



Broadband Lit Services RFP

IRHTP RFP 10-001

November 30, 2010



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IRHTTP RFP 10-001 Broadband Lit Services

THIS REQUEST FOR PROPOSAL CONSISTS OF FOUR CHAPTERS AND FIVE ATTACHMENTS:

| CHAPTER | TITLE |
|--------------|--------------------------------------|
| 1. | Administrative Issues |
| 2. | Contractual Terms |
| 3. | Technical Specifications |
| 4. | Evaluation Criteria |
| Attachment 1 | Certification of Vendor |
| Attachment 2 | Bid Proposal Compliance Form |
| Attachment 3 | Authorization to Release Information |
| Attachment 4 | Cost/Pricing Submittal Packet |
| Attachment 5 | USAC Competitive Bidding Process |

General Information
Iowa Rural Health Telecommunications Program
RFP 10-001

Introduction. The Iowa Rural Health Telecommunications Program (IRHTP) is a consortium of public and private hospitals seeking to solve the problem of isolation, travel, and limited resources that constrain health care delivery in rural Iowa and its surrounding region. To achieve this goal, IRHTP will leverage the expertise of the Iowa Hospital Association (IHA) as a health care collaborator, the capability of the Iowa Communications Network (ICN) in administering telecommunications services, and the Federal Communications Commission Rural Health Care Pilot Program in providing the funds to develop a statewide dedicated health care network. The goal is to use proven technology to connect approximately 85 hospitals and health care facilities, with 1,000 megabits of high speed Ethernet access, to a secure, dedicated, and financially sound network.

Specifically, the IRHTP has received funding to provide last mile fiber optic based high bandwidth WAN connectivity from IRHTP consortium hospitals to the closest appropriate ICN Point of Presence (POP) to establish a statewide/regional health care network.

Overview. IRHTP was successful in securing Federal Communications Commission Rural Health Care Pilot Program funding to interconnect the 85 Iowa locations into a common network.

There are a number of Iowa hospitals and healthcare providers that, although they are part of the aforementioned IRHTP statewide dedicated rural health care network, are affiliated with, or desire to be connected to healthcare networks in South Dakota. Although these networks have wide area connections extending too many locations throughout the region, currently there is no high bandwidth Ethernet service connecting the South Dakota healthcare networks to the emerging IRHTP network.

Sanford Health and Avera Health, in cooperation and collaboration with IRHTP, will be leveraging existing Rural Health Care Pilot Program funding to provide new wide area network connections between these hospital locations and their existing healthcare networks.

Lead Agency. For the purposes of this RFP, IRHTP is the lead agency and is responsible for this RFP process. IRHTP, Avera Health (HUBNet), and Sanford Health (SC3) have active but separate projects currently being constructed under the auspices of USAC. However, for the purposes of this RFP, this project is separate and stands alone.

RFP Objective. The objective of this RFP process is to provide participating IRHTP members with 100 Mbps and greater Ethernet connection options and pricing for services connecting facilities in Sioux Falls, SD to their Iowa affiliates.

IRHTP maintains the right to award any portion of the services requested herein to multiple Vendors. IRHTP further maintains the right to purchase none, some, combinations of optional offers, or all of the services requested herein.

Current Network Topography:

IRHTP: The IRHTP network consists of (1) gigabit Ethernet access connections from each participating hospital to an ICN POP. Wavelengths are then aggregated and forwarded to IRHTP core network locations. At core network locations traffic is routed/switched and placed onto dedicated (10) gigabit links connecting all 18 core network locations. The IRHTP network is fully segregated from other ICN wavelengths and traffic throughout the network.

CHAPTER 1
ADMINISTRATIVE ISSUES
RFP 10-001

1.0 General. The Rural Health Care Program of the Universal Service Fund (USF), which is administered by the Universal Service Administrative Company (USAC), is a support program authorized by Congress and designed by the Federal Communications Commission (FCC) to provide reduced rates to rural health care providers (HCPs) for telecommunications services and Internet access charges related to the use of telemedicine & tele-health. The IRHTP and the IHA received approval to proceed with the connection of various Iowa hospitals to the Iowa Communications Network using newly constructed or existing fiber optic cable facilities. IRHTP is now seeking bid proposals for high speed Ethernet connections to existing telemedicine networks in South Dakota

1.1 Notice. This project is subject to the USAC procurement rules. The IRHTP will submit a USAC Form 465, RFP, and supporting documentation to USAC, who will review the documentation and will post the RFP on the USAC website. All RFPs will be open for response and bidding for a minimum of twenty-eight (28) days after the posting. After documents are posted to the USAC website, the following process will commence:

1.2 Schedule and Submission of Proposal.

1.2.1 Vendors Conference. A Telephonic Vendors Conference will be held on Wednesday, December 22, 2010 at 9:00 a.m. Central Standard Time (CST). The Conference call in number is 888-685-1580, and the Conference ID is 5157254726#.

1.2.2 Questions and Answers. Vendors are invited to submit written questions and/or requests for interpretation/consideration/acceptance concerning this RFP on or before 4:00 p.m. CST, January 3, 2011. Vendors with questions concerning this RFP may submit questions in writing via email to Art Spies at spiesa@ihaonline.org. Oral questions will not be accepted, and verbal communications shall not override written communications. Only written communications are binding on IRHTP. If the questions, requests for clarifications, or suggestions pertain to a specific section of the RFP, the page and section number(s) must be referenced. IRHTP will prepare a written response to all pertinent questions submitted by Vendors and will post questions and responses on the Iowa Hospital Association web page, www.ihaonline.org by the close of business on January 10, 2011. The IRHTP's written responses will be considered part of the RFP. If the IRHTP decides to adopt a suggestion, the IRHTP will issue an amendment to the RFP.

1.2.2.1 The IRHTP assumes no responsibility for verbal representations made by its consortium members and representatives unless such representations are confirmed in writing by the IRHTP and incorporated into this RFP.

1.2.2.2 Changes and Amendments. In the event it becomes necessary for IRHTP to amend, add to or delete any part of this RFP, the amendment will be posted on the IHA website. Vendor's bid proposal must include acknowledgment of all

addenda issued by IRHTP. If the IRHTP amends the RFP after the closing date of receipt of proposals, the IRHTP may, in its sole discretion, allow Vendors to amend their bid proposals in response to the IRHTP's amendment.

1.2.3 Receipt of Bid Proposals. Bid Proposals must be received at IHA's office no later than 3:00 p.m. CST January 17, 2011. **This requirement is a mandatory requirement and is not a minor deficiency subject to waiver by the IRHTP.** No bid proposals will be accepted after the date and time specified. A late bid proposal shall be returned unopened to the Vendor. Additionally, no bid proposal will be accepted by telephone, electronic mail or facsimile. **The bid proposals must be mailed** (with mailing in sufficient time to arrive on or before this deadline requirement) or be delivered by express courier, delivery service or company, or in person.

1.2.3.1 If bid proposals are delivered by mail service, express courier, delivery service or company, or in person, it shall be the sole responsibility of the Vendor submitting the proposal to insure that such delivery takes place prior to the aforementioned deadline. There shall be no waiving of the deadline due to missed deliveries on the part of the Vendor, Vendor's delivery staff or Vendor's choice of delivery service(s). Deliveries made directly to IHA must be placed with the IHA staff person able to accept such delivery.

1.2.4 Proprietary Information: All submitted responses will be held in confidence and considered proprietary. The information contained in this document is proprietary to IRHTP and no use of this document or the information contained within is to be made with the exception of in response to this Request for Proposal.

1.2.5 Discrepancies: Any discrepancies found by Vendor regarding the provided information needs to be reported to the IRHTP Project Coordinator immediately. These discrepancies will be examined and addenda issued as appropriate. Failure to adhere to this instruction may result in the rejection of the Vendor's proposal.

