

**Justification and Approval
For
Limited Sources, Use of Multiple Award Schedule – Brand Name**

1. Contracting Agency: Defense Human Resource Activity- Procurement Support Office
4040 N Fairfax Dr Suite 120 Arlington, VA 22203

2. Requiring Activity: Defense Manpower Data Center (DMDC), 1600 Wilson Blvd,
Arlington, VA 22332

3. Authority Cited: 41 USC 251 et. sec, and Title 40 U.S.C. 501 FAR 11.105, FAR 8.405-6(b)(1) and DFARS 208.405-70(b).

4. Reason for Authority Cited:

DMDC request approval of a brand name justification to purchase COTS Master Person Index (MPI) software product, training and maintenance from IBM/Initiate/IBM. As part of the Virtual Lifetime Electronic Record initiate, coherent identity management is a critical underpinning to ensure that a person's information is accessible across disparate systems, databases, and web services across DoD and VA. The DoD and VA have agreed to build a network of identity hubs with specific roles to handle the large volume of identities and systems that require identity services. DEERS/PDR and the new Master Person Hub serves as the central point of the network as it houses the identities of all military members, retirees, family members, DoD Civil servants, DoD Contractors, veterans, and others. The other hubs in the network target subset populations (Theater, Garrison, and Veterans) and have distinct functions that are unique to that node. Both VA and MHS are currently using the Initiate/IBM MPI software for their hubs. In order to facilitate interoperability between the hubs to benefit both departments, the same software needs to be used. By using the same software, it positions the departments for future consolidation of duplicate functions, thereby saving money, as well as providing a cohesive solution. DMDC is the only source that can serve as the central hub since DMDC houses all the identities.

In addition, MHS and VA have agreed to share lessons learned in their implementation of Initiate. This category of products is very complex with a steep learning curve. Through cross department collaboration DMDC anticipates saving one year of time to implementation resulting in approximately \$3.2 million in savings of government labor, contract support services and direct project consulting requirements. In addition, use of the same product substantially reduces risk as VA and MHS have successfully implemented the product and our requirements are very similar.

The Master Person Index Software will manage DoD identity information and provide DMDC with a software solution that has the ability to interface quickly with the existing Military Health System (MHS) and the Department of Veterans Affairs deployment of Initiate/IBM MPI software, as well as all future National Health Information Network (NHIN) initiatives. The Initiate/IBM brand name software allows DMDC to satisfy four main unique requirements to:

- Provide probabilistic search capabilities
- deploy a standards-based, COTS, “Master Person Index” that is capable of rapidly interfacing with the existing MHS Automated Duplicate Patient Merge (ADPM) solution being built with Initiate software
- the ability to rapidly interface with the existing the Veterans Affairs MPI & PSIM/ADR systems that also use this brand name Initiate/IBM software, and
- provide DMDC with “future state” capabilities to begin participating in national NHIN initiatives as well as creating a foundation to enable the Virtual Lifetime Electronic Record

Utilizing Initiate software will ensure no compatibility issues will arise when the MHS and VA databases are cross-referenced. Initiate is the only tested and proven product that MHS and VA have utilized to date for MPI software products and the only software capable of meeting the Government’s requirement.

5. Description of Supplies/Services:

DMDC requests brand name procurement of an Initiate/IBM software license with an associated annual maintenance and support plan as described below:

Qty	Product Number	Item Description
1	720-002	720-002 Initiate Master Data Service (Enterprise)
1	720-159-P	Patient Hub:50 million records
1	720-003	Inspector for 1 Hub
1	720-074-P	Household Hub Initiate
1	720-005	Master Data Extract
1	720-100	Initiate Annual Support: Premium /with options

Number of Attendees		Course
1	Public Webinar	Inspector Public
1	Private (On-Site)	Inspector Private
1	Public Webinar	Exploring Workbench
1	Private (On-Site)	Exploring Workbench
2	On-Site	Initiate Technical Boot Camp (Instructor Led)
2	On-Site	Implement HL7 Query Adapter (Instructor Led)
2	On-Site	Implement Message Broker Suite (Instructor Led)

6. Description of Action:

Indicate the nature of the contractual action, contract type, estimated total value of the procurement (including options), and type of funds used. For example: “A Firm fixed price contract is planned with a total estimated value of \$3,490,332.93. The period of performance will

include a 12-month base period, plus two (2) option period(s). FY10 Procurement (PDW funds are available for the base period in the estimated amount of \$\$2,056,992.32.”

The DEERS Division of DMDC seeks to deploy an Initiate/IBM brand name “Master Person Index” (MPI) that not only enables a “Single View” of the entire population of Service Members and Veterans, but also makes this trusted information available for sharing and use across the DoD as well as the Federal Government Agency ecosystem, including but not limited to the Dept. of Veterans Affairs, the Military Health System, the Centers for Medicare and Medicaid, and the Social Security Administration.

7. Effort to Obtain Competition:

Currently there are no plans to obtain competition.

8. Effort to remove barriers to/increase competition: Explain what actions the program office will be taking during the performance of the anticipated contract that will mitigate or remove the circumstances that led to a sole-source acquisition in this instance. Otherwise, explain the reason why future competition is not feasible.

In the future DMDC, MHS, and VA will explore coordinating the procurement to reduce software licensing and allow the cohesive solution to openly compete to increase competition.

9. Market Research:

DMDC performed technical research and evaluation of other products in this space. DMDC conferred with VA and MHS regarding their evaluations. The goal over time is to centralize and consolidate functionality duplicated across MHS and VA to DMDC resulting in lower costs.

