

JUSTIFICATION FOR AN
EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Procurement, Acquisitions and Logistics
Technology Acquisition Center
23 Christopher Way
Eatontown, New Jersey 07724
2. Description of Action: The proposed action is for a modification to firm-fixed-price Task Order (TO) VA11817F10260011 issued under the Transformation Twenty-One Total Technology Next Generation (T4NG) Contract VA118-16-D-1026. The purpose of this modification is to incorporate a requirement for the addition of the Debt Management Center (DMC) located in St. Paul, Minnesota as an additional site location for the services detailed and already being performed under Performance Work Statement (PWS) paragraphs 5.3 through 5.8 and all associated subparagraphs within the Task Order.
3. Description of the Supplies or Services: This TO provides implementation, configuration and testing of the capability to support Consolidated Patient Account Center (CPAC) remote scanning of various claims-based documents and transmitting them electronically to the Veterans Affairs – Financial Services Center (VA-FSC). Specific services include analysis, configuration, testing, security integration, training, go live support, and documentation. This modification will incorporate a requirement for the addition of the Debt Management Center (DMC) located in St. Paul, Minnesota as an additional site for the services described and performed under PWS paragraphs 5.3, “Remote Scanning and Transmission Analysis”, 5.4, “Implement Remote Scanning in the Test/Development Environment”, 5.5, “Production Environment”, 5.6, “User Acceptance Testing (UAT)”, 5.7, “Training to CPAC and DMC Personnel”, and 5.8, “Debt Management Center Hardware”. The DMC collects debts resulting from individuals’ participation in VA benefit programs and manages VA’s benefit debt portfolio. The centralized debt collection program’s primary mission is to collect debts as efficiently and cost-effectively as possible. Under this modification, the Contractor shall establish and implement a solution at the DMC which will allow for the efficient and expedited processing of debt-based documents as well as email correspondences and electronically transmit them to the VA-FSC where they can be uploaded to a centralized Document Management System. The period of performance for establishing and implementing a solution at the DMC shall coincide with the remainder of the base period of performance as well as provide for license maintenance in the option periods. This Justification and Approval only covers the addition of the DMC site to the current task order and not the justification for the requirement to utilize brand name Kofax software, which is covered under a separate Justification and Approval. The total estimated price of this modification is [REDACTED]

4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(C), entitled "The order must be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to an order already issued under the contract, provided that all awardees were given a fair opportunity to be considered for the original order."
5. Rationale Supporting Use of Authority Cited Above: The proposed source for this action is ProSphere Tek, Inc. 1101 Ling St., Alexandria, VA 22314. ProSphere Tek was awarded the original Task Order (TO) on August 11, 2017 on a competitive basis. Awarding the proposed action as a logical follow-on provides significant economic and efficient value to the Government. Based on contracts for similar services, any other source other than ProSphere Tek would require [REDACTED] in duplicative costs to create a solution that would allow them to meet VA's requirements.

The existing Contractor, ProSphere Tek, currently has an established scanning and document processing solution that has been tested and fully implemented at the VA- FSC as well as the CPACs in Smyrna, TN and Lebanon, PA. The scanning and document processing solution incorporates an analysis of the current scanning process, implementation of the remote scanning functionality in a test/development environment, deployment of the remote document scanning and transmission solution from the test/development environment to the VA production environment, user acceptance testing, as well as to provide training for the remote scanning process. DMC requires the aforementioned services and established solution in order to timely and efficiently process debt-based documents as well as email correspondences. Modifying the current TO in order to incorporate the DMC as an applicable site under this task order will ensure efficient use of mission critical services required for VA to be able to execute its mission to deliver timely, efficient and accurate document processing.
6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. In accordance with FAR 5.301 and 16.505(b)(2), this action will be synopsisized at award on the Federal Business Opportunities Page (FBO) and the justification will be made publicly available.
7. Actions to Increase Competition: There are no barriers to future competition. In the case of a new requirement or follow-on task order for the Kofax CPM Professional Services Support, it is anticipated the action will be solicited on a competitive basis.
8. Market Research: The Government's technical experts performed market research on December 2017 to determine if any other source other than ProSphere Tek is capable of

Kofax CPM Professional Services

meeting the Government's requirements. The Government's technical experts visited the websites of multiple T4NG prime Contractors and reviewed each Contractor's core competencies as well as testimonials on the specific work required. While sources were found that have the general capabilities of providing the required services, no source was found to have the established processes or that could economically and efficiently provide the services required in a seamless manner within VA's required timeframe without resulting in duplicative costs and delivery delays. It was determined that utilizing an already existing TO is the most efficient and suitable method for receiving the analysis, testing, and implementation services. Based on the market research, ProSphere Tek, Inc, as the incumbent Contractor, has the already established processes in place and possesses the technical expertise and experience to perform the services required to analyze and implement an efficient and timely scanning solution for the DMC site.

9. Other Facts: None.

