

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Procurement, Acquisition, and Logistics
Technology Acquisition Center
23 Christopher Way
Eatontown, New Jersey 07724
2. Description of Action: The proposed action is for a firm-fixed-price delivery order to be issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurements (SEWP) V Government wide Acquisition Contract (GWAC) for the renewal of brand name International Business Machines (IBM) Infosphere Master Data Management (MDM) annual software subscription, software maintenance services, and technical support.
3. Description of the Supplies or Services: The proposed action is for the renewal of brand name IBM Infosphere MDM annual software subscription, software maintenance services, and technical support for the Veterans Health Administration (VHA) Office of Information Assurance implemented at VA's Austin Information Technology Center (AIRC). The IBM Infosphere MDM provides unique patient identity services for VHA, allowing enterprise-wide correlation of patient information residing at separate Information Technology (IT) systems throughout the VHA facilities. The licensed software contains critical product functionality that meets the Government's needs. The Contractor shall provide software maintenance services, which includes periodic updates, enhancements, and corrections to the software, and technical support, which is inclusive of online technical support, enhanced self-help and search capabilities (24 hours by seven days) and voice support; all of which are customarily provided by the Contractor to its customers so as to ensure that the software will perform according to its specifications, documentation, and demonstrated claims. The period of performance is from January 1, 2018 through December 31, 2018, plus three 12-months option periods for continued support services. The total estimated price of the proposed action is [REDACTED] inclusive of options.
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c)(2) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(B), entitled "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized."
5. Rationale Supporting Use of Authority Cited Above: Based on market research as outlined in Section 8 of this Justification, limited competition is anticipated amongst authorized resellers for this requirement. IBM or authorized resellers of the brand name Infosphere MDM annual software subscription renewal, software maintenance services, and technical support can meet VA's requirements. In 2005, VA procured the original Initiate software (now named IBM Infosphere MDM). In 2009, additional licenses were procured to accommodate growth in the Veteran population. This current proposed action is to address the current needs that have grown since 2009.

No other brand name software, other than the IBM Infosphere MDM software, can meet all of VA's interoperability and compatibility requirements. Specifically, VA has a functional requirement to utilize software that provides a probabilistic algorithm that is fully interoperable and compatible with the existing Master Veteran Index (MVI) and Administrative Data Recovery (ADR) database currently deployed at AITC. The IBM Infosphere MDM software is the only brand name software that can provide this VA functionality as it is the only software that provides a probabilistic algorithm and the matching algorithm that's interoperable with the MVI and ADR database. VA uses the IBM algorithm to avoid creating duplicate entries in the MVI and ADR database. Accurate data in the MVI and ADR is critical for patient safety. The MVI provides unique patient identity services for VHA allowing for the enterprise wide correlation of patient information residing at disparate IT systems throughout VHA facilities. Without the renewal of the IBM Infosphere MDM annual software subscription and support, VA will not be able to receive critical software updates, enhancements, software corrections, and technical support; posing an immediate risk to VA's MVI. Specifically, the current system and software communicates through a source code that is based on IBM Infosphere MDM proprietary data. Furthermore, even if another brand name software had a probabilistic algorithm, switching to another solution provider for software subscription and support would invalidate all of the current probabilistic matching indices for the approximately 40 million identities managed by the MVI resulting in patient safety issues and exposing the wrong person's data. This is due to the proprietary coding that currently manages and makes up these identities. This invalidation would result in patient safety issues resulting from clinical data being associated with the wrong person. VA uses IBM probabilistic algorithm that takes into account variability and data entry to avoid duplications in the system and ensure the right person is selected. When these instances are found, a notification is either sent out or goes into the workflow to resolve the issue. The renewal of IBM Infosphere MDM annual software subscription, software maintenance services, and technical support is vital to VA's MVI, patient safety and to ensure that IBM Infosphere MDM software remains secure, reliable, and fully supported. Finally, only IBM or an authorized reseller can provide the aforementioned services required since access to the IBM proprietary code is needed to ensure all the services provided are properly configured and all updates and upgrades and properly developed and pushed through.

