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**Comptroller General
of the United States**

**United States General Accounting Office
Washington, DC 20548**

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Decision

Matter of: Cerner Corporation

File: B-293093; B-293093.2

Date: February 2, 2004

Stephen S. Kaye, Esq., Thomas A. Schweich, Esq., and William E. Olson, Esq., Bryan Cave, for the protester.

Daniel D. Dinur, Esq., Dinur & Associates, for Mobiam Solutions, Inc., an intervenor. D.A. Ridgely, Esq., and Blane B. Lewis, Esq., Department of the Army, for the agency. Linda C. Glass, Esq., and Michael R. Golden, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

1. Agency properly accepted awardee's software as meeting the solicitation requirement for a commercial, off-the-shelf item where the firm proposed software that is currently being sold and used under other commercial contracts.
 2. Where a solicitation allows for alternative approaches to meeting performance requirements, the agency is not required to advise a technically acceptable offeror during discussions that it considers another approach to be superior to that proposed by the offeror.
 3. Protest that evaluation and source selection decision were flawed is denied where the record shows that the evaluation and source selection were reasonable and consistent with the evaluation factors.
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DECISION

Cerner Corporation protests the award of a contract to Mobiam Solutions, Inc. under request for proposals (RFP) No. DASW01-03-R-0011, issued by the Defense Contracting Command-Washington for commercial, off-the-shelf (COTS) software to satisfy a requirement for an enterprise-wide scheduling and registration system (EWS-R).

We deny the protest.¹

BACKGROUND

The purpose of the procurement is to acquire a COTS solution for a schedule and registration system for the Department of Defense's military health system (MHS). RFP § C.3. The MHS includes ambulatory and inpatient care, operating room facilities, medical and dental offices, and other related functions. The solicitation was issued on January 28, 2003, and the RFP contemplated the award of a fixed-price contract.

Under the solicitation, award was to be made based on the best overall value. The solicitation provided that in determining the proposal representing the best value, the technical and past performance evaluation factors would be considered more important than price. The technical evaluation factor included the following subfactors, which were listed in descending order of importance: requirements, software architecture, integration, configuration methodology, and quality control/security.² The government also stated it might conduct discussions and require product demonstrations.

The agency received 11 proposals, including Mobiam's and Cerner's, by the original due date of March 23. After one vendor made a claim for patent infringement, the agency amended the solicitation to include a patent indemnification clause and re-issued the solicitation with a new proposal due date of May 30. One additional proposal was received by the amended due date of June 3, and six of the original offerors submitted revised proposals. Mobiam proposed a web-based application solution, including FirstServe software, and Cerner proposed a solution based on client-server technology. After the source selection evaluation board's (SSEB) initial technical evaluation, five offerors' proposals were eliminated from the competitive range. As relevant here, Mobiam's proposal received an acceptable rating and

¹ This decision addresses the primary arguments presented in Cerner's protest submissions. In addition, Cerner raised a number of collateral issues that we have considered and find without merit, but which do not warrant detailed analysis or discussion.

² The RFP provided for the following rating system with respect to the technical factors: blue--an exceptional proposal which contains significant strengths and no significant or only a few minor weaknesses; green--a good proposal, which contains significant strengths, which clearly outweigh the minor weaknesses; yellow--an acceptable proposal in which the strengths and significant weaknesses are essentially equal; orange--a marginal proposal in which the significant weaknesses outweigh strengths; and red--an unacceptable proposal which contains numerous significant weaknesses and deficiencies and no, or even minor, strengths.

Cerner's proposal received a good rating. Both offerors' proposals were among those included in the competitive range.

On July 2, offerors whose proposals were included in the competitive range were advised of the date and time to perform live product demonstrations. After these product demonstrations, two more offerors' proposals were excluded from the competitive range, leaving proposals from five offerors in the competitive range, including those from Mobiam and Cerner. The agency conducted discussions with these five offerors and invited them to submit final revised proposals and a recorded video version of their respective product demonstrations.

