

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval (J&A)

For

Other Than Full and Open Competition (>\$150K)

Acquisition Plan ID: VA245-17-AP-1633

1. Contracting Activity: The Department of Veteran Affairs, SAO- East, NCO5 Satellite Contracting Office, 1540 Spring Valley Drive, Huntington, West Virginia 25704, is procuring services for the VISN 5, Huntington VA Medical Center, 1540 Spring Valley Drive, Huntington, West Virginia 25704. The funding/purchase request used for this procurement is 581-17-3-123-0030.

2. Nature and/or Description of the Action Being Processed: The Department of Veterans Affairs, Huntington VA Medical Center, located in Huntington, West Virginia, is seeking a four (4) month performance period, Firm-Fixed Price (FFP), Single Award Indefinite Delivery-Indefinite Quantity (IDIQ) contract for Ambulance services to support several counties in Ohio and West Virginia. The VAMC anticipates the award of a FFP, IDIQ contract with Jan-care Ambulance Services, 315 Water Street, Clarksburg, WV 26301-4648, for a performance period beginning 6/1/17 through 9/30/17, on a sole source basis. The resultant contract is the result of a new contract action and not a contract modification.

3. Description of Supplies/Services Required to meet the Agency's Needs: The Huntington Veteran Affairs (VA) Medical Center located in Huntington, WV, requires a contractor to furnish Basic Life Support (BLS) and Advanced Life Support (ALS) Ambulance services to patients and beneficiaries of the VA. The Huntington VAMC provides diagnostic and therapeutic services in medicine and surgery; additionally, this 80-bed facility also provides ambulatory service to those veterans not requiring hospitalization. The contractor must provide all equipment, personnel, supervision, and support to provide these transportation services. All services will be provided in accordance with the terms and conditions of any resultant contract, applicable federal and state regulations, and industry accepted quality standards highlighted in the attached Statement of Work (SOW), and the following criteria:

a. Advanced Life Support (ALS) - ALS shall be provided by ambulance vehicles containing at a minimum an on-board Paramedic, cardiac monitoring, Advanced Cardiac Life Support (ACLS) drugs and procedures, advanced airway management and medication monitoring and administration. Ambulances for ALS services shall be staffed in accordance with current Ohio, West Virginia, and Kentucky state laws and regulations governing the certification and licensure of private ambulances.

b. Basic Life Support (BLS) - BLS is defined as services required for non-critical patient care in which patient requires an ambulance, staffed in accordance with current District of Columbia laws and regulations governing the certification and licensure of private ambulances. This ambulance at a minimum will be staffed with a vehicle operator and an Emergency Medical Technician (EMT).

Based on solid contract history and commercial pricing, the anticipated total contract ceiling for this Single Award IDIQ will be approximately \$500,000.00, with a minimum initial order of \$1,000.00. The base period of performance will start on 6/1/17 and continue through 9/30/17, in lieu of competing and award a follow-on Multiple Award IDIQ, with a one year base and provisions for four option years.

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;

() (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): Pursuant to the exception permitted by the FAR 6.302-2, the Government's need for continued Ambulance

services in support of the Huntington VAMC and Tri-state region are of the most critical to our Veterans. Without uninterrupted Ambulance services to support the Huntington VAMC, our Veterans and their beneficiaries could potentially undergo life-threatening circumstances because of not receiving scheduled, unscheduled and emergency patient care and on-going healthcare treatment. Currently, providing full and open competition through a competitively negotiated acquisition would result in unacceptable and potentially life-threatening delays, caused by the impairment of necessary healthcare delivery capabilities and mission critical services. Consequently, this J&A will document the need to utilize the exception permitted by FAR 6.302-2, to waive full and open competition when there is an unusual and compelling urgency to do so.

6. Description of efforts made to ensure that offers are solicited from as many potential sources as deemed practicable: Market research was conducted beginning in January 2017, by reviewing existing Federal Multiple Award Schedule contracts, Interagency Agreements, VA IDIQs, GSA Schedules, and other contracting vehicles within the VA, displaying an adequate amount of industry capability, while also allowing for robust competition. However, the complexities and licensing limitations for Ambulance companies crossing state lines within the Tri-state region produced several untraditional challenges in the past, thereby eliminating the possibility for a competitive action in the face of such a time-sensitive and mission essential procurement. A Request for Information (RFI) VA245-17-N-0090 was first published to Federal Business Opportunities (FBO) on February 10, 2017 and again via RFI VA245-17-N-0166 on May 3, 2017; both notices for sources sought produced only one response and from the same vendor, the Portsmouth Emergency Ambulance Services, Inc. (PEASI).

