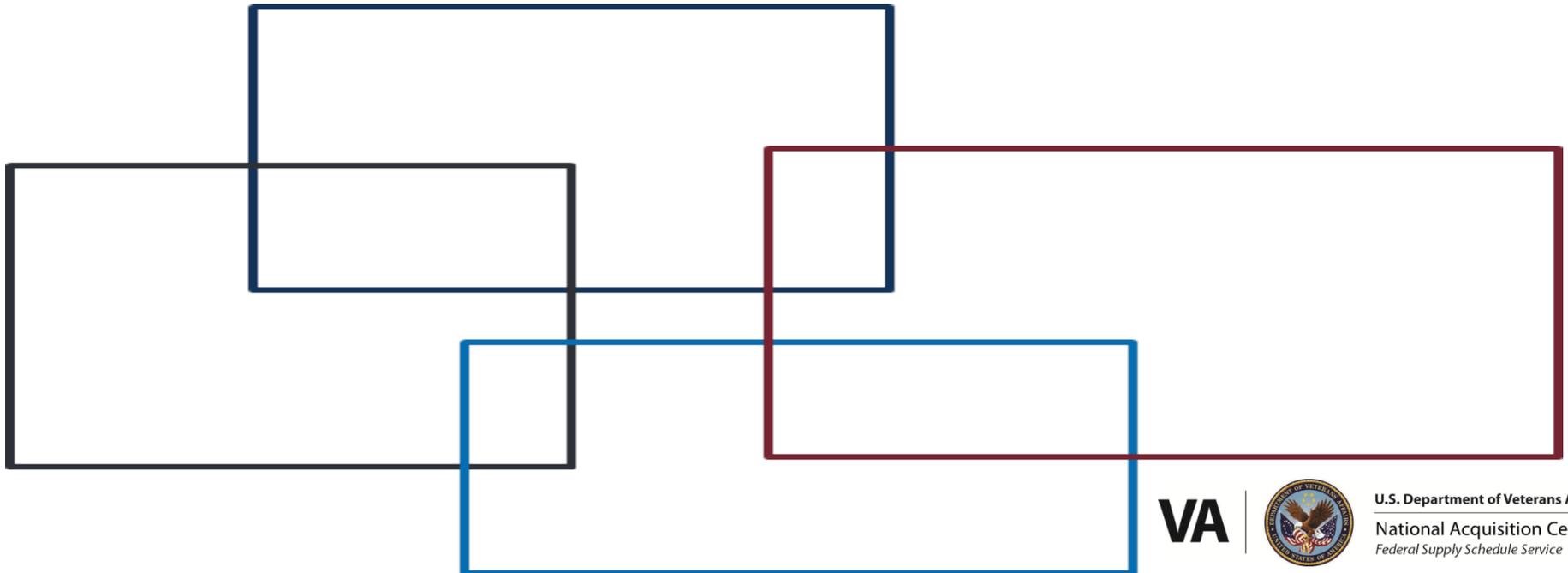


VA Schedule Program Overview

VA Federal Supply Schedule Service

Winter 2014



VA

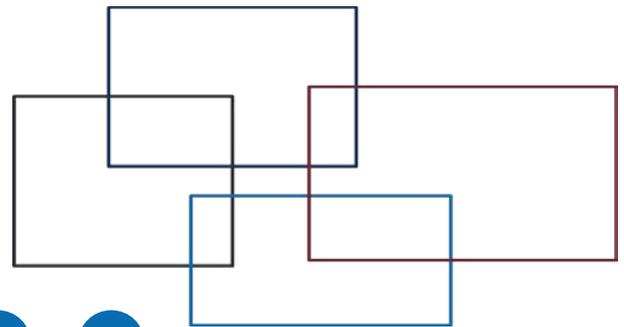


U.S. Department of Veterans Affairs

National Acquisition Center

Federal Supply Schedule Service

VA Schedule Program



GSA vs. VA Schedules

Federal Acquisition Service



GSA establishes long-term government-wide contracts with commercial companies to provide access to millions of commercial products and services at volume discount pricing. There are 30 GSA Schedule programs.



GSA has delegated authority to the VA to procure medical equipment, supplies, services, and pharmaceuticals under the VA Federal Supply Schedules program. There are 9 VA Schedule programs.

What We Do...

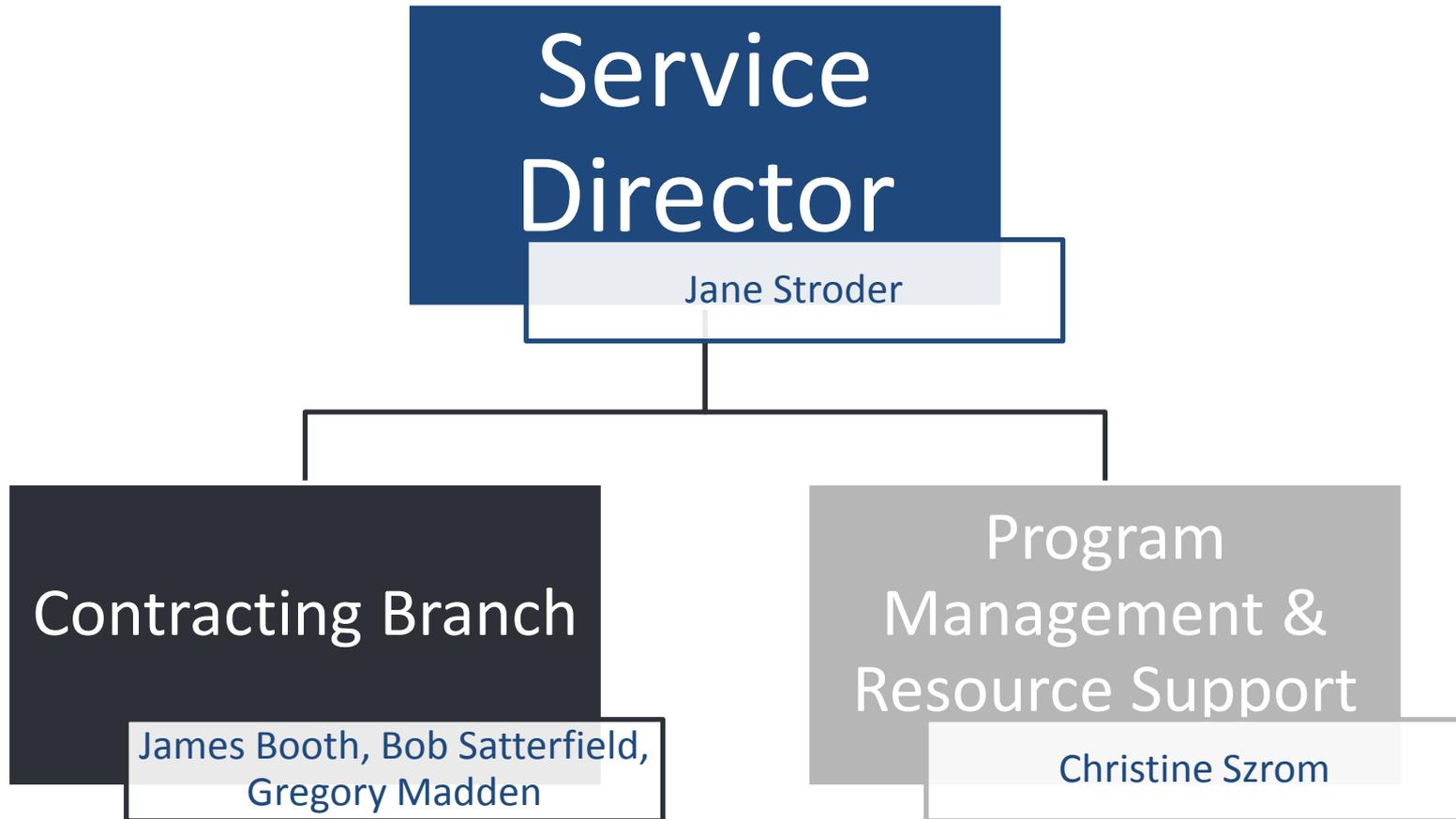


The VA FSS Service uses contracting expertise and business acumen to provide innovative healthcare solutions to our federal customers in support of their missions.