With respect to the evaluation of proposals, the agency reports that the background of the majority of the members of the SSEB was mainly in the program aspects of the procurement. Agency Report (AR), Tab 13.13, SSEB/Source Selection Authority (SSA) Award Memorandum, at 2.³ In order to understand the technical aspects of the proposals, the SSEB chair requested an analysis of the technical proposals by the EWS-R integration contractor. The integration contractor's technical rankings were based on an analysis of the following areas: architecture, configuration, application technology, scalability,⁴ security, and interface and integration. *Id.* at 3. As relevant here, under architecture, the integration contractor advised that industry was migrating to web-based architectures. More specifically, the integration contractor commented that the web-based application proposed by Mobiam reflects the direction the market for enterprise applications "is going" because this web-based solution offers cheaper maintenance costs, the ability to add functionality, and the fastest response time for a web application. AR, Tab 13.10, SSEB Minutes, at 2. The integration contractor stated that the client-server technology proposed by Cerner reflects a proven technology, but that a client-server solution requires the use of Citrix software to provide the advantages that come from a web-based application. The integration contractor also reported that Citrix deployment, including hardware and software, was not covered in the cost proposals of the offerors, like Cerner, that proposed client-server solutions.

Under configuration, the integration contractor found that Cerner's client-server solution and Mobiam's web-based solution offered sound hardware configurations for the MHS. Under application technology, the integration contractor found that the Mobiam product was more advantageous because it operates on the latest Oracle 9i database, while Cerner's product operates on the earlier Oracle 8i database; as a result, Cerner's solution would require a database upgrade sometime during

³ The SSA's award memorandum includes the SSEB's evaluation, rankings, and award recommendation.

⁴ In the context of this procurement, scalability concerns the ability of the proposed solution to handle a large number of users concurrently.

deployment because future applications will operate on the later Oracle database. Id.; AR, Tab 13.13, SSEB/SSA Award Memorandum, at 3.

Under scalability, Mobiam claimed the highest number of concurrent users—more than [DELETED]. Cerner claimed its product would operate with more than [DELETED] concurrent users, although it later claimed that in a simulated laboratory test, there were [DELETED] concurrent users. With respect to security, the integration contractor also found that Mobiam and Cerner had acceptable levels of security built into their systems. Finally, the integration contractor rated Mobiam's and Cerner's solutions acceptable with respect to interface and integration. The integration contractor assigned an acceptable rating to Cerner's proposal and a good rating to Mobiam's proposal. AR, Tab 13.13, SSEB/SSA Award Memorandum, at 4.

The SSEB identified the relative strengths and weaknesses associated with each offeror's proposed solution. For Cerner, the SSEB cited as strengths its product's functionality and configurability, the firm's excellent operating room product, and the company's strength in the healthcare information technology market. The SSEB also identified a number of weaknesses concerning Cerner's solution, including that Cerner's product required 4 months per site to implement; that its solution was a client-server product that would require Citrix software; and that its solution did not currently use the Oracle 9i database. For Mobiam, the SSEB cited as strengths that the firm proposed a web-based product with the highest rated functionality, the best architecture, and the most flexible approach for configuration. The SSEB found that Mobiam's software was intuitive, easy to navigate, and more scalable. Mobiam's weaknesses included that the firm was a small, new company, and that its product had not been implemented in a hospital setting. AR, Tab 13.13, SSEB/SSA Award Memorandum, at 4-5.

Considering the strengths and weaknesses for each of the proposed solutions, the SSEB assigned a consensus ranking to each proposal. Mobiam's proposal was ranked first and Cerner's proposal was ranked third. The SSEB recommended award to Mobiam. AR, Tab 13.14, SSEB/SSA Award Memorandum, at 12.

