

ILLINOIS RURAL HEALTHNET

Federal Communications Commission
Rural Health Care Pilot Program

IRHN RFP 09
ISP Services

REQUEST FOR PROPOSALS

August 9, 2011

Illinois Rural HealthNet - RFP 09

TABLE OF CONTENTS

Page

Section 1	Project Overview	3
Section 2	Scope of Work - Overview	5
Section 2.3	Scope of Work and Vendor Response Sections	6
Section 3	Vendor's Experience	8
Section 4	Pricing Proposal	9
Section 5	Evaluation of Vendors' Responses	11
Section 6	Submission Requirements/Vendor Questions	12
Section 7	Terms and Conditions	13

Section 1. Project Overview

Objective of the Request for Proposals:

This document seeks proposals for providing ISP (Internet Service Provider) services for the Illinois Rural HealthNet (IRHN). The IRHN will carry network traffic to the Starlight POP at 710 N. Lake Shore Drive in Chicago. ISP vendors are asked to provide pricing for connection to the public Internet at that location. The IRHN will also connect to a second POP at 210 N. Tucker in St. Louis, and vendors are asked to respond with the availability of their services at that location as well. It is not required that vendors have a presence at both locations.

1.1. Organization Mission:

The Illinois Rural HealthNet (IRHN) was created to facilitate and assist in the deployment of high-speed networking for rural hospitals, clinics, and mental health facilities, to allow rural patients access to advanced emergency and specialized health care services. The IRHN will connect rural health care entities to sources of specialized care, at high speeds that allow for electronically aided remote diagnostics in clinical areas such as cardiology, neurology, mammography, and mental health.

1.2. Geographic Service Area:

The service area for this RFP comprises scattered locations throughout Illinois. However, all the Internet traffic will be transported by the IRHN to Chicago and St. Louis for connection to one or multiple ISPs.

1.3. General Project Summary:

Illinois Rural HealthNet (IRHN) is a high-speed communications network connecting rural Illinois hospitals and medical clinics with specialists at larger facilities throughout the state and nation for the delivery of telemedicine and tele-health services.

1.4. Project Background:

The IRHN was initially formed in April, 2007, to participate in opportunities for funding from the FCC's Rural Health Care Pilot Program. The IRHN consortium includes behavioral and medical health service organizations, higher education, and existing health, education, and research networks.

The IRHN was incorporated as a State of Illinois Not For Profit on January 30, 2008, File No. 6594-484-7 and subsequently was granted Federal 501(c)(3) status.

Previous Requests for Proposal have been issued for fiber backbone and last mile facilities, last mile facilities and/or services, network equipment, and NOC services.

Most of the previous RFPs have focused on the first three years of network implementation. Additional RFPs may be issued from time to time as further needs are finalized, and as new health care providers join the IRHN. All RFPs will be posted for a minimum of 28 days on the USAC web site.

1.5 Summary of Network Concept

Financial Overview:

The FCC's Rural Health Care Pilot Program contains a clear objective, which is that Pilot Participants utilize the Pilot Program funding for these two purposes:

- Provide improved capabilities for high speed broadband to connect rural health care providers, by creating a dedicated broadband network;
- Implement the new network in such a manner that it will continue functioning successfully after the Pilot Program funding has expired, and without the need for continuing external financial support.

In other words, the IRHN must be sustainable for the long term, such that it can continue to function with no need for financial support other than the monthly/annual recurring charges that will be paid by each of its member health care providers.

Thus, the IRHN will use the Pilot Program funding for capital expenditures, or for the equivalent of capital expenditures. In practical terms, this means that funding will be used to pay for:

- Indefeasible Right to Use contracts for fiber or lambdas;
- Long-term contracts for services, with the significant upfront costs for vendors being addressed in the near term; (relevant for this RFP 09)
- Long-term leases of equipment, if involved, must be cost effective.
- Contracts for the purchasing of equipment, or for long-term leases of equipment, with the majority of payments being made within the first three years.

