

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA263-18-AP-1199

1. **Contracting Activity:** Department of Veterans Affairs, VISN 23, Fargo VA Health Care System.
Contracting Agency: Network Contracting Office 23
Medical Sharing Team 3 – Minneapolis
Warren E. Burger Federal Building and U.S. Courthouse
316 Robert Street N., Suite 506
St. Paul, MN 55101
2237: 437-18-2-350-0004
2. **Nature and/or Description of the Action Being Processed:** The Fargo VA Health Care System (FVAHCS) has a need for Community Based Outpatient Clinic services in Dickinson, North Dakota. The current contract (VA263-17-D-0129) expires on 12/31/2017 with no contract extensions available. A new contract has been awarded, but the award was protested; causing a stay of contract performance. The incumbent contractor is CRAssociates, Inc. The purpose of this award is to provide continuity of services until such time as the protest is ruled upon. This award will be a five (5) month Fixed-Price Indefinite Delivery, Indefinite Quantity (IDIQ) contract.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The services required are a Contractor provided Community Based Outpatient Clinic (CBOC) in the vicinity of Dickinson, North Dakota. Contractor will be required to provide all facilities, management, staffing, and operation of the CBOC. Payment will be based on a Per Member/Per Month (PM/PM) basis with an estimated patient enrollment of 850 Veterans. The Independent Government Cost Estimate (IGCE) for this acquisition is \$662,276.75 for the five (5) month period. The period of performance will be 01/01/2018 through 05/31/2018.
4. **Statutory Authority Permitting Other than Full and Open Competition:**

(X) (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):** The management, staffing, and daily operation of a CBOC is considered highly specialized and requires as much as 120 calendar days

lead time in the establishment of a new, contractor run facility. As mentioned above, a long-term contract has been awarded, but the award was protested; causing a stay of contract performance. The current contract expires on 12/31/2017. Until such time as the protest can be ruled upon, it is not feasible for a different contractor to stand up a new CBOC for a limited time, and with the limited time available. Additionally, any new contractor would roll all start-up costs into the first period of performance, resulting in a substantial increase in cost to the Government.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Prior to issuance of the solicitation, an Intent to Sole Source will be published to the Government Point of Entry for a period of 10 days.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** Prior to award, the Contracting Officer will provide a determination on price reasonableness. Proposed prices will be compared to previously awarded contracts for similar services (historical comparison) and a comparison to local market prices. The Fair and Reasonable Determination will be uploaded to the contract file.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** It was determined that the appropriate North American Industry Classification System (NAICS) code for this procurement is 621498 "All Other Outpatient Care Centers" with a size standard of \$20.5 million.

A search of the Department of Veterans Affairs Vendor Information Page (VetBiz) using NAICS 621498 and the keyword "Outpatient Clinic" yielded no results.

A search of the Small Business Administration's Dynamic Small Business Search using NAICS 621498 and keyword "Outpatient Clinic" yielded zero providers.

Previous procurements conducted by this office for CBOC services have yielded up to five (5) different offerors providing proposals. As mentioned above, three proposals were received on the most recent procurement.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** All relevant facts have been stated above.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** Nothing Noted
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:** As stated above, a long-term procurement is currently in process. The solicitation was posted as "Unrestricted". This procurement is only for the purpose of providing continuity of services until such time as a long-term contract can be awarded.
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.

Ryan Buatala
Facility Contract Liaison
Fargo VA Medical Center

8 Nov 17

Date

13. Approvals in accordance with the [VHAPM Part 806.3 OFOC SOP](#):

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

11/08/2017

Scott E. Hendrix
Contracting Officer
Network Contracting Office 23

Date

- b. **One Level Above the Contracting Officer (Required over \$150K but not exceeding \$700K)**: I certify the justification meets requirements for other than full and open competition.

11-8-2017

Shea Colby
MST 3/Branch Chief
Network Contracting Office 23

Date