The cost and pricing team rated Cerner's proposal good for compliance and good for financial capability, and rated Mobiam's proposal acceptable for compliance and unacceptable for financial capability. The cost and pricing team had originally rated Mobiam as acceptable for financial capability, but lowered Mobiam's rating to unacceptable based on research performed on the background and financial history of the firm. In making her selection decision, the SSA disagreed with the cost and pricing team's rating of Mobiam as unacceptable for financial capability. She concluded that Mobiam's unacceptable rating primarily was based on the cost and pricing team's concern that the firm was small. However, the SSA noted that the financial viability analysis showed that Mobiam's financial condition was above industry averages and that its financial statements did not indicate any financial

stress. The SSA concluded that Mobiam's financial capability was acceptable. The SSA also did not agree with the good rating assigned to Cerner's proposal for compliance with the RFP because Cerner submitted a price for a perpetual license, rather than for an annual license as required by the RFP. The SSA also found that Cerner's total costs, which were significantly lower than Mobiam's, did not reflect the total cost of Cerner's proposed solution to the government because the proposal did not include costs associated with the requirement for Citrix (a government-furnished item under the RFP) and Cerner required a longer deployment time to implement its solution than the agency had anticipated.

The SSA selected Mobiam's proposal as superior to the proposals of the other competitors from a technical and functional perspective, and specifically agreed with the SSEB that Mobiam's proposal was the best value. AR, Tab 13.13, SSEB/SSA Award Memorandum, at 16. In this respect, the SSA determined that Mobiam's product had the highest chance of success in meeting the project management timeline with a product that could be configured and changed to meet user needs. While the SSA recognized that Mobiam's proposal was substantially higher priced than Cerner's, the SSA analyzed the price difference. When the SSA considered the cost to the government of a longer deployment time for Cerner's solution and the cost of additional Citrix software that the agency believed was necessary for Cerner's solution to meet the agency's needs, the SSA concluded that the difference between Cerner's and Mobiam's total cost to the government was reduced significantly. On September 30, 2003, the SSA awarded the contract to Mobiam, whose higher priced, higher technically rated proposal was determined to represent the best value to the government. AR, Tab 13.13, SSEB/SSA Award Memorandum, at 16-7.

ISSUES AND ANALYSIS

COTS Requirement

Cerner argues that Mobiam's product is not a COTS product as required by the solicitation. While Cerner recognizes that there are healthcare providers using Mobiam's product, Cerner contends that Mobiam's product's use in radiology centers, as reflected in its proposal, does not establish that Mobiam has a COTS solution that satisfies the RFP's more extensive requirements.

Initially, we note that although the RFP solicited a COTS product, the RFP's evaluation criteria did not explicitly provide any guidance concerning the agency's evaluation of whether an offeror's proposed software was COTS. The RFP did not define the term "COTS," and the protester does not assert otherwise. The RFP did not require that the COTS software explicitly meet all RFP requirements "off-the-shelf," but rather, that the COTS product could be configured to meet the agency's requirements. RFP § C.3.

The determination of whether a product is a commercial item is largely within the discretion of the contracting agency, and will not be disturbed by our Office unless it is shown to be unreasonable. Coherent, Inc., B-270998, May 7, 1996, 96-1 CPD ¶ 214 at 3; Komatsu Dresser Co., B-255274, Feb. 16, 1994, 94-1 CPD ¶ 119 at 5. Mobiam's proposal extensively addressed the status of its FirstServe software as COTS. For example, in its proposal, Mobiam describes its FirstServe software as a

mature software product that is designed to be configured and deployed within highly complex and distributed environments. We have a proven and structured approach to configuration and deployment and demonstrated successes in both Healthcare and Government Industries.

AR, Tab 7.1, Mobiam's Technical Proposal, vol. II, at 1.