The intent is to have, at the end of the four-year Pilot Program, a network in place that is financially sustainable without the need for significant external funding support.

Technical Overview:

The IRHN has contracted for wide-area, dedicated, broadband network services for our Members and has solicited bids, via the USAC website, from entities capable of providing these services.

The IRHN application to the FCC outlined the following approach: A backbone network composed of multiple lambdas over a fiber-based system with overlay services of ten gigabits per second running through key areas of the state, with lateral connections to nearby hospitals running at 1Gbps in some cases, and at minimum at 100Mbps.

To complement the fiber optic system, a wireless or services-based network will provide "Last Mile" service to those healthcare organizations that are not along the fiber optic

path. At key points along the fiber path, access points will be established where Gigabit Ethernet connections can provide service to the Last Mile network. This wireless or services-based Last Mile network is being established as a trunk and tributary system.

Regarding ISP-type services, the FCC Order provided the following language:

74. In the *2006 Pilot Program Order*, the Commission stated that funding provided under the Pilot Program would be used to support the costs of constructing dedicated broadband networks that connect health care providers in a state or region,²³⁶ and that connect such state and regional networks to the public Internet, Internet2, or NLR.²³⁷ The Commission further explained that eligible costs include those for initial network design studies,²³⁸ and for deploying transmission facilities and providing access to advanced telecommunications and information services, including non-recurring and recurring costs.²³⁹

²³⁹ See *2006 Pilot Program Order*, 21 FCC Rcd at 11115-16, paras. 14-15. We note that in the *2006 Pilot Program Order*, the Commission stated that authorized purposes include the costs of “advanced telecommunications and information services.” *Id.* at 11112, 11115, paras. 3, 14. We clarify here that, consistent with the Act, authorized purposes include the costs of *access to* advanced telecommunications services. See 47 U.S.C. § 254(h)(2)(A) (directing the Commission “to enhance, to the extent technically feasible and economically reasonable, *access to* advanced telecommunications and information services for all public and non-profit . . . health care providers”) (emphasis added).

Section 2: Scope of Work

Section 2.1 - Overview

The IRHN network is a data transmission system designed to support high speed, 10 Gigabit DWDM backbone transmission and 1Gbps or 100Mbps wireless data services, to critical care and other client healthcare facilities across Illinois. The network will facilitate connectivity between on-network nodes, connectivity between on-network nodes and other attached hospital groups, and connectivity through other gateway facilities to provide clients with ISP services. The IRHN has contracted for the services of a Network Operations Center (NOC) to monitor, manage, escalate, communicate and facilitate resolution of degraded or outage conditions across multiple IRHN partner vendors, and to provide reports on network usage.

All work must comply with all NEC, EIA/TIA, NFPA, OSHA, State of Illinois and Federal Codes and Regulations.

Section 2.2 - Organization of the RFP:

This document seeks proposals for providing ISP services, connecting to the IRHN at the Starlight POP, and at the POP at 210 N. Tucker in St. Louis.

Technical responses to the Scope of Work are to be provided in Section 2.3. Pricing for responses are to be provided in Section 4.1 of the RFP.

Section 2.3 – Vendor’s Proposed Approach to ISP Services

In this RFP 09, the IRHN is seeking proposals for providing ISP services at Chicago and St. Louis. In the sub-sections below, please indicate whether the proposed services are available in Chicago, or in St. Louis, or at both locations. Please describe any differentiation in cost by location, if relevant. Vendors are not required to provide ISP services in both locations.

Vendors are asked to provide the proposed level of services in response to the sub-sections below, and are asked to provide the pricing for same in Section 4.1 of this RFP. (The pricing can also be provided in this section, if that is easier.)

2.3.1. In this RFP 09, the IRHN is seeking service and pricing options for ISP services at Chicago and St. Louis, to include options for:

- Month-to-month
- One year
- Three year
- Five year

Please describe what services you are proposing.

