REVIEW OF BLANKET PURCHASE AGREEMENTS (BPAs) FOR MULTI-VISN OR VISN GROUPS

1. PURPOSE:  This Veterans Health Administration (VHA) Directive defines the policy and procedures for identifying and negotiating Blanket Purchase Agreements (BPAs).

2. BACKGROUND

   a. The Procurement Reform Task Force (PRTF) recommendations state that a multi-Veterans Integrated Service Network (VISN), a VISN or a local group which identifies potential benefits for establishing a BPA must notify the Department of Veterans Affairs (VA) National Acquisition Center (NAC) through the VHA Chief Procurement and Logistics Office (P&LO) (10F). The P&LO and the NAC may determine if the potential exists for a National BPA; negotiate on behalf of a multi-VISN, VISN or local group; or provide recommendations on a negotiation strategy.

   b. The PRTF concluded that tiered pricing BPAs and other favorable terms associated with Federal Supply Schedule (FSS) awards can improve procurement efficiencies and reduce costs.

3. POLICY:  It is VHA policy that any multi-VISN, a VISN, or a local group which identifies potential benefits of a BPA must notify P&LO.

4. ACTION

   a. Network Contract Manager (NCM).  The NCM is responsible for ensuring that:

      (1) All BPAs, consolidated contracts, and other contracts for medical or surgical commodities are provided to P&LO. The National Standardization Program does not detain VISN and local contracting efforts pending review.

      (2) BPAs and contracts are submitted by the 10th business day of the first month of each quarter.

      (3) BPAs include tiered pricing and other favorable pricing terms to facilitate potential national rollout.

      (4) All VISN-level BPAs and contracts contain an escape clause, stipulating that award of nationally-standardized items must take precedence over the same, or similar, items standardized on a VISN-basis.

      (5) Proposed BPAs and consolidated contracts utilize clinically-based work groups to evaluate quality of products from potential vendors, as identified in VHA Handbook 1761.01.
b. **VHA P&LO (10F).** The VHA P&LO is responsible for:

(1) Reviewing BPAs by:

(a) Ensuring that NCMs review each BPA at least once a year to decide whether the results of the reviews are documented by determining if:

- 1. The schedule contract upon which the BPA was established is still in effect,
- 2. The BPA still represents the best value, and
- 3. The estimated quantities or amounts have been exceeded and additional price reductions can be obtained.

(b) Identifying whether the potential exists for a National BPA.

(2) Overseeing the BPA or any other consolidated contracting initiative review process.

(3) Logging the proposed BPA into the BPA Database. **NOTE:** *This database was developed by 10F staff to aid the National Standardization Integrated Product Teams (IPTs) with identification of VISN and local efforts.*

(4) Providing routine monthly reports to the NAC electronically by using a single mail group address that must include all affected parties.

c. **National Acquisition Center (NAC).** The NAC oversees the National Contract Service (001AL-A2), which is responsible for:

(1) Negotiating on behalf of the VISN or multi-VISN group when requested.

(2) Providing recommendations on negotiation strategies to the requesting VISN or multi-VISN group for tracking purposes.

(3) Aggressively pursuing BPAs under FSS contracts, which establishes tiered-pricing and other favorable pricing terms to the maximum extent practical.

d. **Process.** The BPA process is outlined as follows:

(1) BPAs, consolidated contracts, and other contracts for medical and surgical commodities must be forwarded to P&LO. P&LO enters this information into the BPA Database and electronically provides this information to the NAC, using a single mail group address to include all affected parties for tracking purposes.

(2) The Contract Specialists of the Federal Supply Service (001AL-A2) must verify that the products listed in the BPA are on the active FSS contract.
(3) If the executed contract has been identified for National Standardization, P&LO (working with the Program Offices) reviews with the IPT members the processes utilized in the award to ensure that all potential issues have been addressed.

(4) If the proposed contract is to be used for National Standardization, P&LO (working with the appropriate Program Office officials) forms an IPT and establishes a process as outlined in VHA Directive 1761 and Handbook 1761.1.

(a) Program Officials are responsible for identifying field clinical staff to serve as IPT members.

(b) The NAC staff performs the contracting function (BPA or consolidated contracting initiative) when P&LO indicates the desire for national standardization.

NOTE: It is recognized that in some cases the volume of needs within the VHA system may require the need for multiple vendor awards.

(5) If the proposal is determined to be a VISN or multi-VISN initiative, the National Contract Service either negotiates an agreement on behalf of the VISN or multi-VISN (if requested) or provides assistance so that the local group may proceed with establishing a BPA at the local level. The National Contract Service staff then provides the VISN, through P&LO, with the awarded BPA or they may return the proposal to the VISN office which originated the request for contracting action with comments and recommendations.

NOTE: The timeframe from local or VISN proposal to determination of National Standardization (or determination of a local initiative) should take no longer than 15 business days.


6. RESPONSIBLE OFFICE: The VHA Procurement and Logistics Office (10F) is responsible for the contents of this Directive. Questions may be addressed to 202-461-1719.


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