As required by the RFP, the Mobiam proposal identifies which technical requirements were standard COTS software functions and which requirements would require minimal configuration. Id. at 27. Further, Mobiam, in its proposal, provided three references, two of which were using Mobiam's FirstServe software in healthcare environments, primarily radiology centers, that required that the software be used for patient scheduling, administration, file management, and financial management.⁵ AR, Tab 7.1, Mobiam's Past Performance Proposal, vol. III, at 6. These are the types of functions covered by this RFP. One reference involved a \$350 million healthcare provider that offered outpatient services to over 1 million patients per year at almost 100 locations throughout the United States and the other involved a \$450 million healthcare provider that offered outpatient services for over 1 million patients per year at 450 centers throughout the United States. The record shows that the Mobiam product has been fielded successfully in the healthcare environment.

Further, contrary to the protester's contention that the agency did not evaluate whether Mobiam's solution was a COTS product, the record shows that there were discussions by the SSEB concerning whether Mobiam's and the other offerors' proposed solutions were COTS products. Ultimately, the SSEB determined that all of the offerors, including Mobiam and Cerner, whose proposals were in the competitive range, proposed COTS products. The evaluators recognized that COTS software would not meet all of the RFP requirements initially because all vendors would have to perform some software configuration. Specifically, concerning Mobiam's proposed solution, the SSEB's deliberations contained the following discussion:

⁵ The other reference involved the use of Mobiam's software in a state criminal justice environment, which links over 500 systems serving 35,000 internal users.

Evaluator A: Well, they said that they [Mobiam] would customize to our requirements, but they would include it in their supportable COTS product. All they do is add it to their program.

Evaluator B: Go back to their demonstration guys. Did they or did they not do what we asked them to do? With the product out of the box?

Evaluator C: Yes, yes.

Evaluator B: Did Cerner do that?

Evaluator C: Yes.

Evaluator B: Almost all of them did that or else they wouldn't have gotten to where they are right now. The ones who failed miserably-- we've already kicked them out. These guys have met most of the requirements up until this point out of the box.

AR, Tab 13.10, SSEB Minutes, Day 2, at 16-17.

Thus, the record shows that the SSEB considered the COTS issue during its deliberations and concluded, based on proposal submissions, references, and product demonstrations, that Mobiam proposed a COTS product. On this record, we have no basis to question the reasonableness of the agency's acceptance of Mobiam's software as a COTS product.⁶

Proposal Evaluation

Cerner next argues that the agency applied unstated evaluation criteria and failed to follow the stated evaluation criteria. Specifically, Cerner maintains that although there was no requirement in the RFP for a specific approach, the record shows that the agency had an unannounced preference for a web-based solution, which prejudiced Cerner.⁷

⁶ With respect to the protester's argument that Mobiam's software product could not be considered COTS because it has only been used in less extensive healthcare environments than the one covered by this procurement, we note that while the RFP requirements may be more extensive, we think the agency could reasonably conclude that the Mobiam software, as discussed above, was COTS and could satisfy these RFP requirements with minimal configuration.

⁷ Cerner also argues, in its supplemental protest, that Mobiam was unfairly allowed to exceed the RFP page limitation for initial technical proposals. The record shows that Mobiam did exceed the 60-page limitation imposed by the RFP in its initial proposal. While we believe it was improper for the agency to waive this page

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The agency concedes that during the course of the evaluation, the evaluators recognized that web-based products offered significant advantages, but denies that there was an unstated agency preference or requirement for web-based products. The agency points out that the SSA did not disqualify Cerner because it offered a client-server approach, but rather, concluded that Mobiam's web-based approach offered the best value. The agency further points out that Cerner was ranked third in line for award and its lower priced proposal was considered in the SSA's cost/technical tradeoff.

Here, the RFP specifications were primarily stated in terms of functional or performance requirements, which permitted an offeror to propose its own unique approach. In particular, the solicitation was silent with respect to whether the software should be web-based or client-server-based, or some combination of the two, and we see no legal defect in that. While the RFP thus left it to the offeror to propose what it believed to be the best approach for satisfying the RFP requirements, there was no guarantee that the agency would consider different approaches to be equally effective. Moreover, the agency was not required to advise a technically acceptable offeror during discussions that it considered another approach to be superior to that proposed by the offeror. See Canadian Commercial Corp./Canadian Marconi Co., B-250699.4, Mar. 5, 1993, 93-1 CPD ¶251 at 7.