To achieve this we...

- Negotiate and award long-term Multiple Award Schedule contracts with established prices, terms, and conditions to responsible companies for use by VA and other government ordering activities.
- Provide eligible buyers with a simplified process for obtaining more than 1 million commercially available medical equipment, supplies, pharmaceuticals, and services.

Organizational Structure



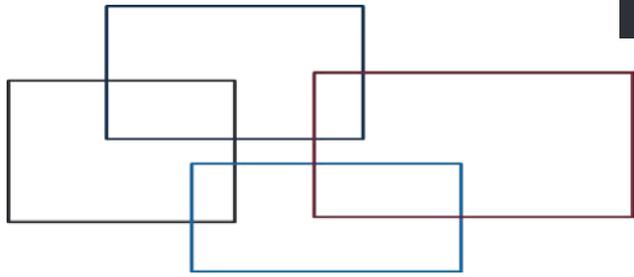
Program Responsibilities

Contracting Branch

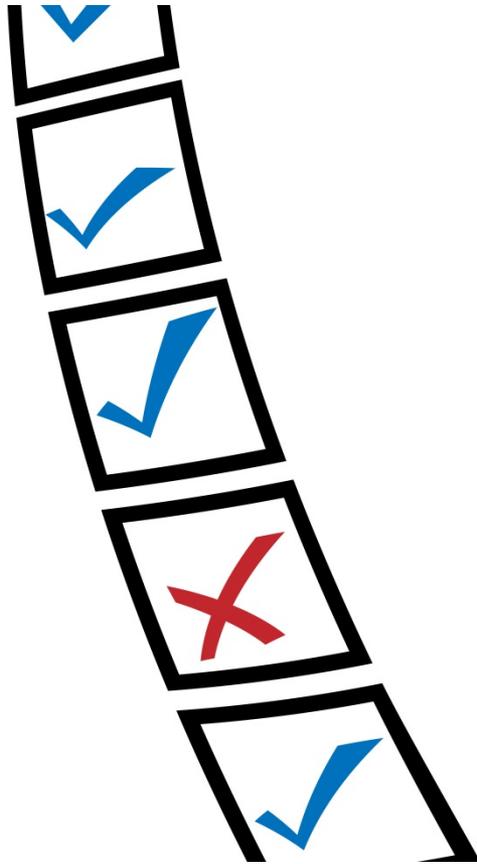
- Evaluation & Award of solicitation proposals
- Schedule contract administration
 - Contract Modifications
 - Contract Extensions
 - Contract Closeout

Program Management & Resource Support

- Training
 - FSS Contracting Officers
 - VA & OGA Schedule Users
 - Current & Prospective FSS Contractors
- IFF remittance & sales reports
- Policy Guidance
- FSS Web Portal
- Social Media

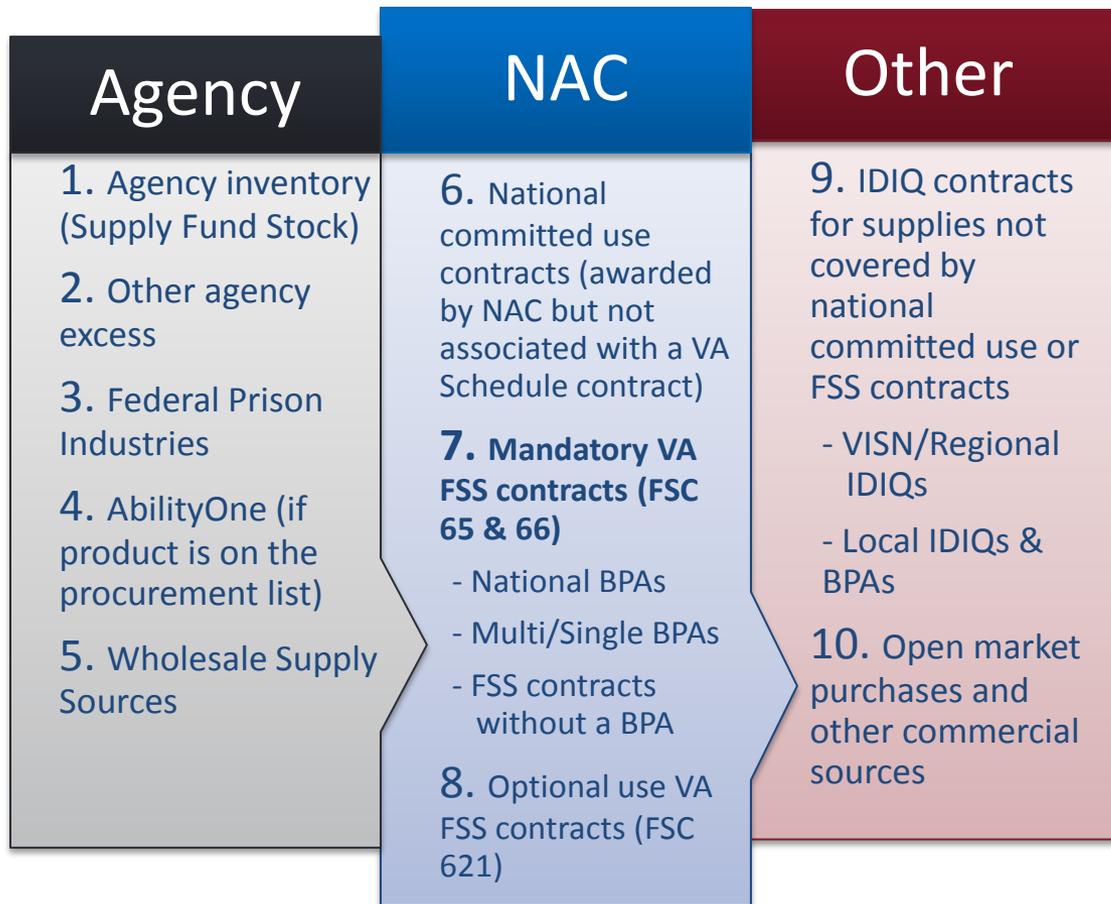


VA FSS Program Traits



- Multiple Award Schedule
- Open & continuous solicitation cycle
- Multi-year: 5 year base performance period with options to extend for an additional 5 years
- Fixed-price with economic price adjustment
- Indefinite delivery, indefinite quantity
- National & worldwide coverage
- FOB destination
- Full & open competition
- Industrial funding fee

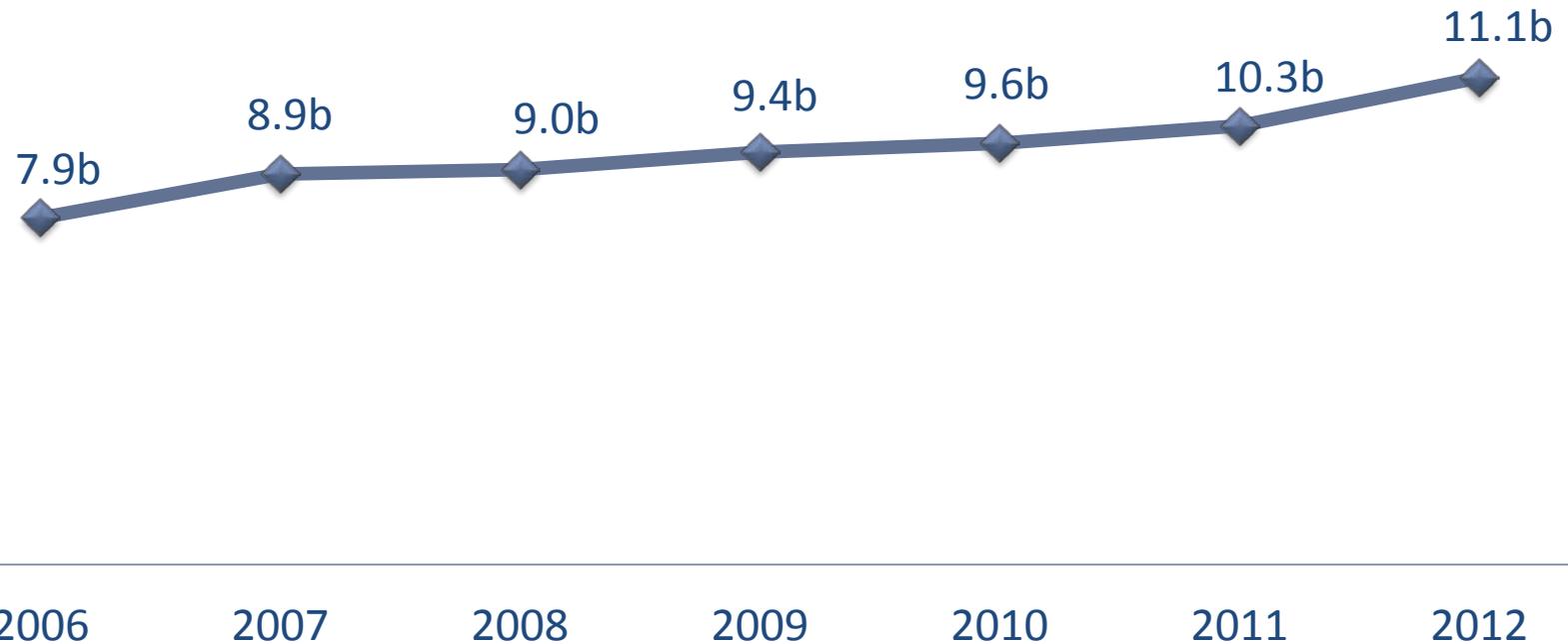
VAAR 808.002(a)(2) VA Specific Priorities of Use of Government Supply Sources