Mailing Address:
Iowa Hospital Association
Attn: Mr. Art Spies
100 East Grand Ave. Suite 100
Des Moines, Iowa 50309

Delivery To:
Iowa Hospital Association
Attn: Mr. Art Spies
100 East Grand Ave. Suite 100
Des Moines, Iowa 50309

1.2.6 Bid Proposal Opening. Bid Proposals will be opened at 3:00 p.m. CST on January 17, 2010.

Vendors may attend the bid opening if they wish, but no price information or any other information contained in any bid will be made public at that time.

The bid proposals and the evaluation documents created by the IRHTP will remain confidential until the evaluation committee has evaluated all bid proposals submitted in response to this RFP and the IRHTP has issued a notice of award. The bid proposals submitted and the evaluation documents created by the IRHTP may be available for inspection subject to FCC and USAC guidelines or other applicable law only after the selection process is complete.

1.2.6.1 Failure to comply with or supply any and all information requested to accompany bid proposals may be cause for rejection of the proposal as non-compliant.

1.2.6.2 All bid proposals shall be firm for a period of 60 days to allow the evaluation committee to fully evaluate all proposals and make an award deemed to be in the best interest of IRHTP.

1.2.6.3 By submitting a bid proposal the Vendor agrees to the terms and conditions contained within this RFP.

1.3 Proposal Submission & Format.

1.3.1 Submission Format Bid Proposals shall be printed on 8.5” x 11” paper. The proposals should be in 3-ring binders with appropriate tabs for reference. The original bid proposal must be in a package CLEARLY MARKED “**IRHTP RFP 10-001 Proposal**” on the outer envelope or wrapping. This is necessary to insure that the response package is handled properly for verification against the RFP deadline. Lack of notation of the RFP number may affect the receipt timing and affect the evaluation process. Vendor should consider this item as a critical factor when submitting a response.

1.3.2 Proposal Format To achieve a uniform review process and the maximum degree of comparability, proposals shall be organized in the following manner:

1.3.2.1 Title page that includes the subject of the bid proposal, the RFP number being responded to (**10-001**), name of Vendor, address, name of designated contact person, telephone number, facsimile telephone number, E-mail address for Vendor’s contact person (and, if applicable, the cellular telephone number of contact person) and the date

1.3.2.2 Completed Certification of Vendor Form (Attachment 1).

1.3.2.3 Completed Bid Proposal Compliance Form (Attachment 2).

1.3.2.4 Completed Authorization to Release Information Form (Attachment 3).

1.3.2.5 Completed Cost/Pricing Submittal Packet (Attachment 4).

1.3.3 Number of Copies. Vendors shall submit one (1) with original blue-ink signatures and three (3) copies; in addition four (4) soft copies of the bid proposal shall be provided on (4) CDs using Microsoft Word and Excel, if proposal contains spreadsheets.

1.4 Clarification of Proposals and Obtaining Information. IRHTP reserves the right to contact a Vendor after submission of bid proposals for the purpose of clarifying a bid proposal to ensure mutual understanding. This contact may include written questions, interviews, site visits, and a review of past performance if the Vendor has provided goods or services to the IRHTP or its consortium members, USAC, or the ICN or requests for corrective pages in the Vendor’s bid proposal. This information may be used in the evaluation of a Vendor’s bid proposal if the information materially alters the content of the bid proposal. IRHTP reserves the right to obtain information concerning any Vendor or any proposal from any source and to consider such information in evaluating the Vendor’s bid proposal.

1.5 Waiver of Deficiencies. IRHTP reserves the right to waive minor deficiencies in a bid proposal if, in the judgment of IRHTP, the consortium's best interest will be served. The decision as to whether a deficiency will be waived or will require the rejection of a bid proposal will be solely within the discretion of IRHTP. There is no guarantee or assurance that any deficiency will be deemed minor and that a deficiency will be waived. Each Vendor is specifically notified that failure to comply with or respond to any part of this RFP requiring a response may result in rejection of the bid proposal as not responsive.

1.6 Cost of Bid Proposal. IRHTP is not responsible for any costs incurred by a Vendor, which are related to the preparation or delivery of the bid proposal, or any other activities carried out by the Vendor as it relates to this RFP. The costs of preparation and delivery of the bid proposal are solely the responsibility of the Vendor.

1.7 Bid Proposal Obligations. The contents of the bid proposal and any clarification thereto submitted by the successful Vendor shall become part of the contractual obligation and incorporated by reference into the ensuing Contract.

1.8 Bid Proposals Property of IRHTP. Except as otherwise stated herein, all bid proposals become the property of the IRHTP and shall not be returned to the Vendor unless all bid proposals are rejected. In the event all bid proposals are rejected, Vendors will be asked to send prepaid shipping instruments to the IRHTP within 60 days for return of the bid proposals submitted. In the event no shipping instruments are received by the IRHTP, the bid proposals will be destroyed by the IRHTP. Additionally, the evaluation documents created by the IRHTP will be destroyed in the event all bid proposals are rejected. Otherwise, at the conclusion of the selection process, the contents of all bid proposals may be placed in the public domain and be opened to inspection by interested parties subject to appropriate FCC, USAC, and federal procurement regulations.

1.9 Rejection and Disqualification of Bid Proposals.

1.9.1 Right to reject IRHTP reserves the right to reject any and all bid proposals, in whole and in part, received in response to this RFP at any time prior to the execution of a written Contract. Issuance of this RFP in no way constitutes a commitment by IRHTP to award the Contract. This RFP is designed to provide Vendors with the information necessary for the preparation of competitive bid proposals. This RFP process is for IRHTP's benefit and is intended to provide IRHTP with competitive information to assist in the selection of goods and services.

1.9.2 Reasons to reject The IRHTP may reject a bid proposal outright and not evaluate the proposal for any one (1) of the following reasons:

1.9.2.1 Failure of Vendor to deliver the bid proposal by the due date and time.

1.9.2.2 Failure to include the Bid Proposal Compliance Form signed by an officer of the Vendor submitting the bid proposal (Attachment 1).

1.9.2.3 Failure to include the Authorization to Release Information Form (Attachment 2).

1.9.2.4 Failure to include a completed Bid Proposal Submittal Form (Attachment 3).

1.9.2.5 The Vendor states that a technical requirement cannot be met.

1.9.2.6 The Vendor's response materially changes a technical requirement.

1.9.2.7 The Vendor's response limits the rights of the IRHTP.

1.9.2.8 The Vendor fails to respond to the IRHTP's request for information, documents, or references.

1.9.2.9 The Vendor's exceptions to the contract terms and conditions described in Chapter 2 materially changes the terms and conditions of that section or the requirements of this RFP.

1.9.2.10 The Vendor provides misleading or inaccurate responses.

1.9.2.11 The Vendor's proposal is materially unbalanced.

1.10 Public Records and Requests for Confidentiality.

1.10.1 Release of information to the public. The release of information by IRHTP to the public is subject to appropriate FCC, USAC, federal procurement regulations, and other applicable provisions of law relating to the release of records in the possession of the IRHTP. Vendors are encouraged to familiarize themselves with these provisions prior to submitting a bid proposal. All information submitted by a Vendor may be treated as public information by IRHTP unless the Vendor properly requests that information be treated as confidential at the time of submitting the bid proposal. **In the event the Vendor marks each page of its bid proposal as proprietary or confidential without adhering to the requirements of this Section, the IRHTP may reject the bid proposal as noncompliant.**

1.10.2 Request for confidentiality. Any requests for confidential treatment of information must be included in a cover letter with the Vendor's bid proposal and must enumerate the specific grounds which support treatment of the material as confidential and must indicate why disclosure is not in the best interests of the public. The request must also include the name, address and telephone number of the person authorized by the Vendor to respond to any inquiries by IRHTP concerning the confidential status of the materials.

