

**Justification and Approval for
FAR Subpart 6.3 Other Than Full and Open Competition**

J&A Tracking No. JA18-0092B

1. Identification of the agency and contracting activity:

This Justification and Approval request is in support of the Defense Health Agency (DHA), Combat Support Agency Operations, Public Health Division, Deployment Health Branch, Reserve Health Readiness Program (RHRP). The Procuring Contract Activity responsible is the DHA, Directorate of Procurement (DoP), Contract Operations – Falls Church (CO-FC), 7700 Arlington Blvd, Falls Church, VA 22042.

2. Nature and/or Description of Action being approved:

Approval is being requested for a RHRP-2 Bridge contract to span the period of time between the end of the RHRP-2 (DHA J4/CO-FC contract #HT0011-13-D-0001) contract and the RHRP-3 (U.S. Army Materiel Command/Army Contracting Command – New Jersey solicitation # W15QKN-18-R-1000) contract award. The RHRP-2 Bridge contract would support the existing level of effort; no new work or change to scope as described in Paragraph 3 below. This requirement continues the DHA Combat Support Agency Operation RHRP's mission essential services initiated first in 2001 under the U.S. Department of Health and Human Services' Federal Strategic Health Alliance (FEDS_HEAL) contract and then subsequently transferred to the Department of Defense's (DoD) in 2007 with the RHRP-1, RHRP-2 and now RHRP-3 contracts.

3. Description of Supplies/Services:

The RHRP-2 Bridge contract would be a Firm Fixed Price procurement and would include FAR clause 52.217-8, Option to Extend Services. The total estimated 12-month Period of Performance value, including the base period (six-months; [REDACTED]) and the option afforded by the 52.217-8 Extension (six-months; [REDACTED]) is [REDACTED] and would be funded by FY19 and FY20 DHA Defense Health Agency and SC Operations & Maintenance dollars based on their individual DHA and SC Task Order requirements. The current RHRP-2 contract (HT0011-13-D-0001) will end 30 November 2018 and has a value of \$998,025,630.00. The RHRP-2 Bridge period of performance would therefore need to be 1 December 2018 to 30 November 2019.

The RHRP provides mission essential medical readiness and deployment related services to supplement the DoD SCs (e.g. U.S. Army Reserve, Army National Guard, Air Force Reserve, Air National Guard, Naval Reserve, Marine Forces Reserve, U.S. Coast Guard and U.S. Coast Guard Reserve), geographically remote Active Components enrolled in TRICARE Prime Remote, and re-deploying DoD government civilians with the U.S. Army Corps of Engineers and the U.S. Army Intelligence and Security Command. These services are typically provided

when organic SC resources are exceeded or not available and are provided in the time, quantity and location requested to meet SCs' requirements for medical and dental readiness in support of a deployable force, whether that be in a peacetime or wartime operations tempo. RHRP services are provided in the 50 States, the four U.S. Territories, the District of Columbia, and in select overseas locations at SC identified group events (gatherings of Service Members for provision of services face-to-face), at SC designated government sites (e.g., Armories, drill halls), through the Contractor's Call Center, and within the Contractor's network of private sector providers (physician and dentist offices and clinics and individual Health Care Professionals).

RHRP services include medical, dental, and behavioral health services essential in maintaining a deployable force. RHRP services include Periodic Health Assessments (PHAs), Pre-Deployment Health Assessment, Post-Deployment Health Reassessments (PDHRA), Mental Health Assessments (MHAs), Separation History and Physical Examinations (SHPE), dental examinations and x-rays, dental treatment, laboratory services, occupational health services, immunizations, physical examinations, audio and vision exams, and other services as required to satisfy SC health readiness needs. The health readiness services include those which are required under Department of Defense Instruction (DoDI) 6025.19, Individual Medical Readiness, DoDI 6490.03, Deployment Health, DODI 6200.06 DOD PHA, DODI 6490.12 MHA, and other services determined to be readiness-related as specified by the SCs.

