DEPARTMENT OF VETERANS AFFAIRS

SOLE SOURCE JUSTIFICATION UNDER SIMPLIFIED ACQUISITION PROCEDURES FOR COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES IN ACCORDANCE WITH RFO PART 12

Acquisition Plan Action ID: 36C776-26-AP-1128

1. **Contracting Activity:** Department of Veterans Affairs, Veterans Health Administration (VHA), Program Contracting Activity Central (PCAC), 6100 Oak Tree Blvd, Suite 490, Independence, OH 44131.

2. **Nature and/or Description of the Action Being Processed:** This procurement is for an annual subscription to the KLAS Arch Collaborative; a robust database for research and standardized clinician surveys and benchmarking for healthcare organizations to uncover best practices which will lead to eventual improvement of Electronic Healthcare Record (EHR) satisfaction in accordance with RFO 12.201-1 Simplified Acquisition Procedures and RFO 12.102 for restricting competition. The KLAS Arch Collaborative Subscription, which includes access to their database for provider surveys, Healthcare organizations best practices, trends and surveys/interviews to be performed by KLAS for a specific VISN to be identified in each option year.

   The proposed Firm Fixed Price (FFP) purchase order is a recompete of the KLAS Arch Collaborative Subscription services currently provided under purchase order 36C77623P0151. This individual Justification and Approval (J&A) is to support a sole source procurement to KLAS Enterprises, LLC.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The mission of the Office of Clinical Informatics (OCI) within the Digital Health Office (DHO) at the Department of Veterans Affairs (VA) is to enhance the lives of Veterans and VA staff by providing them with improved data and tools to make better decisions and streamline their workflows. Additionally, OCI strives to establish and promote standards and information technology resources based on scientific research that benefit the health of Veterans, their families, and the individuals who care for them. To accomplish this objective, OCI is dedicated to adopting interoperability and health information sharing methods based on national standards, promoting data standardization, and promoting an efficient exchange of health data through existing systems. The VA requires support services and domain expertise to administer clinical end-user experience surveys, access to standardize experience questions and industry benchmarks for comparative analysis of survey results; and evidenced-based materials for healthcare best practices with the Electronic Health Record (EHR). To that end, the VA requires an online tool that will provide access to a collaborative and standardized EHR database that enables the VA to query satisfaction measurements, benchmarking tools, and also a network of peers in order to improve clinician experience and overall healthcare I/T performance. The database will be web enabled and provide access to a plethora of clinical measurements, published reports, clinician interviews/surveys, webinars and any other product which is focused on provider success, trends, best practices and case studies. The Contractor shall support survey administration and provide analysis of survey results for Veteran Integrated Service Networks (VISNs), with specified VA Medical Centers (VAMCs) and specific care delivery sites to be determined by OCI and the status of EHR Modernization. The Contractor shall provide Government Purpose rights and permit the VA to utilize the library of standardized survey questions for independent analysis. The Contractor shall provide 4-6 benchmark numbers from Arch Collaborative data for comparison to VA's independent analysis, done within their own platform. The Contractor shall support the administration and analysis of VA end-user surveys that utilize the Contractors' provided survey questions during the performance period. The Contractor shall also support VA specific and unique questions, excluded from benchmarking, as needed to meet OCI and EHR Modernization measurement objectives.

   The Contractor shall provide VA Personnel Resources (Government staff and contractors with va.gov accounts) access to case studies, webinars, and reports on topics covered by the experience survey questions. The Contractor shall annotate case studies with Key to Success and provide directions on best practices and helpful reports for DHO, EHR Modernization, and the field [Veteran Integrated Service Networks

(VISNs) and VA Medical Centers (VAMCs)] to access. The Contractor shall connect DHO, EHR Modernization, and field Points of Contact with members of the Arch Collaborative on request or per Contractor advice. The estimated value of the requirement is [redacted] for a 12-month base period and four (4) 12-month option periods:

- Base Period: [redacted]
- Option Period One (1): [redacted]
- Option Period Two (2): [redacted]
- Option Period Three (3): [redacted]
- Option Period Four (4): [redacted]

The duration of this requirement is for a 12-month base period plus four (4) 12-month option periods:

- Base Period: September 1, 2026 – August 31, 2027
- Option Period One (1): September 1, 2027 – August 31, 2028
- Option Period Two (2): September 1, 2028 – August 31, 2029
- Option Period Three (3): September 1, 2029 – August 31, 2030
- Option Period Four (4): September 1, 2030 – August 31, 2031