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be fair and reasonable: Using contract history and commercial market research as a guide, Medical Administration Services at the Huntington VAMC provided an Independent Government Estimate (IGCE) in the amount of \$500,000.00 for a four (4) month base performance period. The Contracting Officer Representative (COR), Jennifer Lund, developed the IGCE by reviewing existing similar contracts at other VA Medical Center and Huntington's own acquisition history for the same and similar services. The IGCE documents the following:

| Performance Period | Timeframe | Cost Estimate |
|------------------------|------------------|---------------|
| Base | 6/1/17 – 9/30/17 | \$500,000.00 |
| Total Contract Ceiling | | \$500,000.00 |

Since 2012, Jan-Care Ambulance Services, 315 Water Street, Clarksburg, WV 26301-4648, has held the stand-alone Ambulance services contract (VA249-12-C-0293) with the Huntington VAMC. At the time of contract award, the total contract value for such contract was \$5,951,639.70, covering a one year base and four option years. However, billing and invoicing records reveal that, for several reasons, to include the limitations associated with crossing state lines and impeding Kentucky regulations inadvertently requiring Jan-Care to subcontract services to other vendors in counties requiring Certificates of Need not held by Jan-care, the Government ultimately spent approximately \$2,016,000.00 for ambulance services to support the Huntington VAMC, from 2012 to present time. Such contract history reveals an estimated expenditure of approximately \$2M annually for WV, KY and OH. Accordingly, the Contracting Officer has determined that this acquisition strategy would be cost effective and efficient in terms of contract management; and therefore, fair and reasonable.

8. Description of the Market Research Conducted and the Results or a Statement of the Reasons Market Research Was Not Conducted: A Request for Information (RFI) VA245-17-N-0090 was first published to Federal Business Opportunities (FBO) on February 10, 2017, seeking interest from industry regarding a potential full and open, competitively awarded Indefinite Delivery/Indefinite Quantity (IDIQ) contract. Unfortunately, this RFI provided very little response from industry. The Portsmouth Emergency Ambulance Service, Inc., a Service Disabled Veteran-owned Small Business vendor, responded per the RFI instructions and expressed interest in any resultant contract. They met the standards to receive a Government contract and technical, fleet and licensure capacity as well.

However, while the Government originally anticipated soliciting this requirement full and open via the FBO, due to its progressively changing complex nature associated with crossing state lines and the licensing requirements to do so, and in the urgency of time, sole sourcing to multiple capable vendors in the Tri-state area were determined to be in the Government's best interest.

Subsequently, and while concurrently facing legal complications between the current VA contract holder, Jan-care Ambulance Services, and its leading competitor in Kentucky, Tri-Star, the Government decided to sole source multiple awards for the follow-on IDIQ versus opening the acquisition up to full and open competition. Because of this change in strategy, a follow-up RFI VA245-17-N-0166 was posted to FBO on May 3, 2017, requesting interest per a revised draft SOW and request for detailed technical capability and/or licensing information. Once again, Portsmouth Emergency Ambulance Service, Inc. was the only respondent.

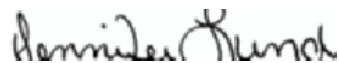
While the Government's market research didn't reveal a robust subcontracting community or two or more capable small business vendors able to justify a total or partial Small Business set-aside, in the future, the Government is interested in awarding one or more IDIQ contracts to small businesses capable of performing Ambulance services in one or several counties in the WV, Ohio and KY Tri-state region. The current plan and strategy is for the follow-on full and open, competitively awarded Multiple Award IDIQ, planned for award no later than September 2017, will encompass two or more Small Businesses.

9. Any Other Facts Supporting the Use of Other than Full and Open Competition: There are no other facts to support this request other than what was previously stated.

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: Portsmouth Emergency Ambulance Service, Inc. (PEASI), is the only vendor that expressed interest in this procurement. Currently, PEASI can only support a few counties in OH and KY and none in WV, although they are pending licensure in the state of WV and will be a viable candidate for a Small Business award for the follow-on. The current contract holder, Jan-care has expressed interest verbally, as well as Trans-Star.

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: There are no current actions planned now. The Contracting Officer recommends a sole source effort for this procurement based on the market research, complexity of this requirement and time sensitivity. This method will be more advantageous and cost effective to the Government in lieu of re-competing the requirement every year and/or experiencing a lapse in critical patient care services.

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.



Jennifer Lund, COR

5/6/2017

Date

13. Approvals in accordance with FAR 6.304

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

Linda Smith, Contracting Officer NCO5

6/7/2017

Date