Rather than any predetermined preference for a web-based solution, the record shows that the agency concluded, after evaluating the competing solutions, that Mobiam's web-based solution was more advantageous than Cerner's client-server approach under an RFP that permitted either solution. To the extent Cerner asserts that it was unaware that the agency would consider a web-based approach, its position is untenable. For example, in one of the technical questionnaires that

(...continued)

limitation for Mobiam without affording other offerors the same opportunity to exceed the page limitation for their respective initial proposals, we do not believe that Cerner has demonstrated prejudice. As a result of the initial evaluation, Cerner's proposal was rated good and Mobiam's proposal, even exceeding the page limitation, was rated acceptable. The record shows, however, that prior to the submission of final revised proposals, both offerors were given the same opportunities to demonstrate the capabilities of their products through live demonstrations and video presentations, as well as during discussions and the submission of final revised proposals (without a page limitation). Given the opportunities for Cerner to demonstrate the superiority of its product, with no limitation on the amount of information it could provide during discussions and in the final revised proposal, we do not see how Cerner has been prejudiced by the agency's waiver of the page limit for Mobiam's initial proposal. See Parmatic Filter Corp., B-285288, Aug. 14, 2000, 2000 CPD ¶ 185 at 8.

offerors were required to address, the following questions were asked:

1. Is the application a Web application or client/server?
2. If Web based, is the application a fat or thin client?⁸
3. If Web based, what browsers, (and browser versions) does the application support?

RFP attach. 2, at 34.

In addition, the following question and answer (Q and A) was included in amendment No. 0003:

Q. Is Citrix XP a supported method of thin-client solutions for DOD or are you looking for browser-based applications exclusively?

A. We are looking for the best value solution to the requirements.

In our view, given the technical questionnaires and the above Q and A, we believe the protester reasonably was on notice that the agency anticipated proposals using web-based solutions. There is no support in the record for Cerner to assert that it was unaware that the RFP requirements could be met by web-based solutions or that such a solution could be considered the best value to the government.⁹

⁸ “Fat client” is a term for the client machine (the individual personal computer) in a client/server environment that performs most or all of the application processing, with little or none of the processing performed in the server. As a result, when the application is updated or changed, each machine that runs the application must be updated or changed. A fat client requires a more expensive computer to run the software and large amounts of data must be transferred between the individual client computer and the server. In contrast, a “thin client” architecture reduces hardware, software, and infrastructure costs. When a thin client application is changed, only the central application must be changed, that is, individual personal computers do not have to be changed. AR, Tab 1, Memorandum from SSA to GAO, at 11.

⁹ Cerner maintains that it has a web-based version of its existing software that will be available in time to meet the agency’s requirements and, had it known of the agency’s interest in a web-based solution, as opposed to a client-server/Citrix solution, it could have demonstrated a version of its web-based software at the live demonstration. Protester’s Supplemental Protest at 8. Consistent with the RFP, as discussed above, if Cerner had a web-based solution at the time of its product demonstration, nothing precluded Cerner from proposing such a solution at that time.

As far as the evaluation of technical proposals is concerned, that is primarily the responsibility of the contracting agency; the agency is responsible for defining its needs and the best method of accommodating them, and must bear the burden of any difficulties resulting from a defective evaluation. Federal Env'tl. Servs., Inc., B-260289, B-260490, May 24, 1995, 95-1 CPD ¶ 261 at 3. In reviewing protests challenging an agency's evaluation of proposals, we will not substitute our judgment for that of the agency regarding the merits of proposals; rather, we will examine the agency's evaluation only to ensure that it was reasonable and consistent with the solicitation's evaluation criteria and with procurement statutes and regulations. Honolulu Marine, Inc., B-245329, Dec. 27, 1991, 91-2 CPD ¶ 586 at 3. A protester's mere disagreement with the agency's evaluation does not render it unreasonable. CORVAC, Inc., B-244766, Nov. 13, 1991, 91-2 CPD ¶ 454 at 5.

