



Washington State
DEPARTMENT OF
ENTERPRISE SERVICES

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 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 DES' evaluation.

Specific Problem or Need

- **What is the business need or problem that requires this contract?**

Millions of people in the U.S. are affected by mental illness each year. According to National Alliance on Mental Illness (NAMI), [1 in 5](#) U.S. adults experience mental illness each year, [1 in](#)



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[20](#) U.S. adults experience serious mental illness each year, [1 in 6](#) U.S. youth aged 6-17 experience a mental health disorder each year, [50%](#) of all lifetime mental illness begins by age 14, and 75% by age 24, and Suicide is the [2nd leading](#) cause of death among people aged 10-14. ¹ It is estimated that more than one in five U.S. adults live with a mental illness (59.3 million in 2022; 23.1% of the U.S. adult population).²

Further, the legislature directed HCA to make this purchase, since SB 5950, Sec 215(149)³ states: \$200,000 of the general fund—state appropriation for fiscal year 2025 is provided solely for the authority to **contract with a nonprofit organization to provide education on innovative care for individuals with mental illnesses.** (Emphasis added.)

The contracting organization must:

- (a) Have experience holding mental health focused summits that bring together provider, advocacy communities, and other stakeholders; and in distributing mental health first aid manuals and online resources for mental health curricula;
- (b) Have a mission to:
 - (i) create an environment through education to eliminate stigma around mental illness;
 - (ii) help to boost effectiveness of current treatment pathways through proactive care coordination and management;
 - (iii) aid efforts in psychiatric research and innovations; and
 - (iv) identify and elevate systems of excellence; and
- (c) Use this funding to support initiatives related to the distribution of mental health curricula and training manuals, and innovation in the identification and treatment of individuals with mental illnesses.

Sole Source Criteria

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

On or about August 29, 2024, Representative Chris Corry reached out to HCA to advise that he'd authored the Operating Budget request which was unanimously passed in House Appropriations and adopted into the State's operating budget. Representative Corry added that "[t]he budget language associated with this \$200,000 budget request was drafted with the sole intent of acknowledging the work Chad's Legacy Project has been doing for the last seven years" along with "more importantly, the critical work planned for the coming 12 months." See Attachment 1 (Letter from State Representative Chris Corry).

¹National Alliance on Mental Illness, Mental Health By the Numbers, Fast Facts, April, 2023; <https://www.nami.org/about-mental-illness/mental-health-by-the-numbers>.

² National Institute of Mental Health, Mental Illness, September, 2024; <https://www.nimh.nih.gov/health/topics/suicide-prevention>.

³ Subsections (b)(i), (b)(ii) and (b)(iii) contain a word-for-word adoption of the Chad's Legacy Project mission statement.



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In addition to the letter received from Representative Corry, HCA's market research revealed that Chad's Legacy Project is a nonprofit organization that provides education on innovative care for individuals with mental illnesses.

In addition, the mission of Chad's Legacy Project is to:

- Create an environment through education to eliminate stigma around mental illness;
 - Help to boost effectiveness of current treatment pathways through the advent of proactive care coordination and management;
 - Aid the efforts in psychiatric research and innovation; and.
 - Identify existing limited pockets of excellence and work to elevate them into broader systems of excellence⁴
- **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. Use DES' Market Research Template if assistance is needed.**

HCA completed market research prior to receiving Representative Corry's supporting documentation. In addition to Chad's Legacy Project, the market research identified organizations such as NAMI, The Trevor Project, Trans Lifeline, Circle of Friends for Mental Health, and the Washington Council for Behavioral Health, however each of these organizations are not able to meet the need of this work for various reasons, including: (a) these organizations service a smaller group than contemplated by the proviso, (b) these organizations service a more narrow and specialized group of individuals than contemplated by the proviso, and (c) these organizations are unable to provide the breadth of service offerings contemplated in this proviso.

