

## DEPARTMENT OF VETERANS AFFAIRS

### Justification and Approval (J&A) For Other Than Full and Open Competition

Acquisition Plan Action ID: VA69D-17-AP-5763

1. **Contracting Activity:** Department of Veterans Affairs, VISN 12, NCO 12 Great Lakes Acquisition Center, 115 S. 84<sup>th</sup> Suite, Suite 101, Milwaukee Wisconsin, on behalf of the Captain James A. Lovell Federal Health Care Center (FHCC), 3001 N. Green Bay Road, North Chicago, Illinois 60064. The Contracting Activity plans to contract on a sole source basis. This document sets forth the justification and approval as required by FAR 13.501(a).
2. **Nature and/or Description of the Action Being Processed:** Justification and approval for a contract for Radiology Focused Clinical Review services on a sole source basis to Valor Network Inc. (Valor). Award will be an Indefinite Delivery-Indefinite Quantity (IDIQ) contract for a nine-month ordering period pursuant to FAR 13.5 Simplified Procedures for Certain Commercial Items; specifically, FAR 13.501 Special Documentation Requirements in which acquisitions conducted under simplified acquisition procedures are exempt from the requirements of FAR Part 6, but still require a justification using the format of FAR 6.303-2.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The Radiology Department at the Jesse Brown VAMC has an urgent requirement for the reviewing of 3,353 MRI exams, 100 CT exams, and 100 x ray exams as a baseline review. Depending upon the results of the exams, an additional 5,476 exams might need to be reviewed to confirm that the standard of care is met. The VISN 12 Radiology Department has sought the assistance of the current teleradiology provider, National Teleradiology Program (NTP), Hines VA Hospital and the FHCC.

The estimate period of performance is June 1, 2017 through February 26, 2018.

The estimate value of the procurement for the baseline review is \$88,825. If the additional reads are required, the estimated value of the procurement is \$225,725 for the nine-month ordering period.

4. **Statutory Authority Permitting Other than Full and Open Competition:** 41 USC §3304(a)(1), as implemented by FAR 6.302-1, Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements.
5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above:** Due to Jesse Brown VAMC's unexpected decrease in workforce of Radiologists, they are not able to perform this in-depth peer review internally. Therefore, the VISN 12 Radiology Department has reassigned the reviews to other VA Medical Centers within the VISN. To delay the peer review could impact a patient's clinical care and possible outcome. Valor provides teleradiology services at the FHCC and would be able to immediately begin reviewing films after contract award. Valor is the only contractor that has the resources (manpower, experience, technical/operational knowledge and an established Virtual Private Network [VPN] interconnection of the two computer systems, VA VISTA and DOD CHCS) to perform the critical mission for the short-term contract.


VPN access is approved through VA Central Office and takes approximately 6 weeks to 40 weeks. Valor has an approved national Interconnection Security Agreement/Memorandum of agreement. The FHCC requires its contract employees to complete and receive a favorable ANACI background investigation before commencing work on the contract. Valor's Radiologist have received favorable ANACI background investigations. This process would require a lead time of 3-4 months for a new contractor. Radiologist are also required to be credentialed and privileged to perform these duties. This process could take up to 4 months. Valor is the only teleradiology company that has an approved VPN connection, radiologists who are credentialed and privileged enabling them access to patient records, and the favorably adjudicated ANACI background investigations for the radiologists.

Proceeding with an award to any vendor other than Valor Teleradiology Inc. would cause unacceptable delays in determining and identifying whether there are any cases where there is a significant miss in the Radiology report that would impact a patient's clinical case and possible outcome. The consequences would be detrimental to providing timely patient care.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** The Contracting Officer initially contacted the VA national contractor for teleradiology services, NTP. However, NTP was not able to meet the timelines of the delivery schedule. Jesse Brown's Affiliated medical college, University of Illinois (UIC), was contacted as it has radiologists who could potentially come to the VA to perform the services which would eliminate the need for VPN access. Due to the nature of the review and the relationships between UIC physicians and the VA radiologists, it was important for these reviews to be unbiased. Therefore, UIC radiologist were excluded as potential radiologists for this peer review in order to maintain the integrity of the reviews. Aside from NTP and UIC, there are no other sources who would be able to provide these services in a timely manner.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The anticipated cost of the contract will be fair and reasonable. The cost quoted by Valor of each read is \$25.00. The Contracting Officer obtained pricing from XMRI.com that quoted the same rate per read. Based on the two competitor's rates, the Contracting Officer has determined the read rate of \$25.00 per read to be fair and reasonable.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** In accordance with FAR Part 10, Market Research was conducted. The VA's national teleradiology contractor and the VA's affiliate were contacted. A wider search was not conducted because there are no other companies that would have Radiologists who would not have to undergo credentialing and privileging, background investigations or for the company to apply for VPN access.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** To electronically transmit the scans into the two computer systems in use at the FHCC, contractors are required to have an existing approved national Interconnection Security Agreement/Memorandum of Agreement with the VA and DOD. In addition, the Radiologists must have an ANACI Background Investigation prior to working on the FHCC's computer system. Compliance with these two requirements is anticipated to take 6 weeks – 40 weeks, depending on the vendors' prior work history with the VA and DOD. The less history with VA and DOD, the longer it will take to meet these requirements.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** None

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:** An intent to sole source will be posted to the Federal Business Opportunities website and it is not expected to reveal any sources that can meet VA's security requirements. It is not anticipated that VA will require a subsequent acquisition upon completion of this emergency contract.

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.

  
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Frank A. Maldonado, MD  
Associate Chief of Medicine Service  
Federal Health Care Center (FHCC)

5-26-2017  
\_\_\_\_\_  
Date

13. **Approvals in accordance with the VHAPM, Volume 6, Chapter VI: OFOC SOP.**

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

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Patrice R. Bond, Contracting Officer  
Branch Chief, Medical Sharing Team  
Great Lakes Acquisition Center/NCO 12

\_\_\_\_\_  
Date

b. **Director of Contracting /Designee:** I certify the justification meets requirements for other than full and open competition.

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Scott Ivy  
Division Chief  
Great Lakes Acquisition Center/NCO 12

5/30/2017  
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Date