



NEO RHIO

Northeast Ohio Regional Health Information Organization



**OneCommunity
Northeast Ohio Regional Health Information
Organization**

**Federal Communications Commission
Rural Health Care Pilot Program**

Quarterly Data Report

HealthNet

July 30, 2009

Table of Contents

1.0 PROJECT CONTACT AND COORDINATION INFORMATION.....	3
1.1 PROJECT LEADER.....	3
1.2 PROJECT COORDINATOR.....	3
1.3 LEGAL AND FINANCIAL AGENT.....	3
1.4 COMMUNITY SUPPORT COLLABORATION.....	4
1.5 STATE AND REGIONAL PROJECT COORDINATION.....	4
1.5.1 Outreach Communication Objectives.....	4
1.5.2 Key Objectives Met.....	5
2.0 HEALTHCARE FACILITIES INCLUDED IN THIS NETWORK.....	5
Table 2.1 - HealthNet Rural Hospitals – LOA Completed.....	6
Table 2.2 - Pending LOA Hospitals.....	7
3.0 NETWORK NARRATIVE.....	7
Table 3.1 – RFP Evaluation Template.....	11
4.0 LIST OF CONNECTED HEALTHCARE PROVIDERS.....	13
4.1 LOGICAL NETWORK DIAGRAMS.....	13
4.1.1 DWDM Backbone Network Design.....	13
4.1.2 Western Ring Network Design.....	14
4.1.3 Southern Ring Network Design.....	15
4.1.4 Eastern Ring Network Design.....	16
5.0 BUDGETED VS. ACTUAL COSTS – RECURRING AND NON-RECURRING.....	17
6.0 COST DISTRIBUTION AND FUNDING SOURCES.....	17
7.0 CONNECTION REQUIREMENTS FOR INELIGIBLE ENTITIES.....	18
8.0 PROJECT MANAGEMENT.....	19
8.1 Current Leadership and Management Structure.....	19
8.2 Detailed Project Plan.....	20
9.0 NETWORK SUSTAINABILITY MODEL.....	24
10.0 DETAIL ON HOW THE SUPPORTED NETWORK HAS ADVANCED TELEMEDICINE BENEFITS.....	28
11.0 COMPLIANCE WITH HHS HEALTH IT INITIATIVES.....	28
12.0 NETWORK COORDINATION WITH THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS).....	29
APPENDIX A – HEALTHNET UPDATE.....	30
APPENDIX B – VENDOR SELECTION.....	32
APPENDIX C – DATA ACQUISITION TEMPLATE.....	34

Quarterly Report July 30, 2009

1.0 Project Contact and Coordination Information

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1.3 Legal and Financial Agent

OneCommunity is the organization that is legally and financially responsible for the conduct of activities supported by the award and is listed on the Internet at www.onecommunity.org.

OneCommunity is a nonprofit organization that serves Northeast Ohio by connecting public and nonprofit institutions to a next-generation fiber-optic network; enabling those institutions to offer enhanced, innovative solutions and transforming the region's image and economic future by attracting outside investment and creating business and job opportunities.

OneCommunity currently serves educational, governmental, research, arts and cultural, nonprofit and health care organizations across Northeast Ohio. OneCommunity currently provides network connections that provide access to these regional assets. The OneCommunity network is supported 24/7.

1.4 Community Support Collaboration

The OneCommunity and the Northeast Ohio Regional Health Information Organization (NEO RHIO) is providing community support and open HealthNet workshops for the regions healthcare community and will be hosting additional Telemedicine activities promoting collaboration. OneCommunity and NEO RHIO are both non-profit corporations serving Northeast Ohio. They are inclusive, multi-stakeholder collaborations dedicated to improving the quality, safety and efficiency of healthcare in Northeast Ohio through the use of information technology and the secure exchange of health information and incorporation of Telemedicine in our regional rural and urban healthcare systems.

Throughout this project, healthcare stakeholders, directly and indirectly affiliated with this project, receive a quarterly update on project status and programs that have influence on this project. A representative sample of the most recent healthcare status can be found in Appendix A.

1.5 State and Regional Project Coordination

OneCommunity, NEO RHIO, local, county and state government along with other key medical and technology partners have coordinated this project under the name of **HealthNet**. With OneCommunity and the NEO RHIO as the central drivers, a collaborative outreach program has been designed and implemented and initial workshops have been heralded throughout Northeast Ohio. The outreach program identified key components of the project and presented a detailed overview. Some organizations received one to one presentations. A communications desk has been set up to answer any ongoing questions along with an internal SharePoint site for communication, document repository and document revision control.

There are some recent updates to our quarterly report as described in the Key Objectives Met section.

1.5.1 Outreach Communication Objectives

- Federal Communications Commission - Vision
- Rural Health Care Pilot - Goals
- What Does It Mean For Northeast Ohio?
- HealthNet Overview
- HealthNet Services
- HealthNet Benefits
- Communication with local, regional and state government
- Communication of government stimulus package and benefits for FCC Healthcare project
- Quarterly stakeholders status update

1.5.2 Key Objectives Met

- Evaluated 36 vendor proposals
 - Vendor scorecard
 - Followup vendor meetings for response verifications
- Vendors award completed in early June, 2009
- Project moved into vendor kickoff meeting phase
 - Construct detailed project plan with payment milestones
 - Developed a specific SharePoint site for project and field-based updates
 - Initiate weekly vendor update meetings
- Enhanced sustainability model

2.0 Healthcare Facilities Included in this Network

As the Letters of Agency signature process evolved there were several modifications made to the hospital data in Table 2.1. This was principally in the area of contact names, contact information and the removal of a few hospitals that will participate in a 2nd RFP. There were no material changes to the hospital data or impact on the project.

All the hospital organizations that are part of the current HealthNet project are non-profit. There are multiple urban hospitals interested in participating in the HealthNet project. These urban centers are all non-profit. To the best of our knowledge and investigation, all rural organizations should be eligible under section 254 of the 1996 Act and the Commission's rules. The following table gives detail information on the hospitals Counties, addresses, zip code, Rural Urban Commuting Area (R UCA) code, contact information and phone number for each healthcare facility participating in the network. Contact persons may change at any time. We are currently engaged in discussions with other rural non-profit institutions that will participate in leveraging HealthNet. OneCommunity currently has over 72 hospitals, clinic and healthcare service organizations using HealthNet. With the expansion through the FCC RHCP Project, HealthNet will be expanding services to 16 rural Hospitals authorized under the agreement but will also be able to include additional rural health care institutions covering their own costs to connect.

All healthcare facilities in table 2.1 are public, non-profit, eligible entity under section 254 of the 1996 Act.