1.10.3 Identification of confidential documents. Any documents submitted which contain confidential information must be marked on the outside as containing confidential information, and each page upon which confidential information appears must be marked as containing confidential information. The confidential information must be clearly identifiable to the reader wherever it appears. All copies of the proposal submitted, as well as the original proposal, must be marked in this manner. **Failure to properly mark information as confidential shall relieve the IRHTP from any responsibility if the information is viewed by the public, a competitor, or is any way accidentally released.**

1.10.4 Copy Excluding Confidential Materials In addition to marking the material as confidential material where it appears, the Vendor must submit one (1) hard copy (printed) of the bid proposal from which the confidential information has been excised. This hard copy of the proposal **MUST** be clearly marked as "Excluding Confidential Materials". In addition to a hard copy, the Vendor must also include an electronic copy of the non-confidential portions of the proposal on CD-ROM using Microsoft Word and Excel as appropriate. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as

much of the document as possible. The excised version must be submitted with the cover letter and may be made available for public inspection. This submittal is a mandatory requirement and is not subject to waiver. Failure to mark the confidential items and to provide the required one (1) copy with confidential information excised shall be defined as allowance for the entire proposal to be treated as a public record.

1.10.5 Failure to Request confidentiality The Vendor's failure to request in the bid proposal confidential treatment of material pursuant to this Section and the relevant laws and administrative rules will be deemed by IRHTP as a waiver of any right to confidentiality which the Vendor may have had.

1.11 Restrictions on Gifts and Activities. No gifts or other activities for IRHTP will be accepted.

1.12 Restriction on Communication. Vendors should funnel all communications through the Project Coordinator in order to receive the highest quality response from the consortium. Please refer to Chapter 1, Paragraph 1.2.2 regarding questions and answers.

1.13 Nonmaterial and Material Variances. The IRHTP reserves the right to waive or permit cure of nonmaterial variances in the bid proposal if, in the judgment of the IRHTP, it is in the IRHTP's best interest to do so. Nonmaterial variances include minor informalities that do not affect responsiveness; that are merely a matter of form or format; that do not change the relative standing or otherwise prejudice other Vendors; that do not change the meaning or scope of the RFP; or that do not reflect a material change in the services. In the event the IRHTP waives or permits cure of nonmaterial variances, such waiver or cure will not modify the RFP requirements or excuse the Vendor from full compliance with RFP specifications or other contract requirements if the Vendor is awarded the contract. The determination of materiality is in the sole discretion of the IRHTP.

1.14 Copyrights. By submitting a bid proposal, the Vendor agrees that IRHTP may copy the bid proposal for purposes of facilitating the evaluation or to respond to requests for public records. The Vendor consents to such copying by submitting a proposal and warrants that such copying will not violate the rights of any third party. IRHTP will have the right to use ideas or adaptations of ideas, which are presented in the proposals. In the event the Vendor copyrights the bid proposal, the IRHTP may reject the bid proposal as noncompliant.

1.15 Conflict Between Terms. IRHTP reserves the right to accept or reject any exception taken by the Vendor to the terms and conditions of this RFP. Substantial variations between the Vendor's terms and conditions and those contained in this RFP may be grounds for rejection of the Vendor's bid proposal as non-responsive and non-compliant.

1.16 Release of Claims. With the submission of a bid proposal, Vendor agrees that it will not bring any claim or have any cause of action against IRHTP or its consortium members based on any misunderstanding concerning the information provided herein or concerning IRHTP's failure, negligent or otherwise, to provide the Vendor with pertinent information as intended by this RFP.

1.17 Construction of RFP with Laws and Rules. Changes in applicable laws and rules may affect the award process or the resulting Contract. Vendors are responsible for ascertaining pertinent legal requirements and restrictions. Vendors are encouraged to visit the USAC Rural Health Care Pilot Project website: <http://www.universalservice.org/rhc/> and the FCC website, <http://www.fcc.gov/cgb/rural/rhcp.html#orders>.

1.18 RFP Copy. Copies of the RFP will be available on the USAC Rural Health Care Pilot Program web site at: http://www.usac.org/rhc-pilot_program/tools/search-postings.aspx. In addition the RFP will also be available to vendors via the Iowa Hospital Association web site at <http://www.ihaonline.org>. Vendors may also request an electronic copy of the RFP by contacting Art Spies at spiesa@ihaonline.org.

1.19. Amendments and responses to questions available at IHA website. The RFP, Amendments, and all responses to Vendor questions will be posted on the Iowa Hospital Association web site at <http://www.ihaonline.org>. Vendors are advised to check the IHA website periodically for amendments to this RFP as Vendors will not automatically receive Amendments and responses.

1.20 Definition of Contract. The full execution of a written contract shall constitute the making of a contract for services and no Vendor shall acquire any legal or equitable rights relative to the contract services until the Contract has been fully executed by the successful Vendor and the IRHTP.

1.21 Award Notice and Acceptance Period. The IRHTP will send an “Award Notice” to all Vendors submitting a timely bid proposal. Negotiation and acceptance of the contract shall be completed with the successful Vendor no later than sixty (60) days after the Award Notice. If an apparent successful Vendor fails to negotiate and deliver the executed contract by that date, the IRHTP may, in its sole discretion, cancel the award and award the contract to the next highest ranked Vendor. The IRHTP reserves the right to continue negotiations after sixty days if, in IRHTP’s sole discretion, IRHTP deems it to be in the best interests of IRHTP to do so.

1.22 No Minimum Guaranteed. The IRHTP anticipates that the selected Vendor will provide services as requested by the IRHTP. The IRHTP will not guarantee any minimum compensation will be paid to the Vendor or any minimum usage of the Vendor’s services.

1.23 Criminal History and Background Investigation. The IRHTP reserves the right to conduct criminal history and other background investigations of the Vendor, its officers, directors, shareholders, or partner and personnel retained by the Vendor for the performance of the Contract.

1.24 Suspension and Debarment. IRHTP may review all vendors responding to this RFP to validate them against the FCC’s Suspension and Disbarment list at <http://universalservice.org/sl/about/suspensionsdebarments.aspx>. Persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the Schools and Libraries Support Mechanism are subject to suspension and debarment from the program. FCC rules provide that there are two stages to this process. First, when the FCC becomes aware that a person has been convicted of a crime or judged civilly liable for certain acts arising out of that person’s participation in the program, the FCC

suspends that person from activities related to the program. The FCC issues a public Notice of Suspension and of Proposed Debarment. The notice of suspension informs the suspended person or other interested party that that they have 30 days to oppose the proposed debarment. The second stage of this process is the actual debarment. The FCC will, absent extraordinary circumstances, provide notice of a decision to debar within 90 days of receiving any information from the person proposed for debarment.

CHAPTER 2
CONTRACTUAL TERMS
RFP 10-001

2.1 Contractual Terms Generally.

2.1.1 Contract Terms The Contract, which the IRHTP expects to award, will be based upon the bid proposal submitted by the successful Vendor (Vendor awarded the Contract) and this solicitation. The Contract between the IRHTP and the Vendor shall be a combination of the specifications, terms and conditions of the Request for Proposal, the offer of the Vendor contained in its bid proposal, written clarifications or changes made in accordance with the provisions herein, and any other terms deemed necessary by the IRHTP.

2.1.2 Acceptance of Terms, Specifications, and Conditions. By submitting a bid proposal, each Vendor acknowledges its acceptance of these specifications, terms and conditions without change except as otherwise expressly stated in the appropriate section of the Bid Proposal Compliance Form (Attachment 2). If a Vendor takes exception to a provision, it must state the reason for the exception and set forth in Attachment 2 of its bid proposal the specific Contract language it proposes to include in place of the provision. Exceptions that materially change these terms or the requirements of the RFP may be deemed nonresponsive by the IRHTP, in its sole discretion, resulting in possible disqualification of the bid proposal. The IRHTP reserves the right to either award a Contract without further negotiation with the successful Vendor or to negotiate Contract terms with the selected Vendor if the best interests of the IRHTP would be served.

