

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: 36C252-19-AP-3642 (eVideon Patient Engagement System)

1. **Contracting Activity:** Department of Veterans Affairs, Veterans Integrated Service Network (VISN) 12, Network Contracting Office (NCO) 12, Great Lakes Acquisition Center, 115 South 84th Street, Milwaukee, WI 53214. VA2237 # 695-20-1-133-0035.
2. **Nature and/or Description of the Action Being Processed:** This procurement is for an upgrade and renewal of the eVideon patient engagement system, developed, maintained, and distributed solely by Optimal Solutions, Inc, 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. This new contract action will be, awarded on a firm-fixed price basis and includes a 12-month base period of performance with four 12-month option periods.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** Oscar G. Johnson VA Medical Center, 325 East H Street, Iron Mountain, MI 49801, has a requirement for eVideon, which provides patient education, entertainment, and staff communication via a server-based system comprised of a mix of proprietary and commercial equipment and software components. eVideon was first installed at Johnson VAMC in 2014 and has since become indispensable to the patient care regimen at that facility, leading to this requirement for an upgrade and renewal of eVideon services.

Total estimated value (Base and four Option Years): \$449,464.00

Base period of performance: October 1, 2019 – September 30, 2020

4. **Statutory Authority Permitting Other than Full and Open Competition:** This acquisition is conducted under the authority of 41 U.S.C. § 1901, simplified acquisition procedures, as implemented in FAR 13.501.
5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):**
 - (a) **Background:** The service to be acquired by this procurement action is the eVideon patient engagement system, developed, maintained, and distributed solely by Optimal Solutions, Inc. As detailed in Paragraph 3, a patient engagement system provides a mix of patient education, entertainment, and staff communications, and is typically a server-based

system comprised of an amalgam of proprietary and commercial equipment and software. These systems are provided by a number of companies, but each system requires its own mix of proprietary and commercial equipment and software. These systems are not interoperable; in other words, the only way to switch systems is to completely remove the proprietary components of the previous system in order to install a new one.

- (b) Duplication of Cost: The eVideon system was initially installed at the Johnson VAMC in 2014, in accordance with Contract Number VA69D-13-C-0370, at a cost of \$343,436.00. The follow-on contract, Contract Number VA69D-14-C-0392, was a Base Year with 4 Option Years providing subscriptions services for the installed system. Based on the initial contract for installing the eVideon system and that current patient engagement systems are similar, it is a reasonable assumption that the cost of installing a new patient engagement system would exceed \$350,000.00, not including the follow-on subscription services. Given that eVideon has provided exemplary service for the past five years, it would be patently unreasonable to unnecessarily expend so much money to replace a system that is working well.
- (c) Unacceptable Delays: Patient engagement systems, including eVideon, are integrated into the daily operation of their facilities and are integrated into the patient-care regimen. Even the loss of a single day's availability of eVideon would cause exceptional hardship for patients and staff coping with the loss of the communication and treatment tools that this system provides. Based on the delivery schedule for the initial installation contract, the best estimate is that it would take approximately 2½ months to install a new system, not counting the down-time required to remove the current system. Such a delay, given Johnson VAMC's dependence on the eVideon system, is unacceptable.
- (d) Unique Capabilities: As previously noted, eVideon has been in use at Johnson VAMC for the previous five years, resulting in system proficiency for the staff. While proficiency and trust in a patient engagement system, in and of itself provides a unique capability, eVideon also provides a unique integration ability with VA systems in that it provides bi-directional communication with the VA's Vista and Computerized Patient Record System (CPRS) systems. This integration directly into the VA's systems provides greater efficiencies in tracking and facilitating patient care. Taken together – system proficiency and systems integration – eVideon provides unique capabilities as compared with other patient engagement systems.
- (e) Unique Supplier: As noted above, Optimal Solutions, Inc. developed the eVideon system and is the sole authorized dealer for this system.
- (f) Conclusion: Based on the foregoing, Optimal Solutions, Inc. is the only business capable of providing the eVideon patient engagement system, described in Paragraph 3, above, without the Veteran's Health Administration experiencing substantial duplication of cost that could not be expected to be recovered through competition, unacceptable delays in fulfilling its requirements, and a loss of the unique capabilities provided by eVideon.

- 6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** A Notice of Intent to Sole Source was posted to FBO on September 13, 2019, thus providing notice that the Government intends to conduct a sole source acquisition of the eVideon system from Optimal Solutions, Inc. for the reasons noted in Paragraph 5. This Notice expired on September 19, 2019, and there were no responses to this Notice, thus constituting a waiver of any subsequent objections to this sole source acquisition.
- 7. Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** Patient engagement systems, including eVideon, are “mix-and-match” systems, meaning that each system is uniquely tailored to a facility’s needs. FPDS shows that eVideon awards to Optimal Solutions, Inc. range from approximately \$9,000 to over \$2.5 million. Given that perspective, the IGCE of \$449,464.00 appears reasonable, particularly in light of the most recent award to Optimal Solutions, Inc. for eVideon, as reported via FBO, which was a sole-source award of \$468,020.00 on July 30, 2019.
- 8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:**
- (a) **Patient Engagement System Sources:** Market research began with Internet searches to quantify the components of a patient engagement system and identify potential sources for this system. Research indicated that, apart from Optimal Solutions, Inc., other businesses that provide patient engagement systems include GetWell Network, Inc., Cerner Corporation, and Sonifi Health Incorporated. As described in Paragraph 5(a), however, each of these systems uses proprietary equipment and software, thus negating any interoperability between systems. Accordingly, switching patient engagement systems would require the removal of the proprietary components of that system in order to build a new system with new equipment and software. Therefore, for the reasons set forth in Paragraph 5, it is in the best interests of the Government to maintain the eVideon system at Johnson VAMC.
- (b) **eVideon Sources:** Concluding that maintaining the eVideon system was the best option, the next step was to identify potential sources for that system. The following systems were checked: VIP, SAC, NAC, eCMS, GSA, SEWP, FBO, FPDS, and SBA. There were no results from VIP, SAC, NAC, and GSA. eCMS showed that every contract for eVideon had been awarded to Optimal Solutions, Inc. SEWP identified three SDVOSBs that were potential vendors of eVideon, but none of them were authorized resellers. FBO showed a sole source acquisition for eVideon from Optimal Solutions, Inc. on July 30, 2019, which was confirmed by FPDS. In addition, FPDS showed a total of 10 awards have been made to Optimal Solutions, Inc. for eVideon since 2012, while no other vendors have been awarded an eVideon contract. Finally, SBA showed only Optimal Solutions, Inc. as a seller of eVideon. All this information corroborated the letter provided by Optimal Solutions, Inc., dated May 3, 2019, which stated that it is the only authorized dealer for eVideon.

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

Although Optimal Solutions, Inc. is not an SDVOSB or VOSB, it is a Small Business, per the SBA.

10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** None.

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:**

So long as the eVideon patient engagement system is utilized by Johnson VAMC and its developer, Optimal Solutions, Inc. continues to be the sole authorized dealer, acquisition of this system will continue to be on a sole source basis.

12. **Approvals in accordance with the [VHAPM Part 806.3 OFOC SOP](#):**

- a. **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.

Services Team 2 Branch Chief
Network Contracting Office 12
Great Lakes Acquisition Center