2.3.2. Vendors are asked to provide services and pricing for gigabit connections, where the vendor does NOT have to provide usage information for individual hospitals on the IRHN. Please provide options for:

- One gig connections
- Multiple gig connections

Please describe what services you are proposing.

2.3.3 Vendors are also asked to provide alternate services and pricing for gigabit connections, where the vendor DOES provide usage information for individual hospitals on the IRHN. Please provide options for:

- One gig connections
- Multiple gig connections

Please describe what services you are proposing.

2.3.4 Vendors are asked to describe what their capabilities are in providing IP addresses to the IRHN, and if there are costs associated with such. The IRHN anticipates requiring the use of a full Class C block initially, with additional addresses as may be dictated by growth of the network. (The IRHN will not “stockpile” addresses needlessly.)

Please describe what services you are proposing.

2.3.5 Longer-Term Contract Options:

The IRHN may choose to sign a 5-year contract with an ISP vendor(s), in which the contract would include multiple gigabit pipes, with a significant portion of the 5-year cost paid in the initial two years of the 5-year contract. Please provide services and pricing options for the proposed ISP services within a 5-year contract.

Example: Because the IRHN will be growing over time, what would be very useful to see would be a proposal where the IRHN could begin with one or two gigabits of connection for one year, then add increments of 1Gbps or more in additional years. All the gigabit connections would end in coterminous fashion at the end of the 5-year period, with options to extend beyond the 5-year period.

Please describe what services you are proposing.

2.3.6 Vendors are asked to provide their Service Level Agreement language, and to address if there is any cost associated with such.

Please describe what services (via the SLA) you are proposing.

Section 3. Vendor Experience

Vendors must provide brief answers to the following to demonstrate their experience.

Section 3.1 Vendor Experience

Please summarize your experience related to the following:

- Number of years experience providing the proposed level(s) of service.
- Provide evidence of employee expertise and/or certifications.
- Vendors must have a current Service Provider Identification Number (SPIN).
- Vendors must have a track record of successful deployment and delivery of services. Please describe.
- Please include at least 2 references for which the Vendor provided similar levels of service as described in this RFP.

Section 4. Vendor Proposed Pricing

The FCC's Rural Health Care Pilot Program contains a clear objective, which is that Pilot Participants utilize the Pilot Program funding for these two purposes:

- Provide improved capabilities for high speed broadband to connect rural health care providers, by creating a dedicated broadband network;
- Implement the new network in such a manner that it will continue functioning successfully after the Pilot Program funding has expired, and without the need for continuing external financial support.

In the IRHN application for Pilot Program funding, one of the required elements was to "Indicate to what extent the network can be self-sustaining once established." (Excerpt from Paragraph 17 of FCC Order released September 29, 2006, establishing the Rural Health Care Pilot Program.)

The IRHN must be sustainable for the long term, such that it can continue to function with no need for financial support other than the monthly/annual recurring charges that will be paid by each of its member health care providers.

Thus, the IRHN will use the Pilot Program funding for capital expenditures, or for the equivalent of capital expenditures. In practical terms, this means that funding will be used to pay for:

- Indefeasible Right to Use contracts for fiber or lambdas;
- Long-term contracts for services, with the majority of payments being made within the first three years of the contracts; (relevant for this RFP 09)
- Contracts for the purchasing of equipment, or for long-term leases of equipment, with the majority of payments being made within the first three years.

Section 4.1: Vendor's Proposed Approach to ISP Pricing

4.1.1. In this RFP 09, the IRHN is seeking pricing options for ISP services at Chicago and St. Louis, to include pricing options for:

- Month-to-month
- One year
- Three year
- Five year

It is not required that the vendor have a presence at both POP locations. Please provide pricing for either or both locations, as appropriate.

4.1.2. Vendors are asked to provide pricing for gigabit connections, where the vendor does NOT provide usage information for individual hospitals on the IRHN. Please provide pricing for:

- One gig connections

- Multiple gig connections

4.1.3 Vendors are also asked to provide alternate pricing for gigabit connections, where the vendor DOES provide usage information for individual hospitals on the IRHN.

