

# EXHIBIT 9



## Iowa Rural Health Telecommunications Program

### Network Plan

October 2013

#### **Introduction**

The purpose of the IRHTP program is to improve equity, access, quality, security and efficiency of medical services especially in rural Iowa through the use of various telehealth and telemedicine applications. IRHTP's vision is to have all Iowa hospitals connected to a secure, resilient broadband network. This state wide healthcare network will provide a cost effective Ethernet service and up to one (1) gigabit of capacity to each site.

The Iowa Rural Health Telecommunications Program (IRHTP) is a consortium of 86 Iowa rural and urban hospitals and two South Dakota hospitals with the purpose to connect willing hospitals and other providers in Iowa and surrounding states to a dedicated broadband fiber network using existing Iowa communications Network (ICN) infrastructure. The IRHTP network was built using FCC Rural Health Care Pilot Program funding. The network has been operational since September 2010.

#### **A. Iowa Rural Health Telecommunications Program Goals and Objectives**

##### Equity

- a. Provide hospitals increased bandwidth for applications of their choosing.
- b. Introduce user choice in rural area(s) that may not have cost effective broadband service.

##### Access

- a. Improve access to quality medical service in rural Iowa through the use of various telemedicine, clinical and administrative applications by participating hospitals and providers using the IRHTP network.
- b. Improve access to and availability of clinical and administrative information and education programming to participating hospitals and providers.
- c. Improve connectivity of Iowa hospitals with parent health systems located in Iowa and surrounding states.
- d. Provide connectivity to willing hospitals and providers in Iowa and surrounding states.
  1. Assure the IRHTP broadband network core and fiber pathway can support future additional sites.

## Quality

- a. Provide more timely diagnosis and initiation of appropriate treatment or transfer of patients in rural Iowa communities.
- b. Provide rapid access to, and transmission of, patient data and information between hospitals and other eligible providers improving coordination and quality of patient care.
- c. Facilitate reporting of clinical quality data to various local, state and federal government agencies and payers.

## Security

- a. Continue collaboration with Iowa Homeland Security and Emergency Management and the Iowa Department of Public Health to prepare for, respond to and mitigate disasters.

## Efficiency

- a. Leverage current and future Iowa broadband assets, to extend broadband service to rural and urban health care providers throughout Iowa and surrounding states.

## **B. Strategy for aggregating the specific needs of health care providers**

The network design and broadband capacity described in section C (below) allows for and facilitates connectivity and use of various applications noted in section D by participating urban and rural hospitals and other health care providers in Iowa and surrounding states. The bandwidth capacity provides sufficient flexibility to implement future broadband services and programs. A key current and future use of the network is in the transmission of large clinical files and health information in a timely basis. Rapid transmission of clinical data enhances the quality and timeliness of care provided to urban and rural patients. The IRHTP board monitors the operation of the network and approves needed changes and additions to maintain and enhance the value to and use of the network by participating health care providers.

## **C. Strategy for leveraging existing technology for the most efficient and cost effective means of connecting HCPs.**

### Network Design

Last mile fiber connection for 86 Iowa Hospitals, Radiology Consultants of Iowa, Iowa Radiology, the Iowa Hospital Association and two South Dakota hospitals to the closest appropriate ICN Point of Presence (POP) with up to 1 gigabit Ethernet electronics connection from each hospital to one of 18 ICN aggregation points and using Internet Protocol (IP)/Multiprotocol Label Switching (MPLS) electronics to connect the 18 aggregation points with a resilient (10) gigabit backbone has been completed.

Network fiber and electronics provides an engineered solution for a statewide health care network. The design takes into account current assets, network topology, fiber constraints, available technology, and service requirements. The network design has an Ethernet/MPLS Edge Switch with a one (1) gigabit trunk connecting the hospital or other eligible provider to the closest appropriate ICN POP. Optics either within the Edge Switch or at the ICN POP provide a Course Wave Division Multiplexing (CWDM) wavelength which is then multiplexed onto a

CWDM transport network. The CWDM wavelength services may pass through multiple regeneration sites or may terminate directly at one of eighteen (18) core switching sites. At the core switching sites, all CWDM traffic is de-multiplexed and terminated on an MPLS Core Switch. The Core Switch aggregates all data flows and tunnels data as appropriate through multiple ten (10) gigabit MPLS trunks. Each of the eighteen (18) MPLS Core Switches is interconnected via a Dense Wave Division Multiplexing (DWDM) infrastructure to form a resilient statewide health care backbone.