Table 2.1 - HealthNet Rural Hospitals – LOA Completed

System	Census Track Code	County	Facility Name & Address	RUCA C O D E	HPSA	Contact Names	Phone
	9705.00	Ashland	Samaritan Regional Health System 1025 Center Street Ashland, OH 44805	4		Danny Boggs, CEO	419-289-0491
CCHS	0006.01	Ashtabula	Ashtabula County Medical Center 2420 Lake Ave Ashtabula, OH 44004 Glenbeigh of Rock Creek 2420 Lake Ave Ashtabula, OH 44004	2 2	HPSA HPSA	Kevin Miller, CEO Kevin Miller, CEO &	440-997-6520 440-997-6520
	0011.00	Ashtabula	Jefferson Health Center 222 East Beech St. Jefferson, Ohio 44047	3		Kevin Miller, CEO &	440-997-6520
UHHS	0001.03 0009.00	Ashtabula	Conneaut Medical Center 158 West Main Road Conneaut, OH 44030 Geneva Medical Center 870 West Main Street Geneva, OH 44041	2 4.2	HPSA HPSA	Rich Frenchie, Rich Frenchie, CEO	440-593-1131 440-593-1131
CHN & CC5	0411.00	Erie	Firelands Regional Medical Center 1101 Decatur St. Sandusky, Ohio 44870	1		Chuck Stark, CEO Dan Moncher, CFO	419-557-7400 419- 557-7793
CHN & CC5	9956.00	Huron	Fisher Titus Medical Center 272 Benedict Ave., Norwalk, OH 44857			Pat Martin, CEO Wendy Melching,	419-668-8101 419- 663-1975
CC5	0505.00	Ottawa	H.B. Magruder Memorial Hospital 615 Fulton Street, Port Clinton, OH 43452	4	45780	Dave Norwyne,	419- 557-7793
CC5	9622.00	Sandusky MUA	Bellevue 811 NW St. Bellevue, Ohio 44811 Memorial (Fremont) 715 S. Taft Ave Fremont, OH 43420	7.3 4.2	HPSA HPSA	Mike Winthrop, Alan Ganci, CFO Al Gorman, CEO Rick Ruppel, CFO	419-557-7400 419- 557-7793 419-668-8101 419- 663-1975
	0216.00 0211.00	Tuscarawas MUA	Twin City 819 N. First Street Dennison, OH 44621 Union Hospital 659 Boulevard Dover, OH 44622	4 4	HPSA HPSA	Marge Jentes, CEO Bill Harding, CEO	740-922-2800 330-343-3311
	0003.00		Wooster Community 1761 Beall Ave. Wooster, Ohio 44691	4		Bill Sheron, CEO	330-263-8100
	9917.00	Coshocton	Coshocton County Memorial Hospital 1460 Orange Street Coshocton, OH 43812	4		Seth Peterson	740-623-4128
	9521.00	Columbiana	East Liverpool City Hospital 425 West 5 th Street East Liverpool, Ohio 43920	4		Frank Mader – Director of IT Services	330-386-3186

Table 2.2 - Pending LOA Hospitals

System	Census Track Code	County	Facility Name & Address	RUCA CODE	HPSA	Contact Names	Phone
Mercy Health Partners	9963.00	Huron	Mercy Hospital – Willard 10 East Howard St. Willard, Ohio 44890	4.2		Joe Glass	419- 251-8982
	9767.00	Holmes MUA	Joel Pomerene Memorial Hospital 981 Wooster Road Millersburg, Ohio 44654	10.5	HPSA	Tony Snyder, CEO	419-557-7400
	0001.00	Seneca	Fostoria Community 501 Van Buren St. Fostoria, Oh 44830	4	HPSA	Tim Jakacki, CEO	419-435-7734
	0007.00		Mercy Hospital – Tiffin 2355 Tiffin Avenue Findlay, OH 45840	4	HPSA	Joe Glass	419-251-8982
	0011.00	Wayne	Dunlap Memorial 832 South Main Street Orrville, OH 44667	7.4		Rod Steiger, CEO	330-682-3010

3.0 Network Narrative

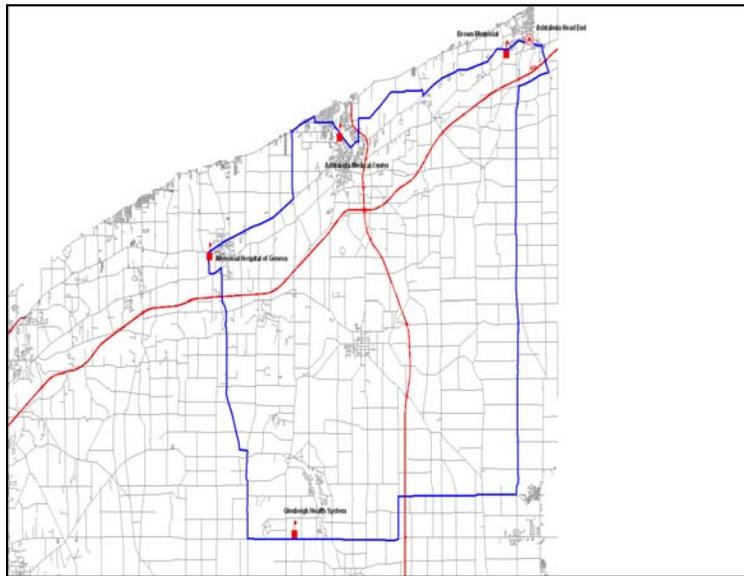
OneCommunity has designed a DWDM based infrastructure that uses MPLS network transport services. Healthcare sites will connect via a dual-path entrance fiber system that can provide backbone services at 1 Gbps speeds. Other laterals requiring a wireless connection will connect at 100 Mbps. The HealthNet network connects into Internet2 national backbone through a BGP peering gateway on the OneCommunity fiber backbone.

Estimated fiber construction, network region, is as follows (zone maps provided on following pages):

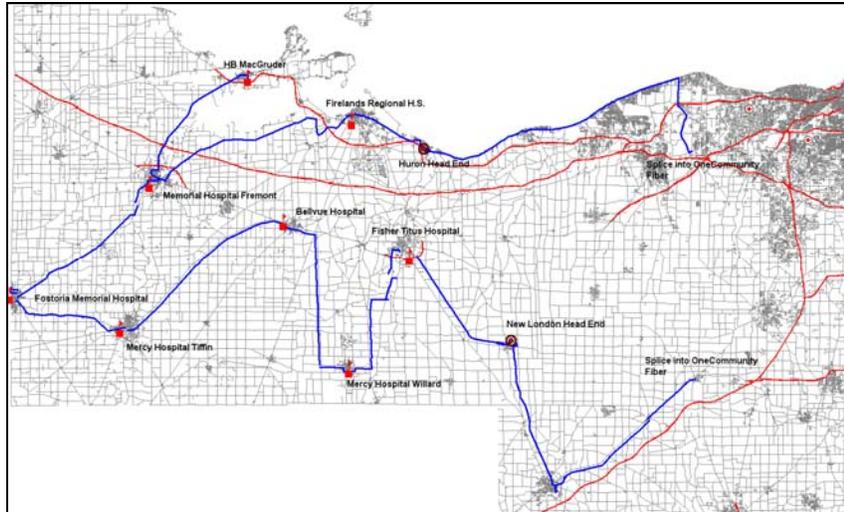
<u>Eastern Zone</u>	<u>Western Zone</u>	<u>Southern Zone</u>
<u>346,000 ft. (U)</u>	<u>92,000 ft. (U)</u>	<u>601,920 ft. (U)</u>
<u>188,000 (A)</u>	<u>40,000 ft. (A)</u>	<u>401,280 ft. (A)</u>

U – Underground
A – Aerial

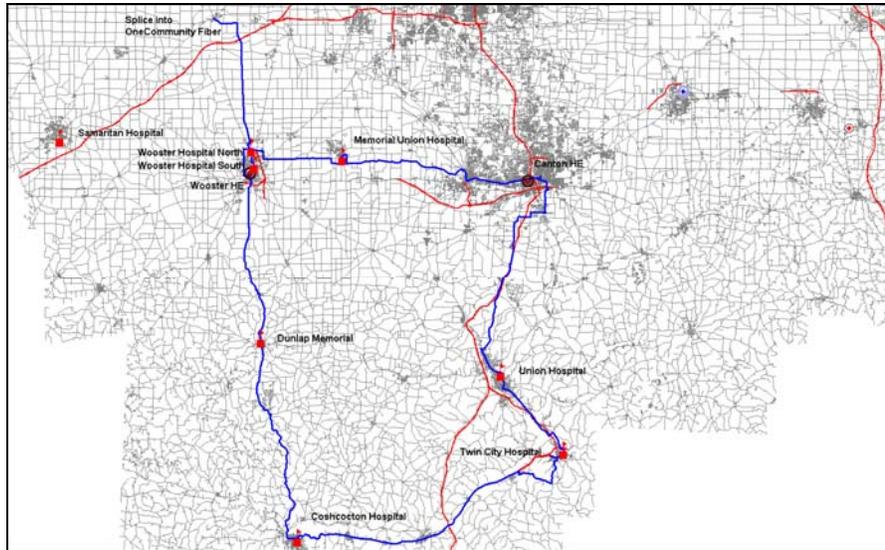
Zone Maps



Eastern Zone



Western Zone



Southern Zone

OneCommunity has completed the vendor evaluation process. Responses were evaluated against a weighted average of seven sections:

