

**DETERMINATION AND FINDINGS
FOR
SOLE SOURCE PROCUREMENT**

Agency: Department of Human Resources
Contract No.: DCBE-2006-D-0008
Caption: Group Life and Disability Insurance Plans
Contractor: Standard Insurance Company
1100 S. W. Sixth Avenue
Portland, OR 97204

FINDINGS

1. AUTHORIZATION:

D.C. Code § 2-354.04 DCMR § 1702.1.and 1304

2. MINIMUM NEED:

The Department of Human Resources has a continuing need for a licensed insurance carrier to underwrite and administer the following insurance plans:

- a) Plan 1 – Group term life, accidental death and dismemberment (AD&D); and conversion life insurance which shall include portable term life insurance;
- b) Plan 2 – Short term disability (STD) insurance; and
- c) Plan 3 – Long term disability (LTD) insurance

The period of performance will be for March 1, 2012 through October 31, 2012.

3. ESTIMATED FAIR AND REASONABLE PRICE:

The estimated fair and reasonable price to provide the required services for the period of March 1, 2012 through October 31, 2012 is \$903,549.00 based on the estimated enrollment and proposed premium rates from option year 2. The proposed premium rates have been determined fair and reasonable based on the fact that it is the same rates currently paid by the District.

4. FACTS THAT JUSTIFY SINGLE AVAILABLE SOURCE PROCUREMENT:

Standard Insurance Company has been providing Group Life and Disability Insurance Plans to union and non-union employees of the District of Columbia for several years. Contract DCBE-2006-D-0008 was competitively awarded on July 13, 2006 to Standard Insurance Company who was the highest ranked offeror considering technical and price factors. The contract was awarded for a base period of three years and contained two one-year option periods.

The Contract was extended for one year to ensure continuation of services for Group Life and Disability Insurance Plans until a replacement contract can be awarded. The current contract will expire on February 29, 2012. A revised solicitation is being prepared for Group Life and Disability Insurance Plans and the District will be unable to complete the procurement process to acquire a new Group Life and Disability Insurance Plans contract by February 29, 2012.

The District, therefore, has a need to extend its present contract with Standard Insurance Company for a period of eight months to allow for the competitive procurement process to procure a new Group Life and Disability Insurance Plans Contractor. Standard Insurance Company will continue to provide the services as presently outlined in Contract Number DCBE-2006-D-0008. Under this extension, the Contractor shall continue to provide the services presently required in the Contract.

The estimated release of the new solicitation will be around April 2012.

In consideration of the District's minimum need and the fact that a competitive solicitation is under way a market survey was not conducted.

5. CERTIFICATION BY THE AGENCY HEAD:

I hereby certify that the findings set forth above are true, correct, and complete to the best of my knowledge and that the proposed sole source contract extension is in the best interest of the District of Columbia.

Shawn Stokes
Director
Department of Human Resources

Date

6. CERTIFICATION BY CONTRACTING OFFICER:

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 authority. I certify that the sole source notice of Intent to Award a Sole Source Contract and Sole Source D&F was posted on the OCP website and no valid responses were received regarding the posting. I recommend that the Chief Procurement Officer approve the use of the sole source procurement method for this proposed contract.

Drakus Wiggins
Contracting Officer
Office of Contracting and Procurement

Date

DETERMINATION

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive solicitation process under either Section 402 or 403 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18-371; D.C. Official Code § 2-354.04. Accordingly, I determine that the District is justified in using the sole source method of procurement.

James D. Staton, Jr.
Chief Procurement Officer
Office of Contracting and Procurement

Date