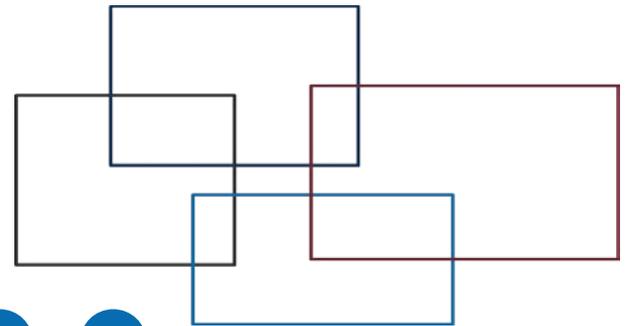
VA Schedule Programs

Schedule Title (FSC 65 & 66 Mandatory Use)		NAICS	Solicitation Number	Revision
65 I B	Drugs, Pharmaceuticals, & Hematology Related Products	325412	M5-Q50A-03	R6
65 II A	Medical Equipment & Supplies	339112	RFP-797-FSS-99-0025	R9
65 II C	Dental Equipment & Supplies	339114	RFP-797-652C-04-0001	R2
65 II F	Patient Mobility Devices	339113	RFP-797-652F-05-0001	R5
65 V II	Invitro Diagnostics, Reagents, Test Kits, & Test Sets	325413	M5-Q52A-04	R5
65 V A	X-Ray Equipment & Supplies	325992	RFP-797-655A-03-0001	R5
66 III	Cost-Per-Test, Clinical Laboratory Analyzer	334516	RFP-797-FSS-03-0001	R1
621 I	Professional & Allied Healthcare Staffing Services	561320	RFP-797-FSS-00-0115	R3
621 II	Medical Laboratory Testing & Analysis Services	621511	RFP-797-FSS-04-0001	R2

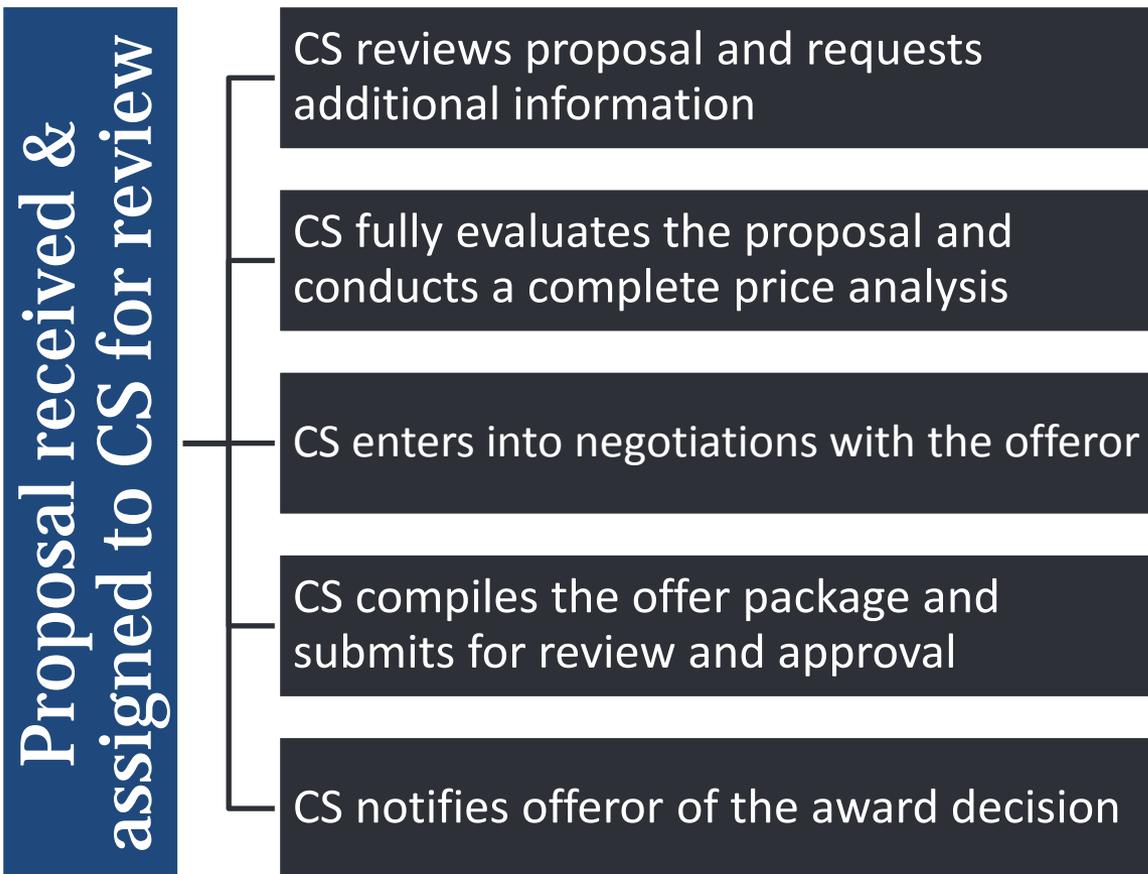
VA FSS Total Annual Sales (in billions)



Awarding & Managing a VA Schedule Contract



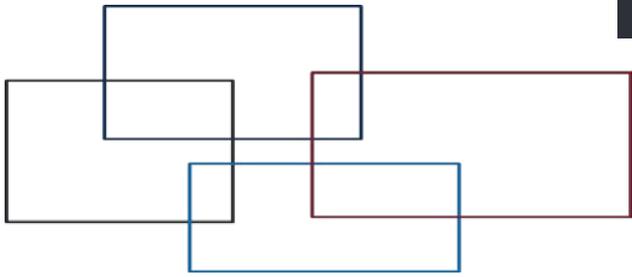
Reviewing a Schedule Proposal



CSP Disclosures



Vendors are required to submit full commercial sales disclosures for general public customers that receive discounts and/or price agreements that are equal to or more favorable than those offered to the Government.



Negotiation Objectives

The prenegotiation objectives establish the Government's initial negotiation position. They assist in the contracting officer's determination of fair and reasonable price. They should be based on

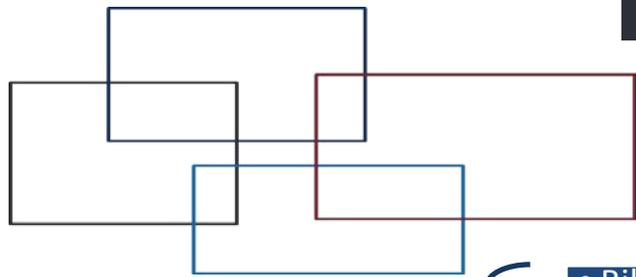
1. The results of the CS' analysis of the offeror's proposal, taking into consideration all pertinent information including field pricing assistance,
2. Audit reports and technical analysis,
3. Fact-finding results,
4. Independent Government cost estimates and
5. Price histories.

