What is a sole source contract?

"Sole source" means a contractor providing goods or services of such a unique nature or sole availability at the location required that the contractor is clearly and justifiably the only practicable source to provide the goods or services. (RCW 39.26.010)

Unique qualifications or services are those which are highly specialized or one-of-a-kind.

Other factors which may be considered include past performance, cost-effectiveness (learning curve), and/or follow-up nature of the required goods and/or services. Past performance alone does not provide adequate justification for a sole source contract. Time constraints may be considered as a contributing factor in a sole source justification however will not be on its own a sufficient justification.

Why is a sole source justification required?

The State of Washington, by policy and law, believes competition is the best strategy to obtain the best value for the goods and services it purchases, and to ensure that all interested vendors have a fair and transparent opportunity to sell goods and services to the state.

A sole source contract does not benefit from competition. Thus the state, through RCW 39.26.010, has determined it is important to evaluate whether the conditions, costs and risks related to the proposal of a sole source contract truly outweigh forgoing the benefits of a competitive contract.

Providing compelling answers to the following questions will facilitate the evaluation.

Specific Problem or Need

1. What is the business need or problem that requires this contract?

   As a response to the COVID-19 pandemic, HCA engaged with Nurse Disrupted to assist healthcare providers in the delivery of better patient care utilizing modern electronic health record technology. HCA launched two Epic tools, Rover App and EpicCare Link, to capture COVID-19 symptoms for clients residing in group homes at risk of severe illness, and to share those symptoms with providers who could triage clients and provide that information in a way that was interoperable with local health care facilities. The Epic
Pilot required expertise regarding Epic, the Rover tool, and familiarity with deploying Epic tools in atypical settings.

Sole Source Criteria

2. Describe the unique features, qualifications, abilities or expertise of the contractor proposed for this sole source contract.

Nurse Disrupted is a nurse-founded and clinician-led firm with experts from major healthcare IT vendors and advisors from across the healthcare industry dedicated to the goal of making it easier to have lower cost access to nursing services. Nurse Disrupted has experience deploying Epic tools and other technology resources in hard-to-reach places including Shelters, community centers, schools, and rural locations. Nurse Disrupted is familiar with challenges facing Medicaid clients including trust, cost, and technology literacy.

3. What kind of market research did the agency conduct to conclude that alternative sources were inappropriate or unavailable? Provide a narrative description of the agency’s due diligence in determining the basis for the sole source contract, including methods used by the agency to conduct a review of available sources such as researching trade publications, industry newsletters and the internet; contacting similar service providers; and reviewing statewide pricing trends and/or agreements. Include a list of businesses contacted (if you state that no other businesses were contacted, explain why not), date of contact, method of contact (telephone, mail, e-mail, other), and documentation demonstrating an explanation of why those businesses could not or would not, under any circumstances, perform the contract; or an explanation of why the agency has determined that no businesses other than the prospective contractor can perform the contract.

The Health Care Authority conducted market research to identify consultants who had deep knowledge of Epic tools, and familiarity with deploying these tools in atypical settings (i.e., non-hospital and non-clinic settings), and providing consultation for these services. Health Care Authority was unable to identify other consultants who had the unique skillset offered by Nurse Disrupted.

4. What considerations were given to providing opportunities in this contract for small business, including but not limited to unbundling the goods and/or services acquired.

Nurse Disrupted is a small woman-owned business.

5. Provide a detailed and compelling description that includes quantification of the costs and risks mitigated by contracting with this contractor (i.e. learning curve, follow-up nature).

By partnering with a consulting firm that has unique expertise in serving the vulnerable population, utilizing best in class health information technology, in non-traditional health settings, we were able to effectively create a product to assist in patient care while minimizing resource utilization and the impact on staff.
6. Is the agency proposing this sole source contract because of special circumstances such as confidential investigations, copyright restrictions, etc.? If so, please describe.

N/A

7. Is the agency proposing this sole source contract because of unavoidable, critical time delays or issues that prevented the agency from completing this acquisition using a competitive process? If so, please describe. For example, if time constraints are applicable, identify when the agency was on notice of the need for the goods and/or service, the entity that imposed the constraints, explain the authority of that entity to impose them, and provide the timelines within which work must be accomplished.

HCA projects that are dependent on this expertise are already in flight, so shifting to a different resource would be disruptive, and impact progress and timeliness of the project.

8. Is the agency proposing this sole source contract because of a geographic limitation? If the proposed contractor is the only source available in the geographical area, state the basis for this conclusion and the rationale for limiting the size of the geographical area selected.

N/A

9. What are the consequences of not having this sole source filing approved? Describe in detail the impact to the agency and to services it provides if this sole source filing is not approved.

If this sole source filing is not approved, HCA risks making uninformed decisions about its Epic pilot in deploying EpicCareLink to settings that have not typically had access to these EHR tools. Additionally, HCA requires expert strategy consultation for its development of the EHR as a Service proposal. This requires in depth knowledge of the Epic platform and its usage in atypical provider settings that serve vulnerable and underserved clients.

Sole Source Posting

10. Provide the date in which the sole source posting, the draft contract, and a copy of the Sole Source Contract Justification Template were published in WEBS.

- If exempt from posting in WEBS, please provide which exemption.

- If failed to post, please explain why.

11. Were responses received to the sole source posting in WEBS?
If one or more responses are received, list name of entities responding and explain how the agency concluded the contract is appropriate for sole source award.

Reasonableness of Cost

12. Since competition was not used as the means for procurement, how did the agency conclude that the costs, fees, or rates negotiated are fair and reasonable? Please make a comparison with comparable contracts, use the results of a market survey, or employ some other appropriate means calculated to make such a determination.

HCA contracts for a variety of services and is familiar with rates for professionals with expertise in IT solutions. The Epic product is also within the healthcare space, which has its own premium for contracted expertise. This rate, and the utilization level of the service is commensurate with our experience with others having this level and type of expertise.