The IRHTP is collaborating with the ICN for this project because of the following benefits it currently brings to the state:

- a. The ICN has over fifteen (15) years of fiber optic network administration, design, engineering and maintenance experience.
- b. The IRHTP can utilize the currently installed statewide fiber backbone, wavelengths, aggregation facilities, and points of presence to provide a cost effective broadband service.
- c. Once installed, documented, and accepted the ICN is responsible for maintaining and managing all transport systems into perpetuity.
- d. Once installed, documented and accepted the ICN is responsible for all fiber locates, relocates, and maintenance.
- e. The ICN provides a lower uniform fee structure regardless of urban or rural status, location or distance. Connection and usage fees will be based on bandwidth used by each hospital. The fees paid to the ICN will sustain the program.
- f. There is a history of state funding to support administration and maintenance of the fiber network.
- g. The ICN backbone is “in ground” versus strung on poles.
- h. The ICN has resilient gigabit connections providing Internet and Internet2 service to its authorized users.
- i. Iowa Homeland Security and Emergency Management already uses the ICN for video conferencing and data services.
- j. Currently, all Iowans are within fifteen (15) minutes of an ICN site. The ICN, an existing statewide broadband network, provides three (3) to four (4) points of presence in all ninety-nine (99) Iowa counties.

**D. How the supported network will be used to improve or provide health care delivery**

Applications developed and initiated by IRHTP participating hospitals, systems and providers include: transmission of various image files, PACS consolidation, remote radiology reads, specialty consultations (e.g. cardiology, dermatology and psychiatry), remote ICU and pharmacy monitoring (e-ICU, e-pharmacy), administrative (e.g. billing) and clinical data (e.g. EMR) transmission, various patient portals, healthcare Intranet, clinical and non-clinical education and training programs provided on a network-wide basis (distance learning) and consolidation or centralization of various back office and IT functions (remote server hosting, remote server back-up and storage, health IT service, centralized billing and accounting). Enterprise activities of hospitals in the same system will initiate similar applications but just for their system hospitals.

## **E. Previous experience in developing and managing health information technology**

The Iowa Rural Health Telecommunications Program (IRHTP) is a consortium of 86 Iowa rural and urban hospitals and two South Dakota hospitals and is an Iowa private not for profit corporation. IRHTP has a management agreement with The Iowa Hospital Association (IHA) to supervise, operate and manage IRHTP on a daily basis.

For the FCC Rural Health Care Pilot Program (2007 – 2013) the Iowa Hospital Association (IHA) functioned as the project coordinator and administrator for the Iowa Rural Health Telecommunications Program (IRHTP). The project coordinator was Arthur J. Spies Senior VP with the Iowa Hospital Association. General project administration / management included:

- Manage the administrative aspects of the build-out of the approved network,
- Complete and submit program forms and supporting documentation; sign off on certifications, invoices, etc.
- Serve as primary point of contact for the project
- Communicate any requirements / requests to participating entities
- Assure administrative project documentation
- Maintain project files, and
- Prepare for any audits.

During 2009 – 2013:

- Provided each participating hospital with their actual cost (15% share) for final approval.
- Negotiated contracts with each of the vendors.
- Estimated network build-out cost from IRHTP proposal was \$11,704,632. IRHTP has made contract awards totaling \$11,704,632 and \$11,279,545 has been invoiced.
- There are 86 Iowa hospitals in 88 locations and 2 South Dakota hospitals participating in the project.
- The network core was operational in September 2010.
- Electronics for hospitals built out in 2009, 2010, 2011 and 2012 have been ordered and received. Installation of hospital electronics will occur when the last mile connection has been completed, tested and accepted.
- IHA is invoicing connected hospitals for the monthly maintenance costs and replacement of network core electronics. The ICN is billing connected hospitals for the circuit fee and internet access.
- Twenty-seven 466A funding request packages have been submitted with funding commitment letters received from FCC/USAC. Form 467 has been submitted and acknowledged for each award.
- Actual construction has been completed in 71 locations and 14 indefeasible right of use (IRUs) contracts have been completed. Fiber is now ready at 89 sites (98.9% complete).
- Iowa Falls and Sigourney will be completed in 2013.
- Electronics have been installed at 97.8% of the hospital sites at Radiology Consultants of Iowa, Iowa Radiology and IHA.
- Applied for was awarded FCC Bridge Funding to pay for 85% of the circuit fees for hospitals connected and using the IRHTP network as of May 30, 2012. Bridge funding is for the period July 2012 – June 2013. Invoicing was completed in July 2013.

With completion of the IRHTP network funded by the FCC Rural Health Care Pilot Program, IRHTP is transitioning to the FCC Healthcare Connect Fund program to provide ongoing support from the FCC for circuit and Internet fees of participating IRHTP consortium hospitals and other eligible providers.

IRHTP is contracting with the ICN for operating and maintaining the network because the ICN has over fifteen (15) years of fiber optic network administration, design, engineering, operation and maintenance experience. The IRHTP utilizes the currently installed statewide fiber backbone, wavelengths, aggregation facilities, and points of presence to provide a cost effective broadband service. The IRHTP broadband network has been operational since September 2010. The above administrative experience and the contract with the ICN, IRHTP is positioned to successfully administer the growth and operations of the IRHTP network.

#### **F. Project Management Plan**

The Iowa Rural Health Telecommunications Program (IRHTP) is an Iowa private not for profit corporation and is applying for 501 (c) (6) status from the IRS. IRHTP has a management agreement with The Iowa Hospital Association (IHA) to supervise, operate and manage IRHTP on a daily basis. IRHTP has a 20 years agreement with the ICN to operate and manage the broadband network on behalf of IRHTP.

Initial IRHTP board members are:

<b>Name</b>	<b>Title</b>	<b>Hospital/Organization</b>	<b>City, State</b>
Steve n Baumert	President/CEO	Jennie Edmundson Hospital	Council Bluffs, IA
Scott Sylliaasen	Technology Director	Sanford Health	Sioux Falls, SD
James Burkett Jr.	Director Technology Services	Avera Health	Sioux Falls, SD
Lee Carmen	Assoc. VP Information systems	U of Iowa Hospital and Clinics	Iowa City, IA
Scott Curtis	Administrator/CEO	Kossuth Regional Health center	Algona, IA
Fred Eastman	Director	MRTC Telemedicine Project	Des Moines, IA
Robert Frieden	CIO/VP Information Services	Genesis Health System	Davenport, IA
Randy Haskins	Site Director	Mercy Medical Center-North Iowa	Mason city, IA
David Hickman	Dir. Clinical Integration	Mercy Health Network	Des Moines. IA
Joseph LeValley	Senior VP Planning	Mercy Medical Center-Des Moines	Des Moines, IA
Michael Myers	CEO	Veterans Memorial Hospital	Waukon, IA
Jeff Cash	CIO	Mercy Medical Center	Cedar Rapids, IA
Arthur J. Spies Exofficio non-voting	Executive Director	IRHTP	Des Moines, IA
David Swanson Exofficio non-voting		ICN	Des Moines, IA

The business and affairs of the Corporation are managed under the direction of the board of directors. The board of directors may authorize any officer or officers, agent or agents, to enter into any contract or to execute and deliver any instrument in the name and on behalf of the Corporation, and such authority may be general or confined to specific instances. Because the ICN is a service provider, David Swanson while non-voting will not participate in any board deliberations on RFPs the ICN has or will submit a bid for.

The board appointed Arthur J. Spies as Executive Director who shall be responsible to the board of directors. The Executive Director oversees the day to day operations of the corporation and carries out policy as determined by the board. The Executive Director has authority to sign, execute and acknowledge all contracts, checks, deeds, mortgages, bonds, leases or other obligations on behalf of the corporation. The Executive Director may sign in the name of the corporation reports and all other documents or instruments which are necessary or proper to be executed in the course of the corporation's business.