2.2 Additional Cost Items Not In Contract. IRHTP is unaware of any additional Contract terms that would add cost. Notwithstanding, should any Contract items arise that would cost additional monies; those costs shall be borne by the Vendor.

2.3 Additional Vendor Information

The FCC's Fourteenth Order on Reconsideration (CC Docket No. 96-45, FCC 99-256, 11/3/1999) stipulated that telecommunications carriers are no longer required to be Eligible Telecommunications Carriers (ETC's) to participate in this program. All non-traditional telecommunications service providers may participate. Service providers intending on responding to this RFP must secure a Service Providers Identification Number (SPIN) from USAC. See the USAC website for details on how to secure a SPIN.

2.4 Bid Proposal Security & Performance Bond. Not Required

2.5 SPIN Number. Vendor must acquire a USAC SPIN and provide on Bid Proposal Compliance Form.

2.6 Debarment, Suspension and Other Responsibility Matters. The Vendor and all of its subcontractors shall certify that the company or corporation is not presently, or within the last

three years, debarred, suspended, proposed for suspension, declared ineligible, or excluded from covered transactions by any government agency; or has not been reported to or questioned by a consumer protection office regarding its business practices; or it or its officers or directors are not presently or within the last three years, indicted for or otherwise criminally or civilly charged by a government entity for the commission of a public offense related to its business; or has not, within the last three years, had any government transactions terminated for cause or default; or within the last three years, has been terminated from or denied extension of a contract for any of the reasons above in addition to the Vendor's failure to maintain compliance of contract specifications or has failed to bargain or negotiate in good faith, conflicts not clearly specified or contained in the contract.

CHAPTER 3
TECHNICAL SPECIFICATIONS
RFP 10-001
MANDATORY NETWORK REQUIREMENTS

3.0 Mandatory Requirements. The purpose of this Section is to identify the mandatory requirements and conditions a bid proposal **must** fulfill before any consideration will be given. Each mandatory requirement requires a positive response by providing confirmation of compliance and information describing how the Vendor doesn't meet, meets or exceeds the mandatory requirement. **VENDOR MUST RESPOND TO ALL SECTIONS (AND SUB-SECTIONS) OF CHAPTER 3 TO HAVE ITS BID PROPOSAL CONSIDERED.**

Note: Vendor is reminded that they must re-state the numbered requirement and answer in the affirmative with enough detail to adequately convey their answer to the IRHTTP RFP evaluation team.

3.0.1 Vendor Background Information. Vendor shall provide the following general background information of Vendor.

3.0.1.1 Name, address, telephone number, fax number and e-mail address of the Vendor including all d/b/as' or assumed names or other operating names of the Vendor.

3.0.1.2 Form of business entity, i.e., corporation, partnership, proprietorship, limited Liability Company.

3.0.1.3 State of incorporation (if a corporation). If a limited liability company, state of formation.

3.0.1.4 Identify and specify the location(s) and telephone numbers of the major offices and other facilities that relate to the Vendor's performance under the terms of this RFP.

3.0.1.5 Local office addresses and phone number.

3.0.1.6 Number of employees.

3.0.1.7 Type of business.

3.0.1.8 Name, address and telephone number of the Vendor's representative to contact regarding all contractual and technical matters concerning this proposal.

3.0.1.9 Name, address and telephone number of the Vendor's representative to contact regarding scheduling and other arrangements.

3.0.1.10 Identify the Vendor's accounting firm.

3.0.1.11 The successful Vendor will be required to register to do business in Iowa. If already registered, provide the date of the Vendor's registration to do business in Iowa.

3.0.1.12 Vendor must provide the following legal or administrative information.

3.0.1.12.1 During the last five (5) years, describe any damages or penalties or anything of value traded or given up by Vendor under any of its existing or past contracts as it relates to services performed that are similar to the services contemplated by this RFP and the resulting

Contract. If so, indicate the reason for the penalty or exchange of property or services and the estimated account of the cost of that incident to the Vendor.

3.0.1.12.2 During the last five (5) years, describe any order, judgment or decree of any Federal or State authority barring, suspending or otherwise limiting the right of the Vendor to engage in any business, practice or activity.

3.1 IRHTP Network Connectivity Requirements.

3.1.1 Prepaid Twenty year Lit Capacity IRU. Because IRHTP is a long term health care initiative all contracts executed as a result of this RFP shall be a Prepaid Twenty (20) Year Lit Capacity IRU at a specified bandwidth level.

No other terms shall be considered or accepted.

A Prepaid Twenty (20) Year Lit Capacity IRU shall be defined as a one-time, up-front payment for a connection of specified bandwidth meeting all requirements outlined in the RFP that includes all up front one time and monthly recurring costs. Including but not limited to bandwidth fees, taxes, fees, repair and maintenance. The Capacity IRU shall explicitly include operations and maintenance of the connection (as defined in the RFP) from the time of acceptance by IRHTP to the end of the consecutive twenty (20) years.

Under no circumstances shall the Capacity IRU auto renew on an “evergreen” basis without prior consent of IRHTP.

Renewal of the Capacity IRU at the end of the initial term (cost, term and payment schedule) shall be negotiated in good faith as mutually agreeable between IRHTP and the Vendor providing the Capacity IRU. Additionally any renewal shall include the required maintenance and operation (as defined in this RFP) of the Capacity IRU for the entire mutually agreed to term.

3.1.2 Interfaces and Underlying Connectivity Infrastructure. It is preferred but not mandatory that all underlying infrastructure providing the connectivity between the specified Health Care Provider (HCPs) end points (**sec 3.1.6**) and the available ICN POPs (**sec. 3.2.11**) be fiber optic cable based.

However provided it meets all specifications stated in this RFP, the project is technology / infrastructure agnostic regarding the underlying transport medium employed to deliver bandwidth to the described endpoints.

If wireless technology is utilized for transport it must be licensed spectrum.

Connections shall terminate on Vendor provided equipment located at the respective HCP end points and the ICN POP(s).

The existing IRHTP network is a combination of physical Layer 0 and 1 fiber backbone and wavelengths, Layer 2/3 carrier Ethernet transport and IP/MPLS switches, and Layer 3 logical (IP services) core routers. As the first mile extension of the IRHTP network,

this access network must adhere to established architectural parameters and services frameworks. In particular, to provide consistent access to the IRHTTP network, access circuits must be a combination of these same elements of Layer 0 and 1 connectivity and Layer 2 transport capabilities. Without all of these elements, the access circuit will not function correctly with the IRHTTP network.

The IRHTTP network switches are configured to provide sufficient throughput and gateway routing capabilities. Ethernet traffic may enter the network at any authorized transport switch and be carried through the IRHTTP network for delivery to the destination.

In addition to adequate physical space, conditioned power, environmental control, and controlled security the HCP end points will also provide (at its expense and not a part of this RFP) an Alcatel Lucent 7210 edge switch.

The access connection itself must provide a minimum of 100Mbps (Committed Information Rate) symmetrical Ethernet service (as described in this RFP) over any transport technology selected by the Vendor. The Layer 2 transport can be pure Ethernet over fiber (with or without wave division multiplexing), Ethernet over SONET, or Ethernet over wireless licensed spectrum. Whatever transport technology is chosen, the connection must be capable of passing 802.1Q VLAN tags through the access connections and the IRHTTP network.

The interface from the AL 7210 edge switch at the HCP end points shall be a copper cable connected to a 10/100/1000 Ethernet port with a minimum bandwidth throughput configuration of 100Mbps.

Switching decisions at the edge switch will be made based on currently configured VLAN's.

3.1.3 Vendor Edge of Lit Services Connection. The lit services connection provided by the Vendor must contain the equipment necessary to provide Layer 2 transport.

