

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA257-18-AP-4666

1. **Contracting Activity:** The U.S. Department of Veterans Affairs, Amarillo Contracting Office, NCO 17, located at 7201 I-40 West, Suite 100, Amarillo TX 79106 proposes to enter into a firm-fixed price contract on the basis of justification for other than full and open competition (OTFOC) for the North Texas VA Healthcare System (NTVAHCS), NCO 17, located at 4500 S. Lancaster Road, Dallas, Texas, 75216. The 2237 number is 549-18-3-235-0164.
2. **Nature and/or Description of the Action Being Processed:** The North Texas Dental Laboratory services every VA dental clinic in the nation, which includes 220 such clinics. The dental lab has 10 FTE laboratory technicians and receives and sends out 300-500 dental cases per day. Due to the overflow of work coming into the laboratory, approximately 45% of the workload is being outsourced. The NTVAHCS is requesting the sole source purchase of all necessary personnel, materials, equipment, services, and facilities to fabricate appliances for the dental laboratory. It is the intent of the Contracting Officer to award this requirement as a firm-fixed-price short-term contract.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The following list details the needed dental appliances:
 - Flexible Partial Dentures – Fully fabricated
 - Flexible Partial Dentures – Setup for Try-in
 - Flexible Partial Dentures – Process and Finish
 - Complete Denture – Process and Finish
 - Transitional Removable Partial Denture (RPD) w/ Wrought Wire Clasps
 - Partial Denture – Setup for Try-in
 - Partial Denture – Process and Finish
 - Fabrication of custom trays, Record Bases and Occlusal wax rims
 - Fabrication of Hard Acrylic Night Guards
 - Fabrication of dual Laminate bite guards
 - Fabricate Diagnostic Wax-ups
 - Fabricate Provisional Crowns and Fixed Partial Dentures

The total estimated amount for six months of services is \$400,000.00. The quantities vary monthly based on patient needs during a given month. The period of performance will be from April 1, 2018 through September 30, 2018.

4. **Statutory Authority Permitting Other than Full and Open Competition:**

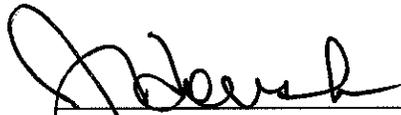
- () (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;

- (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;

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** Dental Arts Laboratory, Inc. is currently providing the subject services for the NTVAHCS under contract number VA257-17-P-2785. The current contract is scheduled to expire on March 31, 2018. There are no remaining options or extensions available on the expiring contract. The North Texas Dental Laboratory provides dental appliances throughout the entire VA. To preclude a serious and substantial impairment of VA mission performance, award of the proposed short-term contract is critical to continue direct patient care. If these services do not continue, anywhere from 150 to 300 dental cases per day would have to be fee-based on the open market, causing unnecessary delays in veteran patient care, as well as substantial duplication of costs to the Government that would not be recovered. There are no viable open market sources that would be responsible or responsive to the requirement in the immediate timeframe required.
6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Due to the urgent and compelling nature of this requirement efforts could not be made to ensure offers were solicited from all potential sources. It is in the best interest of the agency to award an interim contract to Dental Arts. It is not practicable under these circumstances to seek other sources as no other sources have been identified that are positioned to meet the Government's needs on the immediate basis required by the Government. Dental Arts can provide the required services in the immediate timeframe without a lapse in services to the Government while future efforts are made to identify other potential vendors who may be interested, responsive and responsible. Research has determined that the Strategic Acquisition Center (SAC) is procuring a national contract for use throughout the VA for these services; however, award of the SAC contract is still several months out. The award of a short-term contract will ensure that these critical services continue in support of Veteran patients.
7. **Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** In accordance with FAR 13.106-3(a)(2)(ii), comparison of the proposed price with prices found reasonable on previous purchases, the proposed price of this short-term contract has been determined fair and reasonable. The pricing for the previous six month period is \$289,241.25. The estimate for the next six months is \$400,000.00. Although this estimate is more than the previous six month period, the using service has provided for additional funding as the quantities and items needed for these services can fluctuate from month to month.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Minimal market research was conducted due to the urgency of the requirement. No other vendor is able to meet the Government's need here without substantial delays in implementation that would cause harm to the delivery of healthcare by the VANTHCS; specifically the ability to provide dental support to the entire VA system, comprised of 220 dental clinics. As such, adverse patient outcomes would be unavoidable. It is

the intent that further market research will be conducted for a base plus four contract following the award of this short-term contract.

9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** As previously stated, inability to award this action would cause avoidable adverse Veteran patient outcomes by delay in providing the needed dental appliances throughout the nation. The North Texas Dental Laboratory services every VA dental clinic in the nation, which includes 220 such clinics.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** Dental Arts Laboratory, Inc.
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:** Future services shall be procured using full and open competition to the maximum extent possible. Upon receipt of a follow-on procurement package, acquisition planning shall commence on the contemplated action. A new procurement package is requested to be submitted no later than 5-01-2018. A milestone schedule shall be developed and coordinated with all interested parties. Planning to determine if an Order may be placed against a pending SAC contract vehicle shall be accomplished. As additional market research, it is the intent to publish a Request for Information (RFI), or a Sources Sought Notice to FedBizOpps (FBO) to identify vendors no later than 5-14-2018, provided receipt of an actionable procurement package on 5-01-2018.
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.



James Houston
Program Analyst, Dental Service
North Texas VA Health Care System

3/30/2018
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.

Mark Branum
Contracting Officer
NCO 17 – Amarillo, TX

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.

Jeff Morris
Division Chief
NCO 17

Date