



eNewsletter

Your Source for VA FSS News & Updates

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February 2012

News You Can Use

Captain James A. Lovell Federal Health Care Center (FHCC)

¹ Established on October 1, 2010, the [Captain James A. Lovell Federal Health Care Center](#) (FHCC) is a first-of-its-kind partnership between the Department of Veterans Affairs (VA) and the Department of Defense (DoD). With this partnership, Lovell FHCC represents the first known total integration of the health care delivery and operations of two distinct and separate health care organizations owned by different cabinet level departments within the federal Government.

Lovell FHCC Mission

As the first integrated health-care federal facility, we are proud to provide comprehensive, compassionate, patient centered care to our veterans and DoD beneficiaries while maintaining the highest level of operational readiness.

Lovell FHCC Vision

Creating the future of federal healthcare through excellence in world-class patient care, customer service, education and research.

Lovell FHCC Values

Respect
Integrity
Trust
Accountability
Teamwork/Camaraderie

The arrangement between VA and DoD incorporates facilities, services, and resources from the North Chicago VA Medical Center and the Naval Health Clinic Great Lakes. Since the health care facility has a combined mission, active duty military, their family members, and Veterans all receive care at the facility.

FHCC is part of the [Veterans Integrated Service Network \(VISN\) 12](#), which make up a regional health care system that provides a full spectrum of medical services.

Lovell FHCC notable first-year numbers:

- Total outpatient visits: 829,399
- Total inpatient admissions: 4,489

- Total dental visits to West Campus: 5,644
- Total dental visits to East Campus: 639,020
- Pharmacy prescriptions (Fiscal Year 2011): 1,870,170
- Number of records integrated: Approximately 90,000
- Navy Recruits processed: Around 38,000 and delivered more than 178,000 immunizations

Lovell FHCC is an [eligible FSS user](#). As such, all FSS contractors are required to offer Lovell FHCC FSS pricing (Big 4 pricing when applicable). In instances when a FSS contractor offers a temporary reduced price (TPR) to either VA or DoD, the firm should be mindful that we have updated the modification request forms to specifically define VA and DoD as including FHCC. As of January 1, 2012,

- VA consists of:
 - VA facilities
 - Consolidated Mail Outpatient Pharmacies
 - State Veterans Homes, Option 2
 - Lovell FHCC
- DoD consists of:
 - DoD facilities
 - Tricare Mail Order Pharmacy
 - Defense Logistics Agency
 - Lovell FHCC

For TPRs that were established prior to January 1, 2012 and are offered to VA and/or DoD, Lovell FHCC is not entitled to the reduced price since the facility was not recognized in the executed modification. If a firm would like to extend the temporarily reduced price to Lovell FHCC, please simply submit an administrative modification request in order to update the eligible users of the TPR. A copy of the applicable modification request form can be obtained from our [website](#) and submitted to the FSS Helpdesk at helpdesk.ammhifss@va.gov.

¹ Captain James A. Lovell Federal Health Care Center. Accessed on February 2, 2012. <http://www.lovell.fhcc.va.gov/index.asp>.

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VA e-Invoicing

In recent years, VA Financial Services Center (FSC) established an automated electronic invoice processing system that transfers accurate, error-free electronic invoices directly from a vendor's billing system to the buyer's financial accounting system. The automated exchange of electronic financial data enables VA FSC to eliminate the costly, error-prone manual tasks associated with processing paper invoices. The electronic invoice system (i.e. OB10), allows VA to streamline its invoice-to-pay processes, improve compliance and reduce operating costs.

If you are not currently a member of the OB10 network, subscribing is simple and you are not required to install any expensive hardware/software. Also, you can send electronic invoices to every customer that utilizes OB10 once you are established on the network.

e-Invoice Setup Information:

- FSC e-Invoice Contact Information: (877) 353-9791
- FSC e-invoice email: vafscshd@va.gov
- OB10 e-Invoice Setup Information: (877) 752-0900
- OB10 e-Invoice email: USClientServices@ob10.com

Training Topic

Price Reduction Clause (PRC)

▪ **What is PRC and its purpose under the VA FSS program?**

Through clause [552.238-75](#), the PRC establishes a price or discount relationship with a FSS contractor's commercial customer or category of customers (e.g. National Accounts) at the time of award. The discount relationship **MUST** be maintained for the life of the product/contract to afford pricing protections to the contract. Any price decrease offered to the commercial customer(s) that disturbs the established relationship, constitutes a price reduction for the Government.

▪ **What is a tracking customer (TC) and TC ratio?**

Established at the time of award, a TC is the commercial customer (or category of customers) of the contractor's that the contract award is based upon. In order to track the TC's price (i.e. the established discount relationship), a TC ratio is established by dividing the awarded FSS price (without the Industrial Funding Fee) by the TC's price. Please be mindful that it is the responsibility of the FSS contractor to ensure that the established discount relationship is maintained since both the Government's and TC's price(s) will fluctuate during the life of the contract. ****Please note that this TC ratio methodology does not always apply to brand name drugs (i.e. SIN 42-2A) under the 65IB Pharmaceutical Schedule****

▪ **When is a FSS contractor required to offer the Government a price reduction in accordance with PRC?**

- 1) If the contractor revises their commercial pricelist by reducing prices and disturbing the established TC ratio;
- 2) If the firm grants more favorable discounts to their TC than those contained in the commercial pricelist that the contract award was predicated upon; and/or
- 3) If the established TC is offered special discounts by the contractor that changes the discount relationship (between the Government and TC) that was established at the time of award.