3.1.4 Minimum Bandwidth and Incremental Pricing. At a minimum each HCP end point will be provided a symmetrical Ethernet service with a CIR of 100Mb. Each connection must also be capable of delivering (1) Gbps without additional network augmentation cost to IRHTTP. IRHTTP also requires incremental pricing for various bandwidths that may be executed at IRHTTP's option in 30 day increments. The minimum constant increment for any connected site will be 100Mbps.

Vendors should list baseline cost for the required minimum 100 Mbps and subsequently list any incremental costs for additional bandwidth (preferably in 100 Mbps increments) up to and including the required one (1) Gbps capability in their RFP response.

If CIR is to be adjusted on additional bandwidth increments, that should be clearly noted in the pricing response to the RFP.

IRHTTP will choose an appropriate initial bandwidth for each location with a minimum of 100 Mbps as the initial starting point based on a) initial cost and b) incremental cost and flexibility.

Preference in bid evaluation will be given to bid responses that offer flexibility in incremental bandwidth adjustments made within required timelines.

The pricing elements of this RFP will be evaluated not only on overall price of each connection but also on the price per Mbps of that connection.

Vendors are highly encouraged to provide alternatives in their bids (i.e. various bandwidths and various costs per Mbps) with an initial minimum base rate of 100 Mbps and a 1 Gbps maximum being requirements.

3.1.5 Managed Service Pricing. Ongoing operations and maintenance of lit service by the Vendor is required for the lit capacity to function correctly. The twenty (20) year Lit Service pricing for each connection must include prepaid operations, repair and maintenance of the connection for the entire twenty (20) year period.

3.1.6 Connectivity to HCP End Points. Listed below are the location addresses for the specific HCP end points being connected to the IRHTP network via this RFP.

Vendors may provide bid responses to one or both of these locations.

If pricing is presented as a “bundle” (i.e. both locations must be selected for stated pricing to be in effect) that must be specifically indicated in the bid response.

HCP: Avera McKennan Hospital & University Health Center – 800 East 21st St, Sioux Falls, South Dakota end point location #1 – 2920 W. 10th St, Sioux Falls, SD

HCP: Sanford University of South Dakota Medical Center, 1305 W. 18th St, Sioux Falls, South Dakota end point location #2 – 1305 W 18th St, Sioux Falls, SD

3.1.7 Communication part of proposal. Any verbal or written information disclosed to IRHTP or in the proposal process shall be considered an integral part of the proposal. No allowances will be made for failure of the Vendor to estimate correctly the costs and the nature of performance requirements. Failure to do so will be at Vendor expense.

3.1.8 Test and Acceptance. Vendor will be required to coordinate all testing of circuits with the appropriate parties.

Vendors are required to fully describe their service / performance level agreements in their bid submissions. These service / performance agreements must minimally meet the criteria explicitly defined in the RFP requirements. Service and performance level details will be considered material criteria for awarding contracts.

As specific contracts are awarded under this program, a testing and acceptance process as outlined below will be performed by the ICN on behalf of IRHTP for each specific contract awarded based on the information provided in the proposal of the winning Vendor(s).

This testing and acceptance process will be consistent with customary and normal industry procedures and practices used to validate and verify the technology used to deliver the required bandwidth and the needs of the users of the access connections.

Upon the successful verification of service / performance criteria as outlined in the bid via completion of the testing and acceptance process, a formal acceptance document will be issued to the bidder by the IRHTTP.

Vendors may invoice IRHTTP for services as described in Attachment 5 of the RFP immediately upon receipt of the acceptance document.

The RFC 2544 standard, established by the Internet Engineering Task Force (IETF) standards body, is the de facto methodology that outlines the tests required to measure and prove performance criteria for carrier Ethernet networks. The standard provides an out-of-service benchmarking methodology to evaluate the performance of network devices using throughput, back-to-back, packet loss and latency tests, with each test validating a specific part of an SLA. This methodology defines the frame size, test duration and number of test iterations. Once completed, these tests will provide performance metrics of the Ethernet network under test.

In order to ensure that an Ethernet network is capable of supporting a variety of services (such as VoIP, video, etc.), the RFC 2544 test suite supports seven pre-defined frame sizes (64, 128, 256, 512, 1024, 1280 and 1518 bytes) to simulate various traffic conditions. Each frame size will be tested.

Test and Accept Documentation Process:

1. Notification of circuit availability will be sent by Vendor to ICN test and accept resource.
2. ICN Ticket Number will be issued
3. Within 3 business days ICN will arrange for a circuit test date. Notification will be sent via email to Vendor contact provided in RFP response.
4. After a formal notification has been sent to the ICN, the ICN test and accept technician will be dispatched to verify circuit compliance to RFC 2544 testing criteria
5. ICN will have 10 business days to test and accept or deny the above test findings.
6. The Vendor tester shall have two additional attempts to correct any non compliance issues with the circuit before ICN will decline the circuit all together without any obligations.
7. Upon acceptance or denial of any circuit the ICN will notify the Vendor contact listed in RFP response of the results via e mail within 5 business days of test results

3.2 Service Capabilities and Configurations.

3.2.1 Service Availability, Packet Loss and Latency. Availability shall be defined as the percentage of total time that service is operative when measured over 30 day calendar month (720 hour) period.

Ethernet service will be considered inoperative when service is degraded to a level in which the packets are not passed between the customer side of the layer 2 switch

located at the HCP end point and the IRHTTP side of the layer 2 switch at the selected ICN POP.

The end-to-end availability test standard for Ethernet service specified for the Lit Services connection is 99.5%:

The response time by the Vendor shall be no greater than 3 hours from notification by the ICN network operator or the end point IT department of a service interruption.

Vendor shall provide proactive notification and update the network managers hourly on progress attempts to fix the incident. Vendor shall also provide IRHTTP and the ICN with an escalation contact list.

Performance is noted in terms of packet loss and latency.

Packet Loss Ratio is defined as the percentage of in-profile Ethernet frames not reliably delivered between the HCP layer 2 edge switch to the ingress/egress point of the IRHTTP Network layer 2 switch over a given measurement interval.

Packet Loss Ratio shall be no more than 0.5% when tested end to end.

Latency is defined as the average time it takes a packet to travel from the customer layer 2 edge switch to the ingress/egress point of the IRHTTP network layer 2 switch over a given measurement interval.

Latency shall be no more than 60 micro seconds when tested end to end.

These requirements will be explicitly included in the contract with the successful vendor(s).

3.2.2 Regulatory Approval. Vendor acknowledges that it has all relevant local, state, and federal regulatory approval for all services, features, equipment, discounts, and promotions proposed.

3.2.3 Disaster Recovery. Vendor shall provide in their RFP response a detailed written outline of relevant infrastructure, systems and contingency processes in place to provide disaster recovery capabilities for the Lit Services offered in their bid response.

3.2.4 Installation Intervals. Vendor shall state the installation timeline for each location where Lit Services are proposed. IRHTTP requires that the installation interval for connectivity not exceed 60 days from contract signature. Vendors shall indicate guarantees and/or remedies provided to IRHTTP if the installation intervals are exceeded. In the event a fiber optic cable must be extended into an ICN POP or HCP end point, shall incorporate the estimated time required to extend fiber optic service to the Vendor's location within the required 60 day period. All ICN POPs and HCP end points will provide a minimum 2" inner duct already in place to the public ROW at no charge to the Vendor.

3.2.5 Maintenance and Monitoring. Maintenance and monitoring shall be provided on a 7 x24 x 365 bases.

3.2.6 Network Operations Center (NOC). Vendor shall describe in detail their NOC capabilities that will be utilized in providing support for the Lit Service connections they are bidding.

