

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action IDs: 36C252-20-AP-0003

1. **Contracting Activity:** Department of Veterans Affairs, NCO 12 Great Lakes Acquisition Center, 115 S. 84th Street, Suite 101, Milwaukee Wisconsin, on behalf of the William S. Middleton Memorial Veterans Hospital (Madison VAH), 2500 Overlook Terrace, Madison, Wisconsin 53705. This is a Justification for Other Than Full and Open Competition for the services requested.
2. **Nature and/or Description of the Action Being Processed:** This procurement is for Eating Disorder Treatment Program Services for the Madison VAH 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 is a Justification and approval request to award a new contract on a sole source basis to Rogers Memorial Hospital for partial hospitalization and inpatient residential eating disorders treatment programs. The awarded contract will be firm-fixed price Indefinite Delivery, Indefinite Quantity.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The Madison VAH does not have the capability to provide in-house mental health behavioral eating disorder services. All services provided under this contract will be either at the Rogers Memorial Hospital – Rogers Behavioral Health located at 406 Science Drive, Suite 110, Madison, Wisconsin 53711 or at Rogers Memorial Hospital – Oconomowoc Main Hospital (inpatient and residential care) located at 34700 Valley Road, Oconomowoc, WI 53066. The contractor will provide Partial Hospitalization Eating Disorders Treatment at the Madison location 6 hours a day / 5 days a week and Residential Eating Disorders Treatment 24 hours a day / 7 days a week at the Oconomowoc location for patients who are referred through the outpatient Mental Health care at the William S. Middleton Memorial Veterans Hospital. The treatment services are the same for both levels of care and include support that is offered by the contractor's staff psychiatrists, physicians, psychologists, social workers, nurses, occupational therapists, substance abuse counselors and other eating disorder specialties. Rogers will engage patients in activities that promote nutritional stability, abstinence from eating disorder behaviors, independence, decision making, coping strategies, stress reduction and recovery goals. Specific activities and services that will be available are cognitive behavioral therapy (CBT) to address the anxiety that often occurs with an eating disorder, exposure and response prevention (ERP) working through "hierarchies" of behavior to achieve change and build resilience, experiential therapy (which includes art and recreational therapy) to challenge thinking patterns, nutritional education and planning, family involvement that teaches families skills for success at home, dialectical behavioral therapy (DBT), case management, treatment plans and treatment plan reviews, psychiatric evaluation and consultation, on-site medication management, crisis management, health and wellness activities and supportive education activities. The performance period will be October 1, 2019 through September 30, 2024. The estimated value of the procurement will be \$1,108,650 for the five-year ordering period contract.

4. Statutory Authority Permitting Other than Full and Open Competition: The authority for applying the Simplified Procedures for Commercial Items of FAR 13.5 is 41 U.S.C. 1901 and is implemented by restricting competition on this procurement via FAR 13.106-1(b)(2).
5. Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above: Madison VAH's Mental Health Service (MHS) does not have the capacity to provide in-house eating disorder services for its patients. The MHS was informed that the Milwaukee VA Medical Center was obtaining the same services locally through Rogers Memorial Hospital (Rogers). Rogers offers partial and residential eating disorder treatment programs. Partial hospitalization services are provided six hours per day / five days a week at the Madison, WI location (406 Science Drive, Suite 110) which is three miles from the Madison VAH. The residential hospitalization services are provided 24 hours a day / 7 days a week at the Oconomowoc, WI location (34700 Valley Road) which is approximately 55 miles from the Madison VAH. The treatment services are the same for both levels of care and include support that is offered by the contractor's staff psychiatrists, physicians, psychologists, social workers, nurses, occupational therapists, substance abuse counselors and other eating disorder specialties. Rogers will engage patients in activities that promote nutritional stability, abstinence from eating disorder behaviors, independence, decision making, coping strategies, stress reduction and recovery goals.

