

Rural Healthcare Program - Healthcare Connect Fund

Request for Proposal

For: Russell Medical Center

Requested by the Alabama Hospital Association (AlaHA) Broadband Consortium

Table of Contents

- 1) Background..... 3
- 2) Due Date and Contact Instructions..... 4
- 3) Proposal Evaluation..... 4
- 4) List of Participating Healthcare Providers 4
- 5) Consortium Healthcare Provider Requests 4
- 6) Pricing and Cost Information 5
- 7) Implementation Schedule Description..... 5
- 8) Service and Performance Level Agreements 6
- 9) Contracting Provisions 6
- Exhibits..... 8

- HCF Addendum
- Participating Healthcare Providers
- Requested Services
- Evaluation Criteria

1) Background

The Alabama Hospital Association (AlaHA Broadband Consortium), a collection of Alabama hospitals and health clinics are requesting proposals for broadband and Internet services (including build-out services if applicable), as well as for perimeter equipment and network management hardware, software and staffing.

AlaHA is certified by the Universal Service Administration Company as a consortium under the Federal Communications Commission (FCC) Healthcare Connect Fund (HCF). ALAHA therefore qualifies to submit this RFP and other documentation to receive funding through the HCF.

With the Healthcare Connect Fund and this RFP, ALAHA is expanding its focus to fund a wide range of healthcare-related broadband use cases for eligible healthcare provider (HCP) sites represented by an eligible health care provider entity that has signed Letters of Agency to allow ALAHA, and its agents to request bids on their behalf. Once the bids are received, the HCP(s) will determine whether they intend to proceed to the contracting phase of the process. HCPs that proceed to contracting will be authorizing ALAHA, and its agents, to submit forms and process payments on their behalf for any service provided under a contract resulting from this RFP process.

Vendors participating in the RFP process should be aware that the payment method for the HCF program may not reflect current practices. Contracted vendors will bill the HCP directly for all contracted services. Once the bill is received by the HCP, the HCP will send the vendor a remittance in the amount of 35% of the billed amount. Upon receipt of the remittance, the vendor will then send ALAHA an invoice for the HCP's services including notation of the 35% remittance. ALAHA and its agents will then send USAC and the vendor a USAC invoicing package that certifies the 35% payment was sent and that the bill accurately reflects the services the HCP is receiving. To receive the remaining 65% of the billed amount, the vendor will need to certify that the USAC invoicing package is accurate, after which the vendor will receive a disbursement from USAC in accordance with the selection made on the vendor's Form 498 (off-set of contribution or direct reimbursement). ALAHA will have a separate invoicing arrangement with each participating HCP through which HCPs will contribute to ALAHA's administrative costs plus their fair share of network administration, management, and equipment costs.

Vendors will need to obtain a SPIN (FCC Form 498) in order to participate in this program (<http://usac.org/sp/tools/forms.aspx>), as well as meet contracting requirements identified in Section 9 of this RFP. <http://www.usac.org/sp/default.aspx>

Vendors are encouraged to make proposals on those parts of the project where they feel they can effectively provide a solution. Vendor proposals will be evaluated based on what ALAHA and its agents in collaboration with the affected HCPs determine to be the most "cost effective"¹ solution. Specific bid evaluation criteria are shown in the attached exhibit, ***Evaluation Criteria***.

In some cases, bids are being requested for connections and services that already have circuits in place and are under existing contract. Both new and existing vendors are welcome to bid on these service requests. Whichever proposals are deemed to be the most "cost effective" will be selected. If existing vendors' solutions are determined to be the most cost effective, contract work may be required to meet the new circumstances and HCF rules. If the new vendors' solutions are determined to be the most cost effective, the HCP will need to decide whether to terminate the existing contract and pay the associated penalties or to not participate in the HCF program.

¹ Cost effective is defined in the HCF Order (54.642(c)) as "the method that costs the least after consideration of the features, quality of transmission, reliability, and other factors that the health care provider deems relevant to . . . choosing a method of providing the required health care services."