Included in this information shall be hours of operation, skill levels and responsibilities of staff, trouble ticket system, level of proactive monitoring, end user notification capabilities, and any other relevant information deemed appropriate for the analysis of the Vendor's bid.

3.2.7 Out of Service Credits. Vendor agrees to credit IRHTP in the amount of three times the prorated monthly charge (based on hours of non compliance down time not to include advance notice planned outages for maintenance) for service outages calculated on a thirty-day month (720 hours).

A service outage is defined as an outage of service of thirty minutes or more for any twenty four-hour periods.

Issuance of credit process should be described in detail by Vendor in the RFP response.

3.2.8 Service Level Agreements. Vendor shall include their written SLA for the service proposed. As a minimum, describe the guaranteed layer 2 circuit loss, jitter, and latency allowances within the Service Level Agreement and how that level of service explicitly complies with the specification criteria outlined in the RFP. Service and performance level details will be considered material criteria for awarding contracts.

3.2.9 Scalability. IRHTP requires the ability to scale up or down the bandwidth (as referenced in **sec. 3.1.4**), without penalty during the entire twenty (20) year Lit Services Agreement contract period. For bid evaluation purposes, the period for any changes in bandwidth, either up or down, will be in periods of not less than 30 days, for each increment. The base level bandwidth however shall not decrease below 100 Mbps during the 20-year contract period.

If the bandwidth is temporarily increased above 100Mbps, it may be decreased back to the 100Mbps base level within the required timeline window stated above, at the discretion of IRHTP.

Vendor shall include in their response whether or not their implementation and billing system can accommodate this flexibility and if so what a) Non Recurring Charges (NRC) may apply and b) what the order and implementation timelines are to accommodate incremental bandwidth changes (both up and down). The Vendor must be capable of billing for the incremental bandwidth changes (both up and down) over the 100 Mbps base level increment on a 30-day billing cycle.

3.2.10 Initial Capacity Scaling. The initial bandwidth to be purchased shall be a minimum of 100 Mbps between each HCP end point and the ICN POP selected.

The transport capacity to each HCP end point shall be capable of a minimum of 100 Mbps and a maximum of 1Gbps of capacity.

The initial bandwidth connecting HCP end points **shall at no point ever be less than 100 Mbps.**

3.2.11 Network-to-Network Meet Points. The successful Vendor must meet the Iowa Communications Network at the authorized ICN POP the Vendor deems most appropriate. The Vendor must cover all the costs up to and including the Vendor's FDP and electronics located in the ICN POP.

Rack space and DC power will be provided by the ICN at its stated collocation POPs at no charge to the Vendor for the entire 20 year Lit Service contract period.

Rack space and power will be provided by the HCP end points at no charge to the Vendor for the entire 20 year Lit Service contract period.

There will be a 2" duct available to the Vendor at no charge from the ICN POP or HCP end point to the public right of way.

Authorized ICN Network Meet Point Locations:

| | |
|--------------|--|
| Estherville | Iowa Lakes Community College, 300 S 18 th St |
| Fort Dodge | Iowa Central Community College, 330 Avenue M |
| Sheldon | Northwest Iowa Community College, 603 W Park St |
| Sioux City | Western Iowa Tech Community College, 4647 Stone Ave |
| Le Mars | Le Mars High School, 921 3 rd Ave SW |
| Orange City | Northwestern College, 101 7 th St SW |
| Rock Rapids | Central Lyon Middle School, 1105 South Story |
| Sioux Center | Northwest Area Education Agency, 1382 4 th Ave NE |

Other Potential Meet Point: (ICN access but no collocation established)

Sioux City Orpheum Theater Building, 520 Pierce

Other meet points may be authorized during the bidding process.

3.2.12 Vendor Support. To assure each location receives appropriate levels of service and account leadership, describe how you will support each location.

IRHTTP requires an account team committed to providing quality service and prompt response at all times. Provide the roles and responsibilities of each account team member, pre and post sale, in a hierarchical format including their management staff. Phone numbers, pager numbers, fax numbers, email and postal addresses should be included on the hierarchy for escalation purposes. Account team members should include, at a minimum, a billing representative, an order representative, a technical support representative and a management level representative.

3.2.13 Vendors Project Manager. Vendor will assign a Project Manager to the project that will act as the Single Point of Contact for IRHTTP. The Project Manager will manage the overall project ordering, provisioning, installation, testing, turn-up, trouble-

shooting, and bill reconciliation. Project Manager should have a minimum of 1 year experience managing projects of this type.

CHAPTER 4
EVALUATION CRITERIA
RFP 10-001

4.1 Award Process.

4.1.1 Review of Bid Process. An evaluation committee assigned by personnel within the IRHTP will review the bid proposals. The evaluation committee will consider all information provided when making its recommendations and may consider relevant information from other sources.

4.1.2 Scoring by Evaluation Committee. The evaluation committee will rate proposals and make its recommendation to the IRHTP Project Coordinator indicating the committee's choice. The Project Coordinator will select the Vendor(s) to receive the award. All Vendors submitting Bid Proposals will receive notification of the award.

4.1.3 Contracting Requirements. All applicable contracting requirements imposed by this RFP and Iowa law shall be met by the Vendor. The successful Vendor must, in a timely manner, enter into a Contract with the IRHTP to implement the service contemplated by this RFP. Failure of a successful Vendor to agree to the terms of a Contract within a timely manner may be grounds for the IRHTP to award to the next compliant Vendor.

4.2 Evaluation Criteria

4.2.1 Mandatory Requirements A Bid Proposal will not be evaluated if all of the Mandatory Requirements identified in Chapter 3 and Attachment 4 are not met and/or fulfilled.

4.2.2 Award IRHTP may award a Contract to the most responsible Vendor meeting the requirements of this RFP and which, in the sole discretion of the IRHTP, provides the best value to the project after considering price and compliance with the provisions of Chapter 3.

4.2.3 Pricing evaluation Whereas the pricing for each link-segment will be considered, the IRHTP is not required to accept a low link-segment bid if the low bid for that particular link-segment raises the cost of another Vendor's solution which took into account all link-segments.

4.2.4 Optional bids or alternative bids (also known as value engineering). In the event a Vendor identifies a solution that will meet the needs of the RFP but does not exactly fit the pricing template, the vendor is encouraged to submit that response as an optional or alternative bid. The IRHTP reserves the right to consider and accept such options or alternatives without necessarily instigating a new bidding process.

4.3 Vendor Evaluation Matrix

The following evaluation criteria will be used by the IRHTP evaluation team to select Vendors.

Price
Proposed Technology
Geographical Support Team
Installation Timeline & Plan
Vendor ability to provide entire solution
Vendor reputation and experience

ATTACHMENT 1
VENDOR LETTERHEAD
CERTIFICATION OF VENDOR
RFP 10-001

I, _____ [name of corporate officer], on behalf of _____ [Vendor name] (SPIN _____) certify and swear under the penalty of perjury, that to the best of my knowledge, information and belief, all federal Rural Health Care Pilot Program support provided to us will be used only for eligible Pilot Program purposes for which the support is intended, as described in the Pilot Program Order (WC Docket 02-60; FCC 07-498, released November 19, 2007), and consistent with related FCC orders, section 254(h)(2)(A) of the Telecommunications Act of 1934, as amended, and Parts 54.601 *et. seq.* of the FCC's rules.

(Signature)

Name

Title

Date

NOTARIZED BY:

ATTACHMENT 2
BID PROPOSAL COMPLIANCE FORM
RFP 10-001

Vendor affirms that the information contained in the bid proposal is true and accurately portrays all aspects of the goods or services or both contemplated by this RFP. The Vendor is aware that any substantive misinformation or misrepresentation may disqualify the bid proposal from further consideration.