4. **Statutory Authority Permitting Restricted Competition:** RFO 12.201-1 Simplified Acquisition Procedures for Commercial Products and Commercial Services. The statutory authority for applying the Simplified Acquisition Procedures for Commercial Products and Commercial Services in RFO Part 12.201-1 is 41 U.S.C. § 1901 and is implemented by RFO 12.102 for restricting competition on this procurement. **Competition is restricted on this procurement for the reason below**:

   (X) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per 41 USC §3304(a)(1) as implemented by RFO 6.103-1;
   ( ) Unusual and Compelling Urgency per 41 USC §3304(a)(2) as implemented by RFO 6.103-2;
   ( ) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per 41 USC §3304(a)(3) as implemented by RFO 6.103-3;
   ( ) International Agreement per 41 USC §3304(a)(4) as implemented by RFO 6.103-4;
   ( ) Authorized or Required by Statute per 41 USC §3304(a)(5) as implemented by RFO 6.103-5;
   ( ) National Security per 41 USC §3304(a)(6) as implemented by RFO 6.103-6;
   ( ) Public Interest per 41 USC §3304(a)(7) as implemented by RFO 6.103-7;

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** For this effort, VA requires a vendor experienced in conducting research and analysis in the space of Electronic Health Records (EHR) amongst various health care systems and requires access/membership to a database that contains this information and is regularly updated with new research findings. The KLAS Arch Collaborative subscription services are unique in that they are the subscription service that has a large database of surveys, research and analysis of other healthcare systems, as well as providing the expert analytical staff that performs the surveys and analyzes the results against their robust database. KLAS only performs these types of services and no other type of services, so they are subject matter experts. The VA is not aware of any other company that can provide the required robust database and specialized analysts. The VA has purchased and is implementing the Cerner product for EHR to utilize the same EHR product that the Department of Defense (DoD) uses to streamline veteran healthcare once they are discharged from military service. DoD has also procured the KLAS Arch Collaborative membership that will enable the VA to partner and collaborate with DoD through this membership.

   Market research was conducted for this and the previous purchase orders awarded for the same subscription services described in Section 3 above. This market research did not locate any other company that can provide the same industry comparators as used by the DoD. The KLAS membership is not transferable and there are no resellers of this membership. KLAS is the sole provider for access to the Arch Collaborative that

offers comparators and facilitates joint analysis performed by the office of Federal Electronic Health Record Modernization (FEHRM). This acquisition is essential to the Government's requirements, thereby precluding consideration of any other company that would not be capable of providing all that is required for the mission of the VA. Accordingly, KLAS Enterprises, LLC is the only firm capable of providing the required subscription services without the VA experiencing substantial duplication of cost that could not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** A Special Notice/Notice of Intent to Sole Source was posted to Contract Opportunities via sam.gov on March 18, 2026. Responses were requested no later than March 25, 2026. In accordance with VA Acquisition Regulation (VAAR) 810.001-70, the SBA's Small Business Search (SBS) was queried on March 18, 2026 in an effort to find SDVOSB and VOSBs with NAICS 519290 who are capable of performing the required services. A total of 475 vendors were found. An email was sent to all 475 SDVOSB and VOSB vendors on March 18, 2026 informing the vendors of the posting of the Special Notice/Notice of Intent to Sole Source. Vendors were informed this notice was not a request for competitive quotes; however, any responsible source who believes it is capable of meeting the requirements may submit a capability statement, proposal, or quotation which may be considered by the agency. Vendors were also informed that responses would be evaluated; however, a determination by the Government not to compete the proposed procurement based upon responses received to the notice is solely within the discretion of the Government. Six (6) responses were received from Basecamp, Elcomm, Humanotech, Page after Page, the C.A.S.E. Engineering Group, and Vervellc. The four (4) complete responses were sent to the Program for review to determine potential capability. None of the vendors were determined capable of providing the required services through a comparable platform. See section 8 below for additional details.

   The program conducted initial market research in September and October 2025. This research is consistent with the market research conducted for the previous order 36C77623P0151. The required type of resource subscription database was found to be potentially available from three (3) sources; however, after review of these sources, Red Octopus and JDI were only able to meet some of the VA's requirements but not all of the requirements as they do not have a large enough document database. Only KLAS Enterprises was found to provide access to a large database of survey-based data on change management practices plus monographs on change management and case studies that meets all of the VA's requirements.

7. **Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** The Program developed an Independent Government Cost Estimate (IGCE) for this requirement. The quoted price will be determined fair and reasonable before award by comparing the price to the Program's IGCE. The IGCE is based on the historical pricing for the current and previous requirements and an estimated 1% increase for the option years. The historical pricing is based on the price for purchase order 36C77623P0151 awarded September 29, 2023 for a base period and two (2) 12-month option periods and the price for purchase order 36C77620P0100 awarded August 12, 2020 for a base period and two (2) 12-month option periods.