1. Contracting options and price
2. Understanding the project approach
3. Ability to integrate with current OneCommunity HealthNet network
4. Technical and service specifications
5. Experience, financial viability and references
6. Representation and warranties
7. Documentation

A vendor analysis scorecard is listed in Appendix B. The complete selection Microsoft Excel Workbook will be uploaded to the USAC SharePoint site. We have selected six (6) vendors for participating in fiber delivery, equipment provisioning, fiber implementation and fiber hardware delivery. OneCommunity is conducting the construction management portion of this project. The vendor list and responsibility matrix is shown below:

Fiber purchase	1C purchasing from OFS Fitel
Fiber equipment	1C purchasing from Multi-link
Fiber installation	GNJ Construction
Construction management	1C
DWDM backbone	1C purchasing from Fujitsu
DWDM per ring	1C purchasing from Fujitsu
Ethernet backbone	1C purchasing from Texcel
Ethernet per ring	1C purchasing from Texcel

Listed below is the posted schedule for the near term project tasks:

RFP Event	Date
Vendor kickoff meeting	August 11, 2009
Onsite customer update	August 12, 2009
Detailed project plan completion	August 28, 2009
Initiate construction	September 7, 2009

The detailed evaluation template is shown in table 3.1.

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Table 3.1 – RFP Evaluation Template

(1) Contracting Options and Price
Fiber Material Cost
Fiber Equipment Cost
Fiber Installation Cost
Underground
Aerial
Make ready costs for aerial
Fiber maintenance cost (per year)
Are a comprehensive list of permits included? (YES/NO)
Are a comprehensive list of pole owners included? (YES/NO)
Fiber Sub-Total Costs
Equipment Cost
Category 1 – Physical Hardware including racks, power systems, and hardware (co-location gateways)
Regional gateway (co-location)
Customer premise buildouts
Category 2 – DWDM equipment to interface with the present OneCommunity backbone as well as end nodes
DWDM backbone costs
DWDM customer premise costs
Category 3 – Ethernet backbone and customer demarcation equipment
Ethernet backbone equipment
Ethernet customer demarc equipment
Equipment Sub-Total Costs
Were data sheets provided? (YES/NO)
Was a system improvement roadmap included for 2008-2010? (YES/NO)
Network Installation Cost
Network Equipment Maintenance Cost (per year) - 72 hr response time
Network Engineering, Installation and Testing Costs
Project Management Costs
IRUs
(2) Understanding the Project and Approach
Practicality
Open Access Platforms
(3) Ability to Integrate with Current OneCommunity Healthnet Network
(4) Technical and Service Specifications
(5) Experience, Financial Viability and References
5-years Experience (YES/NO)
3 References of Similar Projects
- Within Past five years, giving date of contract, describing the scope of work, size of project, equipment, fiber and name of company's contact and phone number (YES/O)
(6) Representation and Warranties
Equipment Warranties
Qualifications of Key Personnel
(7) Documentation

Table 3.1 on the previous page details the specific features that are being evaluated in each section. Pricing is segmented into aerial and underground costs to understand the impact on our sustainability model, which is discussed in detail later in this document. In an effort to obtain the best pricing and performance for the overall financial model, we are evaluating equipment costs as a function of infrastructure equipment, gateways, customer premise equipment and fiber equipment. The total representation of these hardware entities can be distributed across more than one vendor based on core competencies and buying power.

Cost is only one portion of the overall response evaluation, carrying a project weighting of 20%. Understanding the project specifics and approach to construction, maintenance and network growth has a combined project weighting of 40%. The initial construction of this network forms the foundation to establish an initial set of collaborated healthcare institutions. It is the future set of network clients and the growth rate of adding clients that is the more important focus. Therefore, it is imperative for the chosen vendor(s) to comprehend the project direction and project specifics in support of future growth.

Strict adherence to RFP specifications and guidelines in the provisioning of equipment and network materials is weighted at 20% due to the importance of interoperability with the existing infrastructure. Capacity planning is based on the capabilities and feature sets of certain equipment types; therefore, the proposition of a different vendor product from the pre-existing architecture must adhere to strict design guidelines.

The final three evaluation sections are utilized to determine if the bidding firm is an ongoing concern and its capabilities in similar past projects. Low cost does not necessarily imply that a bidder has the ability to successfully implement at the specified design levels. These three sections have an aggregate weighting of 20%.

Specific objectives of the HealthNet include:

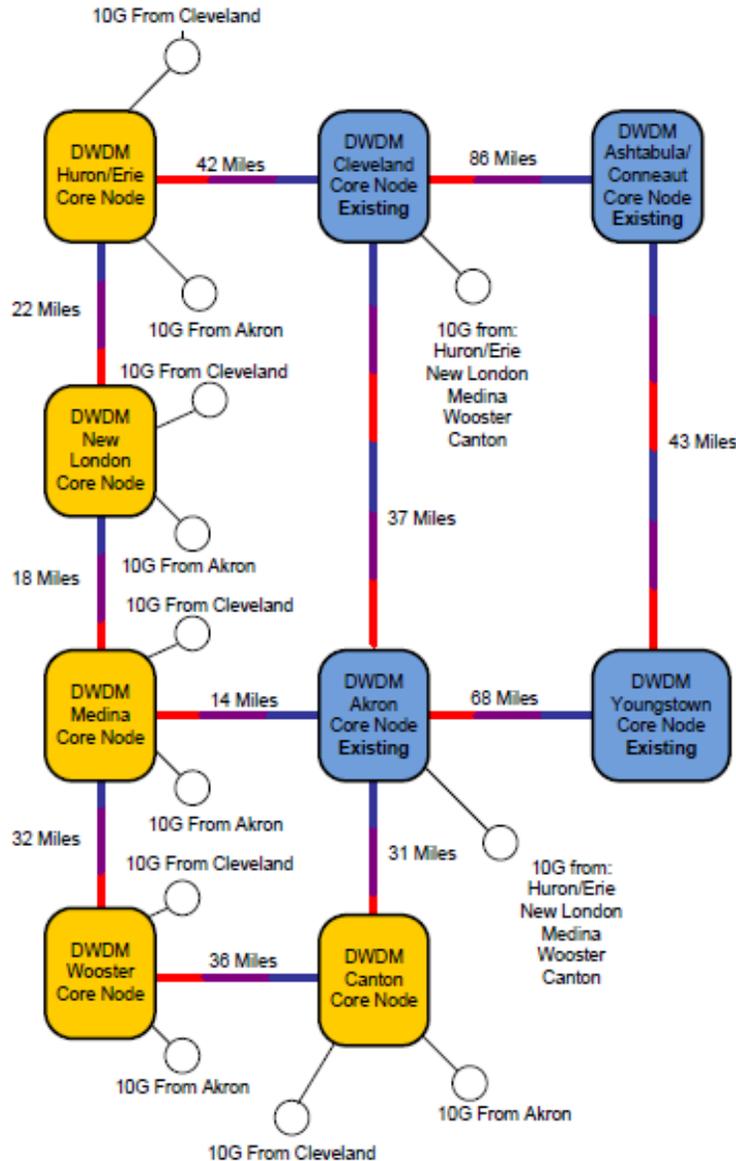
- connecting nineteen (16) rural hospitals located in the Northeast Ohio rural health region over a dedicated broadband network;
- extending the OneCommunity/NEO RHIO broadband services to rural providers;
- providing the connecting framework for a regional repository that employs secure telehealth applications for chronic disease monitoring and continuing education services; and
- Implementing sustainable enterprise solutions using Health Information Technology for eligible providers in rural and underserved counties. This network is expected to improve the quality and reduce the cost of health care.

The HealthNet network will be connected into OneCommunity's high speed fiber network which has gateways to both Internet2 and NLR.