Vendors must in all cases clearly indicate when solutions either require or are dependent upon additional hardware, systems and/or vendors, so that all costs of the functionality requested/promised are accounted for. If the vendor is unable to provide the costs for a dependent vendor system, this must be indicated in the response.

2) Due Date and Contact Instructions

All contact regarding this RFP shall be directed to:

Federal Funding Group, LLC
E-mail: info@fedfunding.net

Responses to this RFP are due no later than 5:00 PM MST, 28 days after the RFP is posted on the FCC website. Contracts may not be executed prior to the 29th after the posting of the RFP (the Allowable Contract Start Date or ACSD).

All questions regarding this RFP should be submitted in Word or PDF format and sent by email (info@fedfunding.net) within one week prior to the RFP response due date. Some questions may be triaged by ALAHA to the specific HCP involved in the request. Responses to questions will be posted to the website www.fedfunding.net.

3) Proposal Evaluation

Vendor RFP responses will be evaluated based on the criteria specified in the attached exhibit **Evaluation Criteria**. The consortium, its agents and its participants reserve the right to issue any award to the vendor(s) whose proposals, in the judgment of the ALAHA, its agents and the affected HCPs, most nearly conform to the specifications and needs of the HCPs as described in the evaluation criteria. ALAHA, its agents and its participants reserve the right to waive all technicalities in rejecting any or all proposals which in our judgment fail to satisfy the best interests of the ALAHA consortium. The ALAHA consortium is not obligated to accept any proposal received. It may accept proposals in whole, or in part, or may reject any and all proposals.

4) List of Participating Healthcare Providers

A list of the Participating Healthcare Providers is provided in the attached exhibit, **Participating Healthcare Providers**.

5) Consortium Healthcare Provider Requests

A list of requested services is provided in the attached exhibit, **Requested Services**.

Unless otherwise noted, bids for recurring services should adhere to the term specified in *Contracting Provisions*. It should be noted that reasonable and customary installation charges up to \$5,000 and upfront charges for service provider deployment of new or upgraded facilities up to an average of \$50,000 per consortium member are eligible for funding through the HCF consortia program. Upfront charges more than \$50,000 per consortium member would have to be pro-rated. Requirements for upfront charges should be clearly stated in all proposals.

Additionally, most cases request quotes for variable levels of bandwidth to allow HCPs to weigh the pros and cons of higher bandwidth levels against the additional cost incurred and because we wish to position ALAHA consortium HCPs to "turn-up" their bandwidth as circumstances change without needing to go through a new competitive bidding process. Vendors are encouraged to quote the increments of bandwidth (even if not identical to what is in our request) as well as other requested increments they are

able to deploy.

Any requests for Dark Fiber Indefeasible Rights of Use vendors should provide costs for modulating equipment. Vendors should provide the cost for (1) owning and (2) leasing the requested infrastructure.

For requests seeking support for services or equipment that include an ineligible component, vendors should provide pricing for a comparable service or piece of equipment that includes only eligible components.

Vendors submitting proposals should describe their approach to account management and the plan for ongoing account management relative to the Service Requested. In the event the vendor has an existing account management relationship with an HCP listed within the Appendix, describe how account management relationships will change if awarded some or all of the Services in this RFP.

6) Pricing and Cost Information

Vendors submitting proposals should identify all costs associated with the solution or subset solution that they are quoting. Not all costs associated with the solutions will necessarily qualify for HCF funds, and it is critical that participants understand the complete cost of ownership.

