract holders. In order to change from LabCorp to another vendor, there are numerous tasks that will take considerable coordination. Programming the new pathology lab codes, calibration, IT issues, and validation issues takes at least three (3) months to successfully change vendors. Utilizing the current reference lab testing vendor best ensures

continuity of care. Conversion to a new reference lab for this bridge period would unduly complicate the tracking of patient results and cause the VA to be at significant risk for a patient incident. Changing vendors would also require significant installation of equipment, testing, training of new employees and contractor background investigations which would take at least three (3) months to complete. Currently, Laboratory Corporation of America has all the systems/courier/IT systems/staff in place and no other vendor could be operational by 01/01/2016.

**6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:**

Market research was conducted by the service which determined that this requirement can only be met by Laboratory Corporation of America.

**7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:**

The Contracting Officer will ensure that the price is fair and reasonable prior to contract award. This is anticipated to be done using price analysis utilizing historical pricing from this contractor based on previous FSS pricing which was determined fair and reasonable prior to award.

**8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:**

FSS and the internet were searched; only one reference laboratory was able to provide the required services by 01/01/2016 and that is the incumbent, LabCorp. Market research was conducted by reviewing test menus, services, meeting with Quest Diagnostics and Laboratory Corporation of America representatives. It was evident that only Laboratory Corporation of America could provide the services needed by 01/01/2016 to meet the Government's needs in order to avoid interruption in service.

**9. Any Other Facts Supporting the Use of Other than Full and Open Competition:**

A new FSS BPA is expected to be awarded in FY16 Q3 for facilities in VISN 10 and VISN 12.

**10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:**

Laboratory Corporation of America

**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:**

A full and open competition FSS BPA contract will be awarded in FY16 Q3.

- 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.

\_\_\_\_\_  
Toni Schlichtenmyer  
Manager, PALMS  
Northern Indiana Health Care System

\_\_\_\_\_  
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.

\_\_\_\_\_  
Jared Tritle  
Contracting Officer  
Network Contracting Office 11

\_\_\_\_\_  
Date

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

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Toni Waggoner-Boykin  
Supervisory Contracting Officer  
Southern Tier Services Team  
Network Contracting Office 11

\_\_\_\_\_  
Date