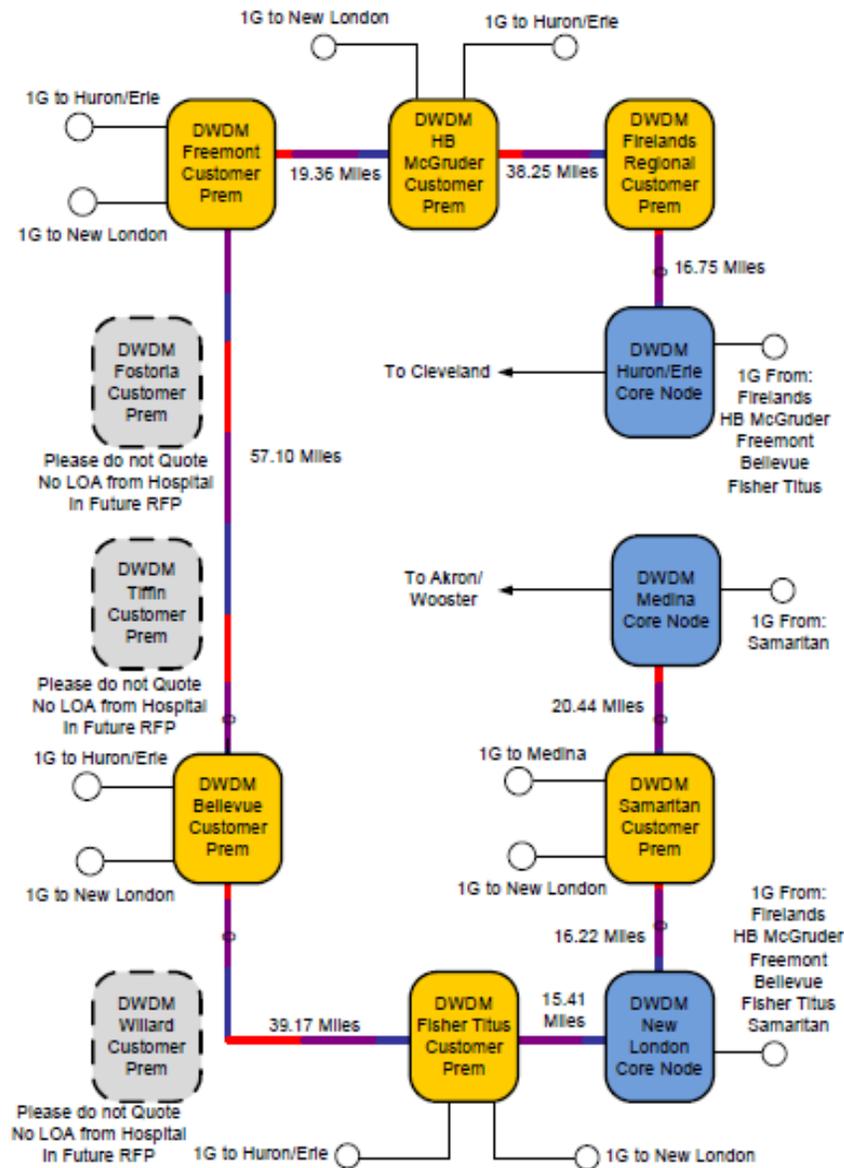
4.0 List of Connected Healthcare Providers

a-g) Additional information will be available within this section as we move forward into infrastructure build and connecting each of the 16 healthcare entities into the broadband network. None of the 16 healthcare locations are connected at this time as OneCommunity is engaged, during this reporting period, in evaluating RFP responses.

