

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: 36C242-19-AP-2105

1. **Contracting Activity:** Department of Veterans Affairs, NCO 2, Canandaigua VA Medical Center, 400 Fort Hill Avenue, Building 34A, Canandaigua, NY 14424
2. **Nature and/or Description of the Action Being Processed:** The Albany Stratton VA Medical Center, a part of the New York/New Jersey VA Health Care System (VISN 2) currently has a contract with Valor Healthcare (VA528-13-D-0155) for Community Based Outpatient Clinic (CBOC) services in Kingston, New York that expires on October 31, 2019. All allowable contract extensions under 38 USC 8153 have been exhausted. To avoid a break in critical patient care services, NCO 2 on behalf of the Albany Stratton VA Medical Center is requesting a sole source interim contract for the continuation of services pursuant FAR 6.302-1, Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements. NCO 2 intends to award a six month, firm fixed price, Indefinite Delivery Indefinite Quantity (IDIQ) contract to the incumbent contractor (Valor Healthcare) and include FAR clause 52.217-8 – Option to Extend Services to provide for an up to six month extension. The interim contract will be from November 1, 2019 through April 30, 2020.
3. **FAR 13.5 Simplified Procedures for Certain Commercial Items:** This procurement is for Community Based Outpatient Clinic (CBOC) services in Kingston, New York in accordance with FAR 13.5 Simplified Procedures for Certain Commercial Items and specifically FAR 13.501 Special Documentation Requirements, where acquisitions conducted under Simplified Acquisition Procedures are exempt from the requirements of FAR Part 6, but still require a justification using the format of FAR 6.303-2.
4. **Description of Supplies/Services Required to Meet the Agency's Needs:** The Albany Stratton VA Medical Center has a continuing need for Community Based Outpatient Clinic (CBOC) services in Kingston, New York. The clinic provides primary care services (to include the facility, equipment, furniture, supplies, staff (providers, nurses, phlebotomists, and clerks), telehealth, and space for VA mental health staff to treat approximately 1,774 veterans. The CBOC functions as an extension of the Albany Stratton VA Medical Center for veterans who are unable to travel 1.5 hours to the VAMC or another CBOC. The interim contract is needed to maintain services for six months (November 1, 2019 through April 30, 2020) until the long term contract can be awarded. The estimated cost for this period of performance is \$661,526.36. The NAICS code for this procurement is 621498 – All Other Outpatient Care Centers.
5. **Statutory Authority Permitting Other than Full and Open Competition:**
 - (X) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
 - () (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;

FAR13.5 Simplified Procedures for Certain Commercial Items: The authority for applying the Simplified Procedures for Commercial Items of FAR 13.5 is 41 U.S.C. 1901 and is implemented by for restricting competition on this procurement via FAR 13.106-1(b)(2).

6. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** The current contract with Valor Healthcare has provided community based outpatient clinic services on behalf of the Albany Stratton VA Medical Center at this location for the last five years. The contractor has been performing in accordance with the contract in a satisfactory manner with no breaks in service. In accordance with FAR 6.302-1, there is only one responsible source that can fulfill this requirement at this time. The follow-on/interim contract would allow for continued services during the long term contract procurement process which is underway (solicitation 36C24219R0001 is posted on FBO.gov). Without this interim contract, approximately 1,774 veterans would not have to critical primary and mental health care in the area. Moreover, due to the complexities involved in a transition to another contractor who could provide the same or similar services, care would undoubtedly be disrupted. Any sort of gap in the continuity of said services would have a detrimental impact on those veterans in that geographic area. It is therefore necessary to provide continuous services from the incumbent contractor until a new, long term contract is awarded.
7. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Due to the nature of the services required to be performed by the incumbent, based on the reasons outlined above, offers are unable to be solicited from any other source other than the incumbent contractor.
8. **Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** The cost of the interim, short term contract will be approximately the same as the current contract. The Contracting Officer determined that the anticipated cost to the Government will be fair and reasonable because the cost is consistent with the current contract whereby price was deemed fair and reasonable from full and open competition and price analysis.
9. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Due to only one source being able to perform this requirement, market research was limited in scope. In order to determine the incumbent's technical capability, the following market research tasks were conducted:
 1. SAM Registration was verified
 2. Recent and relevant past performance was discussed with the COR to ensure there are no performance issues
10. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** This interim, short term contract is required to provide uninterrupted services while pursuing a long term contract. It would be impossible to compete a short term contract and would not be practical for a new contractor to start these complex services in such a short amount of time. A competitive 10 year contract (one base year with (9) one year options) is expected to be awarded by December 31, 2019.
11. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** No other sources have expressed written interest in this acquisition.

12. 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: In accordance with 38 USC 8153, a competitive solicitation (36C24219R0001) for a long term contract is currently posted on FBO.gov. NCO 2 will continue to monitor the market to ensure sole source requirements are avoided.

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.

Heather Schrader
Contracting Officer
NCO 2

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.

Allan M. Preston
Supervisory Contract Specialist
Branch Chief, Medical Sharing, NCO 2

Date