

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval (J&A) For Other Than Full and Open Competition (>SAT)

Acquisition Plan Action ID: 36C256-19-AP-0017

1. Contracting Activity:

Department of Veterans Affairs, Network Contracting Officer (NCO) 16- Biloxi on behalf of
Southeast Louisiana Veteran Health Care System
2400 Canal Street
New Orleans, LA. 70119

Fiscal Year 2019- Purchase request transaction #: **629-19-1-179-0003**

2. Nature and/or Description of the Action Being Processed:

This proposed sole source acquisition is to obtain, by use of other than full and open competition, the procurement of a Community Based Outpatient Clinic (CBOC) for Primary Care and Mental Health Care services by means of an emergency bridge two-month contract with two-month option to the incumbent contractor who is currently performing under contract VA256-17-D-0072. This is due to a protest received 09/17/2018 in response to award of the new long-term contract 36C25618D0122. The award was made 08/30/2018. We are seeking an urgent bridge contract for two months with the current provider Concentra/VALOR from 10/1/2018-11/30/2018. This will allow sufficient time to take corrective action and award a new long-term IDIQ contract. No resoliciting of 36C25618R0078 will occur. The service shall be provided at the established CBOC in the city of Houma, Louisiana located at 6433 W. Park Ave, Houma, LA 70364-2238.

3. Description of Supplies/Services Required to Meet the Agency's Needs:

The proposed action is to provide continued Primary Care, Women's Care, and Mental Health services to maintain the CBOC operations to bridge the gap until the new long-term contract can be awarded. Contractor provides the facility, clinical staff, administrative support, equipment, and labor necessary to support the clinical environment. This clinic services the Veterans throughout Terrebonne Parish. The NAICS code for this procurement is 621498 – All Other Outpatient Care Centers with a small business size standard of \$20.5 Million.

The proposed sole source action will be awarded for the period of October 1, 2018, through November 30, 2018, with two-month option, as a new fixed price bridge IDIQ contract 36C25619D004. Estimated Value with option: \$1,280,995.20

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

(X) (2) Unusual and Compelling Urgency per FAR 6.302-2;

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 original CBOC was established in 2004 in order to improve Veteran access to primary and mental health care and to meet the increasing demand for outpatient services in the Central Southern market for VISN16. Existing contract #VA256-17-D-0072 is expiring September 30, 2018, which currently provides the needed services and has proven to be beneficial to the Veteran constituents of Houma, LA, and Terrebonne Parish.

VALOR Healthcare is the Incumbent Contractor and has been providing services since the opening of this CBOC in 2004. They have worked very closely with the SLVHCS's staff, patients, and resources within the SLVHCS. They have also gained significant knowledge of the current CBOC operations. This continued relationship is crucial until the new long-term contract is put into place. VALOR has an intimate knowledge of the patients, VA requirements, and SLVHCS Infrastructure. If another vendor is selected, additional risk would be incurred as the new contractor's staff may not fully understand the care required nor have the experience to care for our unique Veteran population. Furthermore, another source would require at least a minimum of ninety (90) to one-hundred twenty (120) days start up time to include backgrounds and credentialing/privileging and also a learning curve while gaining familiarity with the SLVHCS computerized patient record system (CPRS) and our Veterans. This is time that is not available except with the award of the new long term 5-year IDIQ contract.

The new contract 36C25618D0122, which was awarded to Valor Healthcare under solicitation 36C25618R0078 was awarded under full and open competition on 08/30/2018. A protest was received on 09/17/2018. Under legal guidance, the contract is being terminated, and corrective action is being taken by the undersigned Contracting Officer. No resoliciting is required.

Without this bridge, the SLVHCS would have to completely shut down this CBOC which would cause our Veterans to have to seek their healthcare elsewhere. This could also negatively affect our Veterans continuity of care and would also have economic repercussions on the Government as the cost of their outside healthcare would be significantly higher than providing "in-house". With services at a VA established CBOC, the VA has quality monitoring in place to measure the exceptional care that our Veterans receive and deserve. This same quality monitoring is not afforded to the VA when care is provided outside in the community which could deem fatal for our Veterans in certain cases.