Proposed SINs
Discounts
Payment terms (incl. credit card acceptance)
Minimum order
Delivery timeframes & FOB points
Warranty & return goods policies
Installation & Training
Annual rebate
Rental, leasing, & service agreements

Award Decision



Contract Modifications



Product Addition

- Bilateral
- Add products & SIN categories

Product Deletion

- Unilateral
- Delete products & SIN categories

Price Reduction

- Bilateral
- Temporary, Permanent, Voluntary

Economic Price Adjustment

- Bilateral
- Increase awarded pricing

Admin Change

- Bilateral
- Update Signatory Authority Form, change authorized personnel, incorporate subcontracting plan, other corrective actions

Technical Change

- Unilateral
- Change product description, part number, NDC number, geographic coverage, etc.

Legal Change

- Bilateral
- Change of Name Agreement, Novation Agreement

Extension

- Unilateral
- Long-term & Temporary

Cancellation

- Bilateral
- Contract cancellation

Mass Modification

- Unilateral

Extending a Schedule Contract

Short-Term

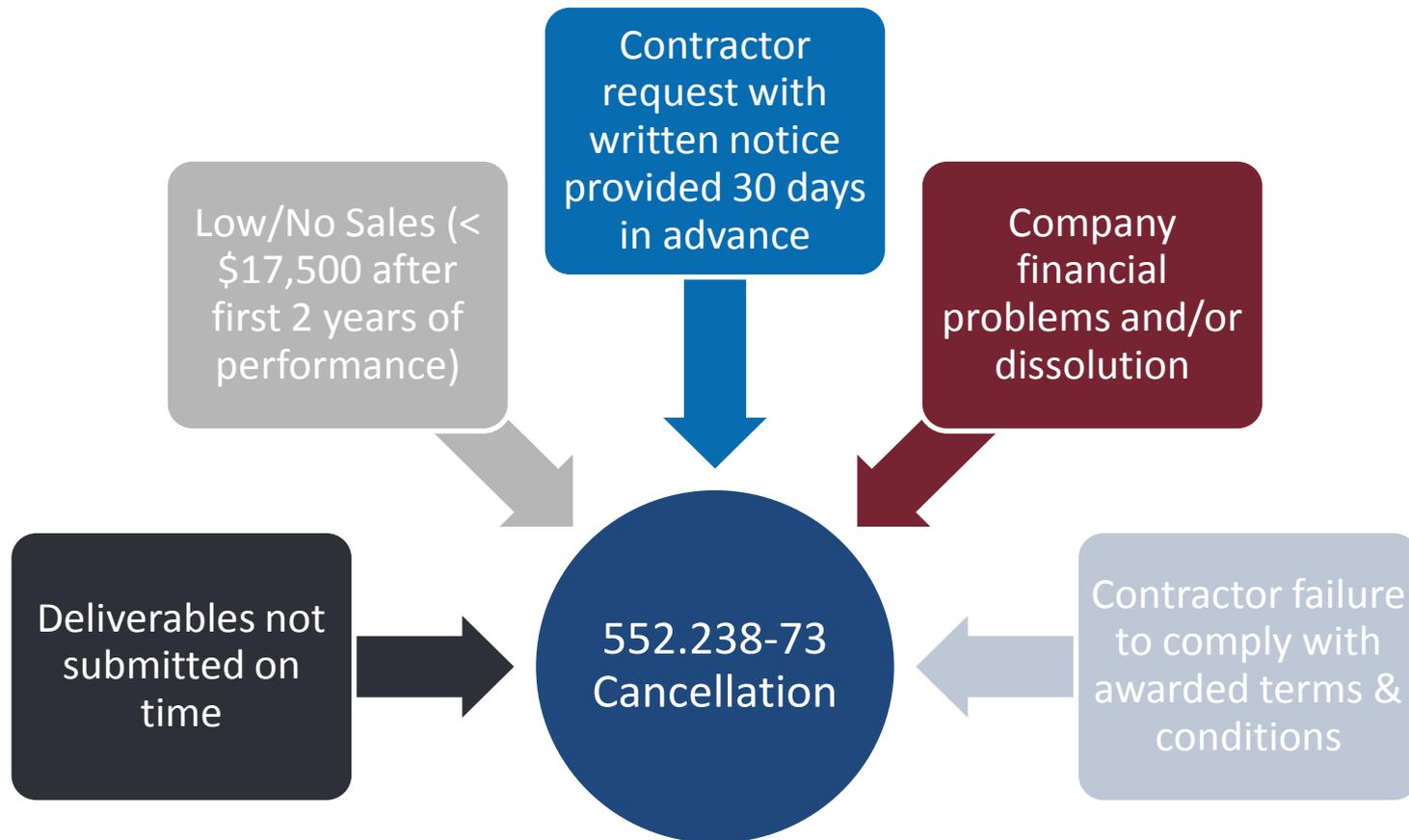
1. Effective for less than 12 months.
2. Granted only if the contractor has already submitted a new offer or extension proposal.
3. Cannot extend the life of the contract beyond 10 years.
4. Executed bilaterally.

Long-Term

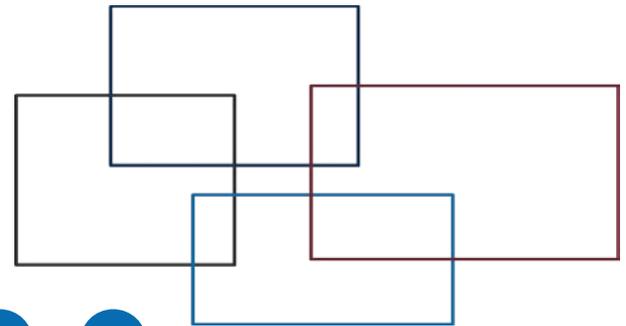
1. Effective for 12 months up to 5 years.
2. Changes to the contractor's awarded terms, conditions, and pricing must be submitted via a modification request prior to contract extension.
3. Executed unilaterally.

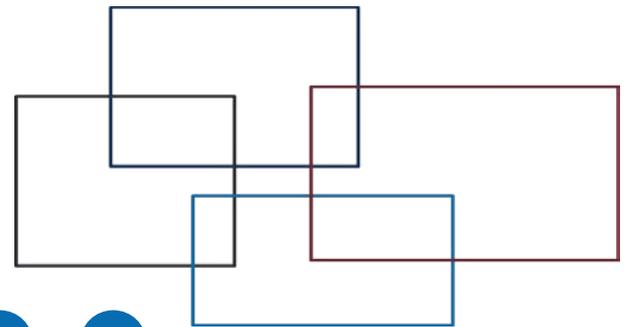


Canceling a Schedule Contract



Ordering from a VA Schedule contract





1. Commodities

FAR 8.405-1 Ordering Procedures for Supplies & Services Not Requiring a Statement of Work



<p>Orders at or below the micropurchase threshold (MPT)</p>	<ul style="list-style-type: none">• Place with any FSS contractor that can meet the agency's need• Distribute orders among FSS contractors
<p>Orders exceeding the MPT but not exceeding the simplified acquisition threshold (SAT)</p>	<ul style="list-style-type: none">• Survey at least 3 Schedule contractors that meet the agency's need; comply with FAR 8.405-6, Limiting Sources, as applicable.• Place order with contractor that represents the best value
<p>Orders exceeding the SAT</p>	<ul style="list-style-type: none">• Develop RFQ in accordance with FAR 8.405-1(d)• Post requirements to GSA eBuy, or provide RFQ to as many eligible contractors as practical; comply with FAR 8.405-6, Limiting Sources, as applicable• Ensure all quotes are considered fairly and award is made in accordance with the basis for selection

Including Open Market Items on a VA Schedule Order

Open Market Items: Items for sale that are not available for purchase from a government contract vehicle (i.e. FSS, BPA, GWAC, etc.)