Through an agreement with the ICN for administration, operation and maintenance of the dedicated network, use of the network will be initiated by hospitals contracting with the ICN for broadband service. The cost of maintaining the new last mile fiber connections, network electronics, co-location fees and wavelength service fees will be covered by standardized monthly connection and bandwidth fees. Under Iowa statute, the monthly circuit fees (rates) charged by the ICN for broadband usage must cover the costs of operating and maintaining the dedicated health care network. Standardized circuit and Internet fees based on broadband usage will provide a sustainable operational model for all members of the consortium. The FCC Universal Services Rural Health Care Program or the FCC Healthcare Connect Fund program may be used by IRHTP eligible rural hospitals and providers to help pay for circuit and Internet fees.

There are four types of costs associated with the network which are:

- Operation and maintenance of the fiber and network,
- Future replacement of the electronics,
- Management of IRHTP, and
- Provision of circuits.

These costs are recognized as allowable costs and will be incorporated into each hospital's payment by various third party payers (e.g. Medicare, Medicaid, commercial insurance companies and health plans) for the care provided to patients. The IRHTP program has 64 critical access hospitals that are reimbursed by Medicare at 101% of allowable costs attributable to acute inpatient, outpatient and swing bed care.

The maintenance and operation costs are based on actual experience of the ICN in maintaining fiber and electronics. The monthly maintenance fees will be adjusted annually based on actual experience of the IRHTP network. The monthly maintenance fee is estimated to be \$329 per connected user.

Funding for future replacement is achieved through depreciating the assets over their useful life and funding (saving) the reimbursed depreciation expense. The monthly equipment replacement fee is \$265. The management fee for IRHTP by the IHA will also be incorporated into the monthly bill. The fee for 2014 will be \$106 per month per participating provider. IRHTP will administer the equipment replacement fund on behalf of the participating hospitals and other users.

The circuit fees were developed and based on the cost incurred by the ICN to provide circuits. The fees are determined on the bandwidth used and the distance from the network core. The longer the distance from the network core the higher the fee.

Monthly fees for bandwidth, maintenance, equipment replacement and management will be collected from each user of the network.

**Iowa Rural Health Telecommunications Program  
Revenue and Expense Projections**

	2013	2014	2015	2016	2017
<b>Network Revenue</b>					
Fiber and Electronics Maintenance	\$319,788	\$343,476	\$355,320	\$363,216	\$363,216
Electronics Replacement	\$257,580	\$276,660	\$286,200	\$292,560	\$292,560
Management Agreement	\$0	\$114,500	\$114,500	\$117,024	\$120,000
<b>Total Revenue</b>	<b>\$577,368</b>	<b>\$734,636</b>	<b>\$756,020</b>	<b>\$772,800</b>	<b>\$772,800</b>
<b>Network Expense</b>					
Fiber and Electronics Maintenance	\$314,970	\$330,320	\$343,500	\$343,500	\$344,000
Management Fee	\$0	\$114,500	\$117,860	\$121,350	\$125,000
<b>Total Expense</b>	<b>\$314,970</b>	<b>\$444,820</b>	<b>\$461,360</b>	<b>\$464,850</b>	<b>\$469,000</b>
Operating Revenue over Expense	\$262,398	\$289,816	\$294,660	\$307,950	\$303,800
Electronics replacement fund	(\$257,580)	(\$276,660)	(\$286,200)	(\$292,560)	(\$292,560)
<b>Net Revenue</b>	<b>\$4,818</b>	<b>\$13,156</b>	<b>\$8,460</b>	<b>\$15,390</b>	<b>\$11,240</b>
Hospital sites	81	87	90	92	92

Future maintenance and operations fees will be adjusted for actual experience. Circuit and Internet fees will be billed by the ICN. Participating hospitals and other providers will be responsible for paying 35% of the monthly fees and the Healthcare Connect Fund will pay 65% of the monthly fees.