Cerner maintains that the evaluation factors set out in the RFP were not followed and that at least one, "how closely the Offeror's software matches the requirements in the Statement of Work without configuration or alteration of the base COTS product," was ignored. Protester's Supplemental Protest at 4.

The record contains extensive documentation of the agency's evaluation of proposals. These documents, including a transcript of the SSEB deliberations and the SSA award memorandum, demonstrate that the agency did follow the RFP evaluation criteria and fully evaluated whether the proposals satisfied the functional and technical requirements of the RFP. This evaluation was summarized in the SSA's award memorandum, which shows that the evaluation included consideration of all stated evaluation factors. AR, Tab 13.13, SSEB/SSA Award Memorandum. For example, the record establishes that proposals were evaluated to determine if the offeror's software met the functional and technical requirements of the SOW. Proposals were evaluated for meeting RFP requirements, including those concerning outpatient appointment scheduling, registration, inpatient admissions, discharge and transfer, and operating room management. In addition, the agency evaluated software architecture, ease of integration, configuration, quality control and security, and past performance. In our view, the record documents that the agency evaluated proposals consistent with the RFP evaluation criteria.

With respect to the reasonableness of the evaluation and selection decision, we conclude that the agency's concerns relating to specific elements of Cerner's proposal and its overall assessment of the software performance of the competing products were reasonably based.

For example, Cerner argues that the agency improperly downgraded its proposal for the use of Citrix when Cerner only recommended, but did not require, the use of Citrix. The record shows that during discussions, Cerner was advised that the Navy medical facilities could not run a program that uses Citrix; Cerner was asked if its program could run using a different system. Cerner replied as follows:

Yes. Fat Client/Server can be used to support these facilities. Citrix is recommended because it uses less bandwidth.

AR, Tab 12.1, Cerner's Final Revised Proposal, vol. II, at 17. We think that under these circumstances, the agency reasonably could conclude that the use of Citrix, while not mandatory, was nevertheless desirable with Cerner's proposal. Further, while Cerner may disagree, it was the evaluators' position that to get the best results from any client-server solution, the use of Citrix was necessary. AR, Tab 13.13, SSEB/SSA Award Memorandum, at 3. The protester does not meaningfully establish that the agency's view that Citrix would essentially be required in conjunction with the performance of Cerner's solution was unreasonable.

Cerner also argues that its proposal was improperly evaluated on scalability, which was not a stated evaluation factor. The agency states that while scalability was not a specifically stated evaluation factor or subfactor, scalability was reasonably and logically encompassed under the software architecture subfactor. We agree with the agency. Moreover, even if this were not the case, during discussions, Cerner was asked about the maximum number of users its application could be scaled to support. Cerner, as well as the other offerors, addressed the scalability of its application in its final revised proposal. AR, Tab 12.1, Cerner's Final Revised Proposal, vol. II, attach. D, at 16. Thus, Cerner was on notice that scalability was a concern of the agency with respect to software architecture. We agree with the agency that based on the discussions, Cerner was aware that the agency was considering in the evaluation the scalability of the firm's proposed solution.

Further, to the extent Cerner objects to the agency's view that Mobiam's solution was more advantageous in the area of scalability, the record shows that the evaluators relied on the claims of scalability provided by each offeror. Mobiam claimed the highest number of concurrent users, with over [DELETED], which was significantly higher than the [DELETED] concurrent users which Cerner identified in one of its later proposal submissions.¹⁰ We have no basis to disagree with the agency's evaluation that Mobiam's solution was more advantageous than Cerner's solution with respect to scalability.