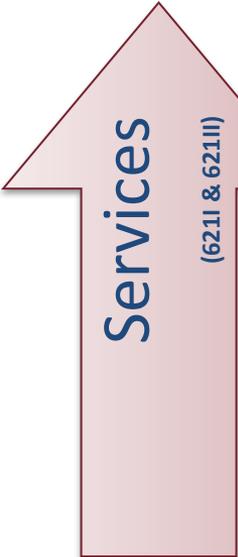
All applicable regulations have been followed	FAR 5, Publicizing Contract Actions	FAR 6, Competition Requirements	FAR 12, Acquisition of Commercial Items
	FAR 19, Small Business Programs	Ordering Requirements (FAR 13, 14, and/or 15)	

Prices are determined to be fair and reasonable

Items are clearly labeled on the order as open market items

All clauses applicable to open market items are included in the order

Services v. Commodities Schedules



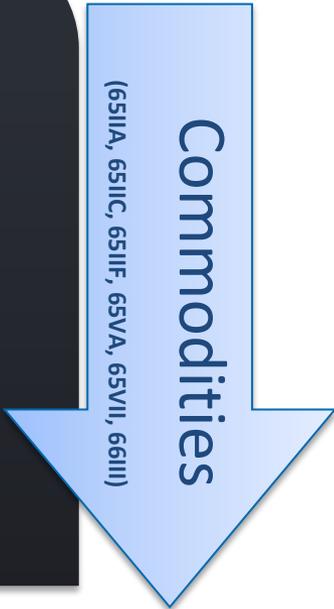
Services

(621I & 621II)

1. Order in accordance with FAR 8.405-2
2. State Specific Coverage
3. Technical Evaluation
4. Ordering activities must issue a Statement of Work
5. Non-Mandatory Schedules (FSC 621)

1. Order in accordance with FAR 8.405-1
2. National & Worldwide Coverage
3. Simple Price Analysis
4. Best Value Determination
5. Mandatory Schedules (FSC 65 & 66)

(65IIA, 65IIC, 65IIF, 65VA, 65VII, 66III)

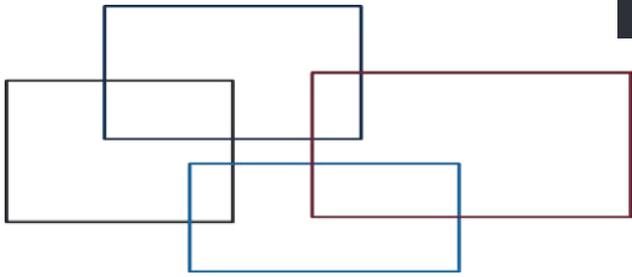


Commodities

FAR 8.405-2 Ordering Procedures for Supplies & Services Requiring a Statement of Work



<p>Orders at or below the micropurchase threshold (MPT)</p>	<ul style="list-style-type: none">• Place with any FSS contractor that can meet the agency's need• Distribute orders among FSS contractors
<p>Orders exceeding the MPT but not exceeding the simplified acquisition threshold (SAT)</p>	<ul style="list-style-type: none">• Develop a statement of work in accordance with FAR 8.405-2(b)• Provide the RFQ to at least 3 Schedule contractors that meet agency's need; comply with FAR 8.405-6, Limiting Sources, as applicable• Specify the type of order, giving preference to firm-fixed price type as appropriate
<p>Orders exceeding the SAT</p>	<ul style="list-style-type: none">• Develop statement of work in accordance with FAR 8.405-2(b)• Post requirement to GSA eBuy or provide RFQ to as many contractors as practicable, to reasonably ensure receipt of at least 3 quotes• Ensure all quotes are considered fairly and award is made in compliance with evaluation criteria stated in RFQ



Statement of Work

- *Statement of Work (SOW):*
 - An SOW is essential when purchasing commercial services
 - All elements of SOW should be clear, precise, complete, and concise
- *Performance-Based:*
 - To the maximum extent practicable, agency requirements shall be *performance-based*
 - Performance-based requirements ensures that:
 - Performance quality levels are achieved
 - Total payment is related to the degree that services performed or outcomes achieved meet contract standards

SOW shall include...

Description of work to be performed

Location of work

Period of performance

Deliverable schedule

Applicable performance standards

Any special requirements

Required Evaluation Criteria

In accordance with [VAAR 815.304-70, Evaluation Factor Commitments](#), VA ordering activities shall adhere to and apply the following evaluation factor commitments –

Include provisions in negotiated solicitations giving preference to offers received from VOSBs and additional preference to offers received from SDVOSBs

Use past performance in meeting SDVOSB subcontracting goals as a non-price evaluation factor in selecting offers for award

Use the proposed inclusion of SDVOSBs or VOSBs as subcontractors as an evaluation factor when competitively negotiating the award of contracts or task/delivery orders

Use participation in VA's Mentor-Protégé Program as an evaluation factor when competitively negotiating the award of contracts or task/delivery orders

Other Evaluation Criteria to Consider

Understanding
the
Requirement

- Does the contractor fully understand the requirement identified in the Statement of Work and the stated evaluation criteria?

Performance

- Was the contractor compliant with prior requirements for similar work?
- Did the contractor perform within or below cost for similar work?
- For orders for similar work, was the required work completed on time and in accordance with order requirements?

Business
Relations

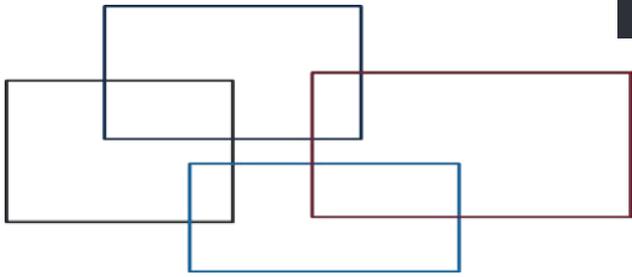
- Is the contractor flexible, cooperative, proactive, and committed to customer satisfaction?

Socioeconomic
Status

- You may consider socioeconomic status for consideration or competition for award.