Quotes must include the following:

- a) For telecommunications solutions:
 - i) Implementation Fees, including any cost of construction or required hardware, for end-to-end connectivity
 - ii) Ongoing transmission fees for end-to-end connectivity, including any fees for virtual circuits where applicable
 - iii) Tax/surcharge rate that will apply
 - iv) Any other costs associated with the solution and/or description of requirements that are prerequisites for the solution that may add additional cost to ALAHA and its participants
- b) For hardware and/or software solutions:
 - i) Purchase price
 - ii) Installation costs
 - iii) Shipping charges
 - iv) Ongoing support costs and support hour limits that may add costs
 - v) Tax/surcharge rate that will apply
 - vi) Any other costs associated with the solution and/or description of requirements that are prerequisites for the solution that may add additional cost to ALAHA and its participants

7) Implementation Schedule Description

Vendors should include a plan with timeline that provides a clear understanding of the vendor's capacity to implement the solution by a given time. The vendor's timeline should allow time for testing the implemented circuits/services. Additionally, please identify any circumstances that may create potential delays. Meeting healthcare provider mission critical timing requirements will be one of the proposal evaluation criteria.

8) Service and Performance Level Agreements

Please include information regarding service levels and any service level guarantees associated with the solution, including uptime and response time guarantees. Vendors are encouraged to include strong guarantees, as this will be one of the proposal evaluation criteria.

9) Contracting Provisions

As discussed in Section 1 of this RFP, the Healthcare Connect Fund provides an opportunity for HCPs to receive a significant subsidy relating to a wide range of telecommunications products and services. However, the rules of the program demand that consortia, HCPs, and vendors adapt their standard processes and contracts to effectively take advantage of this opportunity. Based on ALAHA's review of the Healthcare Connect Fund Order and associated FAQs, we intend to require that vendors comply with the following contracting provisions:

- a) Vendors submitting bids should be aware that the payment process for the HCF may not reflect vendors' current practices. Contracted vendors will bill the HCP directly for all contracted services. Once the bill is received by the HCP, the HCP will send the vendor a remittance in the amount of 35% of the billed amount. Upon receipt of the remittance, the vendor will then send ALAHA an invoice for the HCP's services including notation of the 35% remittance. ALAHA, and its agents will then send USAC and the vendor a USAC invoicing package that certifies the 35% payment was sent and that the bill accurately reflects the services the HCP is receiving. To receive the remaining 65% of the billed amount, the vendor will need to certify that the USAC invoicing package is accurate, after which the vendor will receive a disbursement from USAC in accordance with the selection made on the vendor's Form 498 (off-set of contribution or direct reimbursement). ALAHA will have a separate invoicing arrangement with each participating HCP through which HCPs will contribute to ALAHA's administrative costs. Vendors will be required to incorporate payment term contract language that is consistent with the above process and guarantees the vendor will comply with all current and future requirements of the Healthcare Connect Fund.
- b) Vendors should also be aware that they will need to obtain a SPIN to participate in this program (<http://www.usac.org/sp/default.aspx>)
- c) In some cases, bids are being requested for connections/services that already have circuits in place and are under existing contract. Vendors holding these contracts should view this RFP as an opportunity to extend or expand what is already in place. If existing vendors' bids are deemed to be the most "cost effective," the existing vendors' solutions may be selected with whatever contract modifications are required to meet the new circumstances and HCF rules.
- d) ALAHA continues to add participants to the consortium therefore any contract issued because of this RFP will be required to contain provisions permitting the addition of new sites, upgrading services and adding additional services.
- e) ALAHA wishes to maximize the opportunity to "Evergreen" contracts that result from this RFP. According to HCF FAQ language, "A new contract entered into by an HCP or consortium as a result of competitive bidding will be designated as evergreen if it meets all of the following requirements: (1) signed by the individual HCP or consortium lead entity; (2) specifies the service type, bandwidth and quantity; (3) specifies the term of the contract; (4) specifies the cost of services to be provided; and (5) includes the physical addresses or other identifying information of the HCPs purchasing from the contract."
- f) Pursuant to 9.e, in those circumstances in which variable levels of bandwidth are being requested and quoted, vendors will be asked to incorporate the variable bandwidth levels and associated costs into

the contract to allow HCPs to “turn up” their bandwidth without the need to engage in a new competitive bidding process.