▪ **When is a FSS contractor not required to offer the Government a price reduction in accordance with PRC?**

- 1) When an order exceeds the contract's respective maximum order threshold;
- 2) When sales are made to eligible FSS users under the contract;
- 3) If a sale is made to either a state or local Government entity under the contract (e.g. a sale through the Disaster Recovery Program) and they are the established TC;
- 4) If an error in quotation or billing arises;

****A contractor may offer the Government a voluntary price reduction at anytime. However, a contractor shall notify the Government no later than 15 calendar days after the effective date of the price reduction to the established TC****

▪ **What possible actions can be taken to avoid compliance issues with PRC?**

- o Ensure your firm's commercial pricing disclosures are current, accurate, and complete;
 - o Negotiate a TC that your company can competently and consistently monitor with respect to discounts and changes in commercial pricing;
 - o Implement a tracking system to ensure that price reductions given to the TC(s) are also given to Government customers;
 - o Implement internal controls and policies that require company personnel – from the sales force to the managers of the Schedule contract – to comply with the contractual requirements; and
 - o Require mandatory training of company personnel to educate individuals on the contractual requirements and the importance of compliance.
- View other contractor [compliance requirements](#)

National News

Recent Emergency & Disaster Declarations

President Obama made [two disaster recovery declarations](#) in January 2012.

MAJOR DISASTER DECLARATIONS

Number	Date	State	Disaster Type	Designated Counties
4051	1/06	MA	Severe Storm & Snowstorm	

FIREMANAGEMENT DECLARATIONS

Number	Date	State	Incident
2974	1/19	NV	Washoe Fire

Under the [Disaster Recovery Program](#), state and local Governments may purchase products/services off of FSS contracts in order to facilitate the recovery from a major disaster. In addition, state and local Government entities may use FSS contracts to purchase products and services in advance of a major disaster declared by the president. State and local Governments are responsible for ensuring that the products/services purchased are to be used to facilitate recovery.

WarriorstoWorkforce

¹ Recently, a special internship for severely wounded Veterans was launched at the [VA Acquisitions Academy](#) in Frederick, MD. The three year internship program, Warriors to Workforce (W2W), will prepare the selected Veterans to become Contract Specialist for the federal Government. W2W will provide the necessary training and education so the Veterans are able to obtain a Level I and II Federal Acquisition Certification in Contracting (FAC-C). The program includes courses in leadership, technical acquisition training and on-the-job experience.

Twenty-three Veterans are currently enrolled in the inaugural W2W internship class. Between the twenty-three Veterans, they have seven Purple Hearts, two Bronze Stars and over 170 years of military experience.

- [About the Program](#)
- [Program Components](#)
- [Curriculum and Candidates](#)

¹ Department of Veterans Affairs. Accessed on February 2, 2012. <http://www.va.gov/opa/pressrel/pressrelease.cfm?id=2253>

VA FSS Working for You

VA FSS in Action

Now that the holidays are over, we have been continuing our focus on the various improvements being made throughout the FSS Service. We have enhanced the FSS web-pages and are venturing more and more into the social media arena. Please take some time to review the enhancements to our web pages at www.fss.va.gov and connect to us through [LinkedIn](#).

One of our main focuses in the short-term is preparing for the annual NAC Industry Conference. This year, we are hoping to provide a very robust training program for all attendees, which will include smaller workshop-type presentations with drilled in questions and explanations (versus the previous general overview-type presentations). We also plan on holding a town hall session in order to allow the free flow of information and feedback to and from our vendor community.

Additionally, our team is gearing up efforts to standardize more of the request for modification forms and associated disclosure spreadsheets to allow for better information flow between our office and the vendors. This will allow us to provide more pointed instruction and detail for submitting proposals and modification requests. As we continue in these efforts, please feel free to share your comments, feedback, and suggestions with us through our FSS Helpdesk at helpdesk.ammhinfss@va.gov and/or (708)786-7737.

As always, if you are experiencing any issues, please do not hesitate to contact Carole O'Brien, Director of the FSS Service, at 708-786-4957 and/or Carole.O'Brien@va.gov, or Craig Robinson, Associate Deputy Assistant Secretary (ADAS) for National Healthcare Acquisitions, at 708-786-5157 and/or craig.robinson@va.gov. Thank you for your continued support and collaboration.