10. Interested Sources: None

11. Other Factors:

- In September 2009 the Military Health System performed a competitive RFP procurement via the TRICARE Management Activity (TMA) multiple-award, Indefinite Delivery / Indefinite Quantity (ID/IQ) contract called (D/SIDDOMS 3) to acquire a system called the “Automated Duplicate Patient Merge” system. Initiate Systems an IBM Company won this contract with its two teammates – SAIC and Akimeka. SAIC is the prime contractor. Approximate total value of this award \$7.5M.
- In December 2009 the VA went into production use of the Initiate software and procured a license of Initiate software large enough to support the entire VA enterprise via a sole source – brand name procurement performed using the NASA SEWP contract. This license of Initiate software is also used to support the VA’s current NHIN efforts as well as their North Chicago JAL-FHCC efforts underway between the VA and DoD. Approximate total value of this award \$5M.

- Initiate Systems Inc. an IBM Company was designated in the “Leader” quadrant in the Master Data Management Gartner Report dated June 16, 2009 Gartner definition of a Leader is:

“Vendors in the Leaders quadrant have strong results and delivery capabilities and will continue to have them. They typically possess a large, satisfied customer base (relative to the size of the market) and enjoy high visibility in the market. The size and financial strength of the leaders enable them to remain viable in a challenging economy. Leaders have mature offerings and track records of successful deployments, even in the most challenging environments, across all geographies and in many vertical industries. Leaders have the strategic vision to address evolving client requirements.”

- Initiate Systems was selected and deployed in 12 of the 14 original National Health Information Network (NHIN) project awards ensuring the future state capability for DMDC to seamlessly plug into NHIN gateways. The Initiate Patient Hub has also been used as the Master Patient Index (MPI) and Enterprise Record Locator Service (RLS) for eight of the ten NHIN2 projects. In the private sector, Initiate Patient Hub has been widely deployed as the MPI for the majority of major retail pharmacies, many of the largest health insurance companies, numerous hospitals, and more than 40 U.S. Regional Health Information Exchanges (RHIO's).

Department of Veteran Affairs

- **Initiate Patient™** is being deployed at the Dept. of Veterans Affairs (VA) to provide a probabilistic based identity matching solution for the VA Person Services Identity Management (PSIM). Initiate is an industry proven COTS solution providing a probabilistic matching algorithm. This probabilistic algorithm replaces VA's existing deterministic algorithm. The solution improves VA's ability to manage its person population, reducing duplicate record creation and improving overall data quality. The preliminary analysis of the Pre-Production data with the new Initiate probabilistic algorithm has identified approximately 60,000 duplicates that will be resolved once implemented into production as well as the identification of approximately 50,000 potential duplicates that will be identified and passed to the Healthcare (HC) IdM staff for manual resolution with the new Graphic User Interface (GUI) tool. Implementing the Initiate Patient solution requires changes to legacy Vista, MPI, IMDQ Tool Kit and PS, and will provide the foundation to correlate the DOD identifier (EDIPI) with the VHA healthcare identifier. North Chicago and NHIN are dependent on having these infrastructure pieces in place to ensure accurate patient record selection.

10. Technical Certification: I certify that the supporting data under my cognizance that are included in this Justification and Approval are accurate and complete to the best of my knowledge and belief.

Signature: WITTPENN.JOHN.C.1232822305 Digitally signed by WITTPENN.JOHN.C.1232822305
DN: c=US, o=U.S. Government, ou=DoD, ou=PKI,
ou=DDHRA, cn=WITTPENN.JOHN.C.1232822305
Date: 2010.09.15 08:51:04 -0700 Date: 09/15/2010
Typed Name/Title: John Wittpenn Office: DEERS Division

11. Requirements Certification: I certify that the supporting data under my cognizance that are included in this Justification are accurate and complete to the best of my knowledge and belief.

Signature: BRIDGES.PAMELA.R Digitally signed by
BRIDGES.PAMELA.RENEE.1066445719
DN: c=US, o=U.S. Government, ou=DoD, ou=PKI,
ou=DDHRA,
cn=BRIDGES.PAMELA.RENEE.1066445719
Date: 2010.09.15 08:40:33 -0700 Date: 09/15/2010

Typed Name/Title: Pam R. Bridges/Acquisition Program Manager Office: Business Operation & Management Office

12. General Counsel Review: (Applicable to J&As for requirements at/above \$100,000)

Based on the foregoing, this Justification is legally sufficient.

Signature: LOPRESTI.HEATHER. Digitally signed by LOPRESTIHEATHER.J.1249348275
DN: c=US, o=U.S. Government, ou=DoD, ou=PKI,
ou=DDHRA, cn=LOPRESTIHEATHER.J.1249348275
Date: 2010.09.15 15:26:13 -0400 Date: 09/15/2010
Typed Name: Heather J. Lopresti Office: DHRA General Counsel

APPROVAL

Approval is granted subject to the availability of funds and provided that the products/services described herein have otherwise been authorized for acquisition.

13. Contracting Officer: I certify that the facts and representations included in this Justification are accurate and complete to the best of my knowledge and hereby determine that the anticipated cost to the Government will be fair and

Signature: Vicki A Liedel Date: 15 Sep 10
Typed Name: Vicki A. Liedel Office: PSO

14. Competition Advocate

Signature: Barbara LaFalce Date: 9/15/10
Typed Name: Barbara La Falce Office: PSO