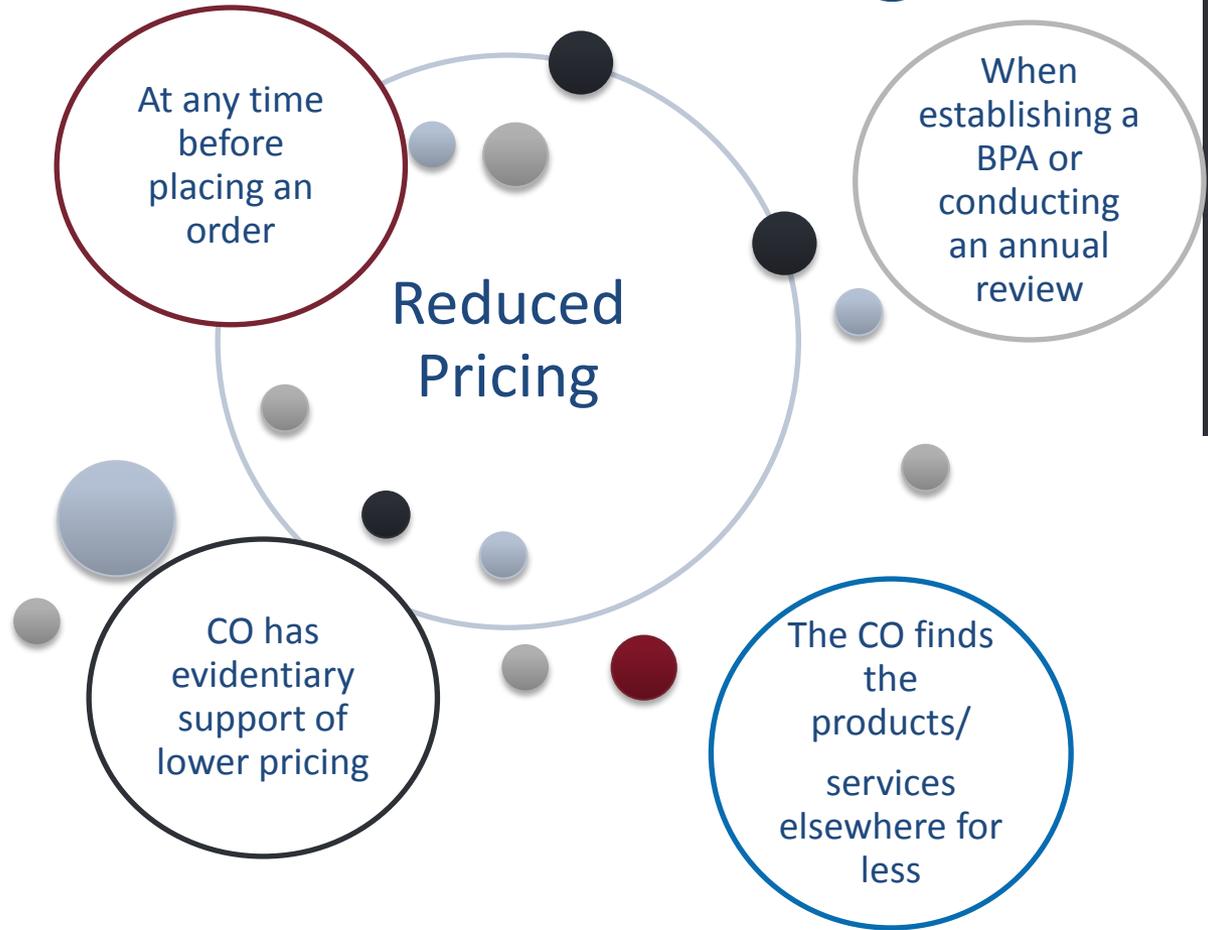
Price Reductions

- Schedule contractors are not required to pass on to all Schedule users a price reduction extended only to an individual ordering activity for a specific order or BPA
- Seeking a price reduction enhances competition and allows Schedule contractors to maintain flexibility and react more efficiently to changes in the market, move inventory, and increase sales through promotional marketing.



When a VA Facility Must Seek Reduced Pricing

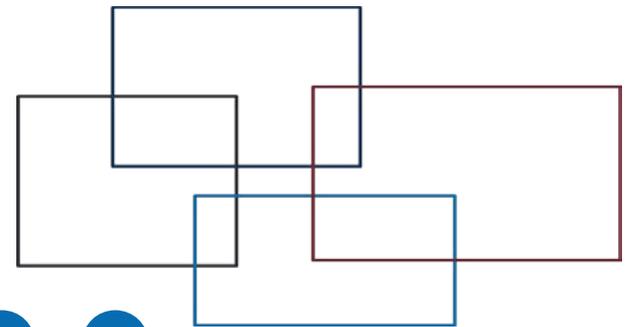
Schedule contractors are not required to pass on to all Schedule users a price reduction extended only to an individual ordering activity for a specific order or BPA



Special Note: 621 I

VA ordering activities *must* seek a price reduction on all 621I task orders, regardless of dollar threshold.

3. Ordering activity responsibilities



Ordering Activity Responsibilities



When placing an order against a Schedule contract, VA ordering activities must

- ✓ Conduct market research. Recommended sources include GSA Advantage and the Contract Catalog Search Tool
- ✓ Conduct compliance checks to ensure all required databases are up-to-date (CCR/ORCA) and the contractor is not debarred (EPLS)
- ✓ Submit a performance evaluation (for orders over the SAT) through CPARS

Additionally, VA ordering activities may notify unsuccessful contractors (optional).

Required Clauses & Provisions

When placing an order against a Schedule contract, ordering activities

1. Are not exempt from the development of acquisition plans (FAR 7.1) and information technology acquisition strategy (FAR 39)
2. Must comply with all FAR requirements for a bundled contract (FAR 2.101(b))
3. Must be consistent with the requiring agency's statutory and regulatory requirements applicable to the purchase

Written Determination

When fewer than three (3) quotes are received from Schedule contractors that can fulfill the requirement, the contracting officer shall prepare a written determination explaining that no additional contractors capable of fulfilling the requirement could be identified despite reasonable efforts to do so.

The determination must clearly explain the efforts made to obtain quotes from at least three (3) Schedule contractors.

Adding Provisions & Clauses to a Schedule Order

- Ordering activities may add non-conflicting clauses from the FAR or agency supplements to Schedule orders or BPAs.
- You may have to add clauses as required by your agency or special requirements for the products being sought.
- *Non-Conflicting Clause:*
 - An added FAR or agency clause that does not contradict a Schedule contract clause
 - An added FAR or agency clause without a usage limiting it to non-commercial acquisitions or where the clause usage does not prohibit the clause in a commercial acquisition
 - An added FAR or agency clause that is consistent with customary commercial practice

The terms of the Schedule contract trump any added by the ordering activity.

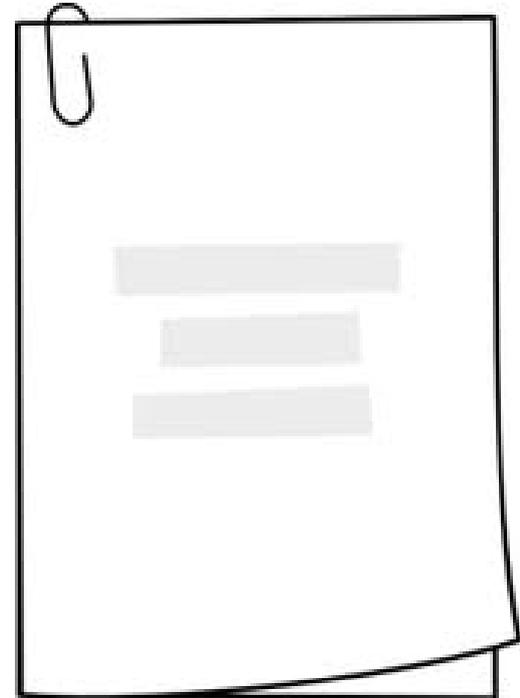
Including Option Periods

- Options may be included on orders placed against a Schedule contract, provided the options are clearly stated in the requirements and are evaluated as part of the ordering activity's best value determination.
- Options may be exercised if:
 - Funds are available
 - The requirement covered by the option fulfills an existing government need
 - Prior to exercising an option, the ordering activity ensures that it is still in the government's best interest (i.e. the option is the most advantageous method of fulfilling the government's need, considering price and other factors)
 - The options do not extend beyond the period of the Schedule contract, including option year periods. Order fulfillment may occur after the period of performance of the Schedule contract expires. VA Schedule contracts are awarded for a 5 year base period with 5 one year options (excluding 65IB Schedule contracts).

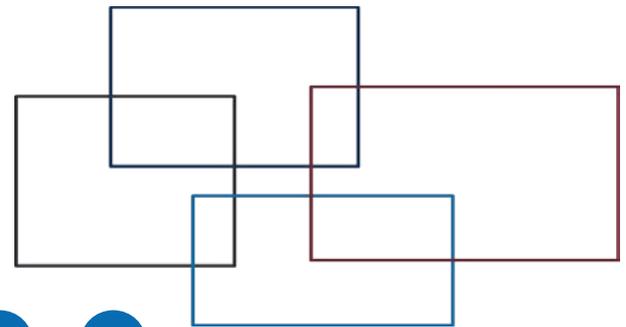
The length of the order and the risk to the ordering activity could be considered as part of the overall evaluation of best value.

Documentation Required for a Schedule Order

1. The Schedule contracts considered noting the contractor from which the supply was purchased;
2. A full description of the supply purchased;
3. Actual amount paid;
4. Evidence of compliance with FAR 8.405-1(d) ordering procedures (if total amount paid exceeds the simplified acquisition threshold (\$150,000));
5. The basis for the award decision



FSC 65 & 66 Open Market Waiver Requests



Authority

Number	Title	Date
VHA Handbook 1761.1	Standardization of Supplies and Equipment Procedures	July 17, 2003
VHA Handbook 7408.1	Requesting Waivers from the Requirement to Use VA Federal Supply Schedules	June 9, 2005
VA Form 0753A	Federal Supply Schedule (FSS) Request for Waiver (Federal Supply Class (FSC) 65 and Cost-Per-Test in FSC 66)	August 2013
	NAC/FSS Internal Process for Reviewing Requested Waivers from the Requirement to Use VA Federal Supply Schedules (FSS)	Draft

Email pmrs@va.gov for the relevant authorities and to request VA Form 0753A

When to submit a waiver request

Requesting a Waiver ...