Rogers Memorial Hospital is the only source that provides partial hospitalization and inpatient residential eating disorder treatment programs near the Madison VAH. Proceeding with an award to any contractor other than Rogers Memorial Hospital would result in veterans having to continue to receive services through the Veterans Care Provider (VCP) in Iowa or multiple contracts being awarded in order for both partial hospitalization and inpatient residential services to be obtained. The transitioning of services between multiple providers could cause unacceptable delays in fulfilling the requirements of the Madison VAH and would not result in continuity of services. The consequences would be detrimental to providing timely veterans care and meeting VA mission.

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable: Intent to Sole Source Notice 36C25219Q0778 was posted on July 23, 2019 requesting responses from interested parties by July 31, 2019. The posting included a description of Madison VAH's requirement that included the need for the contractor to provide both partial and inpatient residential treatment eating disorder programs and the need to have a current accreditation from the Behavioral Health Certification Section issued by the State of Wisconsin Department of Health Services. The Contracting Officer did not receive any responses to the posting.
7. Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable: The Contracting Officer determined that the anticipated cost of the contract will be fair and reasonable based on a comparison with VA Fee Schedule rates. The quoted daily per diem rate for the Residential Eating Disorder Program is \$1,029 and for the Partial Hospitalization Program is \$655. These rates were verified by the Milwaukee VA Medical Center and Madison VAH's Community Care Provider staff as the currently approved VA Fee Schedule for these services. The Contracting Officer will obtain the current Fee Schedule rates on an annual basis to ensure that the bill rates are consistent with the VA Fee Schedule.
8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted: In accordance with the Veterans First Contracting Program (Rule of Two) and FAR Part 10, Market Research was conducted using NAICS code 621420 and key word search "Eating Disorder" on Vendor Information Page (VIP), Small Business Administration (SBA) website, Federal Procurement Data System (FPDS), GSA e-Library, Google search and an Intent to Sole Source Notification published to Federal Business Opportunities (FBO).

VIP: Resulted in four vendors (Behavioral Health Resources, LLC [VOSB]; Operation Art District Healthcare LLC [SDVOSB]; Professional Counseling Associates of Port Royal, LLC [SDVOSB]; and Lafredia F Taylor [SDVOSB]). After careful review of each organization, it was determined that Behavioral Health Resources, LLC is a management consulting firm with a primary focus of providing accreditation consultation and technical assistance for new and existing CARF-accredited organizations. Operation Art District Healthcare LLC's mission is to improve the overall mental health of military veterans by increasing the cognitive and social functions of military veterans suffering from and/or diagnosed with a mental illness. Professional Counseling Associates of Port Royal, LLC's capabilities statement did not indicate that it provided eating disorder services and it only services South Carolina. Lafredia F Taylor provides therapeutic counseling services in Alabama.

SBA: Identified South Texas Liberty Alliance Group Inc. located in San Antonio, Texas and Potomac Behavioral Solutions Incorporated in Arlington, Virginia. Neither of these companies provide eating disorder programs in Wisconsin.

FPDS: Resulted in one large business, International SOS Government Services. This contractor provides health care support services to U.S. active duty service members, their family members, retirees and other TRICARE-eligible beneficiaries. The contract that was identified was awarded by the Defense Health Agency. The contractor does not provide partial hospitalization or residential eating disorders treatment programs. Moreover, the contractor provides services to Tri-Care eligible patients only and all veterans are not Tri-Care eligible.

GSA eLibrary: Identified publication medias (books, pamphlets, etc.).


Google: Identified the following 10 business through the search.

