

# DEPARTMENT OF VETERANS AFFAIRS

## Justification and Approval

For

### Other Than Full and Open Competition

1. **Contracting Activity:**

Department of Veterans Affairs, Rocky Mountain network Contracting Center (RMCC), 4100 E. Mississippi Ave, Suite 900, Glendale, CO. Contracting Officer: Adina Torberntsson. Justification for Other Than Full and Open Competition. This Contract will be a definitive contract awarded to a unique source. This contract is funded annually with a 2237 document. A Request to Buy Healthcare memo has been signed by VISN leadership, and is located in the file. The Request to Buy Healthcare Memo states that there is a need for this service for one year, with four option years. Performance will be located at the Sheridan VA Healthcare System located at 1898 Fort Road, Sheridan, WY 82801. The facility does not have funding for travel or relocation expenses for this procurement.

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

This Contracting Activity proposes to negotiate a sole source contract with the Sheridan Pathology Associates to provide consultative pathology services for beneficiaries at the Sheridan VA Healthcare System. The current bridge contract expires on April 30, 2013. Historically there have been sole sourced bridge contracts in place. A survey of the market indicates that the current Contractor is in fact a unique source to provide these services. In order to ensure a continuation of services, a long term contract with one base year and four option years will be put into place. The estimated total cost for one base year and four option years is: \$414,110.00.

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

This requirement is to provide consultative pathology services to the VA Sheridan Healthcare System. The contract will include consultative services averaging about 12 hours a week of services. This position is required per VA Handbook 1106.01. Per VA Handbook 1106.01, "In a very small or remotely located VA medical center, or in any VA medical center where a pathologist cannot be successfully recruited, or there is not enough surgical pathology or cytopathology workload to justify a full-time or part-time surgical pathologist in the laboratory, the services of a board-certified, qualified, licensed consulting pathologist must be retained to serve as the laboratory director. This consulting pathologist must ensure the laboratory director responsibilities are discharged as cited in 42 CFR 493.1445."

4. **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;

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):**  
This requirement is being sole sourced under FAR 6.302-1 as a unique source for this service. Per VA Handbook 1106.01 the Sheridan VA Healthcare System is required to have a consultative pathologist on staff. This individual would have to be located in Sheridan in order to routinely perform these services on a weekly basis. Market research has indicated that the Sheridan Pathology Associates are the only practicing pathologists located in Sheridan. A sources sought notice was published for this requirement on April 2, 2013. There were no responses from vendors regarding this procurement. As the only licensed and practicing pathologists in Sheridan, WY the Sheridan Pathology Associates is a unique source within a very limited and remote market.
6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:**  
A sources sought synopsis was issued on April 2, 2013. The synopsis was published on the fedbizops website and was issued number: VA259-13-R-0495. No responses were received for this sources sought. A search of the Sheridan, WY yellow pages also lists Sheridan Pathology Associates as the only pathology group practicing in Sheridan. Searches of SAM and Vetbizops also resulted in negative search results for pathologists performing in Sheridan, WY. The US Census Bureau reports that Sheridan, WY had a population of 17,517 people in 2011. With such a small population, it seems highly probable that there is only one pathologist group for that limited market.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:**  
The Contracting Officer determined that the anticipated cost to the Government will be fair and reasonable based on market research data from historic contracts, statistics from the Bureau of Labor and Statistics, and comparison to the Independent Government Cost Estimate. Once the proposal for the long term procurement is submitted by the Contractor, the Contracting Officer will begin negotiations with them in order to ensure that the pricing is fair and reasonable to the Government.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:**  
Pursuant to FAR Part 10 market research was conducted for this procurement. Market research was conducted both to determine the availability of this service within the Sheridan market, and also to determine the price range for such services.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:**  
Currently Sheridan Pathology Associates and the Sheridan VA Healthcare System are working together under contract VA259-12-D-0143. The quality of performance documented by the COR has been excellent. For a limited need of only 12 hours per week, for a remote location, this procurement needs to be awarded to a local offeror. The additional cost of contracting with an outside pathologist group to provide transportation, room, and board for only 12 hours a week of work would be prohibitively expensive.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:**  
Sheridan Pathology Associates

1401 W. 5<sup>th</sup> St.  
Sheridan, WY 82801-2705

**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:**

As it has been determined that this is a sole source provider, no actions may be taken to overcome barriers to this acquisition.

**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.

  
Sean Bonnet  
Supervisory Medical Technologist  
Sheridan VA Healthcare System

Date 4/30/2013

**13. Approvals in accordance with FAR 6.304**

**a. Contracting Officer's Certification (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

  
Adina Torberntsson  
Contracting Officer  
NCO 19

Date 4/30/13

**b. Supervisory Contracting Officer:** I certify the justification meets requirements for other than full and open competition.

  
Adrian Blackman  
Supervisory Contracting Officer  
NCO 19

Date 4/30/13

**c. NCM/PCM (Required \$3K and above):** I certify the justification meets requirements for other than full and open competition.

  
Curtis Jordan  
Network Contract Manager  
NCO 19

Date 4/30/2013