- **As part of the market research requirements, include a list of statewide contracts reviewed and/or businesses contacted, 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 addition to the market research, HCA reviewed the statewide contracts list and did not find any contractors capable of providing mental health focused summits that bring together provider, advocacy communities, and other stakeholders. Similarly, HCA did not locate any

⁴ The Chad's Legacy Project, Vision and Mission; <https://www.chadslegacy.org/vision-and-mission>



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statewide contracts associated with distributing mental health first aid manuals and online resources for mental health curricula on a statewide level.

HCA search terms in the statewide contracts database included:

“mental health” “summits” “advocacy” “mental illness”

- **Per the Supplier Diversity Policy, DES-090-06: was this purchase included in the agency’s forecasted needs report?**

Yes.

- **Describe what targeted industry outreach was completed to locate small and/or veteran-owned businesses to meet the agency’s need?**

Since Chad’s Legacy Project is a small business by definition in RCW 39.26.010(22) and meets the proviso requirements of being a nonprofit organization, HCA did not conduct additional targeted industry outreach to locate other small businesses.

- **What considerations were given to unbundling the goods and/or services in this contract, which would provide opportunities for Washington small, diverse, and/or veteran-owned businesses. Provide a summary of your agency’s unbundling analysis for this contract.**

HCA’s unbundling analysis considered geographic area, size and complexity of the scope of work, split by category, split by manufacturer, products and services, and timing and delivery of the work, and resulted in the assessment that unbundling these services was not practicable for this contract.

- **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).**

Chad’s Legacy Project has been an integral partner in this work for over seven (7) years, and during this time has developed tailored mental health training resources and programs to the benefit of Washingtonians. It will be more cost effective to continue to contract with Chad’s Legacy Project, since there would be a steep learning curve to any other vendor to meet the needs of the work identified in the proviso in the short, allotted timeframe.

- **Is the agency proposing this sole source contract because of special circumstances such as confidential investigations, copyright restrictions, etc.? If so, please describe.**

No.



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- **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.

- **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.**

Washington State would not have access to a strong and well-developed suicide prevention and mental health education and support program. While there are other programs that provide these skills, Chad's Legacy Project offers a low-cost or free alternative, which assists lower income individuals with accessing the resources. Without Chad's Legacy Project low-cost or free programming, there could be a long-term impact in the increase of suicidality among individuals (especially low-income populations) statewide.

Sole Source Posting

- **Sole Source Posting on Agency Website - Provide the date in which the sole source posting, the draft contract, and a copy of the Sole Source Contract Justification Template were published on your agency's website.**
 - If failed to post, please explain why.
This information is not available at the time of 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 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.

This information is not available at the time of posting.



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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 this contract with other contracts for similar work. This contract is similar in cost with contracts related to Opioids/Substance Use Disorder with other agencies, academic institutions and professional organizations.

Examples of comparable contracts are:

- HCA Contract K7995 (Value of \$90,000 for a span of 8 month period.)

Contractor provided training and quality improvement opportunities for multi-disciplinary teams, partner organizations and individuals affected by First Episode Psychosis (FEP) by holding a Conference related to FEP.

- HCA interagency agreement K6375-0-6 (Value of \$679,500 over a 2-year period.)

Contractor developed a non-individualized training and educational plan for health care providers to reduce inappropriate opioid prescribing practices.

- HCA Contract K7582 resulting from RFP #2023HCA14. (Value \$500,000 over a one-year period.)

Contractor facilitated and promoted a SUD/mental health wellness and recovery culture, to support underrepresented and underserved communities, skill training, events and conferences.

Other Considerations

- **Applicable exemption to Directive of the Governor 24-19.**

Directive 24-19 provides that “services contracts . . . that are necessary to continue critical services or agency operations are **exempt** from the freeze.” (emphasis added) This is an essential services contract which is necessary to continue critical agency services associated with innovative care for individuals with urgent mental health support needs.