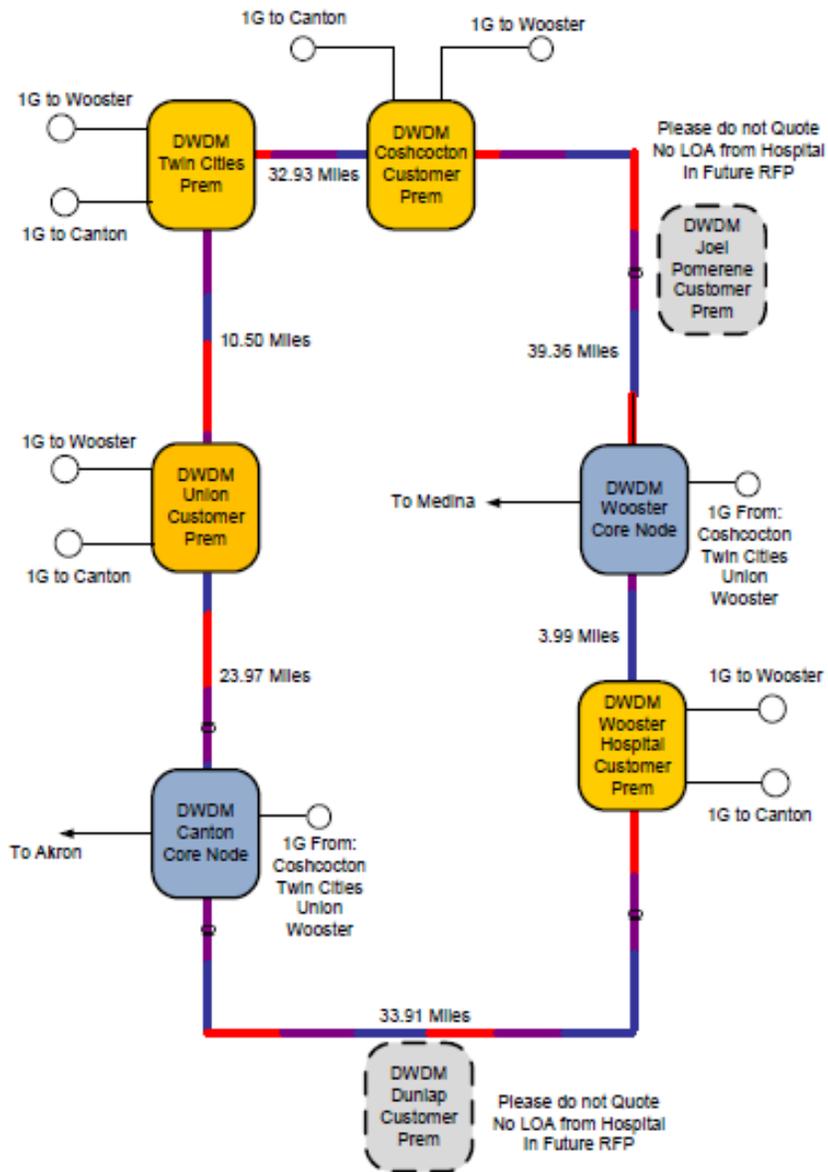
4.1 Logical Network Diagrams



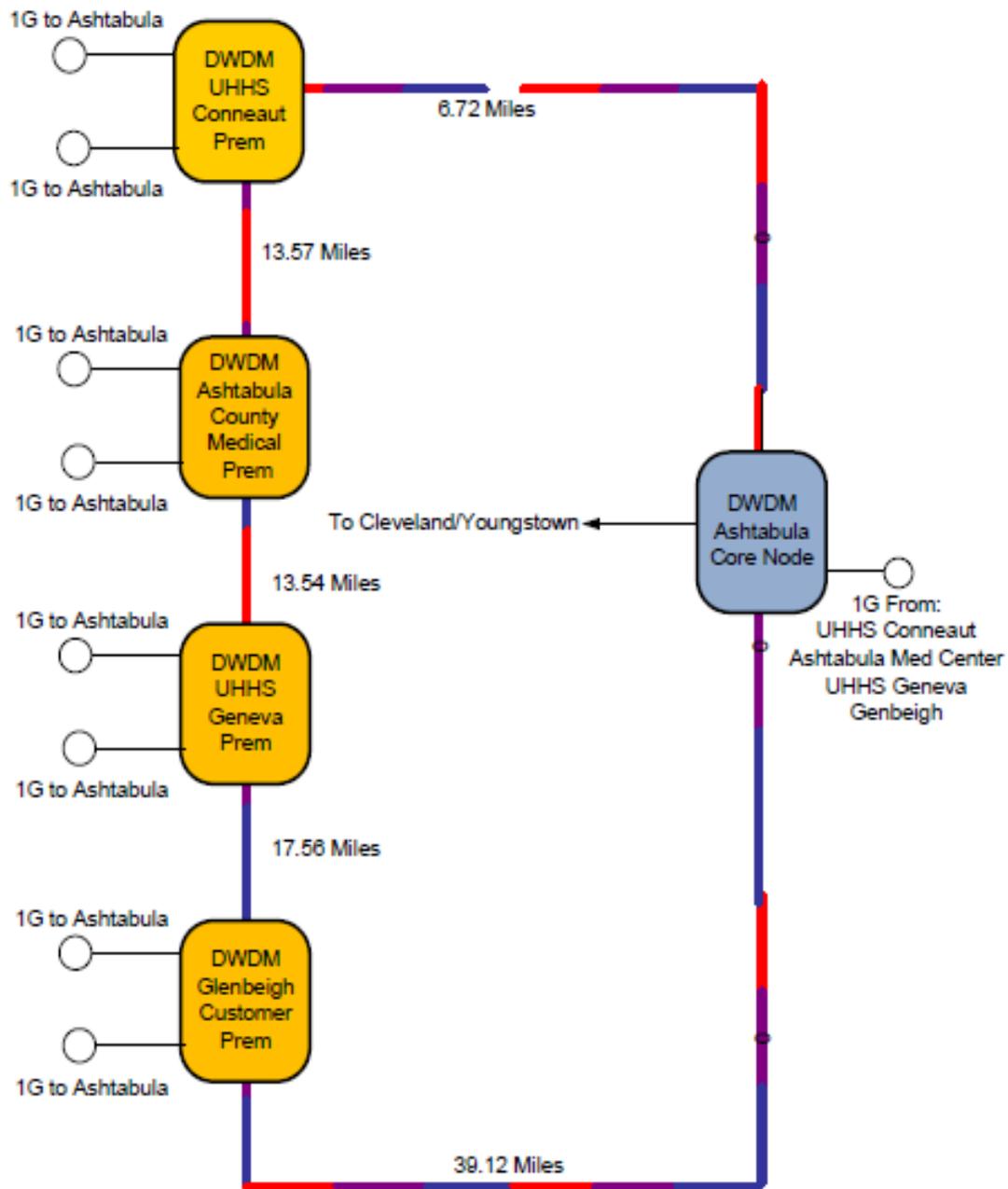
4.1.1 DWDM Backbone Network Design



4.1.2 Western Ring Network Design



4.1.3 Southern Ring Network Design



4.1.4 Eastern Ring Network Design

5.0 Budgeted vs. Actual Costs – Recurring and Non-recurring

Additional information will be available within this section as we move forward into infrastructure build and connecting each of the 16 healthcare entities into the broadband network. The budgeted portion of the table has been completed with the actual costs updated per quarter once we begin implementation. Scheduled timeframe for construction start is the beginning of September, 2009.

<u>Best Choice</u>			
Fiber purchase	1C purchasing from OFS Fitel		
Fiber equipment	1C purchasing from Multi-link		
Fiber installation	GNJ Construction		
Construction management	1C		
DWDM backbone	1C purchasing from Fujitsu		
DWDM per ring	1C purchasing from Fujitsu		
Ethernet backbone	1C purchasing from Texcel		
Ethernet per ring	1C purchasing from Texcel		
<u>Total Project Build</u>	<u>Vendor</u>	<u>Baseline Costs</u>	<u>Actual Costs</u>
Backbone equipment	Fujitsu	\$ 1,160,284.00	
	Texcel	\$ 555,758.70	
Fiber Material Cost	OFS Fitel	\$ 1,697,280.00	
Build Material Cost	AD Technologies	\$ 371,287.12	
	Multilink	\$ 96,857.85	
Fiber installation	GNJ	\$ 9,107,094.00	
Make ready (paid by 1C)	OneCommunity	\$ 955,071.52	
Construction management	OneCommunity	\$ 844,957.82	
Permits	OneCommunity	\$ 830,085.00	
Ring equipment cost	Texcel	\$ 574,209.30	
		\$ 16,192,885.31	

6.0 Cost Distribution and Funding Sources

Vendor contracts, equipment acquisition and provisioning is in progress; however, circuit connectivity has not been established and no customer premise equipment has been placed. No costs have yet been incurred. When invoicing begins, the following will apply:

- a) All participants are eligible. Costs are allocated among partners based on the contracted connectivity and hardware specified for their subsidiary health care provider sites.
- b) Sources of funds from:
 - i. Eligible Participants: partners will pay the fifteen percent (15%) contribution for their subsidiary health care provider sites from commercial loans.
 - ii. There are no ineligible sites in the HealthNet supported network during this phase of the project.

c) There are no grants anticipated from local, state or federal sources at this time.

d) The capability to connect broadband level connectivity to locations that otherwise would not be served for essentially fifteen percent (15%) of the total cost, enables Intranet based services within the OneCommunity network to be distributed to rural locations. Additional healthcare services can be provided on a wider scale through network expansion to a targeted audience, in this case rural healthcare providers, which is a strategic goal of the OneCommunity business model.

7.0 Connection Requirements for Ineligible Entities

OneCommunity builds all networks as “open access” which means that other service providers can participate in using OneCommunity’s infrastructure transport. The extension of our current network with the addition of the FCC build extends this open access to additional regional areas who cannot either obtain or afford broadband access.

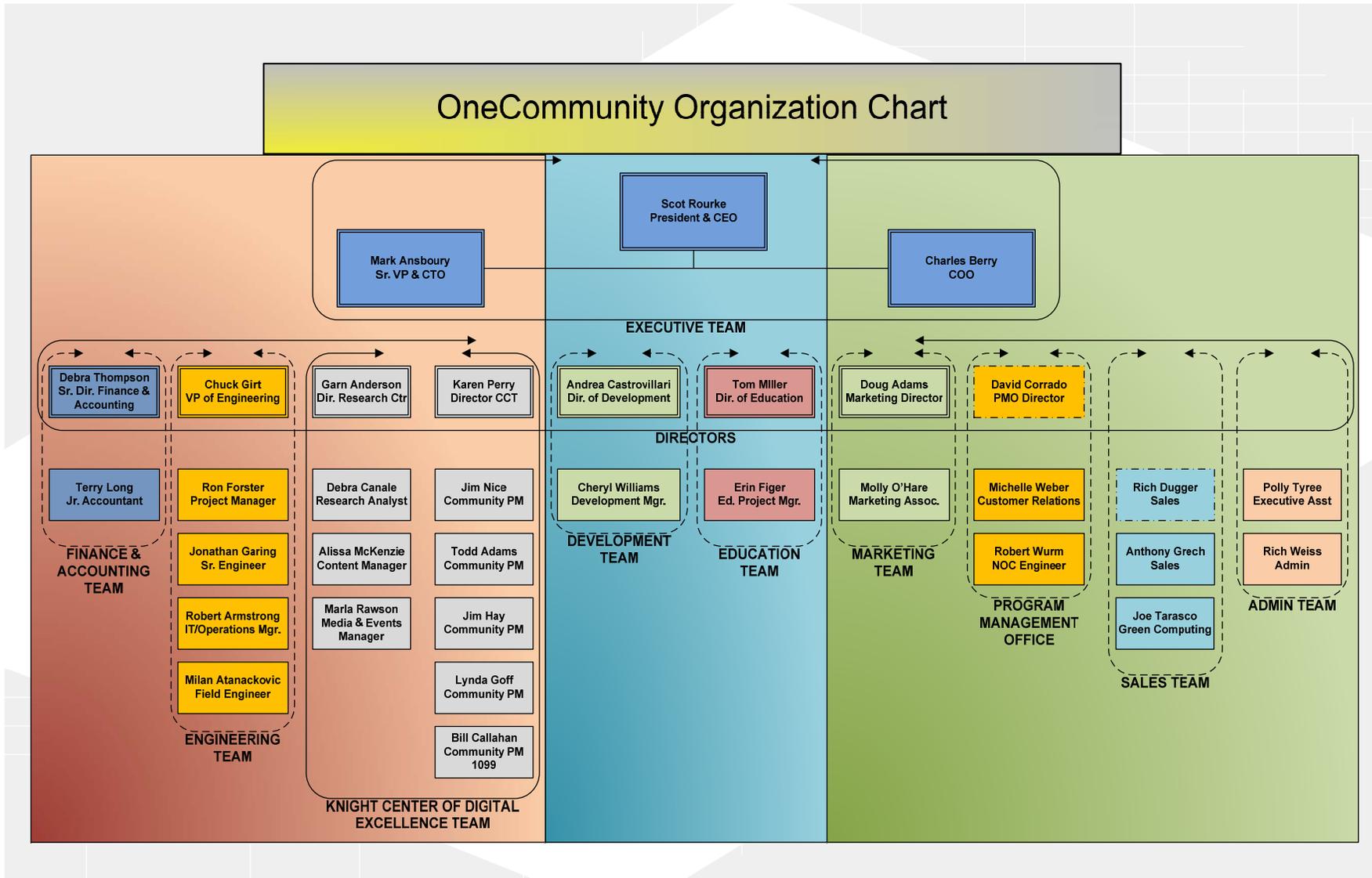
Ineligible entities do not require any additional technical requirements nor additional procedures in order to connect to the OneCommunity network. With the exception of increased pricing compared to eligible entities, connection to the network can be accomplished by direct loop or through a lateral build. Separate last mile providers can participate in the connecting of these entities.

