

**DEPARTMENT OF VETERANS AFFAIRS
Rocky Mountain Network Contracting Center VISN 19
4100 E. Mississippi Ave. Suite 900
Glendale, CO 80246**

**JUSTIFICATION AND APPROVAL TO PROCURE
USING OTHER THAN FULL AND OPEN COMPETITION
Radiological Services Contract VA259-12-RP-0304**

Upon the basis of the following justification, use of other than full and open competition for the proposed contractual action is authorized pursuant to the authority of 41 U.S.C. 253(c)(1), FAR 6.302-2 Urgent and Compelling.

JUSTIFICATION

1. Identification of Agency and Contracting Activity.

Department of Veterans Affairs, Rocky Mountain Network Contracting Center (RMCCC), 4100 E. Mississippi Ave, Suite 900, Glendale, CO. Contracting Officer: Danny Freeman; Contracting Specialist: Pamela Devon. The contract will be funded by PR #442-12-1-174-0004. The Request for Interim Contract Authority has been signed by the Cheyenne Medical Center director and the VISN level authority.

2. Nature/Description of Action.

The interim contract is being awarded to ensure uninterrupted radiological services for the Cheyenne VAMC. The contracting activity proposes to negotiate a sole source contract with Ft. Collins Radiological Associates, P.C. in Ft. Collins, Colorado, to provide Radiological services for beneficiaries at the VA Cheyenne Health Care System (CVAMC) in Cheyenne, WY. The current contract expires January 31, 2012, an interim contract needs to be put into place for a three month period with an option to extend for an additional three months. The estimated cost for the three month interim contract is \$238,000.00. An option to extend services for an additional three months will be included in the order for a total cost of services for a six month period of \$ 476,000.00. This does not represent a price increase over the previous contract.

In order to ensure a continuation of services, a long term contract has been created. The long term solicitation completed Quality Assurance and Legal review on January 12th but has not been issued. Changes to the contract were requested and the changes will be reviewed. The long term contract will be for a one base year with four one-year option periods.

3. Description of Supplies/Services.

This requirement provides radiological services for patients at the Cheyenne Veterans Affairs Medical Center (VAMC). The contract includes general radiography exams, computed tomography (CT), ultrasounds (US), magnetic resonance imaging (MRI), and onsite radiological services. Interpretation of images is priced on a per procedure basis and onsite services will be based on an hourly basis. Currently, radiological services require 30 hours onsite services and approximately 1500 image interpretations per month.

4. Identification of Statutory Authority.

The statutory authority permitting other than full and open competition is 41 U.S.C. 253(c) (1), and FAR 6.302-2, Urgent and Compelling.

5. Demonstration of Contractor's Unique Qualifications.

The contractor is located within 45 miles (50 minutes travel time from the Cheyenne VAMC), which is a requirement for the order. The contractor has the following capabilities: close proximity to the Cheyenne VAMC for onsite requirements, the equipment, the facilities, and the qualified personnel to perform services. The contractor is willing to utilize their Medicare guidelines for price and cost for incidental radiological procedure and image interpretation services outside those in the solicitation.

Currently, the Cheyenne VAMC network is not configured to remotely communicate with any other contractor for the transmission and interpretation of general X-rays, CT, US, or MRI images. The Veterans Administration (VA) Information Technology (IT) Group estimates that it would take six months for a new contractor to establish a Business Partner gateway with the Cheyenne VAMC. The VA is required to audit and approve the contractor's network before providing the contractor with VA-IT access. The hardware components would involve setting up a LAN site-to-site IPsec connection, a bridge to the VA Remote Access application for each remote gateway connection.

Ft. Collins Radiological Associates, P.C. has provided quality services to the Cheyenne VAMC over several years under previous contracts for radiological services. Furthermore, they are uniquely qualified to perform the onsite requirements expeditiously if needed.

6. FedBizOpps Announcement/Potential Sources.

Pursuant to FAR 5.202, Exceptions, a Contracting Officer does not need to synopsise if the proposed contract action is made under the conditions describe in FAR 6302-2 (i.e., when urgent and compelling urgency circumstances justify the agency satisfying its need by limiting competition). Since the contract is justified under 6.302-2 urgent and compelling urgency, this action will not be published in Federal Business Opportunities.

7. Determination of Fair and Reasonable Cost.

The Contracting Officer determined that the anticipated cost to the Government will be fair and reasonable based on comparison of historical pricing and proposal received in response to previous radiological solicitation, cancelled due to technical issues with the SOW and negotiations with the offeror to ensure advantageous pricing.

Ft. Collins Radiology Associates have advised the Contract Specialist that the pricing would remain the same for the interim, so the historical pricing data still applies. For the long-term contract, the Contracting Officer will request a pre-award audit by the Office of the Inspector General, prior to start of price negotiations.

8. Description of Market Survey.

Market survey data identified radiological services companies in and around Cheyenne, Wyoming. Four sources were identified that are potentially capable of providing Radiology services under a long term contract. Only two of these contractors are located within the 60-mile radius of the Cheyenne VAMC according to the specifications within the Statement of Work. The other three sources do not have the capability to meet the VA IT requirements for this acquisition without a six-month startup period.

9. Any Other Supporting Data.

There is a six month lead-time to meet the VA IT requirement for the remote reading and interpretation of the radiological imagery between the Cheyenne VAMC and a contractor's facility. Currently, Ft. Collins Radiology Associates, P.C. is set up to receive, transmit, and read all the imagery required by the Cheyenne VAMC and provide weekly onsite radiological services. Ft Collins Radiology Associates, P.C. has provided excellent radiological patient care services for the Department of Veterans Affairs.

10. Listing of Interested Sources

Cheyenne Medical Specialists, P.C.
5050 Powderhouse Rd
Cheyenne, WY 82009

Ft. Collins Radiology
2008 Caribou Dr
Ft. Collins, CO 80525

Wind River Radiology, P.C.
230 Miles from Cheyenne
295 Garfield St
Lander, WY 82520

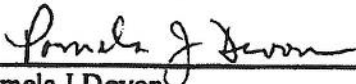
Gillette Internal Medicine Associates
244 Miles from Cheyenne
407 S. Medical Arts CT STE D
Gillette, WY 82716

11. Actions Taken to Remove Barriers to Competition.

As it has been determined that this may be a sole source provider, no actions may be taken to overcome barriers to this acquisition at this time.

12. Requirements Certification:

- a.) 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.



Pamela J Devon

Contracting Specialist
NCO 19, Rocky Mountain Contracting Office


1-18-12

Date:

b. COR: I certify that the justification meets requirements for other than full and open competition.

 ma cos 1/22/12
Dr. Jerry Zang, Chief of Staff
Cheyenne VAMC Date

c. NCM/PCM: I certify that the justification meets requirements for other than full and open competition.

 1/20/2012
Gary Arwood, Acting, Network Contracts Manager
NCO 19 Date: