

# SOURCE JUSTIFICATION FORM

## Bureau of Procurement

The objective of this form is to capture all relevant documentation an Agency may have to assist the Department of General Services ("DGS"), Bureau of Procurement, in expediting the source justification review process. This form must be completed electronically, signed, and submitted with all relevant documentation to DGS. If a question is neither mandatory nor applicable, please indicate "N/A". Please use standard terminology and define acronyms.

## SECTION A

<b>1. Agency Name:</b>	Department of Human Services "prior DPW"		
<b>2. Procurement Description:</b> This description will appear on the eMarketplace website for public viewing	Third Party Liability Data Exchange and Recovery Services		
<b>Materials Description:</b>			
<b>Services Description:</b>	This contract was done in SAP, not SRM.		
<b>3. Materials Shopping Cart # or Services SPR#</b>	111111111111	<b>Estimated Cost:</b>	\$1,000,001 - \$5M
		<b>Initial Contract Term:</b>	12/1/19-6/30/20
		<b>Renewals:</b>	0
<b>4. Supplier - Name:</b>	Health Management Systems, Inc.		
Full Address:	360 Park Avenue South, 17th Floor, New York, NY 10010		
Contact Name:	Lisa Dugan		
Telephone:	717-580-2443	<b>FAX:</b>	
E-mail:	ldugan@hms.com		
SRM Supplier #:	102679-002		
<b>5. Delivery or service location:</b>	Harrisburg, PA		

## SECTION B

<input checked="" type="checkbox"/> <b>1. Sole Source:</b> Only known source - Not available from another supplier.
<input type="checkbox"/> <b>2. Material/Repair/Maintenance:</b> Material or service MUST be compatible with existing equipment. Documentation must be provided from the manufacturer.
<input type="checkbox"/> <b>3. Used Equipment:</b> Value set by 2 independent 3rd party appraisals.
<input type="checkbox"/> <b>4. Professional Expert:</b> Describe in detail in Section C.
<input type="checkbox"/> <b>5. Exempt (Law):</b> A federal or state statute or regulation exempts the procurement from the competitive procedure. Any applicable information precluding the procurement from competitive procedures must be attached.
<input type="checkbox"/> <b>6. Feasibility:</b> Clearly not feasible to award the contract on a competitive basis.

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## SECTION C

**1. Describe the unique features of this procurement that prohibit a competitive environment. If applicable, attach a Statement of Work ("SOW").**

RFP 04-18 was issued to re-procure these services on November 1, 2018. Selection of a recommended vendor was made on February 21, 2019. A bid protest was filed on March 1, 2019. The protest and subsequent stay was lifted on June 11, 2019. The protest affected Departmental guidelines and transition plans. The contract ended on 5/31/19 and the 90 day extension was used. The Department is on an EP until 11/30/19. The EP will need to be extended to allow sufficient time for the amendment to move through the signatory process.

**2. Document and attach the research that has been conducted to date to verify the supplier is the only known source.**

Only HMS is capable of performing these services at this time to prevent forfeited recoveries. The amendment is needed to provide sufficient time for HMS to transition to a new vendor and to allow for the Contract Runout Period, where HMS can continue required collection activities for billings released prior to the expiration date of the contract, but will not initiate any new services.

**3. Does the supplier utilize distributors, dealers, resellers, etc.? If "Yes," please identify.**

No

**4. Are there compatibility requirements or compliance requirements with a warranty or service agreement? If "Yes," please explain.**

No

**5. How has the material or service been procured in the past? Please provide previous source justifications, contracts, & PO's for this material or service.**

Services have been procured via a Request for Proposals in the past. The current contract number is 40000015831. The current contract ended on 5/31/19 and the 90-day extension was utilized. The initial 90-day Emergency Procurement was submitted and approved to bridge the gap between the extension and the amendment that is now in the signatory process. The initial EP will end on 11/30/19, but will need to be extended to allow sufficient time for the amendment to move through the signatory process.

RFP 04-18 was issued on 11/1/18 to re-procure these services, but the timeline got delayed due to a bid protest.

**6. If procured through the IT ITQ process, please provide original \$ amount and contract period of order. Is this the final phase of the project?**

Not applicable

**7. If this is an upgrade, addition, alteration, etc., to an earlier procurement, please describe in detail.**

Not applicable

**8. What are the consequences of not approving this procurement?**

The service will lapse and the Department will lose millions of recovery dollars if this is not approved.

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**9. If timing is a factor, what is the time factor and why?**

Yes. The current EP expires on 11/30/19, but will need to be extended to allow sufficient time for the amendment to move through the signatory process.

**10. List any other information relevant to the acquisition of this procurement here or as an attachment.**

N/A

**11. For requests > \$100,000, has the supplier signed cost or pricing data certification and is the pricing breakdown attached?**

Extension costs would be negotiated with HMS.

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## SECTION D

**IMPORTANT\*: The printed names on this form shall constitute the signatures of these individuals.** Agencies must insure that these individuals review the completed form and give their consent to apply their printed name on this form. No handwritten signatures shall be required in order for the form to be considered "signed" by those individuals whose names appear in the signature section of the form.

**Shopping Cart Contact Person (Person whom DGS will contact regarding the Shopping Cart):**

<b>Name:</b>	Carrie Thompson	<b>P-Group:</b>	DHS	<b>Date:</b>	11-12-19
<b>Title:</b>	Procurement Specialist	<b>Telephone:</b>		<b>Fax:</b>	

**Agency Contact Person: Person in your agency that DGS can contact for additional information, etc.**

<b>Name:</b>	Michelle Herring	<b>Title:</b>	Procurement Specialist	<b>Date:</b>	10-24-19
<b>Telephone:</b>		<b>Fax:</b>		<b>Email:</b>	miherring@pa.gov

**Approving Authority (Agency Head or Deputy reviewing and approving this request):** Approving Authority connotes approval of the source justification and the cost or pricing data certification.

<b>Name:</b>	DeShawn Lewis	<b>Title:</b>	Director, Bureau of Procurement &	<b>Date:</b>	11-08-19
<b>Telephone:</b>		<b>Fax:</b>			

**Additional Approvals (if required by Agency):**

<b>Name:</b>		<b>Title:</b>		<b>Date:</b>	
<b>Telephone:</b>		<b>Fax:</b>		<b>Email:</b>	
<b>Name:</b>		<b>Title:</b>		<b>Date:</b>	
<b>Telephone:</b>		<b>Fax:</b>		<b>Email:</b>	
<b>Name:</b>		<b>Title:</b>		<b>Date:</b>	
<b>Telephone:</b>		<b>Fax:</b>		<b>Email:</b>	
<b>Name:</b>		<b>Title:</b>		<b>Date:</b>	
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<b>Name:</b>		<b>Title:</b>		<b>Date:</b>	
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