No ineligible entities are participating in the project.

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8.0 Project Management

8.1 Current Leadership and Management Structure



9.0 Network Sustainability Model

1. Analysis of the costs anticipated under the accepted bid proposals received in response to the HealthNet FCC RHCPP Network Infrastructure Procurement Request for Proposal, (FY 2008, RFP) affirms that the OneCommunity/NEO RHIO HealthNet Sustainability Plan described in the RHCPP application is reasonable and valid.
2. **OneCommunity/NEO RHIO will be the owner operator of HealthNet** and provide network services to the HealthNet members funded under the FCC RHCPP grant.
 - a. The HealthNet model is based on investing and capitalizing fiber/network assets on behalf of the community with the intended purpose of providing community subscribers access to high capacity fiber network services while lowering subscriber operational expenses. OneCommunity is a non-profit organization focused on using technology to address the community's top social priorities. As a result OneCommunity has attracted over \$50 million in new stakeholder and private investment for community based projects.
 - b. OneCommunity/NEO RHIO currently provides HealthNet network services to over 62 acute care hospitals and clinics. Subscribers of these services contribute capital and monthly recurring service fees under a 5 years' operating agreement with options extend services on a yearly basis thereafter.
 - c. RHC HealthNet Subscribers will pay a 50% of the cost for a fully redundant 1 Gbps fiber connection. This is an 85% reduction in operating costs for similar services and provides sufficient earned income to cover on-going operational expenses associated with the rural deployment of HealthNet.
3. **OneCommunity/NEO RHIO will fund 15% matching dollars** necessary to complete the project and proposed budget specific to HealthNet and additional capacity build-out..
 - a. **HealthNet contributions, service fees of over \$1 Million**
 - b. **10 Year long term capital note of \$3.5 Million**
 - c. **Budgeted Earned Income/Expenses**

	5 Year Impact & Program Forecast Based on FCC RHCPP					5 Year Total Total
	Start-Up 2009	12 months 2010	12 months 2011	12 months 2012	12 months 2013	
Earned Income Enabled by FCC RHCPP and Additional Capacity Build-Out						
Funds from Financing						-
FCC RHCP Grant Re-Imbursement Revenue	6,107,139	5,179,842		-	-	11,286,982
Additional Capacity Fiber Build-Out	1,837,908	2,845,625				4,683,533
Access Services	100,530	1,607,055	3,292,402	4,825,805	6,207,263	16,033,055
Integration Non Recurring Charge	277,233	1,249,817	1,254,000	1,254,000	1,254,000	5,289,050
Total Earned Income	8,322,811	10,882,339	4,546,402	6,079,805	7,461,263	37,292,619
Expenses						
Staffing Additions	-	6,563	185,764	402,822	661,497	1,256,646
FCC Contract Services	1,616,470	5,647,478	-	-	-	7,263,948
FCC Capital	4,781,527	-	-	-	-	4,781,527
Additional Capacity Fiber Build-Out	1,216,958	1,849,656				3,066,614
Access Services	56,740	998,324	2,109,527	3,196,420	4,259,001	10,620,012
Capital - Integration Non Recurring Charge	144,250	662,508	664,600	664,600	664,600	2,800,558
Total Expense	7,815,945	9,157,966	2,774,127	3,861,020	4,923,601	28,532,660
Earnings Before Interest and Taxes	506,865	1,724,373	1,772,275	2,218,785	2,537,662	8,759,960
\$3,500,000 term interest and Pay		212,325	509,580	509,580	509,580	1,741,065
Interest on Capital Line	(4,662)	(36,793)	-	-	-	(41,454)
Net Earned Income over Expenses	511,527	1,548,841	1,262,695	1,709,205	2,028,082	7,060,349

4. Earned Income/Overcapacity requests for rural access outside of the qualified HealthNet subscribers will require additional capital investments from OneCommunity and from the requesting subscribers for the development, implementation and operations to support the expansion and development of any additional capacity.

- a. OneCommunity will invest additional funding to support fiber build-out as required to connect non-HealthNet subscribers.
- b. Earned Income; In addition to HealthNet subscribers other public interest groups from schools, libraries, non-profits, local, county and state government are requesting access to the fiber network and are proposing to contribute dollars for additional capital deployment and operational expenses which will provide additional earned income to cover our regional operating and maintenance of the fiber/wireless network.
 - i. Capital contribution in proportion to the subscribers use of the fiber network
 - ii. Earned Income at a non-discounted FCC RHCPP rate
- c. Local, county and state government organizations have engaged OneCommunity/NEO RHIO to investigate and lead efforts for additional ARRA funding to address the region's top social priorities facing our public interest in rural, unserved and underserved communities. OneCommunity/NEO RHIO will be seeking additional funding sources to cover the needs of our rural and unserved communities.

5. **OneCommunity has over 5 years of operational sustainability** and has created an operational business model that will ensure sustainability throughout the useful life (e.g., 20 years) of the regional fiber plant and has operated EBITA positive every year since it was created in 2003.
 - a. Existing operational fiber network supporting over 62 hospitals and clinics and over 350 fiber subscribers.
 - i. Minimum term of the contract is 60 months. Subscribers sign up for a 5 year operational support agreement with options to extend service on an annual basis thereafter.
 - ii. Fiber Construction/Capital investments for long-term services such as IRUs are entered in a minimum of 10 years with options for 5 year extensions thereafter.
 - b. Expanded FCC RHCPP fiber plant serving rural health care acute hospitals and clinics as an extension of the existing regional/urban fiber infrastructure requires a marginal annual operational investment of \$200K annually fully funded under the existing operational agreements for the rural hospital build-out.

6. The following are the sustainability plans for each proposed scenario:
 - a. **First Scenario:**

In the event that the FCC replaces the current RHC program with a program that mirrors the Pilot Project, the HealthNet partners will be able to maintain the network as designed and potentially accelerate further network development through a further reduction in operating expenses. HealthNet subscribers would directly benefit from additional investment and see a further reduction in expenses; easily enabling them to cover the 15% cost match for access to the HealthNet network. The network partners would continue to fund their portions of the costs out of operations.
 - b. **Second Scenario:**

In this scenario all universal service funding for rural health care organizations is phased out. The current RHC program has contributed to the deployment of a regional fiber plant with a long term life (e.g., greater than 20 years) to the benefit of its HealthNet partners. The network offers significantly greater capacity to HealthNet subscribers for substantially lower fees than they have in the past. HealthNet subscribers will have no trouble sustaining the current level of operating costs without the RHC subsidies. These costs have been manageable and are funded out of current operating budgets. Since the current RHC program does not fund excess capacity partner organizations will continue to fund any additional capital costs necessary for expanded connectivity through their respective capital plans.

