

**DETERMINATION AND FINDINGS FOR A
SINGLE AVAILABLE SOURCE PROCUREMENT**

CONTRACT NO: DCHC-2008-E-0010
CAPTION: Non-emergency Transportation Services
PROPOSED CONTRACTOR: Medical Transportation Management
PROGRAM AGENCY: Department of Health Care Finance
AUTHORIZATION: D.C. Official Code §2-354.04, 27 DCMR 1304 and 1701

FINDINGS

1. Minimum Need:

The Department of Health Care Finance has a continuing need for a broker to manage and administer the District's non-emergency transportation (NET) services program for the District's Medicaid Eligible fee-for-service (FSS) Recipients. The Broker's requirements shall include developing and maintaining a network of transportation providers, receiving and scheduling recipient transportation services, and monitoring of the delivery of transportation services.

2. Estimated Reasonable Cost:

The estimated fair and reasonable price to provide the required services for a period of performance of one year from date of award is \$17,628,336.00. The price offered by MTM, Inc. has been determined fair and reasonable based on the following comparison of prices received in response to a competitive solicitation:

Offeror/ Period of Performance	First Transit	MTM	Southeastrans
Base Period, Option Year 1, & Option Year 2	\$39,992,563.80	\$32,531,627.88	\$43,325,874.00
Option Year 3	\$13,947,574.44	\$11,074,306.08	\$14,608,450.44
Option Year 4	\$14,503,831.56	\$11,301,216.00	\$14,774,942.88

Total

\$68,443,969.80

\$54,907,149.96

\$72,509,267.32

Under Modification No. 2 to the MTM contract, dated July 17, 2008, the base and option years were increased by the fixed amount of \$4,500,000.00. The increase in price was due to the Department of Health Care Finance (DHCF) excluding the complex and costly requirements of transportation services for the Intellectually Disabled and Developmentally Disabled (ID/DD) population from the cost estimates of the original NET procurement. DHCF underestimated the number of persons and the resulting number of trips for Medicaid eligible beneficiaries and the ID/DD population. Also, the increase was needed due to the expansion of the transportation vendor network as well as expansion of the service area.

3. Facts Which Justify Single Available Source Procurement:

MTM is the District's transportation broker tasked with managing and administering the District's non-emergency Transportation Services (NET) for the District's Medicaid Eligible fee-for-service (FFS) Recipients. The total number of the District's eligible FFS Recipients ranges each month between 35,000 and 45,000.

The DHCF provided the contractor written notice of the District's intent to exercise Option Year Three (3) for the period July 20, 2011 through July 19, 2012. The DC Council also approved DHCF to exercise the option in the amount of \$17,628,336.00 in accordance with §F.2 of the contract on July 25, 2011. However, due to extenuating circumstance, the action of modifying the contract to exercise the option was not performed.

In order to continue providing these essential services, DHCF has determined that a Sole Source Contract must be entered into to prevent a disruption in services that would result in severe circumstances and agency disruption. Any disruption in this service would cause great harm to the residents of the District who utilize this service as MTM provides all Medicaid fee-for-service recipients with transportation necessary to attend medical appointments and all transportation needed to maintain a healthy quality of life. Furthermore, any disruption to this service would cause the District a severe financial burden as these services are mandated to be provided to Medicaid recipients under Federal law.

Moreover, Under § 405 of The Procurement Practices Act of 1985, a contract may be awarded when there is an imminent threat to the public health, welfare, property, or safety or to minimize serious disruption in agency operations. Under the circumstances noted above, the Medical Transportation

services are necessary to public health and safety of District residents and any disruption in these services would cause a serious disruption to the public and to the agency.

4. Certification by Agency Head:

I hereby certify that the above findings are correct and complete.

Date

Director, Wayne Turnage

Contracting Officer Certification

I have reviewed the above findings and certify that they are sufficient to justify the use of the sole source method of procurement under the cited statutory authority. I recommend that the Chief Procurement Officer approve the use of the sole source procurement method for this proposed contract.

