

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7111 Security Boulevard, Mail Stop B3-30-03
Baltimore, Maryland 21244-1850



OFFICE OF ACQUISITION AND GRANTS MANAGEMENT

FEDERAL SUPPLY SCHEDULE LIMITED-SOURCES JUSTIFICATION

Acquisition Title: Enterprise Infrastructure Solutions (EIS) Transition Support

Agency: Centers for Medicaid and Medicare
Services (CMS)

Acquisition Year: 2022

Author: [REDACTED]

1. Description of Action:

Nature

- ☐ New Requirement
- ☒ Follow-On Order
- ☐ Modification of Existing Purchase Order / Contract Number

Contract Type

- ☒ Firm-Fixed Price
- ☐ Time and Materials
- ☐ Cost Plus Fixed Fee (CPFF)
 - ☐ Term
 - ☐ Completion
- ☐ Cost Plus Award Fee (CPAF)
- ☐ Other: _____

Projected Cost / Price: [REDACTED]

Funding Source (s): [REDACTED]

Name of Proposed Contractor(s):

Sierra 7

2273 Research Blvd,
Rockville, MD 20850

2. Description of Supplies or Services:

The estimated value of the proposed action, including all options, is [REDACTED]

[REDACTED] Infrastructure Solutions (EIS) Transition is defined as the movement of services from the expiring Networkx, WITS3, and Regional local service agreement (LSA) contracts to

GSA's EIS multiple award IDIQ Contract. Enterprise Infrastructure Solutions (EIS) is the contract for enterprise telecommunications and networking solutions offering mandatory services such as Virtual Private Network Service, Managed Network Service, Voice Service and Ethernet. EIS is the follow-on contract vehicle for Networx, WITS3 and LSA contracts. Networx and WITS3 provided voice and data services under multiple task orders. In addition, several LSAs were utilized and offered telecommunications and network services, such as Voice over Internet Protocol (VoIP) and local and international telephone service.

All agencies using Networx, WITS 3, and Local Telecommunications contracts must transition to the GSA Enterprise Infrastructure Solutions (EIS) contract or another vehicle before May 2023. In August 2017, GSA awarded IDIQ contracts to ten firms as the follow-on contract GSA vehicle to Networx, WITS3 and LSA contracts. In August 2020, Health and Human Services (HHS) Awarded an EIS Task Order on behalf of several HHS Operating Division (OpDivs) that included services for CMS. The new HHS EIS task order consolidates [REDACTED] lines of inventory, [REDACTED] numbers of lines of pricing and Contract Line Item Numbers (CLINs) with an annual projected spend of [REDACTED] when the transition is complete. The new HHS EIS Task Order consolidates [REDACTED]

To aid in the transition of these services between contract vehicles, CMS contracted for EIS Transition Support by issuing a GSA Federal Supply Schedule (FSS) based task order to the firm "Sierra 7 (formerly HMS Technologies)" which expires September 2022. The order was awarded in September 2017 with a one-year base period of performance and four, subsequent, one-year option periods. The current order expires on September 14, 2022.

However, additional transition support is needed after the current expiration date of the transition support order. Specifically, work is needed to refine task order management processes and to bring the project to a steady state status. In particular, GSA has developed a new billing system ([REDACTED]) to replace the TOPs/WITS, TOPs Ordering, and E-Morris legacy systems for billing under EIS. However, [REDACTED] is not yet capable of producing the data and reporting that is required to manage analysis of the extensive inventory. Furthermore, the EIS [REDACTED] system and the EIS portal are not currently robust enough to provide the reporting capability necessary to analyze the billing and inventory data that CMS requires. An updated schedule for the availability of these systems has yet to be published. As part of the CMS EIS Support Contractor requirements, the CMS EIS Support Contractor is responsible for inventory, billing, and budget reporting in a manual capacity and will need to continue these efforts until GSA is able to provide the reporting as required to manage the EIS Data.

Therefore, CMS anticipates award of a follow-on order for EIS Transition Support with a period of performance of one year (twelve months) followed by an optional 6-month period of performance. This base period of twelve months will enable the continuity of operations without a lapse or disruption given the respective value, expertise, and technical skill set of services provided. The optional 6-month period is necessary to accommodate any further schedule delays or time constraints relative to the transition to EIS.

3. Authority:

x: ORDER AGAINST FSS: Authority of the Multiple Award Schedule Program, Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251, *et seq.*); Title 40 U.S.C. 501, Services for Executive Agencies; and Section 803 of the National Defense Authorization Act of 2002 (PL 107-107) and implemented by FAR 8.405-6. Mark the applicable exception and for each discuss how the cited authority applies in accordance with FAR 8.405-6(c)(2)(iv).

N/A: An urgent and compelling need exists, and following the procedures would result in unacceptable delays (FAR 8.405-6(a)(1)(i)(A));

N/A: Only one source is capable of providing the supplies or services required at the level or quality required because the supplies or services are unique or highly specialized (FAR 8.405-6(a)(i)(B)); or

X: In the interest of economy and efficiency, the new work is a logical follow-on to an original Federal Supply Schedule order provided that the original order was placed in accordance with the applicable Federal Supply Schedule ordering procedures. The original order or BPA must not have been previously issued under sole-source or limited sources procedures (FAR 8.405-6(a)(1)(i)(C));

Sierra 7 has extensive background with telecommunications and data analysis and provides reporting capabilities for the EIS task order which are not available yet through the GSA systems. In addition, the CMS EIS support contractor is responsible for providing reporting and documentation services to bring the work to a steady state. Failure to provide the current level of support while the contract is still transitioning to steady state will cause CMS to lose the extensive analysis and reporting capabilities and documentation support. Without this continuation of support and skill set, requirements may be delayed and some systems may not be implemented in a timely manner. Reporting and forecasting to business owners and the level of customer support may be diminished, which may cause business owners to not receive support in forecasting upcoming requirements, which will ultimately result in cost overruns.