Vendor hereby certifies total compliance with all other terms, conditions and specifications of this RFP except as expressly stated below:

Chapter 1, Administrative Issues _____

Chapter 2, Contractual Terms & Conditions _____

Chapter 3, Technical Specifications _____

Chapter 4, Evaluation Criteria _____

I certify that I have the authority to bind the Vendor indicated below to the specific terms and conditions imposed in this RFP and offered in this bid proposal, and that by my signature on this document I specifically agree to all of the waivers, restrictions and requirements of this RFP as conditions precedent to submitting this proposal. I further state that in making this bid proposal that the Vendor has not consulted with others for the purpose of restricting competition or violating State or Federal anti-trust laws and has not knowingly made any false statements in this proposal.

Authorized Signature: _____

Printed Name: _____

Title: _____

Telephone: _____

Fax Number: _____

E-Mail: _____

Business Name: _____

Address: _____

Federal ID Number: _____

USAC SPIN: _____

ATTACHMENT 3
AUTHORIZATION TO RELEASE INFORMATION
RFP 10-001

_____ (Name of Vendor) hereby authorizes any person or entity, public or private, having any information concerning the Vendor's background, including but not limited to its performance history regarding its prior rendering of services similar to those detailed in this RFP, to release such information to the IRHTP.

The Vendor acknowledges that it may not agree with the information and opinions given by such person or entity in response to a reference request. The Vendor acknowledges that the information and opinions given by such person or entity may hurt its chances to receive contract awards from the IRHTP or may otherwise hurt its reputation or operations. The Vendor is willing to take that risk. The Vendor agrees to release all persons, entities, and the IRHTP from any liability whatsoever that may be incurred in releasing this information or using this information.

Printed Name of Vendor

Signature of Authorized Representative

Date

ATTACHMENT 4
COST/PRICING SUBMITTAL PACKET
RFP 10-001

Note: The following two (2) sheets constitute the Cost Submittal Packet.

Every question must be answered or marked as not-applicable.

1. Business Name: _____
Address: _____
Phone Number: _____
2. State the proposed installed bandwidth of the transport circuit being bid.
3. Acknowledge that this proposed contract is for a pre-paid twenty-year all-inclusive cost Lit Service contract.
4. For the twenty-year contract term, describe exactly what services and charges are included. (NOTE: If there is an installation charge, you are required to explain what it covers and it must be included in the 20 year cost.)
5. Provide name(s) of all underlying carrier(s) (i.e., owners of the infrastructure used to deliver the circuit).
6. Describe the route(s) the circuit will take.
7. Acknowledge that it is understood that there will be only one billing entity receiving payment from USAC.
8. Provide Universal Service SPIN number(s) of the billing party.
9. Provide the date the bid/offer expires.
10. Unless the bidder is already providing circuits on the IRHTP network, provide the names and phone numbers of at least three references (preferably from other telemedicine networks and preferably in either Iowa or South Dakota) for the bidder.
11. If quoting another Vendor's service for the circuit or a portion of the circuit, provide written confirmation from that Vendor on that Vendor's letterhead, that the quoted prices for both NRC and MRC will be honored through the bid's expiration date.
12. Acknowledge the following: The deadline for installation of services and completion of the test and acceptance process is 60 days after receipt of the signed contract from IRHTP. Failure to install the circuit within 60 days after receipt of the signed contract from IRHTP will constitute a breach of agreement and will result in termination of the contract without incurring contract termination fees.
13. Acknowledge the following: Any future charges affecting these proposed circuits must be absorbed by the Vendor during the twenty year contract period. The contract will include this requirement.

The exception will be for endpoints relocation costs in the event any endpoint or ICN meet point is relocated and such relocation was not due to any requirement or reason of the Vendor.

14. Acknowledge that the Vendor understands and agrees to the terms outlined in this Request for Proposal.

| | | 20 Yr Lit Service | | | | | |
|-----------------|-------------|-------------------|---------|---------|---------|---------|-------|
| Location | NRC/Install | 100Mbps | 200Mbps | 300Mbps | 400Mbps | 500Mbps | 1Gbps |
| HCP Location #1 | | | | | | | |
| HCP Location #2 | | | | | | | |

Signed this _____ day of _____, 2010.

By: _____

Vendor: _____

The above signed states that they have the legal standing and authority to sign this document for the Vendor

ATTACHMENT 5
USAC RURAL HEALTH CARE PILOT PROGRAM PROCESS
RFP 10-001

Competitive Bidding Requirement Overview

The RHCPP Selection Order requires the selected participants to conduct a competitive bidding process to select the most cost-effective vendor for design, evaluation, and deployment of the broadband network. To satisfy the competitive bidding requirement, among other things, selected participants must submit an FCC Form 465 that includes a description of services for which the health care provider(s) is seeking support and wait at least 28 days from the date on which this information is posted on USAC's website before making commitments with the selected service provider.

Please also see the [Wireline Competition Bureau's Letter to Program Participants on December 20, 2007](#).

Please feel free to address any concerns to RHCPilot@usac.org or call 800-229-5476.

Vendor Eligibility

All vendors that provide services or equipment eligible for funding under the Pilot Program may submit bids for Pilot Program projects. To receive RHCPP support, vendors also need to obtain a Service Provider Identification Number (SPIN) from USAC.

All telecommunications providers, Internet service providers, and other vendors may receive up to 85% of eligible Pilot Program costs. Network design firms and various types of construction companies may also participate. Project participants may choose to self-provision for these services and/or equipment in that they may do their own design work and/or network deployment, subject to the FCC's competitive bidding requirements. This program will refer to all of these entities collectively as Vendors.

Eligible Pilot Program costs include, but are not limited to:

- the non-recurring costs for design, engineering, materials, and construction of fiber facilities and other broadband infrastructure;
- the non-recurring costs of engineering, furnishing (i.e., as delivered from the manufacturer), and installing network equipment;
- the recurring and non-recurring costs of operating and maintaining the constructed network once the network is operational; and
- carrier-provided transmission services and the costs for subscribing to such facilities and services.

All vendors that supply these services or equipment may submit bids for Pilot Program projects. Vendors interested in submitting bids should familiarize themselves with the [2007 Rural Health Care Pilot Program Selection Order](#), which details the RHCPP network components eligible and ineligible for support. Additional information concerning the Pilot Program is available on the [FCC's Rural Health Care Pilot Program page](#).

All vendors (including self-provisioning project entities) must have a Service Provider Identification Number (SPIN), issued by USAC, to receive support for providing discounted

service and equipment to eligible RHCPP project participants. If a vendor already has a SPIN, this number is good for all USF programs including the RHCPP. Vendors must ensure they have completed Box 8 of FCC Form 498. Vendors may edit this form if they have already obtained a SPIN. For questions concerning eligibility, please call the Rural Health Care Call Center at 1-800-229-5476. For questions about obtaining a SPIN, please contact [Client Services Bureau](#) at 1-888-641-8722. Vendors that need to apply for a SPIN can go to USAC's [E-File](#) page.

Prior to receiving any RHCPP support, all vendors must complete a certification stating they will comply with RHCPP rules and use funding only for the purposes intended. A sample template of this certification is available for download. This certification should be submitted to the Project Coordinator.

Searching service requests or Request for Proposal (Online)

To search for and view Pilot Program service requests (e.g., RFP) postings, vendors will go directly to the RHCPP website [search postings](#) page.

Rural Health Care Pilot Program Project Detail

Vendors may view the posted service requests (e.g., RFP) and associated documents on the [Search Postings](#) page of the RHCPP website. Posted information includes:

- Services requested in PDF Format (e.g., RFP)
- Participating entities/HCPs
- Project Coordinator's name, location, and contact information
- Date Posted to USAC website
- Allowable Contract Date

Provide bids for requested service

After USAC posts a RHCPP Project's *Description of Services Requested & Certification Form* (Form 465) and associated supporting information, all vendors may view the information and provide bids.