4. Statutory Authority Cited Permitting Other Than Full and Open Competition:

In accordance to 10 U.S.C. 2304(c)(1) the property or services needed by the agency are available from only one responsible source or only from a limited number of responsible sources and no other type of property or services will satisfy the needs of the agency authorizes, under certain conditions, contracting without providing for full and open competition. The specific authority cited for subsequent award of this bridge contract is 10 U.S.C 2304(d)(1)(B), as implemented by FAR 6.302-1(a)(iii)(B) "for DOD, NASA, and the Coast Guard, services may be deemed to be available only from the original source in the case of follow-on contracts for the continued provision of highly specialized services when it is likely that award to any other source would result in unacceptable delays in fulfilling the agency's requirements."

5. Rationale Justifying Use of the Statutory Authority Cited:

Rationale for citing the above referenced authority follows work on the RHRP-3 follow-on contract to the fully competed RHRP-2 began January 2016 with the expectation that the award and completion of a transition period would be made prior to the RHRP-2 contract expiration on 30 November 2018. While progress has been made, e.g., proposals were due 5 March 2018, a multitude of unforeseen delays in the solicitation process, to include a pre-award protest, have extended the expected award date [REDACTED]

The RHRP provides approximately two million health readiness services to 400,000 Service members annually. The Service Components are dependent on RHRP to ensure a deployable force. Gaps in service of RHRP services are unacceptable to them, their parent Service Branches, the Department of Defense, and the DHA as a Combat Support Agency. Logistics Health Inc. (LHI) has performed health readiness duties for over 15 years as a result of having

won three fully open, competitive contracts to do so (FEDS-Heal, RHRP-1, and RHRP-2). LHI has the knowledge, expertise, capability, and capacity to provide support during the duration of the RHRP-2 Bridge without a loss of efficiency and without an unacceptable delay in fulfilling the DoD's needs, which would impact both the DHA and supported SCs current operations.

LHI has developed an extensive, nationwide provider network trained to provide the health readiness services, some of which (e.g. the PHA, PDHRA, and SHPE), are unique to the military. In addition, LHI's information system meets current military security requirements and performs a myriad of essential tasks from: (1.) tracking each individual service so it can be appropriately invoiced, (2.) setting up both hundreds of group events and thousands of provider network appointments held simultaneously a week across the nation, (3.) interacting with unique Service databases for the exchange of medical and dental readiness data to keep military leadership aware of their unit and member readiness, and (4.) routing tens of thousands of incoming calls monthly to the Call Centers for PDHRAs and military mental health assessment screening for thousands of service members monthly. LHI's complex logistical infrastructure has the capability and capacity to staff, equip, and supply hundreds of group events in a single weekend; as well as, ship and receive thousands of supplies and documents required for scheduled provider appointments.

The ability for any other vendor to perform the current requirements in the time, quantity, and locations across the 50 States, four U.S. Territories and select overseas locations to meet SCs' demand starting 1 Dec 2018 is judged to be severely limited and would result in substantial risk and possible mission failure on the DoD RHRP. LHI already has the trained personnel, IM/IT data systems and logistical infrastructure that would be exceptionally hard to duplicate without extensive cost to the government or result in significant delays by a new vendor. Any new potential vendor would have to be evaluated by the Government as fully mission capable of providing RHRP services in the time, quantity, and locations requested.

6. Efforts to Obtain Competition:

A notice of contract action under this approval for other than full and open competition will be synopsisized in accordance with FAR Subpart 5.2 – Synopses of Proposed Contract Actions. Bids, proposals, or quotations have not been solicited from additional sources (FAR 5.207(15)) due to the expected near term award of this bridge contract (1 December 2018) and the known contract complexities and national infrastructure requirements any new vendor would be required to provide on date of award. However, proposals have been solicited for the follow on RHRP-3 contract, under a full and open competition. In accordance to FAR 6.303 and DFARS 206.302-1(d), the requirement for an RFI was waived by the Head of the Contracting Activity (HCA) on August 12, 2018. A contract awarded under this approval for other than full and open competition will be synopsisized in accordance with FAR Subpart 5.3.