Cerner also contends that the past performance evaluation was unreasonable because the agency developed a risk mitigation plan in the event of an award to Mobiam because of Mobiam's size and lack of experience in the marketplace. As explained above, Mobiam was ranked second with respect to past performance and Cerner was ranked third. The solicitation stated that past performance would be

¹⁰ Cerner argues that the agency ignored its explanation that its application had been "tested" with [DELETED] concurrent users. Cerner indicates in its proposal, however, that this was a lab result and not an actual performance environment.

evaluated on the basis of a number of factors, including an offeror's performance, risk, and performance confidence. RFP ¶ M.4. The record shows that although Cerner provided good past performance references, Cerner's implementation of the current operating room management application had problems and, in the agency's view, the firm's performance had not met some of the government's expectations. AR, Tab 13.13, SSEB/SSA Award Memorandum, at 10. The SSEB specifically listed past performance as a weakness, stating that Cerner had "[DELETED]." *Id.* at 5. In contrast, the record shows that Mobiam provided three references in its proposal that were highly favorable. In addition, research by the SSEB showed that Mobiam's current customer base was highly satisfied with its performance. The agency reports that a risk mitigation plan was developed for Mobiam in order to manage risks that were of concern to a few of the SSEB members, but that it was the consensus of the SSEB that award to Mobiam represented the least amount of risk to the government. On this record, we have no basis to question the reasonableness of the agency's past performance evaluation or Mobiam's ranking.

Finally, Cerner challenges the SSA's best value determination and argues that the agency improperly made upward adjustments to Cerner's price and did not make any adjustments to Mobiam's price.

Where the agency contemplates the award of a fixed-price contract, an agency is not permitted to make adjustments for cost elements, since the fixed price is the price the awardee is obligated to perform at and the price the government is bound to pay. Further, while a source selection official may in the price/technical tradeoff quantify the effects of any technical concerns, for example, the risk of schedule slippage, the quantification must be rationally based and consistent with the RFP. Marquette Med. Sys., Inc., B-277827.5, B-277827.7, Apr. 29, 1999, 99-1 CPD ¶ 90 at 6. Here, the agency states that it made adjustments to certain offerors' proposed prices in order to accurately assess the total cost to the government of the proposed solutions, in light of risks and assumptions in these offerors' proposals. AR, Tab 13.13, SSEB/SSA Award Memorandum, at 13. The record reflects that the SSA believed that Cerner's price did not represent the total cost that would be incurred by the government if Cerner's solution were selected, *e.g.*, the government would incur additional costs associated with hardware and licenses to support the use of Citrix and other in-house costs related to Cerner's [DELETED] deployment schedule, which exceeded the agency's projected [DELETED]-week schedule. We see nothing improper in the agency's considering the cost impact of offerors' differing technical approaches.¹¹

¹¹ In this regard, we note that the RFP provided that the agency would conduct a risk assessment to focus on potential for: disruption of schedule, increased cost, degradation of performance, need for increased government oversight, and likelihood of unsuccessful performance. RFP § M.2.4.

Where, as here, the RFP indicates that technical considerations are more important than price considerations in determining the best value to the government, the selection of a technically superior, higher priced proposal is proper where the agency reasonably concludes that the price premium was justified in light of the proposal's technical superiority. Dynamics Research Corp., B-240809, Dec. 10, 1990, 90-2 CPD ¶ 471 at 2. The record shows that among the reasons for selecting Mobiam's proposal for award was that the firm proposed web-based technology that did not require Citrix and that was also intuitive, easy to navigate, and more scalable. While Cerner's price may have been significantly less than Mobiam's price, the SSA found, among other things, that Cerner's solution required the addition of Citrix software to satisfy the agency's needs, proposed a longer implementation period, and would require a database software upgrade during deployment. Cerner also had a less satisfactory past performance record. AR, Tab 13.13, SSEB/SSA Award Memorandum, at 14. On this record, we have no basis to question the agency's determination to pay a price premium by awarding the contract to Mobiam, the firm whose higher technically rated, higher priced proposal was deemed to represent the best value to the government.

The protest is denied.

Anthony H. Gamboa
General Counsel