The open competitive bidding process is a minimum of 28 days from the date USAC posts a Form 465 on USAC's website. During this minimum 28-day window, vendors may contact the Project Coordinator (or alternate point of contact (POC), if specified) to submit a bid for their service needs. RHCPP Participants must evaluate all bids and select the most cost-effective service or facility provider available. In selecting the most cost-effective bid, in addition to price, the FCC's [2007 Rural Health Care Pilot Program Selection Order](#) requires Participants to consider non-cost evaluation factors that include prior experience, including past performance; personnel qualifications, including technical excellence; management capability, including solicitation compliance; and environmental objectives (if appropriate). Additional discussion of the cost effective standard can be found in paragraphs 78 to 79 of the [2007 Rural Health Care Pilot Program Selection Order](#). Project Coordinators may conduct bidding rounds that exceed 28 days and may have multiple rounds of selection.

Vendors can search for requests for services on the RHCPP [Search Postings](#) page.

NOTE: Vendors or service providers participating in the competitive bid process are prohibited from assisting with or filling out a selected participants' service request (e.g., FCC Form 465 and related materials).

Sign a contract for service

Vendors may enter into a contract with Participants after the minimum 28-day posting requirement has been met.

It is the Participant's responsibility to determine the most cost-effective service and select an eligible vendor before signing a contract. **Participants that enter into an agreement before completion of the 28-day posting requirement are in violation of the FCC's competitive bidding rules for the Rural Health Care Pilot Program and will not receive support.**

In addition:

- (1) Vendors participating in competitive bidding process are prohibited from assisting or filling out the RHCPP Participant's Form 465 – see footnote 281 of the [2007 RHCPP Selection Order](#).
- (2) Vendors must complete an RHCPP certification. This requirement is found in paragraph 93 of the [2007 RHCPP Selection Order](#). The template for this certification is available for [download](#).
- (3) Vendors must retain records for 5 years. This requirement is stated in footnote 277 of the [2007 RHCPP Selection Order](#).

Receive Funding Commitment Letter

When USAC has approved a request for service support (the *Internet Service Funding Request and Certification Form 466-A*, and associated attachments), USAC will send the Project Coordinator and the vendor a Funding Commitment Letter (FCL).

The FCL indicates that the project is eligible for the support specified in the letter contingent upon submitting a *Connection Certification Form* (Form 467).

Funding Commitment Letter Contents

The FCL includes the following information:

- Health Care Provider (HCP) Number, a unique five-digit code assigned to each Pilot project
- HCP Contact Name (person designated as the Project Coordinator)
- HCP Name and Address of the project location supported
- Service Provider Identification Number (SPIN)
- Vendor Name
- Funding Year
- Copy of Approved Network Cost Worksheet
- List of sites where service is being provided
- Type of Service Agreement (e.g., contract, tariff)

- Eligible Support Start Date: first date the project can receive support based on the *Description of Services Requested & Certification Form* (Form 465)
- Support End Date, last day service is eligible for support during the funding year
- Estimated Months of Support
- Non-Recurring Support Amount
- Monthly Recurring Support Amount
- Estimated Total Support Amount
- Funding Request Number, a unique five-digit code assigned by USAC for each project, vendor, and service combination.
- Approved Network Cost Worksheet Items

What to Do When You Receive the FCL

Vendors should validate the SPIN on the FCL. This ensures that future support provided by the vendor is credited to the correct SPIN. If the SPIN is incorrect, please contact the Rural Health Care Pilot Program at 1-800-229-5476.

Health care provider support can only be provided after the vendor receives the Support Acknowledgement Letter from USAC.

Receive Support Acknowledgement Letter

USAC sends a Support Acknowledgment Letter to the Project Coordinator (PC) and vendor.

After receiving the *Connection Certification Form* (Form 467), USAC creates a Support Acknowledgement Letter, which is sent to the PC and vendor.

The Support Acknowledgement Letter provides a detailed report of the approved service(s) and support information.

Health Care Provider (HCP) Support Acknowledgement Letter Contents

The HCP Support Acknowledgement Letter includes the following information:

- Funding Year: 2007, 2008, etc.
- Pilot Project Number (Also known as a HCP Number): unique five-digit number assigned to each Pilot Project
- Funding Request Number: a unique five-digit code assigned by USAC for each Pilot Project, vendor and service combination.
- Billing Account Number: account code for a Pilot Project credited with USF support
- Pilot Project Name: name of project being supported
- Pilot Project Address: address of the project being supported

- Pilot Project Mailing Organization and Address if different than above
- Service Provider Identification Number (SPIN) – number issued by USAC to a vendor
- Vendor name: name of vendor providing service or equipment to project
- Service: type of service or equipment provided
- Support Start Date: first date HCP can receive support based on the *Description of Services Requested & Certification Form* (Form 465)
- Support End Date: last day service is eligible for support during the funding year
- Support Date: month and year for support amount
- Support Amount: support for the month (\$)
- Total: total support for the funding year (\$)

This letter verifies that a Form 467 has been received. The support is credited to the Billing Account Number shown on the Support Acknowledgement Letter. A sample [Support Acknowledgement Letter](#) is available for download.

What to Do When You Receive the Support Acknowledgement Letter

The Support Acknowledgement Letter will be sent to the PC and vendor when the *Connection Certification Form* (FCC Form 467) is processed by USAC.

Once the vendor receives the letter, it can bill the project for services completed. The entity that receives the bill and pays for the service is defined as the "billed entity."

USAC requests that vendors check the SPIN on the Support Acknowledgement Letter to make sure it is correct.

Participants should check that the service provided was actually working or installed and is being billed for the time period on the Support Acknowledgement Letter. Be sure that the Billing Account Number listed on the letter is the same Billing Account Number attached to the service and PC location or PC mailing organization and address. This ensures support is credited to the entity paying for the service. If you are unsure whether the Billing Account Number is correct or if you find an error on the Support Acknowledgement Letter, please contact the Rural Health Care Pilot Program at 1-800-229-5476 and do not start applying program discounts.

Send invoice to USAC

Once the vendor provides the service and invoices the project, the Project Coordinator (PC) for each Pilot Project is responsible for approving invoices for the vendor's use. These invoices are based on the approved Funding Commitment Letter. The vendor then signs and returns these pre-filled invoices to USAC.

The Project Coordinator shall also confirm and demonstrate to USAC that the selected participant's 15 percent minimum funding contribution has been provided to the service

provider for each invoice. USAC also will review invoices to ensure network deployments are proceeding according to the Participants' network plans.

Where and When to Send Invoices

Project Coordinators can mail or fax USAC a copy of the [RHCPP Invoice](#):

Rural Health Care Pilot Program
30 Lanidex Plaza West
Parsippany, NJ 07054

The *preferred method of submission* is by e-mail at (RHCpilot@usac.org).

Fax Number: 973-599-6514 (to the attention of the project coach)

Bi-Monthly Invoicing Cycle

Invoices received from the 1st through the 15th of the month will be processed approximately by the 20th of the month.

Invoices received from the 16th through the 31st of the month will be processed approximately by the 5th of the following month.

Example

If an invoice is received January 29 it will be processed during the first five days of February. If an invoice is received February 1, it will be processed by February 20. The date the invoice is received by USAC will be used to determine when the invoice will be processed, not the date mailed by the project coordinator. Once an invoice is processed by USAC, it will take about 10 days to issue payment. If payment has not been received within 45 days of invoicing USAC, please call 1-800-229-5476 to be sure the invoice was received and is being processed.

Invoice Formatting

USAC has designed a sample invoice format that project coordinators and vendors may use in the RHCPP.

The [RHCPP Invoice](#) consists of a header and individual invoice line items for each Pilot Program service credited. Support amounts are based on monthly submissions of actual incurred expenses.

Note

USAC has developed an administrative process to streamline the invoice submission and approval process.

Please contact the Project Coordinator for additional information on this process.