- g) For Service Requests covering services already in place, the attached exhibit, HCF Addendum (or equivalent language), should be executed. For Services Requests covering new services, equivalent language must be included in the contract.
- h) The requested contract period is 60 months, on a month to month basis, such that the HCP is not contractually bound beyond the 3-year maximum length of an HCF funding commitment.²
- i) All contracts issued because of this RFP will be between the vendor and the HCPs. ALAHA has already contracted with the HCPs to serve as their contracting and payment validation agent among other functions of the consortium leader.
- j) All contracts issued because of this RFP must include a covenant not to charge any termination fees for any services being replaced or upgraded by a Service Request included in this RFP.
- k) Additional contract terms, including any required by participating HCPs, will be discussed and negotiated with selected vendors.
- l) ALAHA allows for Site and Service Substitutions in accordance with the rules found in the HCF order (47 C.F.R. § 54.646: 746 Appendix D, 47 C.F.R. § 54.646) this provision allows for the Consortium to add sites and upgrade or change service adjustments throughout the length of the contract without having to re-bid.

² **Are applicants guaranteed a certain amount of funding through the Healthcare Connect Fund?** No. Funding requests for all applicants are processed on a first-come, first-served basis, unless USAC has established a filing window, in which case all applications received within the window will be deemed to have been filed at the same time. The Commission has stated that it does not anticipate that it will reach the \$400 million funding cap for all rural health care programs in the foreseeable future. However, because funding is not guaranteed, an applicant may choose to include in any contract it makes with a vendor a provision governing the effectiveness of the agreement if the applicant does not receive a funding commitment from USAC. See HCF Order* at paras. 365-368 for more information.

Can an applicant receive support for a 36-month contract for eligible services if it covers a time that spans more than three funding years? No. Applicants in the Healthcare Connect Fund can only receive a multi-year funding commitment that covers a period of up to three funding years. Accordingly, any months outside of the three funding years would not be covered by the commitment. For example, if an applicant requested a 36-month funding commitment for services starting on July 1, 2014, USAC could issue a 36-month funding commitment that would expire on June 30, 2017, and the applicant would receive a commitment for the full 36-month period. However, if an applicant requested a 36-month funding commitment for services that started on January 1, 2014, USAC could issue only a commitment for services for the remaining six months of funding year 2013, and all of funding years 2014 and 2015. Although the applicant’s contract would also cover six months of funding year 2016, it would not be covered by the multi-year funding commitment. Accordingly, the commitment would end on June 30, 2016. See HCF Order* at paras. 294-299 for more information on multi-year funding commitments.

Exhibits

HCF Addendum

_____ known as (Vendor) and _____ known as (Customer) are entering an Agreement for the provision of certain telecommunications services, equipment or both (Service). The Service may be eligible for discounts or other benefits (Support) under the Rural Health Care Program Healthcare Connect Fund (HCF Program) established by the Federal Communications Commission (FCC) and administered by the Universal Service Administrative Company (USAC) or successor agency. This Addendum is an integral part of the Agreement and is binding when acknowledged by Customer or when Customer receives Service.

1. **EFFECTIVE DATE OF AGREEMENT.** The Term of the Agreement will begin on the last date on which both parties have signed the Agreement (Signature Date) and Customer will be responsible for payment for Service throughout the remainder of the Term and for any amounts not covered by the Support, irrespective of the availability of Support for future years. If on the Signature Date, Customer is receiving services from Vendor under another agreement between it and Vendor (Existing Agreement) and the parties intend for the existing services to be subject to this Agreement, the Existing Agreement will continue to apply to the existing services until Vendor has received USAC's Funding Commitment Decision Letter and Support Schedule and this Agreement becomes effective with respect to those services.

2. **APPLICATIONS FOR SUPPORT.** Following execution of the Agreement, Alabama Hospital Association (AlaHA Broadband Consortium), and its agents on behalf of the Customer will take appropriate steps to ensure that USAC receives an application and any other necessary documentation to request Support for Service. ALAHA, and its agents on behalf of the Customer will promptly provide Vendor with a copy of its Funding Commitment Decision Letter, Support Schedule and all other relevant documentation requested by Vendor. ALAHA, and its agents will ensure that all FCC and USAC rules and obligations for receipt of Support, including but not limited to confirming receipt of Service are done on behalf of the customer.