Date

Contracting Officer, Drakus Wiggins

DETERMINATION

Based on the above findings and in accordance with D.C. Official Code § *[Insert correct statutory citation]*, I hereby determine that the subject contract may be procured using the sole source method of procurement.

Date

James Staton
Interim Chief Procurement Officer

INSTRUCTIONS FOR DETERMINATION AND FINDINGS

1. Authorization

Indicate which subsection of section 305 of the Procurement Practices Act of 1985 ("PPA"), as amended, D.C. Official Code §305, authorizes your findings for use of the sole source procurement method. Section 305 of the PPA authorizes sole source procurement under the five circumstances. Choose citation most appropriate to the circumstances of your procurement:

- a. Sec. 305(a)(1), D.C. Official Code §2-303.05(a)(1)-There is only one source for the required commodity, service, or construction item.
- b. Sec. 305(a)(2), D.C. Official Code §2-303.05(a)(2)-The contract is for the purchase of real property or interests in real property.
- c. Sec. 305(a)(3), D.C. Official Code §2-303.05(a)(3)- The contract is with a vendor who maintains a price agreement or schedule with any federal agency, so long as no contract executed under this provision authorizes a price higher than is contained in the contract between the federal agency and the vendor.
- d. Sec. 305(a)(3A), D.C. Official Code §2-303.05(a)(3A)-The contract is with a vendor who agrees to adopt the same pricing schedule for the same services or goods as that of a vendor who maintains a price agreement or schedule with any federal agency, if no contract executed under this provision authorizes a price higher than is contained in the contract between the federal agency and a vendor.
- e. Sec. 305(a)(4), D.C. Official Code §2-303.05(a)(4)-The contract is for the purchase of commodities, supplies, equipment, or construction services that would ordinarily be purchased on a competitive basis when an emergency is declared pursuant to section 312 of the PPA.

2. Minimum Need

Describe the program agency's requirement for a stated minimum need (scope of work) and time frame within which the work must be performed. List in detail the precise nature and scope of the service or supplies required. The time frame must be justified in detail.

3. Estimated Reasonable Cost

The estimated cost of the contract (the amount the contractor is anticipated to receive for its services or supplies).

4. Facts Which Justify Sole Source Procurement

Indicate the facts which justify in detail the sole source citation referenced in the authority section.

- a. Sec. 305(a)(1)-State the facts which establish that the procurement is based on either a sole source or a single available source. This justification shall include an explanation of the proposed contractor's unique qualifications or other factors that qualify the proposed contractor as a sole source for the procurement. It shall also include a description of the market survey conducted and the results, or a statement of the reasons why a market survey was not conducted.
- b. Sec. 305(a)(2)-Set forth the facts that support the conclusion that the contract is for the purchase of real property or interests in real property.
- c. Sec. 305(a)(3)-Include, to support this justification, the vendor's federal contract number, a copy of the schedule so that price comparisons can be made, and facts which support that the vendor's federal contract is for substantially the same goods or services.
- d. Sec. 305(a)(3A)-Include the proposed contractor's adoption statement, the contract number of the federal contract being adopted, a copy of the price schedule being adopted, and facts which support that the goods or services being procured under the District sole source procurement are the same as the goods or services in the adopted federal contract.
- e. Sec. 305(a)(4)-Set forth the facts that support the conclusions that: an emergency exists which threatens the public health, safety, or welfare; and that competition is not practicable and only a sole source or single available source exists. In addition, state the nature of the harm that the public might suffer if the requirement were not met by emergency sole source procurement.

5. Certification by Agency Head

The head of the program agency, by signature, certifies factually the determination and findings.

6. Contracting Officer Certification

The contracting officer, by signature, certifies factually the determination and findings and recommends that the Chief Procurement Officer approve the use of the sole source procurement method.

7. Determination

The Chief Procurement Officer, or an official delegated authority in writing to sign on behalf of the Chief Procurement Officer, determines, by signature, that the use of the sole source procurement method is justified.