Please provide pricing for:

- One gig connections
- Multiple gig connections

4.1.4 Vendors are asked to describe what their capabilities are in providing IP addresses to the IRHN, and if there are costs associated with such. The IRHN anticipates requiring the use of a full Class C block initially, with additional addresses as may be dictated by growth of the network. (The IRHN will not “stockpile” addresses needlessly.)

4.1.5 Longer-Term Contract Options:

The IRHN may choose to sign a 5-year contract with an ISP vendor(s), in which the contract would include multiple gigabit pipes, with a significant portion of the 5-year cost paid in the initial two years of the 5-year contract. Please provide pricing for the proposed ISP services within a 5-year contract.

Example: Because the IRHN will be growing over time, what would be very useful to see would be a proposal where the IRHN could begin with one or two gigabits of connection for one year, then add increments of 1Gbps or more in additional years. All the gigabit connections would end in coterminous fashion at the end of the 5-year period, with options to extend beyond the 5-year period.

4.1.6 Vendors are asked to provide their Service Level Agreement language, and to address if there is any cost associated with such.

Section 5. Evaluation of Vendors' Responses

The following criteria will be used to evaluate vendors' responses to this RFP:

1. Vendor experience in providing similar Services as those proposed.
2. Vendor's ability to maintain acceptable levels of service.
3. Vendor's ability to achieve the "cost-effectiveness" objective of the Pilot Program.
4. Price for proposed services and options.

Evaluation Criteria: Proposals will be evaluated on many criteria deemed to be in the IRHN's best interests, including, but not limited to, completeness of the solution, presence in region, Vendor's readiness and availability, all non-recurring and recurring costs, delivery timeline, financial stability and viability, and references.

Section 6. Submission Requirements and Vendor Questions

Responses to this posting are due 28 days from the date that this document is posted to the USAC web site.

Vendors shall provide their responses to the Vendor Response Sections, as they may choose and as noted in the section. Please provide responses in the order in which the items are presented herein.

Vendors shall provide their experience in response to Section 3.1. Vendors shall also provide their SPIN number.

Vendors shall provide their pricing response to Section 4.1.

Submissions shall be submitted electronically to:

Pat Schou

Board of Directors, Illinois Rural HealthNet

info@illinoisruralhealthnet.org

VENDOR QUESTIONS

Questions from Vendors should be submitted within 10 days of the RFP posting on the USAC Pilot Program web site. Submit questions to: info@illinoisruralhealthnet.org

Questions and Answers will be posted on the www.illinoisruralhealthnet.org web site.

Section 7. Terms and Conditions

7.1.1 Communication with the IRHN: It is the responsibility of the Provider to inquire about any requirement of this RFP that is not understood. Responses to inquiries, if they change or clarify the RFP in a substantial manner, will be posted on the IRHN website.

7.1.2 Award of Proposal: The IRHN reserves the right to cancel this RFP or reject any or all proposals in whole or in part, and is not necessarily bound to accept the lowest cost proposal if that proposal is contrary to the best interests of the IRHN.

7.1.3 Implementation of Contract: The IRHN is acting on behalf of multiple health care providers, seeking to establish a high speed network. Until such time as the IRHN evaluates responses to the RFPs for network and equipment, the IRHN is not able to define a final cost to the health care providers for connection to the IRHN network. When sufficient contracts, or pending contracts, are in place, the IRHN will be able to define the final cost to the health care providers, and at that point will be able to determine how many of the health care providers will connect to the network. Therefore, Vendors are hereby notified that actual deployment of the network will depend, ultimately, on the active participation of sufficient health care providers to render the project feasible.

7.1.4 Confidentiality: The information contained in proposals submitted for the IRHN's consideration will be held in confidence until all evaluations are concluded and an award has been made. At that time, the winning proposal will be available for public inspection. Pricing and other information that is an integral part of the offer cannot be considered confidential after an award has been made. The IRHN will honor requests for confidentiality for information of a proprietary nature to the extent allowed by law. Clearly mark any information considered proprietary.

