

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA260-17-AP-8168

- 1. Contracting Activity:** Department of Veterans Affairs, VISN 20, Portland VA Healthcare System (PVAHSC), Pathology and Lab Medicine (648/P2PATH); Purchase Request 648-18-2-065-0003
- 2. Nature and/or Description of the Action Being Processed:** This is a request for other than full and open competition to establish a short-term bridge contract for Blood and Blood Products to be provided by the American Red Cross (ARC) as needed for transfusion services throughout the hospital.

FAR 13.5 Simplified Procedures for Certain Commercial Items: This procurement is for Blood and Blood Products in accordance with FAR 13.5 Test Program for Certain Commercial Items and specifically FAR 13.501 Special Documentation Requirements, where 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 or Services Required to Meet the Agency's Needs:** This contract is needed so that the laboratory transfusion service (Blood Bank) can continue to supply blood and blood products as required throughout the hospital. The American Red Cross will supply blood and blood products to the PVAHSC on a Routine, ASAP and STAT basis. Approximately 4500 units of Leukocyte reduced RBC's, 3500 units Frozen Plasma and other blood\blood products are needed by the facility for this period of performance. The estimated value of this purchase order will be \$700,000.00. This needs to be awarded in time for a 1 January 2018 start date, to ensure no disruption in providing transfusion services for clinical, emergency, and surgical units. The estimated period of performance for this purchase order is 1 January 2018 to 30 June 2018. FAR clause 52.217-8, "Option to Extend Services", will be included to ensure that there will be no break in service and sufficient time exists to establish a new IDIQ contract for blood and blood products.
- 4. Statutory Authority Permitting Restriction in 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;

This is urgent and compelling because the change in requirements was just discovered on 18 December 2017 due to an inconsistency in the Statement of Work compared to the end user's requirements.

FAR 13.5 Simplified Procedures for Certain Items: The authority for applying the Simplified Procedures for Commercial Items of FAR 13.5 is 41 U.S.C. 1901 and is implemented by for restricting competition on this procurement via FAR 13.106-1(b)(2).

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 Government would be seriously injured in addressing critical patient care if the agency complies with the time periods required in FAR 5.203. The proposed vendor is the American Red Cross (ARC). The American Red Cross has a proven record of providing the necessary blood products to the PVAHCS. ARC has sufficient collection capability to provide the volume of blood products required by this medical center and meets the strict collection and screening requirements of the Food and Drug Administration (FDA), American Association of Blood Banks (AABB), and College of American Pathologists (CAP) as required by the Veterans Administration to ensure a safe blood supply. ARC has the ability to deliver the blood products in the required timeframe and has the ability to deliver the blood products from other geographic regions when blood is in short supply in this region. Furthermore, the service line anticipates a 6-month onboarding process to change to a new provider and a delay of this length would prevent the VA hospital from accomplishing its mission of providing medical care for Veteran patients.
6. **Description of Efforts Made to Ensure that Offers are Solicited from As Many Potential Sources as Deemed Practicable:** A search using VetBiz, FDA website and AABB website was conducted to identify potential blood suppliers and determined that there are only two contractors capable of fulfilling this requirement for the PVAHCS; The American Red Cross and Bloodworks Northwest. The American Red Cross is the only one who can begin performance immediately.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The ARC is a world-wide supplier of blood and blood products with well-established prices. The Government intends on requesting the best available prices offered to ARC customers in the region and will ensure that prices obtained are at the very least equal to those offered to other commercial companies/agencies. While the cost of blood products in the market can be volatile, this will be a Firm Fixed Price contract where the per-unit prices are predetermined and the Government only pays for consumables it actually uses. It is therefore, anticipated that the cost to the Government will be fair and reasonable.
8. **Description of the Market Research Conducted and the Results, or Statement of Reasons Market Research was not Conducted (FAR 10):** This emergency bridge contract will not be synopsized due to urgency, which is due to the lack of a complete response received to the RFQ (36C26018Q0095) and the subsequent redefining of the requirement that needs to be completed.
9. **Any Other Facts Supporting the Restriction of Competition:** The overall purpose of this requirement is to ensure the availability of life-saving blood and blood products when needed for routine and emergency situations. This requires a supplier with the ability to establish and make use of a large network of blood collection, handling, testing, treatment, storage, and distribution capabilities in order to address the needed responsiveness for quality and timely delivery of blood and blood products with very little notice. A competitive acquisition cannot be accomplished by the

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needed start date. To delay the requirement would be both dangerous and contrary to the VA's mission to veterans.

10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** Bloodworks Northwest expressed an interest, but indicated they would not submit a quote due to the short turn-around for quote/performance. They did express interest in the future long term contract and they will be notified when the solicitation will be posted.

11. **Statement of 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:**
This acquisition action is being issued in order to meet the minimum requirements and prevent catastrophic blood shortages while competitive procurement is conducted for a new blood and blood products contract.

12. **Requirements Certification:** I certify that the requirement outlined in this justification is a bonafide 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.

Jeffrey Abel
Contract Specialist

Date

13. **Approvals in accordance with VAAR 806.304 Deviation Memorandum (dated Aug 8, 2016).**

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

Bethany Ireton
Contracting Officer, Service Team 2
Network Contracting Office 20

Date

b. **One Level Above the Contracting Officer (Required \$150K and Above):** I certify the justification meets requirements for other than full and open competition.

Karen Dailey
Branch Chief, Services Team 2
Network Contracting Office 20 (NCO 20)

Date