When an ordering office determines that an item available on FSS contract in FSC 65 or on the Clinical Analyzers, Laboratory, and Cost-Per-Test FSS contracts in FSC 66 will not meet the office's specific needs, but a similar item from another source will meet such needs, the office must submit a request for waiver to the ADAS, National Healthcare Acquisitions and Chief Operation Officer, NAC, through the Chief Procurement & Logistics Officer.



Determinations

All VA ordering activities are required to submit a request for waiver if it has been determined that:

1. The item(s) available through the VA Schedules program will not meet the specific needs of the ordering activity **AND**
2. A like or similar item available from another (non-Schedule contract) source will meet the specific needs of the ordering activity.

For example...

Like or similar item is on Schedule contract but there is a compelling clinical need to use a non-contract item

- Yes, you must submit a waiver request if your research indicates that there is a like or similar item on Schedule contract but you have documented a compelling clinical need to use the non-contract item.

Research indicates that the Schedules program does not offer a like or similar item

- Yes, if the product falls within the scope of FSC 65/66 but you cannot find a like/similar item on Schedule contract you must submit a waiver request. The request will simply state that the relevant Schedule program does not carry a like or same product.

Research indicates that the required product falls within FSC 65/66 but it is not covered by an existing SIN category

- No, if your research indicates that the requested product falls within FSC 65/66 but it does not fall within an existing Special Item Number (SIN) category then you are not required to submit a waiver request and you may order the item using open market ordering procedures.

Important!

- The complexity of your purchase does not make it different.
- Focus on the SIN description when determining if you must submit a waiver.
- If the item seems like it might fall under an existing SIN category then submit a waiver request.

Clinical need

- Waivers should be requested *only when compelling clinical circumstances can be demonstrated.*
- A waiver based on clinical need should normally be for specific exceptions, such as specific patient or patient group with specific needs, an employee with special needs, allergies, etc.



Clinical justification

A clinical justification should consider:

1. The absolute minimum requirement of the commodity needed to provide for the patient's care using evidence-based methodology
2. That which exceeds the minimum need, but incorporates technological advances to the basic item that ultimately provides increased efficiencies
3. Technological additions (“bells and whistles”) that add no real value to the performance of safe and efficacious patient care

Unacceptable requests

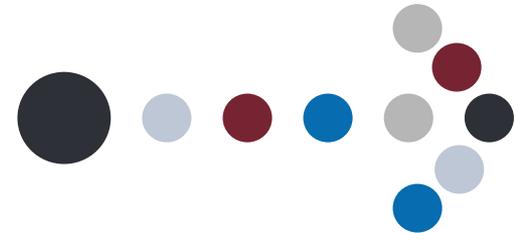
Single facility staff preference
(clinician preference)



Appearance of lower
costs than what is
available on Schedule



Waiver
will not be
granted

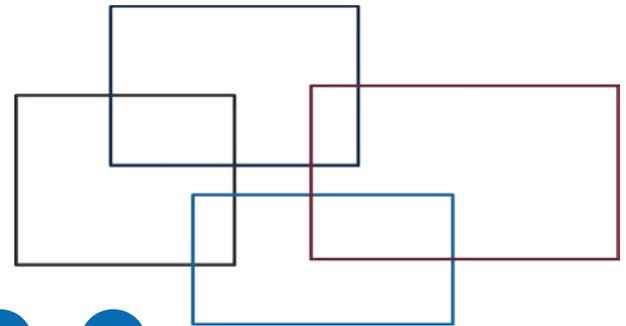


Emergency waivers

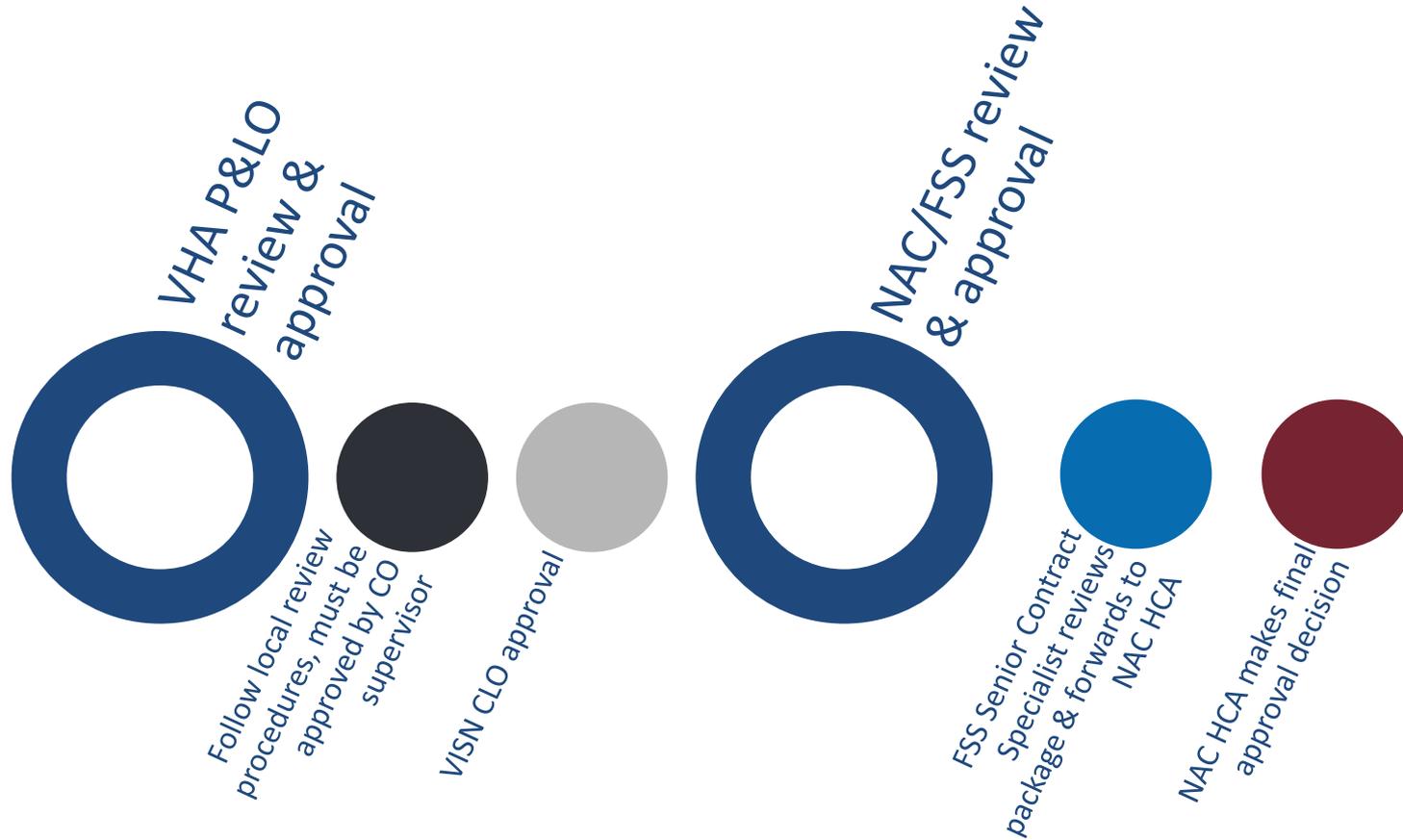


- Facilities have the authority to issue emergency waivers to meet an immediate need that ensures appropriate patient care.
- Failure to submit a request in a timely manner will not result in approval of an emergency waiver.