Lastly, there are no other known sources currently available that can meet the Government's requirements in the time, quantity and locations necessary to meet ongoing SCs' demands. Competing this requirement is not feasible and would duplicate the efforts already being undertaken by the U.S. Army Materiel Command's Army Contracting Command – New Jersey, the Procuring Contract Office procurement efforts for the RHRP-3 contract. LHI's past

performance record is more than satisfactory. LHI has the knowledge, experience, qualified personnel, facilities and system access to continue to perform the work for this complex and very large scale program which is essential for supplementing the medical readiness and deployment related efforts of the military.

7. Determination that Anticipated Cost to the Government will be Fair and Reasonable:

The anticipated cost to the Government for the RHRP-2 Bridge will be deemed fair and reasonable based on a comparison and price analysis between the offeror's pricing, LHI's historical pricing from the RHRP-2 contract award, and the RHRP-2 Bridge Independent Government Cost Estimate proposed pricing and analysis.

8. Market Research:

This is a RHRP-2 Bridge contract action to prevent a gap in services, until the RHRP-3 is awarded. Market research indicates perhaps a small handful of companies could, after a transition period of 12-months, be suitable to take on this effort. However, the RHRP-2 Bridge must be awarded and the awardee must be fully mission capable to perform the contract stated requirements NLT 1 December 2018. Due to the immediate need, the contract's complex requirements, the geographical coverage required, the estimated dollar value, and the needed experience, a competitive procurement, at this time, would result in unacceptable risk and delays in fulfilling the DHA's requirement.

9. Other Facts:

The RHRP-2 Bridge is necessary to cover the gap between the end of the RHRP-2 (-8) Extension and the date the RHRP-3 contract awardee is determined to be fully mission capable. The RHRP-2 contract was competed on a full and open basis and was awarded to LHI. The RHRP-3 contract will also be on a full and open competition and offerors have provided proposals to the Army Contracting Command-New Jersey's Request for the RHRP-3 Solicitation.

10. Interested Sources:

DHA has no written statements of interest from industry for the RHRP-2 Bridge; however, LHI (incumbent) has indicated their desire to continue their support to DHA and the SCs under the RHRP-2 Bridge contract.

11. Actions to overcome barriers:

The RHRP-3 follow-on procurement action to this RHRP-2 Bridge action is a full and open competition already far advanced in the procurement process.

Coordination:

12. Technical/Functional Representative:

I certify that the information provided in this justification, is accurate and complete to the best of my knowledge and belief.

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]

13. Requirements Certification:

I certify that the information provided in this justification, is accurate and complete to the best of my knowledge and belief.

[REDACTED]
[REDACTED]
841136
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]

14. Fair and Reasonable Cost Determination: The basis for this determination is the comparison to pricing on previous awards, including HT0011-13-D-0001, which ended on 31 May 2018. These prices were based on the original award, which was determined to be fair and reasonable at the time of award. In addition an Independent Government Cost Estimate was also prepared and reviewed.

I have determined that the anticipated cost to the Government for this contract action is fair and reasonable.

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

Date

15. Legal Review:

I have reviewed this justification and have found it to be legally sufficient.

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]

16. Contracting Officer:

I certify that this justification is accurate and complete to the best of my knowledge and belief.

[REDACTED] [REDACTED]
[REDACTED] [REDACTED]
[REDACTED] [REDACTED]

17. Competition Advocate:

Based on the foregoing justification, I hereby approve the procurement of Reserve Health Readiness Program-2 (RHRP-2) on an other than full and open competition basis pursuant to the authority of 10 U.S.C. 2304(c)(1), subject to availability of funds, and provided that the supplies and/or services herein described have otherwise been authorized for acquisition.

[REDACTED] [REDACTED]
[REDACTED] [REDACTED]
[REDACTED] [REDACTED]

18. Head of Contracting Activity:

Based on the foregoing justification, I hereby approve the procurement of Reserve Health Readiness Program-2 (RHRP-2) on an other than full and open competition basis pursuant to the authority of 10 U.S.C. 2304(c)(1), subject to availability of funds, and provided that the supplies and/or services herein described have otherwise been authorized for acquisition.

[REDACTED] [REDACTED]
[REDACTED] [REDACTED]
[REDACTED] [REDACTED]
[REDACTED] [REDACTED]