

Sole Source CONTRACT Filing Justification Template

Use the following justification template for preparing to file sole source contracts in the <u>Sole Source Contracts Database</u> (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 <u>WEBS</u>.

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?

HCA was mandated via ESSB 5950 section 127 as follows: \$400,000 of the general fund—state appropriation for fiscal year 2025 is provided on a one-time basis solely for the authority to enhance clinical best practices in addiction medicine across the medical field in Washington state. The authority must contract these amounts with a Washington state chapter of a national organization that provides a physician-led professional community for those who prevent, treat, and promote remission and recovery from the disease of addiction and whose comprehensive set of guidelines for determining placement, continued stay, and transfer or discharge of enrollees with substance use disorders and co-occurring disorders have been incorporated into Medicaid managed care contracts. Priority for the activities established must be given to prescribers from a variety of settings including emergency rooms, primary care, and community behavioral health settings. The activities may include other licensed professionals as resources allow. At a minimum, the following activities must be supported:

- (a) An addiction medicine summit;
- (b) intermittent lunch and learn webinars that are partially presentation based and partially discussion based; and
- (c)establishment and operation of a mechanism for case consultation.
- Whenever feasible and appropriate, the activities should incorporate content specific to managing chronic pain patients.

Sole Source Criteria

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

The Washington Society for Addiction Medicine (WSAM) is a state section of the American Society for Addiction Medicine (ASAM), the nation's leading medical society that encompasses more than 7,500 physicians, clinicians, and related professionals who specialize in addiction medicine. ASAM is dedicated to increasing access and improving the quality of addiction treatment, educating physicians and the public, supporting research and prevention, and promoting the appropriate role of physicians in the care of patients with addiction. On a diverse set of issues ranging from mental health and addiction parity to pharmacy regulation, American Society of Addiction Medicine (ASAM) State Chapters are instrumental in shaping addiction policy conversations in state capitols across the country. ASAM National staff tracks addiction-related state legislation and regulations; helps keep State Chapters informed of state policy developments and provides them with consultation and technical assistance on state-level issues important to them. WSAM exists to advance counteractive action and treatment of addictions, as per cutting edge guidelines.

• 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.

No other businesses were contacted because the market research indicates that WSAM is the **ONLY** Washington State chapter of a national organization that provides a physician-led professional community for those who prevent, treat, and promote remission and recovery from the disease of addiction. The market research conducted was informed by subject matter expert knowledge of the landscape of state/national organizations involving the subject matter material. Likewise, an additional google search of statewide organizations was made to ensure no organizations were being inadvertently excluded.

 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.

N/A

 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).

N/A

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

HCA is proposing this sole source contract because of legislative directive.

• 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.

Yes, due to the language in the legislation, HCA is proposing this sole source contract because WSAM is the **ONLY** Washington State chapter of a national organization that provides a physician-led professional community for those who prevent, treat, and promote remission and recovery from the disease of addiction.

• 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.

Noncompliance of the legislative directive.

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.

The reasonableness of cost was determined due to the limitation of the funding allocation from the proviso language.