3. **RECEIPT OF SUPPORT.** Except as otherwise stated in this Addendum, upon receipt of Vendor's invoice, Customer will pay 35% of the invoiced amount under the payment terms described in the Agreement. In addition, ALAHA, and its agents will promptly submit its invoice to USAC on behalf of the customer along with any necessary forms and supporting documentation for the remaining 65% of the Vendor invoice. Customer will be responsible for any applicable late fees on the total purchase and subject to any other remedies contained in the Agreement related to late payment in cases where delays in payments are not a direct result of delays attributable to USAC's errors in processing Customer's Support.

4. **FAILURE TO OBTAIN SUPPORT.**

A. If, for any reason other than Vendor's material failure to deliver Service under the terms of the Agreement, the FCC or USAC fail to reimburse Vendor for Service, or if the FCC or USAC reclaim any portion of Support paid to Vendor on Customer's behalf, then Customer will reimburse Vendor for these amounts.

B. While Vendor will use commercially reasonable efforts to assist Customer in requesting Support, Vendor is not responsible for Customer's compliance with FCC or USAC rules and regulations, Customer's applications for Support, or any decisions or actions by the FCC or USAC with respect to Customer.

5. **PRECEDENCE AND INTERPRETATION.** The terms and conditions of this Addendum take precedence over all conflicting terms and conditions in the Agreement. All other terms and conditions of the Agreement remain unchanged. Customer authorizes ALAHA, and its agents to act as its agent under this Agreement until Customer provides 30 days' written notice that it has revoked such agency. Customer is responsible for all of the obligations in this Agreement including obligations that it has indicated in this Agreement that it intends ALAHA, and its agents to fulfill on its behalf.

Vendor Name

Signature

Printed Name / Title

Date

Customer Name

Signature

Printed Name / Title

Date

The Russell Hospital Corporation, Record ID: 923

Client Full Name Funding Year FCC Application #
The Russell Hospital Corporation 2022

Requested Services

Purpose: Provide access and support to conduct healthcare related activities such as use of EHR, telemedicine, and transmission of radiology images

Term: Per Section 9.h above

Request: Please provide a solution(s) to the request(s) below; solutions should meet (or exceed) the specified bandwidth/functionality such that the solution is **equivalent in nature**

Leased services and/or data services to include, but not limited to, internet, ethernet, ISDN PRI, T1, MPLS and dark fiber, with bandwidth options ranging from 1.54MB to 10G; please specify if service is symmetrical or asymmetrical

Network Equipment to include, but not limited to, routers, switches, and firewalls, including all design, construction, and management services required for the operability of the solution

Additional Notes:

none

Participating Healthcare Providers

Client Name	Location Name	HCP Number	Address
The Russell Hospital Corporation	Health Partners of New Site	108050	12761 Highway 22 E, New Site, Alabama 36256
The Russell Hospital Corporation	Russell Medical Center	17457	3316 Highway 280, Alexander, Alabama 35010
The Russell Hospital Corporation	Med Park Family Care	71574	1034 S. Tallasse Street, Dadeville, Alabama 36853
The Russell Hospital Corporation	Health Partners of Goodwater	71575	21342 Alabama Highway 9, Goodwater, Alabama 35072

Evaluation Criteria

Client Name	Funding Year	Criteria	Weight	Minimum Requirement
The Russell Hospital Corporation	2022	Cost	30%	n/a
The Russell Hospital Corporation	2022	Prior experience, including past performance	25%	At least 3 comparable references
The Russell Hospital Corporation	2022	Reliability of Service	25%	99.99% availability
The Russell Hospital Corporation	2022	Leverage Existing Resources	20%	Must be compatible with existing services / equipment
TOT			100%	