The following table provides details of estimated costs for each of the two scenarios described in the Sustainability Plan above. Rural Health Care reimbursements are estimated based on the current Program, where possible.

In year 3 and beyond, NEO RHIO anticipates two possible scenarios related to sustainability. In the **first scenario**, the Pilot Project replaces the current Universal Service, Rural Health Care (RHC) program and funding continues at up to 85%. In the **second scenario**, the FCC phases out and eventually eliminates all funding.

Facility	City	State	Partner	Connectivity		Annual Cost		Notes
				Circuit (Mbps)	Gross MRC	Scenario 1	Scenario 2	
Samaritan Regional Health System	Ashland	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	Scenario 1 Assumes RHC USF Funding of 85% Scenario 2 Assumes RHC USF Does Not provide any future funding
Ashtabula County Medical Center	Ashtabula	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
Glenbeigh of Rock Creek	Ashtabula	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
Jefferson Health Center	Jefferson	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
Conneaut Medical Center	Conneaut	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
Geneva Medical Center	Geneva	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
Firelands Regional Medical Center	Sandusky	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
Fisher Titus Medical Center	Norwalk	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
H.B. Magruder Memorial Hospital	Clinton	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
Bellevue	Bellevue	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
Memorial	Fremont	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
Twin City	Dennison	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
Union Hospital	Dover	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
Wooster Community	Wooster	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
Coshocton County Memorial Hospital	Coshocton	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	
East Liverpool City Hospital	East Liverpool	Ohio	NEO RHIC	1,000	1,236	2,225	14,832	

Excess Bandwidth and Excess Capacity Scenarios

Scenario 1: Participant Owns 100% of Dedicated Network; No-Excess Bandwidth or Excess Capacity for Use by Other Network Members or Non-Network Members

The participant contracts with vendor to construct dedicated network capacity for current eligible HCP members¹, with the participant getting ownership of the fiber or an IRU. The participant owns 100% of the fiber, or an IRU. The participant pays not less than 15% of the eligible costs for the IRU, and universal service funds pay for not more than 85% of such eligible costs.

An IRU is for the specified bandwidth/number of fibers only, and excess capacity is not likely to be an issue. Any capacity paid for by universal service funds belong to the participant.

In the case of an IRU, the participant does not control how much additional capacity the vendor builds on its own, because the price paid by the participant for the IRU is set by competitive bidding.⁽²⁾ However, in reviewing bids, a participant should receive sufficient information to determine whether it is paying construction costs. See Scenario 7. If the price is based on construction costs and the participant is paying more than a fair share of construction costs, an IRU would not be appropriate, and the participant should obtain ownership (possibly joint ownership) of what is being constructed.

The participant must certify selection of the most cost-effective bid and USAC will verify that cost was a primary factor in selection.

10.0 Detail on How the Supported Network Has Advanced Telemedicine Benefits

The goal of HealthNet is to extend the current network and install additional gigabyte optical fiber connections to hospitals in the rural areas of Northeastern Ohio. In order to provide the levels of broadband that are required for Health Information Exchange (HIE) and telemedicine applications, the kinds of services that are routinely available in rural areas are not sufficient. Typically, rural areas may have access to T1 circuits (1.5 Mbps), but generally these services are extremely expensive and there are typically no services faster than T1 available at an affordable and sustainable price.

In order to satisfactorily transmit and receive medical imaging, and to improve the quality of medical care that can be provided, speeds in a different order of magnitude are required. HealthNet will provide 100 Mbps of bandwidth, upstream and downstream, to all locations connected via wireless, and will provide 1 gigabit of bandwidth, upstream and downstream, to all locations connected via fiber. In our proposed network design, over 80% of the locations included in our proposal will have the benefit of at least 1 gigabit.

Transport capability provides for advanced services that augment the distribution and aggregation of medical records. Services such as voice over IP and full duplex video provide a positive impact to the sustainability model and reduces operational costs for healthcare customers.

Shared services across a common high-speed network infrastructure can eliminate redundant operational costs. In addition, shared services builds on standardization which reduces cost through increased efficiency.

11.0 Compliance with HHS Health IT Initiatives

The OneCommunity Healthcare network has been designed with consideration to three major objectives:

1. Low cost, high bandwidth offerings
2. Extendibility and reach to rural areas
3. Advanced services for pilot and follow-on customers

All three objectives are compliant with the HHS Health IT initiatives to grow broadband technology to the un-served and under-served health areas.

Additional information will be available within this section as we move forward into infrastructure build and connecting each of the 16 healthcare entities into the broadband network. None of the 16 healthcare locations are connected at this time as OneCommunity is engaged, during this reporting period, in evaluating RFP responses.

12.0 Network Coordination with the Department of Health and Human Services (HHS)

Additional information will be available within this section as we move forward into infrastructure build and connecting each of the 16 healthcare entities into the broadband network. None of the 16 healthcare locations are connected at this time as OneCommunity is engaged, during this reporting period, in vendor kickoff meetings and detailed project plan acceptance by vendors.

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Appendix A – HealthNet Update

HealthNet Update

June 2009



Vendor Kick-off Meeting Scheduled for Rural Health Care Pilot Project

We're very pleased with the selection of vendors who will be implementing our Rural Health Care Pilot Project. Here's a look at what's been happening with the project:

- In addition to OneCommunity, who will be conducting the construction management portion of this project, we have selected six (6) vendors that will participate in fiber fulfillment, equipment provisioning and fiber placement.
- We are completing our next round of FCC documentation that includes an RFP analysis, detailed network diagrams, allocated costing models and project plans
- Vendor invites have been sent for our August, 2009 kickoff. Our near term schedule is as follows:

RFP Event	Date
Vendor kickoff meeting	August 11, 2009
Onsite customer update	August 12, 2009
Detailed project plan completion	August 28, 2009
Initiate construction	September 7, 2009

The proposal review process was extensive that focused not only on price but the capability, by a vendor, to integrate into existing OneCommunity fiber networks and a vendor's capability to deliver services in an expedient manner. In reviewing vendor responses, our focus remained on delivering the most expeditious fiber network to our clients without compromising on quality. We believe that our vendor selections will accomplish this goal.

These 16 hospitals have signed Letters of Agency and will be connected in Phase I:

- Ashtabula County Medical Center
- Bellevue Hospital
- Conneaut Medical Center
- Coshocton County Memorial Hospital
- East Liverpool City Hospital
- Fisher Titus Medical Center
- Firelands Regional Medical Center
- Fremont Memorial Hospital
- Geneva Medical Center
- Glenbeigh
- Jefferson Healthcare Center
- H.B. Magruder Memorial Hospital
- Samaritan Regional Health System
- Twin City Hospital
- Union Hospital
- Wooster Community Hospital

For hospitals that are interested in connecting but have not signed an LOA, send an email to sales@onecommunity.org.

More broadband opportunities could be coming to communities

With more than \$4.7 billion in grants available to expand broadband services to unserved and underserved areas through the [Broadband Technology Opportunities Program](#) (BTOP), OneCommunity is working with partners across Ohio and the nation to structure successful projects and strategies, including a master proposal aimed at Northern Ohio. The **Big Broadband for Northern Ohio** project will add 1,300 miles of broadband fiber to the OneCommunity network, and feature both direct fiber connectivity and high-bandwidth, fixed WiMAX wireless services covering 19,302 square miles across 30 counties.

OneCommunity has constructed a Broadband Stimulus Office that handles the development and construction of broadband proposals, representing strategic partnerships with organizations that can benefit from our “open access” network by delivering network services.