The new long-term contract is anticipated to be awarded by NLT November 1, 2018, with an effective date of March 1, 2019, at which time the Bridge Contract would have expired (February 28, 2019).

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:

Market research was not conducted, details of which are in the market research section of this document. In accordance with FAR 5.301 and 6.302-2, this action will be synopsized at award

on the Federal Business Opportunities Page (FBO) and the justification will be made publicly available.

7. Determination by the CO that the Anticipated Cost to the Government will be Fair and

Reasonable:

The Contracting Officer has determined the price to the Government will be fair and reasonable based on the fact that the Bridge pricing is based on the current contract price (PMPM-capitated rate) with an increase due to the increase in the estimated quantities.

8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons

Market Research Was Not Conducted:

Formal Market Research was not conducted for this bridge based on the urgency of the requirement. This J&A shall be posted to www.fbo.gov. This action is only to allow sufficient time for the undersigned CO to take corrective action of the award of solicitation 36C25618R0078. No resoliciting is required.

9. Any Other Facts Supporting the Use of Other than Full and Open Competition:

Requirement is not suitable for competition among all other interested parties at this time. This is due to the amount of time it requires to credential the physicians and to process their background checks along with the other staff. If there are no current physicians that meet those specific requirements then this would truly cause undue harm to the patients and to the Government if not acquired from the current contractor, Valor Healthcare, at this time.

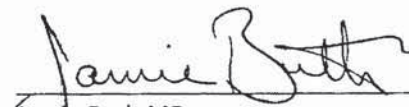
10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:

Not listing, as this is considered source selection information. Sufficient competition was received for solicitation 36C25618R0078.

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:

A new long-term contract is anticipated once corrective action has been taken for solicitation 36C25618R0078 by the undersigned CO. As stated above in Paragraph 5, it is anticipated to be awarded by NLT November 1, 2018, with an effective date of March 1, 2019, at which time the Bridge Contract would have expired (February 28, 2019).

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.


Jamie Butth MD
Associate Chief of Staff for Clinics
SLVHCS

10/2/18
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.

Melanie K. Hawley 224580	<small>Digitally signed by Melanie K. Hawley 224580 Date: 2018.10.04 10:24:48 -05'00'</small>	10-4-2018
<hr/>		<hr/>
Melanie Hawley Contract Specialist Network Contracting Office 16, Biloxi, MS		Date

- b. **One Level Above the Contracting Officer (Required over SAT but not exceeding \$700K):** I certify the justification meets requirements for other than full and open competition.

David W. Miller 382161	<small>Digitally signed by David W Miller 382161 Date: 2018.10.04 13:24:15 -05'00'</small>	
<hr/>		<hr/>
David Miller Chief, Division I Network Contracting Office 16		Date

- c. **Director of Contracting/Designee (Required over \$700K):** I certify the justification meets requirements for other than full and open competition:

AARON VILLALPANDO 178014	<small>Digitally signed by AARON VILLALPANDO 178014 Date: 2018.10.05 09:58:44 -05'00'</small>	
<hr/>		<hr/>
Aaron Villalpando Director of Contracting Network Contracting Office 16, SAO Central		Date

- d. **VHA SAO HCA Review and Approval:** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and recommend approval (if over \$68 million) or approve (\$700K to \$68 million) for other than full and open competition.

TERRY L. SPITZMILLER 394683	<small>Digitally signed by TERRY L. SPITZMILLER 394683 Date: 2018.10.17 09:00:08 -04'00'</small>	10/17/2018
<hr/>		<hr/>
Terry L. Spitzmiller Acting Executive Director, SAO Central SAO Central Head of Contracting Activity (HCA)		Date