As previously stated, and in accordance with the EIS information available through GSA, all agencies using Networx, WITS 3, and Local Telecommunications contracts must transition to Enterprise Infrastructure Solutions (EIS) by May 2023. Therefore, it is critical that CMS maintains continued EIS Transition support through this period and beyond to ensure a smooth transition and O&M operations. CMS estimates this support will need to continue through September 2023 with a potential for this support to be needed through March 2024. This is necessary as HHS has yet to complete the full transition to EIS along with CMS's inventory and Networx structure being highly specialized and unique. CMS has [REDACTED] of the total HHS spend on EIS. CMS requires continued support of their highly specialized telecommunications infrastructure in addition to program management support as HHS works to complete the full transition to EIS and get to a steady state.

The CMS EIS support contractor has extensive knowledge of CMS's unique telecommunications infrastructure, budget development support, cost recovery, and

reporting as well previous telephone systems management and support experience. The CMS EIS Support contractor provides detailed data analysis, audit reconciliation, cost recovery validation, reporting and program management support in addition to several ad-hoc projects necessary to ensure success of the program. This support has been essential during the transition of services to EIS and is vital to support as CMS works towards steady state operations in the months following transition.

CMS anticipates that award of EIS Transition Support to a contractor other than Sierra 7 would cause significant delays due to transition and may have serious cost implications which may result in task order cost overruns. Therefore, it is not reasonable to believe that any other potential service provider would ever be determined a better value than the incumbent because of these drawbacks.

N/A: An item peculiar to one manufacturer can be a particular brand name, product, or a feature of a product, peculiar to one manufacturer). A brand name item, whether available on one or more schedule contracts, is an item peculiar to one manufacturer. ([FAR 8.405-6\(b\)](#));

4. Market Research:

This acquisition is being conducted as a logical follow-on due to the necessity of the CMS EIS transition support services to continue without disruption. In accordance with FAR 10.002 (b)(1) The extent of market research will vary, depending on such factors as urgency, estimated dollar value, complexity, and past experience. As such market research was completed on a limited basis since this is a logical follow on whereby the services to be performed are critical to continue without a lapse or disruption. As these services provided are highly specialized possessing a highly technical skillset and unique to the agency encompassing [REDACTED] of the HHS EIS Inventory.

5. Actions to Increase Competition:

This work is a logical follow-on to an original Federal Supply Schedule order whereby the original order was placed in accordance with the applicable Federal Supply Schedule Fair Opportunity ordering procedures and not as sole source or limited source procedures. Further procurements for EIS transition support are not anticipated.

6. Any other facts supporting the justification:

N/A

Approvals:

1. **Program Office Certification:** This is to certify that portions of this justification have been developed by the undersigned program office personnel, including supporting information and/or data verifying the Government's minimum needs, schedule requirements and other rationale, which form the basis for this Limited Source Justification.

C _____ ficer Representative (COR) / Date

Program/Project _____ ger (P/PM) / Date

Best Value Determination. By my signature below, after review of the relevant documents, I have determined that the order subject to this Limited-Sources Justification represents the best value for the Government as set forth in FAR 8.404(d), and constitutes a fair and reasonable price. The basis for my determination is as follows:

Per FAR 8.404(d), "GSA has already determined the prices of supplies and fixed-price services, and rates for services offered at hourly rates, under schedule contracts to be fair and reasonable. This effort will be a follow on GSA MAS order under the Sierra 7 MAS Schedule Contract. The proposed labor mix and level of effort will be evaluated for price reasonableness.

2. **Contracting Officer Certification:** This is to certify that the justification for the proposed acquisition has been reviewed and that to the best of my knowledge and belief, the information and/or data provided to support the rationale and recommendation for approval, is accurate and complete.

Contracting Officer / Date

3. **OAGM Approvals**

I hereby confirm the circumstances described above apply and approve the Limited Source Justification.

OAGM Division Director / Date

[Redacted] [Redacted]

OAGM Group Director / Date

Head of Contracting Activity (HCA) Approval

I hereby confirm the circumstances described above apply and approve the Limited Source Justification.

[Redacted] [Redacted]

HCA Name / Date

4. CMS Competition Advocate (CA) Approval

<For all contracts \geq \$15 M, but not exceeding \$75M, the CA is the approving official. All other approval signatures below should be marked as N/A.>

I hereby confirm the circumstances described above apply and approve the Limited Source Justification.

 N/A
Name / Date

5. OGC Legal Review

 N/A
Name / Date

6. Office of Small and Disadvantaged Business Utilization

 N/A
Name / Date

7. Senior Procurement Executive (SPE) Approval

Based on the foregoing justification, I hereby approve the procurement of (state supplies/services being procured) on an other than full and open competition basis pursuant to the authority of (state the full statutory authority and FAR cite and title, consistent with paragraph 4, e.g. 41 U.S.C. 253(c)(1)), as implemented by [FAR 6.302-1](#)), subject to the availability of funds, and provided that the services herein described have otherwise been authorized for acquisition.

 N/A
Name / Date