

Sole Source CONTRACT Filing Justification Template

Use the following justification template for preparing to file sole source contracts in the [Sole Source Contracts Database](#) (SSCD). Once completed, copy and paste the answers into the corresponding SSCD question and answer fields. You will also need to include a copy of this completed form in the documents you post to your agency website and in [WEBS](#).

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

- What is the business need or problem that requires this contract?
 - Engrossed Senate Bill 5476 charges the Health Care Authority to contract with an “organization with expertise in supporting efforts to increase access to and improve quality in recovery housing and recovery residences.”
 - Provide technical assistance to increase recovery housing availability through partnership with private landlords, increase accreditation of recovery residences statewide, operate a grievance process for resolving challenges with recovery residences, and conduct a recovery capital outcomes assessment for individuals

living in recovery residences. These services are required by ESB 5476 (section 22.7) Recovery Housing. The bill specifically states the HCA contract with an organization that has expertise in supporting these activities. As these specific activities were completed in FY21-22, we have determined new activities to support the work previously completed and work within the intent of the bill.

Sole Source Criteria

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

The Washington Alliance for Quality Recovery Residences (WAQRR) was created to accredit recovery residences in Washington State, to provide expertise and professional development to current and prospective operators of recovery housing, and to advocate for the needs of residence operators and especially their residents.

Accreditation

WAQRR is the only organization designated in the state of Washington to accredit recovery residences by the National Alliance for Recovery Residences (NARR) according to the NARR Quality Standards and Code of Ethics. These documents were created and are updated regularly to represent the best practices in the field.

Expertise / Professional Development for Operators

The leadership (volunteer and employed) of WAQRR have over fifty years of combined experience in operating recovery residences in a variety of settings including rural, sub-urban, and urban environments. Organization leaders have all started and/or significantly developed their own housing organizations and have actively engaged with their local communities, municipalities, corrections facilities, and behavioral health agencies. Topics on which WAQRR staff and volunteers have trained include, but are not limited to:

- Funding for recovery residences
- Policy development
- Fair housing law and best practices
- Legal and ethical foundations
- Accompanying residents with co-occurring disorders
- Medications for opiate use disorders (MOUD)
- Supervising resident and professional staff
- Conflict management and other life skill development
- Accreditation and state licensing of programs and facilities

Advocacy

Since funding streams for recovery housing have been limited, WAQRR has worked diligently to successfully assist accredited and prospective operators to secure funding through grants, contracts, and working agreements. The

educational and advocacy work of WAQRR members and leadership has led to an increase in awareness of, and funding for, housing and other recovery support services.

WAQRR accredited operators constitute a network of support and accountability that greatly contributes to the success of their organizations and provides a supportive environment for new operators.

- **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.**
 - In 2019 HB 1528 was passed by the Legislature. The legislation specifically instructed the Health Care Authority to contract with “a nationally recognized recovery residence certification organization based in Washington.” The only organization to fit this description was the Washington Alliance of Quality Recovery Residences (WAQRR). Based on the information provided in ESB 5476, the contract manager and supervisors determined WAQRR was the only organization to fit the requirements outlined in ESB 5476.
- **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.**
 - As the proviso for the contract focuses on recovery residences, the contract manager determined the most efficient and effective course was to keep the opportunities with WAQRR, which is also considered a small business organization.
- **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).**
 - WAQRR has already been successfully contracted by HCA previously to provide similar work as laid out in ESB 5476. WAQRR is an organization whose purpose is to increase the amount of and quality of recovery housing in Washington state. As such, WAQRR understands the nuances of not only the state of recovery housing in

the state, but also understands the contracting process and expectations of HCA contracts. This will allow a quick start for the contract that needs to be completed by June 30, 2023; and will guarantee all contract deliverables will be completed as required and on time. Simply put outside of the program manager, WAQRR is a subject matter expert on recovery residences/housing.

- Is the agency proposing this sole source contract because of special circumstances such as confidential investigations, copyright restrictions, etc.? If so, please describe.
 - NO
- 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.
 - NO
- 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.
 - The legislative requirements of ESB 5476 are based in Washington state. As WAQRR is the state affiliate of the National Alliance of Recovery Residences (NARR), they were selected. It was determined since the legislation was focused on Washington state, it would not make sense to go out of state to an organization which would not understand the situation with recovery housing in Washington.
- 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.
 - Not meeting obligations specified in ESB 5476. Amount of accredited recovery housing in state will not increase, which will result in fewer recovery-based housing options for people in Substance Use Disorder (SUD) recovery, and those coming out of SUD treatment facilities. There will not be an avenue for increasing the number and quality of recovery residence in the state. Additionally, there is a need to provide recovery housing as a result of the ESB 5476 (also known as the Blake Bill)

Sole Source Posting

- 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.
- 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

- 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 compared a contract of this type against others for new programs that have not occurred in the state before. This contract is in line with contracts for TA with local providers for established services being stood up in new locations. We also compared this proposal with Peer Respite, which are a smaller highly specialized new service, and found that for the services, technical needs, and expertise the request was reasonable and in line with other national TA asks.