8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** As stated in Section 6 above, market research was conducted pursuant to RFO Part 10, VAAR Part 810 and PPM 2016-05 (REVISED AUG 2019). Per PPM 2016-05, Implementation of the Veterans First Contracting Program as a Result of the U.S. Supreme Court Decision: §8127 is mandatory, not discretionary and its text requires the Department to apply the Rule of Two to all contracting determinations. A query of the Small Business Administration (SBA)'s Small Business Search (SBS) for SDVOSB and VOSB concerns with NAICS 519290 was conducted on March 18, 2026. A total of 475 vendors were found. An email was sent to all 475 SDVOSB and VOSB vendors on March 18, 2026 informing the vendors of the posting of the Special Notice/Notice of Intent to Sole Source. Six (6) responses were received from Basecamp, Elcomm, Humanotech, Page after Page, the C.A.S.E. Engineering Group, and Vervellc. These responses were sent to the Program for review to determine potential capability. None of the vendors were determined capable of providing the required services through a comparable platform. Two (2) of the vendors did not provide enough

information to determine potential capability (Basecamp and Vervellc). The other four (4) responses were sent to the Program for review to determine potential capability. None of the vendors were determined capable for the reasons described below:

Elcomm provides a broad set of IT, training, and analytics services, but they do not demonstrate access to the required benchmarking data or proprietary content. They do not show the ability to provide Arch Collaborative benchmark metrics, Oracle Health peer-group comparisons, or access to the associated case-study and webinar materials needed under this requirement. [Not capable].

Page after Page PAP's strengths are in document workflow, scanning, managed print services, and general survey support, but they do not present any capability related to clinical experience benchmarking or proprietary survey question libraries. They do not show access to Arch Collaborative benchmarks or the other specialized benchmarking content identified in the PWS. [Not capable].

The C.A.S.E. Engineering Group shows strong analytics and survey support capabilities; however, they acknowledge that the core benchmarking component of this requirement—specifically the Arch Collaborative benchmark data—is proprietary to KLAS. They propose supporting only the non-proprietary elements. Because the full scope of work requires the proprietary benchmarks, content library access, and Oracle Health peer comparisons, they cannot meet the requirement in full. [Not capable].

Humano Tech is not capable, as their response primarily restates PWS requirements and does not demonstrate access to the required proprietary benchmarking resources, including Arch Collaborative or Oracle Health peer-group comparisons. They fail to identify any existing platform that provides the standardized question library, benchmark datasets, or research materials needed under this requirement.

As described in Sections 6 and 8 above, market research, in accordance with RFO Part 10, was conducted by synopsis of the proposed acquisition, advising industry of the pending acquisition and soliciting inquiries from interested parties. This market research did not yield any vendors other than KLAS Enterprises, LLC who are capable of providing the required services.

9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** There are no other vendors in the market who can provide a comparable subscription service platform with a large database of surveys, research and analysis of other healthcare systems, as well as providing the expert analytical staff that performs the surveys and analyzes the results against their robust database. Finally, the KLAS Arch Collaborative subscription service can only be obtained through KLAS Enterprises, LLC as there are no other sources who are authorized to provide access to this subscription service.

10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:**

    - Basecamp
    - Elcomm
    - Humano Tech
    - Page after Page
    - The C.A.S.E. Engineering Group
    - Vervellc

11. **A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required:** To remove or overcome any barriers to competition before future acquisitions for the same services, the VA will ensure extensive market research is performed to evaluate the market and determine if there are any comparable subscription services with the intent of opening competition.

12. **Requirements Certification:** I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

[redacted]

Program Manager
VHA Digital Health Office (DHO)

13. **Approvals in accordance with the VHAPM Part 806.3 OFOC SOP:**

a. **Contracting Officer or Designee's Certification (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

[redacted]

Michelle Rhodes
Contracting Officer
RPOC Supplies and Services Division, Team 2

06/10/2026
Date

b. **One Level Above the Contracting Officer (Required over $350K but not exceeding $900K):** I certify the justification meets requirements for other than full and open competition.

[redacted]

One Level Above CO
RPOC Supplies and Services Division, Team 2

[redacted]

Acting Director of Contracting
RPOC Supplies and Services Division

c. **VHA Advocate for Competition and RPO HCA Review and Approval:** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve $900K to $90 million for other than full and open competition.

[redacted]

Executive Director, RPO Central
Head of Contracting Activity