

DEPARTMENT OF VETERANS AFFAIRS

Justification for Single Source Awards IAW [FAR 13.106-1](#) For Over Micro-Purchase Threshold but Not Exceeding the SAT (\$150K)

Acquisition Plan Action ID: [VA259-18-AP-4260](#)

1. **Contracting Activity:** Department of Veterans Affairs, Network Contracting Office 19 (NCO19) in support of the VA Eastern Colorado Healthcare Center.
2. **Brief Description of Supplies/ Services required and the intended use/Estimated Amount:** This requirement is for a Community Nursing Home (CNH) that can provide long term care needs for Veterans in the city of Castle Rock, Colorado. The CNH must meet the requirements outlined in the performance work statement. The CNH must be licensed by the state of Colorado and certified as a Center for Medicare and Medicaid Services (CMS). The CNH must follow the guidance in VA Handbook 1143.2 for CNH. This requirement is estimated to start March 1, 2018 and will run for three (3) months. The estimated value of the Purchase Order is \$56,961.90.
3. **Unique characteristics that limit availability to only one source, with the reason no other supplies or services can be used:** There are currently 2 veterans in the Community Nursing Home in the city of Castle Rock, Colorado. The current agreement expires on February 28, 2018. The patient can not be moved due to of continuity of care, and medical complexity. Therefore, continued services are required until a long-term agreement can be put in place. A short-term purchase order is contemplated to allow a long-term Indefinite-quantity contracts (IDC) to be awarded.
4. **Description of market research conducted and results or statement why it was not conducted:** Market Research was conducted in accordance with FAR Part 10 to ensure competition is sought to the maximum extent practicable. The Medicare website (medicare.gov) was utilized to find all available, certified nursing homes in the Castle Rock, Colorado area. Only two (2) CNH "Brookside Inn, and Castle Rock Care Center, they hold the mandatory CMS certification required by the VA. A search of the Small Business Administration website utilizing the NAICS code 623110 (Nursing Care Facilities (Skilled Nursing Facilities)) for Castle Rock returned no vendors. A search through VetBiz failed to produce any results for Castle Rock, CO.
5. **Contracting Officer's Certification:** The Medicaid rates are used as the basis for pricing for CNH contracts. The Medicaid rates are established by each state. The VA Geriatrics and Extended Care Office publish the maximum add-on percentages that can be negotiated for each Medicaid category or Resource Utilization Group (RUG). The IDC CLIN structure will reflect the RUGS IV levels of care (VA Base Rate) plus an add-on percentage that makes up the per-diem rate for each level of care. The Contracting Officer will determine that prices are fair and reasonable for each level of care, when it negotiates both the VA Base rate and an add-on percentage for each level of care. Prices are determined to be fair and reasonable based on a negotiated mark-up percentage that does not exceed the maximum allowable percentage established by VA. The add-on percentages do not change through the life of the contract. These maximum add-on percentages can be found in the Veterans Health Administration Procurement Manual Community Nursing SOP (Attachment 17).

Purchase is approved in accordance with FAR13.106-1(b). I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Prepared by:

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Date

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Date