United States Department of the Interior

INTERIOR BUSINESS CENTER
Washington, DC 20240

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION (JOFOC) FOR COMMERCIAL PRODUCTS/SERVICES OVER THE SIMPLIFIED ACQUISITION THRESHOLD (SAT) USING SIMPLIFIED PROCEDURES AUTHORITY: Revolutionary FAR Overhaul (RFO) 12.102(b) and 41 U.S.C. 1901

1. Identification of the agency and the contracting activity, and specific identification of the document as a "Justification for Other than Full and Open Competition."

This document is a *Justification for Other than Full and Open Competition* for the Department of the Interior (DOI), Interior Business Center (IBC), Acquisition Services Directorate (AQD), Division 1, Branch 1, on behalf of the Armed Forces Retirement Home (AFRH).

2. Nature and/or description of the action being approved.

This is a follow-on requirement for a single award, commercial, Firm Fixed Price (FFP) / Labor Hour (LH) contract, for Pharmacy Services.

This request anticipates a planned sole source to:

Pharmerica Corp. ("Pharmerica") (UEI: USCDK23QHH66)
805 North Whittington Parkway Suite 400
Louisville, KY 40222-5186

3. A description of supplies or services required to meet the agency's needs (including the estimated value).

The AFRH in Washington, DC is a Continuing Care Retirement Community (CCRC). In 1991, the AFRH became an independent Federal agency with the enactment of the Defense Authorization Act, Public Law 101-501. This modern retirement community offers Residential Living, Independent Living Plus, Assisted Living, Long Term Care and Memory Support to our Nation's Veterans. Currently there are approximately 555 residents who live on the campus of the Washington, DC location, located at 3700 North Capitol Street, NW, Washington, DC 20011.

The AFRH has the requirement for Pharmacy Services for the residents of the AFRH. The contractor must also provide ancillary services required to abide by all state and federal standards and AFRH policies and Operational Instructions. The contractor shall be responsible for ensuring compliance regarding Pharmaceuticals.

Services will include the dispensing of medications to the residents of AFRH, which includes all insurance/billing needs, reporting, drug regimen reviews, drug reviews/medication pass reviews, and in-service training. The contractor will maintain medications that are regularly utilized by the geriatric population of AFRH. Additionally, the contractor will be required to meet the equipment and software requirements for the administration of the pharmaceuticals.

The estimated contract value is $_____ as follows:

	Anticipated Period of Performance	Estimated Value
Base Period	7/1/2026 – 12/31/2026	
Option Period 1	1/1/2027 – 3/31/2027	
Subtotal		
FAR 52.217-8	4/1/2027 – 9/30/2027	
TOTAL		

4. An identification of the statutory authority permitting other than full and open competition.

This is an acquisition conducted under the authority of the Simplified Procedures for Acquisition of Commercial Products and Commercial Services. The statutory authority permitting restricting competition is 41 U.S.C 1901 as implemented by RFO 12.102(b). (Value > SAT ≤ $9 million)

5. A demonstration that the proposed contractor's unique qualifications or the nature of the acquisition requires use of the authority cited.

AFRH is seeking continued support for Pharmacy Services. The current Pharmacy Services contract vehicle expires on June 30, 2026. The intent is to provide for a short-term contract to provide additional time for a competitive award of a longer-term contract. The services support residents of AFRH, which is a Continuing Care Retirement Community. If Pharmacy Services are not provided to the geriatric population of AFRH, there could be harmful medical impacts to the residents.

It is intended that this requirement will provide for a short-term contract to provide additional time for a competitive award of a longer-term contract. It is anticipated that the longer-term contract will be awarded by December 31, 2026. In the event of unanticipated challenges in the procurement process, one (1) option period for three (3) months and FAR 52.217-8 Extension of Services which provides for up to six (6) months, are included.

Should the award of this follow-on contract not be awarded for the critical Pharmacy Services, then AFRH's mission would be jeopardized. The Pharmacy Services provide pharmaceuticals for the residents of AFRH which are a geriatric population. Failure to provide pharmaceuticals to the residents could be catastrophic.

6. A description of the efforts made to ensure that offers are solicited from as many potential sources as practicable, including whether a notice was or will be publicized as required by RFO part 5 and, if not, which exception under Part 5 applies.

A thorough review of the procurement needs and options were considered. The review identified that conditions supporting an exception to competition exist based upon the urgent and compelling nature to ensure a continuation of the pharmaceutical services for the residents of AFRH. It is intended that a combined synopsis/solicitation will be posted on SAM.gov, which will include the contents of RFO 5.101(c) and, in particular, subsection (vii) regarding the identification of the intended source and the rationale for the lack of competition. Following the explain why competition is lacking. Following award, the justification will be posted in accordance with RFO 6.301.

7. A determination by the contracting officer that the anticipated cost to the Government will be fair and reasonable.

The Contracting Officer will ensure the price of any contract issued to support the Pharmacy Services is evaluated and negotiated in accordance with RFP 12.203 Evaluation. Prior to award of the proposed contract, a price evaluation will be performed and documented to sufficiently determine that the price to the Government of the proposed acquisition will be fair and reasonable.

8. A description of the market research conducted (see part 10), and the results or a statement of the reason market research was not conducted.

Ability One's procurement list was searched but with no results. A review of GSA, Small Business Administration Dynamic Small Businesses, and Request for Information, DOIDFBO260058, was also posted via SAM.gov on May 27, 2026, with a response date of June 10, 2026, of which no vendor provided a response for their capabilities.

The only known source for the services at this time is Pharmerica. Given the need to ensure that there is no break in service for these services, Pharmerica is the only choice for an award in the time allowed.

9. Any other facts supporting the use of other than full and open competition; such as:

Pharmacy Services are required to be provided by AFRH to the geriatric population. Failure to provide the services to the residents could result in a catastrophic medical emergency.

10. A listing of the sources, if any, that expressed an interest in the acquisition in writing.

There are no sources that have expressed an interest in this procurement.

11. A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition for the supplies or services required.

It is intended that this requirement will provide for a short-term contract to provide additional time for a competitive award of a longer-term contract. Should the award of this follow-on contract not be awarded for the critical Pharmacy Services, then AFRH's mission would be jeopardized.

12. Contracting officer certification that the justification is accurate and complete to the best of the contracting officer's knowledge and belief.

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

_____

Contracting Officer

13. Requirements Personnel Certification.

I certify that the technical data which forms a basis for this justification is complete and accurate and meets the Government's minimum needs.

_____
Program Manager/COR

14. Reviews and Approvals:

Approve

_____ _____
Contracting Officer