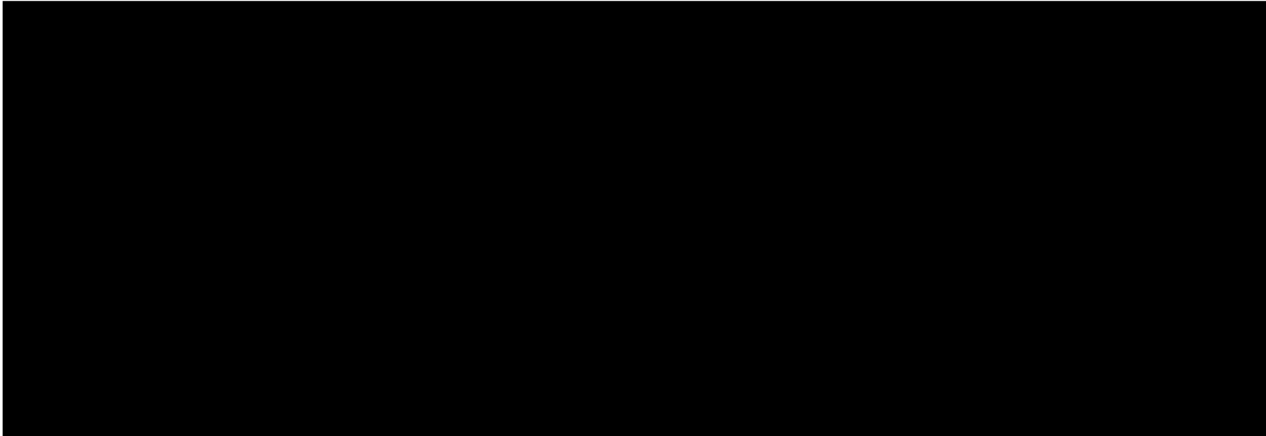
6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. It was determined, however, that limited competition is viable among authorized resellers for this brand name item. In accordance with FAR 5.301 and 16.505(b)(2), this action will be synopsisized at award and the justification will be made publicly available on the Federal Business Opportunities Page within 14 days of award of the order.

7. Actions to Increase Competition: In order to remove or overcome barriers to competition in future acquisitions for this requirement, the agency will continue to conduct market research to ascertain if there are changes in the marketplace that would enable future actions to be fully competed.

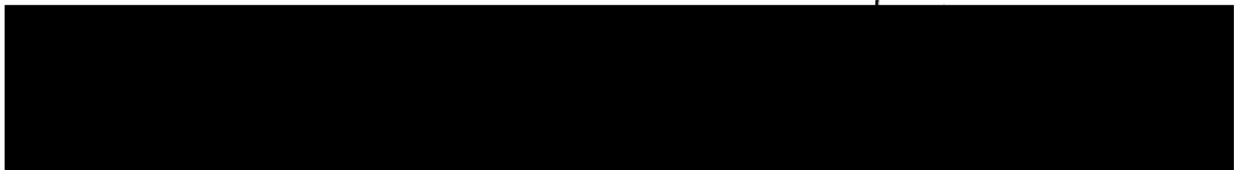
8. Market Research: In November 2017, the Government's technical experts conducted market research to ascertain the ability of any other source, other than an IBM reseller could provide the aforementioned services. Specifically, the Government's technical experts conducted web-based research on the internet for products such as Oracle Identity Manager and CA Identity Manager. As a result of the market research, the technical experts determined that these products cannot meet VA's functional requirements due to the reasons outlined in Section 5 of this Justification above. VA's implementation of IBM Infosphere products contains proprietary components, which only allow IBM authorized resellers to meet VA's requirement. Furthermore, additional market research conducted on NASA SEWP in November 2017 identified multiple IBM authorized resellers. The requirement discussed herein has been found to be within scope of NASA SEWP V GWAC in a separate determination. As a result of the aforementioned market research, VA intends to issue a Request for Quotation on NASA SEWP V GWAC.

9. Other Facts: N/A.

10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.



11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on anticipation of competition and discounts among NASA SEWP V GWAC resellers of the required brand name IBM MDM annual software subscription renewal, software maintenance services, and technical support. Additionally, catalog pricing for SEWP V GWAC holders has already been determined by NASA to be fair and reasonable. Finally, price analysis shall be conducted by comparing the successful quotation with the independent government cost estimate.



12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief.



Approval

In my role as procuring activity Advocate for Competition, based on the foregoing justification, I hereby approve the acquisition IBM Infosphere MDM annual software subscription, software maintenance services, and technical support on an other than fair opportunity basis pursuant to the authority cited in paragraph 4 above, subject to availability of funds, and provided that the property and services herein described have otherwise been authorized for acquisition.