1. Aloria Health: Contract Specialist was informed that the company will close its doors in 2019.
2. Aurora Behavioral Health: Contract Specialist spoke to the Contracting Vice-President regarding treatment programs. It can provide outpatient/inpatient services; however, only at its Wauwatosa, WI location.
3. The REDI Clinic: Contract Specialist verified that it did provide these types of services, but it does not service the state of Wisconsin.
4. Edelweiss Behavioral Health: Does not provide partial hospitalization and inpatient residential eating disorders treatment programs.
5. Evolve Healing: Does not provide partial hospitalization and inpatient residential eating disorders treatment programs.
6. The Renfrew Center of Chicago: Treatment facility in Chicago for adolescent girls and women.
7. Eating Recovery Center, Chicago – ERC Insight Behavioral Health Centers: Provides specialized treatment for mood and anxiety disorders. Located in Illinois and Texas. Does not provide partial hospitalization and inpatient residential eating disorders treatment programs.
8. Linden Oaks Behavioral Health – Provides a comprehensive eating disorders program that is in Illinois. Does not provide partial hospitalization and inpatient residential eating disorders treatment programs.
9. Red Oak Counseling: Does not provide partial hospitalization and inpatient residential eating disorders treatment programs.
10. Rogers Memorial Hospital / Rogers Behavioral Health (Madison & Oconomowoc locations): Provides the requested services.

Intent to Sole Source Notice: A notice was published on July 23, 2019. No responses were received.

In summary, market research efforts did not identify any other vendors that would be able to meet the current needs of the Madison VAH.

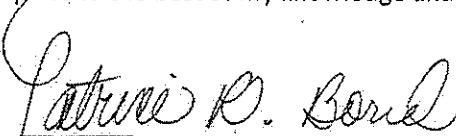
9. Any Other Facts Supporting the Use of Other than Full and Open Competition: Market research efforts did not identify any vendors other than Rogers Memorial Hospital that can provide inpatient and residential eating disorder programs to Madison VAH patients. The partial hospitalization program is located less than three miles from the Madison VAH and the residential program is approximately 55 miles from the Madison VAH. The eating disorder treatment programs are not available at the VA and the services are not provided through Community Care in Madison at this time. The Milwaukee VA Medical Center currently obtains services through Rogers for its beneficiaries for both eating disorder treatment programs. The Madison VAH's Mental Health Service Chief has identified seven Madison VAH patients who would benefit from these programs. Madison VAH is currently obtaining these services through a VCP located in Iowa. This is the closest program to the Madison VAH and the Madison VAH's mental health group has determined that using a VCP located in Iowa makes it difficult to monitor patients effectively and to appropriately manage patient care. Proceeding with an award to Rogers will allow Madison VAH patients the ability to easily transition between inpatient and residential eating disorder treatment program services while still being able to obtain treatment/services through the VA.
10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: No vendors have expressed interest in providing these services.
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: Market research will be conducted for future acquisitions for these services. A Sources Sought Notice will be posted in an attempt to foster competition.
12. Requirements Certification: I certify that the requirement outlined in this justification is a Bona Fide Need of the William S. Middleton Memorial Veterans Hospital 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.


Dr. Timothy Juergens
Chief, Mental Health Service
Madison VAH

August 23, 2019
Date

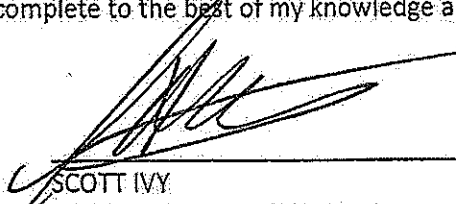
13. Approvals in accordance with the VHAPM Part 806.3 OFOC SOP:

- a. Contracting Officer Certification: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.


PATRICE R. BOND
Contracting Officer
NCO 12

8/23/2019
Date

- b. Division Manager Certification: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.



SCOTT IVY

Division Manager, NCO 12 - Equipment,
Medical Sharing, Services & Supply

8/23/2019
Date

- c. Director of Contracting: I certify the justification meets requirements for other than full and open competition.



PAUL M. LAURO

Director of Contracting
NCO 12

23 Aug 2019
Date

- d. VHA RPO 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 approve for other than full and open competition.

TERRY L.
SPITZMILLER
394683

Digitally signed by TERRY
L. SPITZMILLER 394683
Date: 2019.08.30 06:59:44
+05'00'

TERRY L. SPITZMILLER
Executive Director
Regional Procurement Office Central (VHA)

08/30/2019
Date