7.1.5 Costs of Preparation: Provider assumes all costs of preparation of the proposal.

7.1.6 Debarment: Submission of a signed proposal in response to this solicitation is certification that the Provider firm (or any sub-contractor) is not currently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any State or Federal department or agency. Submission is also agreement that the IRHN will be notified of any change in this status.

7.1.7 Proposal Understanding: By submitting a proposal, the Provider agrees and assures that the specifications are adequate, and the Provider accepts the terms and conditions herein. Any exceptions should be noted in the response.

7.1.8 Proposal Validity: Unless specified otherwise, all proposals shall be valid for 180 days from the due date of the proposal.

7.2.0 (CONTRACT) GENERAL TERMS AND CONDITIONS:

The IRHN anticipates that there could be multiple contract frameworks that result from this RFP process. Elements could include the following:

- IRHN and the Vendor may enter into a 5 Year or a 10 Year contract for services, with payments front-loaded during the first 3 years.

7.2.1 Contract Documents: Draft contract documents should be included with the RFP response.

7.2.2 Contract Modification and Amendment: The parties may adjust the specific terms of the contract (except for pricing) where circumstances beyond the control of either party require modification or amendment. Any agreed-upon modification or amendment must be in writing and signed by both parties.

7.2.3 Contract Validity: In the event one or more clauses of the contract are declared invalid, void, unenforceable or illegal, that shall not affect the validity of the remaining portions of the contract.

7.2.4 Cancellation/Termination: If the Vendor defaults in its agreement to provide personnel or equipment, or in any other way fails to provide service in accordance with the contract terms, the IRHN shall promptly notify the Vendor of such default and if adequate correction is not made within a reasonable timeframe, the IRHN may take whatever action it deems necessary to provide alternate services and may, at its option, immediately cancel the Contract with written notice. Cancellation does not release the Vendor from its obligation to provide goods or services per the terms of the contract during the notification period.

7.2.5 Assignment: Neither party of the contract shall assign the contract without the prior written consent of the other, nor shall the Vendor assign any money due or to become due without the prior written consent of the IRHN.

7.2.6 Equal Opportunity: In the execution of the contract, the Vendor and all sub-contractors agree not to discriminate on the grounds of race, color, religion, sex, sexual orientation, including transgender status or gender expression, national origin or citizenship status, age, disability or veteran status and to provide reasonable accommodations to qualified individuals with disabilities upon request.

7.2.7 Indemnification: The Vendor agrees to be responsible for, and to protect, save harmless, and indemnify the IRHN and its members from and against all loss, damage, cost and expense (including attorney's fees) suffered or sustained by the IRHN or for which the IRHN may be held or become liable by reason of injury (including death) to persons or property or other causes whatsoever, in connection with the operations of the Vendor or any subVendor under this agreement.

7.2.8 Business Profile:

7.2.8.1 Financial – If requested, Vendors need only supply one copy of the following.
Public Companies:

- annual reports for the last three years
- history and description of the company
- recent reports from securities analysts
- published reports about the company

Private Companies:

- audited financial statements or tax forms from three years
- history and description of the company
- published reports about the company, if any

7.2.8.2 If requested, Credit rating/report, letter from bank, suppliers.

7.2.8.3 If requested, References: A list of three references your firm has done business with in the past two years on projects with a similar scope to the services you are offering.

7.2.9 Co-location Costs: Co-location costs, if any, should include power fees, installation and ongoing fees for adding supplementary amperage to existing power feeds, cross connect costs, rack installation and ongoing rental fees and, where specified, meet-me area or customer-provided fiber entrance charges.

7.2.10 Security/Risk Management: If Vendors are chosen for contract, they must provide a description of all Security/Risk Management measures in place to protect both the Vendor's facilities and the IRHN's equipment located in the Vendor's facilities.

7.2.11 Liability Insurance: If chosen for contract, Vendors must provide a description of all liability and property insurances that Vendors will have in place relative to the contract as outlined in this RFP.