"If you are going to achieve excellence in big things, you develop the habit in little matters. Excellence is not an exception, it is a prevailing attitude." **Colin Powell**

1st Quarter FY 2012 Sales Due

At this time, FSS contractors have 19 calendar days (until February 29, 2012) to report their 1st quarter FY 2012 (i.e. October 1, 2011 – December 31, 2011) sales figures in accordance with contract [clause 552.238-74](#), Industrial Funding Fee (IFF) and Sales Reporting. Pursuant to this clause, a FSS contractor is required to submit its quarterly Report of Sales and IFF payment within 60 days of the completion of each quarter. Please note all FSS contractors are required to submit their sales data for the 1st quarter (even if no sales occurred under the contract) through the [VA sales portal](#). In order to avoid confusion and having an IFF payment returned, all sales figures should be reported **BEFORE** an IFF payment is submitted to our office (regardless of how the IFF is remitted).

- [Access the VA online sales reporting system](#)
- [View portal user guides](#)

For more information about the VA Sales Portal, best practices, and IFF payment, please visit the [Sales Reports & IFF](#) page online! Please direct all IFF and sales reporting related questions to the VA Sales Helpdesk at FSSSales.ammhin@va.gov.



Inquiry of the month....

In future editions of the monthly FSS eNewsletter, we will provide and address an inquiry from a FSS stakeholder (e.g. FSS contractor, a Contract Specialist or Purchasing Agent at an eligible FSS ordering facility, etc.). This feature will serve as a Q&A opportunity in order to learn about the different aspects of the FSS Service (e.g. Schedule nuances, ordering procedures, etc.). The inquiry of the month will provide interested parties with an additional Q&A tool since several Q&A's can be access anytime on our [website](#).

Submitting Inquiries

To submit an inquiry, please email your question to the FSS Helpdesk at helpdesk.ammhinfss@va.gov.

FSS Web Corner



Check out the [VA FSS Marketing page!](#) This page offers tips and tricks on utilizing your VA FSS contract to build and expand your firm's federal customer base!

Did You Know...

February marks Black History Month, which is an annual celebration of achievements by black Americans and a time for recognizing the central role of African Americans in US history. As such, we would like to recognize the role of African Americans in the military and in VA.

- **Who was the first African American Veteran patient of VA?**
Mr. Joshua Williams ([Read more](#))
- **Which National Home for Disabled Volunteer Soldiers (VA predecessor) was the first to admit African American Veterans?**
The Central Branch Home located in Dayton, OH (now known as [Dayton VA Medical Center](#)). The first US colored Veterans were admitted in March 1867.
- **What VA facility was the first Government hospital established solely for African American Veterans?**
[Tuskegee VA hospital](#) in Alabama, which operated as an all-black Veteran's hospital for 31 years--from its opening on Feb. 12, 1923 until it was desegregated by VA in 1954. [Learn more](#).
- **Who was the first African American Secretary of VA?**
Mr. Jesse Brown, who served as VA's Secretary from 1993-1997.
 - [African Americans in the Military- A Legacy of Exceptional Service](#) (Video)
 - Learn [more interesting facts](#) about VA and African American Veterans
 - [Message from the Secretary of VA](#)

Recently Awarded FSS Contracts

January 2012

Drugs, Pharmaceuticals & Hematology Related Products (Schedule 65IB)

Company Name	Contract Number	Business Size	Socioeconomic Status
Dey Pharma L.P.	V797P-2070D	Large	
Genzyme Corporation	V797P-2086D	Large	
Nautilus Neurosciences, Inc.	V797P-2038D	Small	
Actient Pharmaceuticals	V797P-2059D	Large	

Medical Equipment & Supplies (Schedule 65IIA)

Company Name	Contract Number	Business Size	Socioeconomic Status
McShane Weldinc Co., Inc.	V797P-2079D	Small	
Etex Corporation	V797P-2085D	Small	
CharTech, Inc.	V797P-2081D	Small	Small Disadvantaged, Disabled Veteran Owned Business
Futuremd America, Inc.	V797P-2084D	Small	Woman Owned Business
Unifuse, LLC.	V797P-2088D	Small	

Dental Equipment & Supplies (Schedule 65IIC)

Company Name	Contract Number	Business Size	Socioeconomic Status
BIOHORIZONS, Inc.	V797P-2080D	Large	
Holt Dental Supply, Inc.	V797P-2083D	Small	

Patient Mobility Devices (Schedule 65IIF)

Company Name	Contract Number	Business Size	Socioeconomic Status
OTTO Bock HealthCare LP	V797P-2066D	Large	
Clarke Health Care Products, Inc.	V797P-2067D	Small	

Professional & Allied Healthcare Staffing Services (Schedule 621I)

Company Name	Contract Number	Business Size	Socioeconomic Status
Chesapeake Medical Staffing, LLC.	V797P-2054D	Small	

****Please visit the [VA Schedule Programs](#) page for a complete listing of all Schedules****

In order to obtain pricing information for all of the companies referenced above or any other FSS contractor, please review the [NAC Contract Catalog Search Tool \(CCST\)](#) or [GSA E-Library](#). If you have any questions/concerns or would like to learn more about a specific topic and/or issue, please feel free to contact the FSS Help Desk by phone at (708)786-7737 and/or by e-mail at helpdesk.ammhinfss@va.gov.