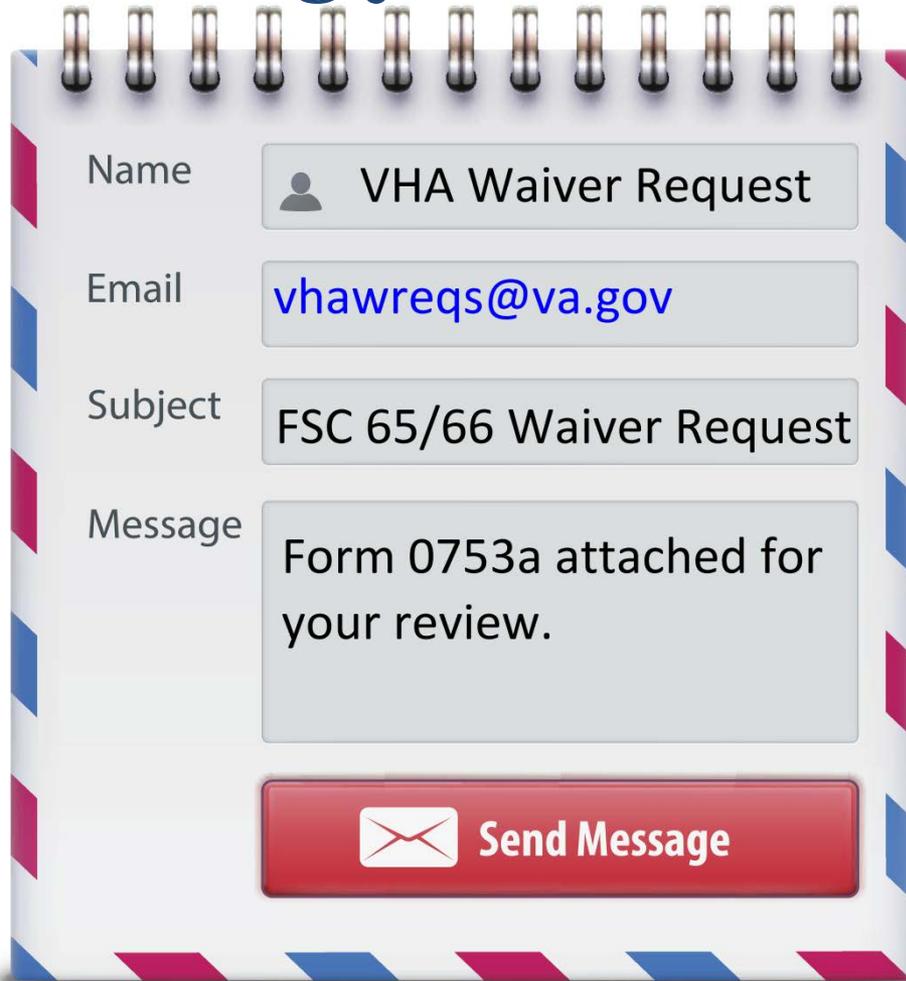
Waiver Request Process



Waiver Submission Process



Emailing your waiver request



Name  VHA Waiver Request

Email vhawreqs@va.gov

Subject FSC 65/66 Waiver Request

Message
Form 0753a attached for your review.

 Send Message

All communications regarding waivers should be directed to the P&LO. The P&LO will work with the NAC on behalf of the requesting VISN.

P&LO waiver request points of contact

Rodney Hickson

rodney.hickson@va.gov | (202) 632-7970

Jennifer Simmons

jennifer.simmons@va.gov | (202) 632-7353

Local review procedures

VISN

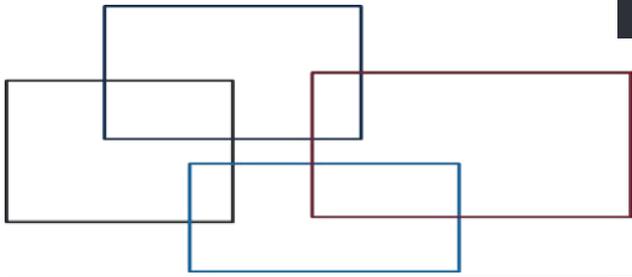
- VISN may establish review & approval procedures on behalf of all medical facilities within the VISN
- P&LO should consult with respective VISN CLOs and other parties

Facility

- Network directors are encouraged to establish additional field review and approval procedures

Minimum Requirements

- All local procedures must include review & approval at a level no lower than the facility Chief of Staff and Chief Medical Officer prior to forwarding to VHA P&LO



VA Form 0753a Best Practices



- Complete all blocks. Include descriptive literature that explains the characteristics of the requested item
- Provide a full description of the inadequacies of the Schedule item. *This must include the ways that the item does not meet the needs of the patient.* Include studies, surveys, labs, etc. conducted to demonstrate these inadequacies.
- Identify the technical, economic or other advantages of acquiring the non-contract item and how it is better than the FSS item. *This must be supported by documentary evidence.*
 - Include relevant meeting minutes or approval by a clinical process review committee
 - Identify if this is part of a VISN/local standardization effort
- Submit the price of each item, estimated purchase quantity, and annual use statement
- Your final request should include all recommendations/remarks made to date by all approving officials.

VA Form 0753a Resources

- *VHA's Federal Supply Schedule (FSS) Request for Waiver Checklist VA FORM 0753A* explains the requirements for each field.
- FSS & non-FSS waivers under review
SharePoint site

NAC/FSS Review Process

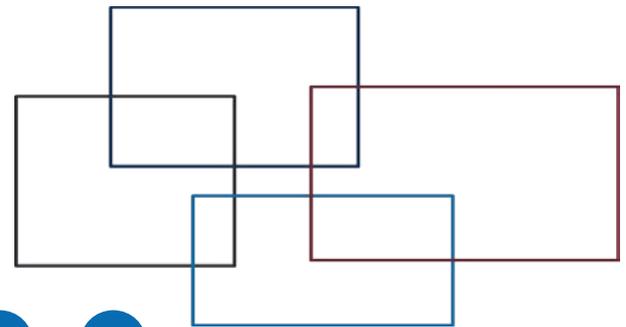
Assigned SCS will review for same or similar items on Schedule	NAC Contract Catalog Search Tool
	GSA eLibrary
	FSS shared drive (determine if same/similar item in same category has been requested before)
Documentation review	Ensure requestor identified and reviewed all similarly awarded FSS items and included a justification for why the item(s) will not meet the facility's need
Completed package (including SCS comments & recommendations) forwarded to NAC Head of Contracting Activity for approval	HCA will review total package, including all documentation, comments, recommendations, etc. and issue a final decision
	Returns completed waiver package to the FSS SCS

SCS forwards completed package to P&LO

Multiple Waivers

If a waiver has been received for a specific item more than once, the FSS SCS should provide the company name and information to the FSS Chief, Program Management & Resource Support, in an effort to work with the company to add the requested product to their Schedule contract or to submit a solicitation proposal for a Schedule contract.

Small Business Set-Asides & FSS

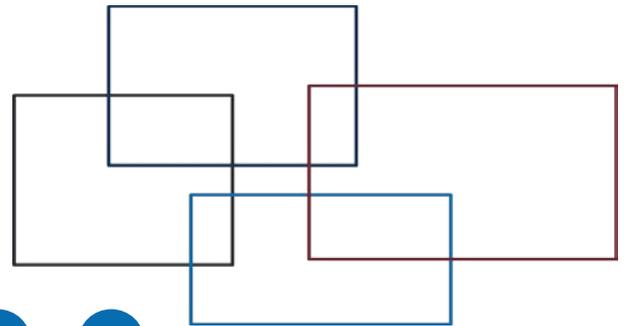


Small Business Set-Asides

- Ordering activity COs may use their discretion to set-aside Schedule orders and BPAs for small business concerns.
- The agency CO determines if a set-aside is in the best interest of the government.
- If an order is not being set-aside exclusively for small business concerns, ordering activities can use socioeconomic status as an evaluation factor.



Resources



Online Resources

Website	URL
FSS Web Portal	http://www.fss.va.gov
Training	http://www.va.gov/oal/business/fss/training.asp
VA Schedule Programs	http://www.va.gov/oal/business/fss/schedules.asp
Customers	http://www.va.gov/oal/business/fss/customers.asp
Open Market Waiver Request Process	http://www.va.gov/oal/business/fss/waiver.asp
VA Handbook 7408.1 Requesting Waivers from the Requirement to use VA FSS Schedules	http://www.va.gov/vapubs/viewPublication.asp?Pub_ID=307&FType=2
Form VA 0753a	Email pmrs@va.gov
VA Specific Priorities of Use of Government Supply Sources	http://www.va.gov/oal/business/fss/priorities.asp
NAC Contract Catalog Search Tool	http://www.va.gov/nac

Contact Us!



p 708.786.7737 | f 708.786.5828 | fss.help@va.gov

<http://www.fss.va.gov>