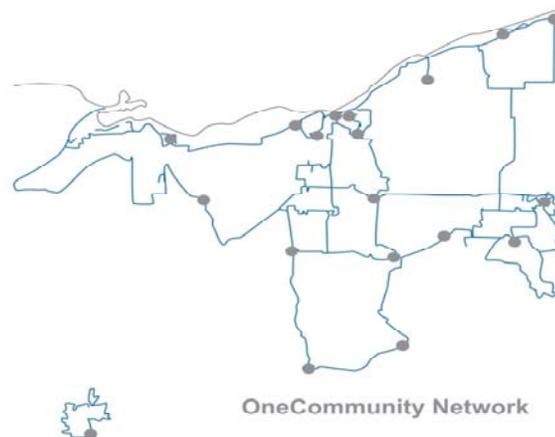
Our strategic direction for building a network that can be utilized by other service providers fits well with the BTOP goals and objectives for extending broadband access to areas that are un-served or under-served.

Watch for more details about this project in the coming weeks at www.onecommunity.org.

For more information about HealthNet or the RHCPP, send an email to healthnet@onecommunity.org.

HealthNet is a collaborative platform for the expansion of secure broadband fiber and wireless services to Northeast Ohio's health communities for the purpose of promoting health information exchange (HIE) and telemedicine services between our rural, underserved and urban communities. The Northeast Ohio Regional Health Information Organization (NEO RHIO), OneCommunity and other key medical and technology partners have developed interconnection, disaster recovery, shared infrastructure and applications support programs.

OneCommunity currently connects more than 50 hospitals and clinics via broadband fiber, and as part of the FCC's Rural Health Care Pilot Program (RHCPP), HealthNet will expand connectivity to dozens more rural hospitals and health care facilities.



Connecting Health Care Providers

Ashland • Ashtabula • Carroll • Columbiana • Coshocton • Cuyahoga • Erie • Geauga • Holmes • Huron • Lake • Lorain • Mahoning • Medina • Portage • Sandusky • Seneca • Stark • Summit • Trumbull • Tuscarawas • Wayne

Appendix B – Vendor Selection

Contribution Score	(1) Price - All Zones	(2) Understanding the Project and Approach	(3) Ability to Integrate with Current OneCommunity Healthnet Network	(4) Technical and Service Specifications	(5) Experience, Financial Viability and References	(6) Representation and Warranties	(7) Documentation	Total Score	Notes
Possible Points	60	60	60	60	30	15	15		
Weighting	20%	20%	20%	20%	10%	5%	5%		
Fujitsu	10	11.6	12	12	2.8	0.6	0.75	49.8	
Corning	10	11.6	11.6	11.6	2.8	0.75	0.75	49.1	
OFS Fitel	10	11.6	11.6	11.6	2.8	0.75	0.75	49.1	Lower price, local vendor (compared to Corning)
Texcel	10	11.6	12	11	2.5	0.7	0.75	48.6	
Draka	10	11	11	11	2.5	0.5	0.75	46.8	Fiber optics and jumpers only - evaluated on proposed material
GNJ	11.6	11	11	10	2.7	0.6	0.75	47.7	
MultiLink	11	10	11	10.4	2.8	0.7	0.7	46.6	
Conneaut Telephone	8	11.6	11.6	11	2.5	0.75	0.75	46.2	Bid one region only.
Atkinson Surveying	10	11	10	11	2.5	0.4	0.5	45.4	Included in GNJ response at a lower cost
AD Technologies (ARNCO)	10	10	11	10	2.5	0.75	0.75	45.0	
Mastec	10	11	11	11	2	0.6	0.75	44.8	
NETECH	10	10	10	11	2	0.25	0.6	43.9	
CTS Construction	10	10	11	9	2.5	0.5	0.5	43.5	
Galloway Group	10	11	10	9	2	0.5	0.25	42.8	
Time Warner	6	11	11.6	10	2	0.6	0.75	42.0	
Southshore	8	11	10	9	2.5	0.5	0.5	41.5	
Adva (Champion)	10	11	6	9	2.5	0.5	0.75	39.8	
AT&T	8	10	7	10	2.8	0.5	0.75	39.1	
Atlantic Engineering	4	11	11	10	2	0.5	0.25	38.8	
Commtech	10	10	6	8	2.8	0.5	0.75	38.1	

Contribution Score	(1) Price - All Zones	(2) Understanding the Project and Approach	(3) Ability to Integrate with Current OneCommunity Healthnet Network	(4) Technical and Service Specifications	(5) Experience, Financial Viability and References	(6) Representation and Warranties	(7) Documentation	Total Score	Notes
Qwest	8	11	6	9	2.5	0.5	0.75	37.8	
PTS	8	8	9	9	1.5	0.25	0.25	36.0	
Turnkey	4	10	10	9	2	0.5	0.5	36.0	
Taylor Communications	0.4	11	11	9	2.5	0.5	0.5	34.9	
Centerpoint	6	8	9	9	2	0.5	0.25	34.8	
Davey Resource Group	2	10	10	9	2.5	0.25	0.5	34.3	
Ciena	6	10	6	8	2.5	0.25	0.75	33.5	
CCI	8	8	6	8	2	0.5	0.5	33.0	
First Energy	0.2	10	9	9	2.5	1.25	0.5	32.5	
Norlight	6	4	4	4	1.5	0.25	0.25	20.0	
Cincy Bell	1	0	0	0	0	0	0	1.0	

Appendix C – Data Acquisition Template

FCC Healthcare Fiber Network Existing WAN Infrastructure Data Gathering				
Location Specifics				
Name of institution:	<input style="width: 95%;" type="text"/>			
Contact:	<input style="width: 70%;" type="text"/>	<input style="width: 30%;" type="text"/>		
Address:	<input style="width: 95%;" type="text"/>			
Phone:	<input style="width: 50%;" type="text"/>			
Cell phone:	<input style="width: 50%;" type="text"/>			
Date of Site Visit:	<input style="width: 100%;" type="text"/>			
Institutional representative who provided information:	<input style="width: 95%;" type="text"/>			
Network Information				
1) Is current WAN documentation available?	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
If yes, can OneCommunity view the documentation?	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
2) Is a list of networked locations available for viewing?				
Directly connected to current network	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
Indirectly connected to current network	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
3) What is the primary type of traffic on your network?	<input type="checkbox"/>	Voice		
	<input type="checkbox"/>	Video		
	<input type="checkbox"/>	Data	----->	<input type="checkbox"/> Large files
4) Do you use hosted services?	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
If YES, are the services hosted across the Internet?	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
5) Is virtual private networking (VPN) utilized by end users?	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
6) Do you use Voice over IP (VoIP)?	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
If NO, are you interested in migrating to VoIP services?	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
7) Are any of your network services outsourced?	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
If YES, please describe.	<input style="width: 100%; height: 100%;" type="text"/>			
8) Are you interested in outsourcing or managed services?	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
9) What is your annual spending for Internet connectivity?	<input style="width: 95%;" type="text"/> dollars/year			

**FCC Healthcare Fiber Network
Existing WAN Infrastructure Data Gathering**

10) What is your annual spending for private data circuits?	<input style="width: 100%;" type="text"/> dollars/year								
11) What is your annual spending for voice circuits?	<input style="width: 100%;" type="text"/> dollars/year								
12) Do you know contract start and end dates for network services?	<input style="width: 50px;" type="text"/> YES <input style="width: 50px;" type="text"/> NO								
13) What is your greatest network challenge?	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;"><input style="width: 100%;" type="text"/> Budget</td> <td style="width: 50%; border: none;"><input style="width: 100%;" type="text"/> Bandwidth</td> </tr> <tr> <td style="border: none;"><input style="width: 100%;" type="text"/> IT staff</td> <td style="border: none;"><input style="width: 100%;" type="text"/> Application backlog</td> </tr> <tr> <td style="border: none;"><input style="width: 100%;" type="text"/> Lack of local service</td> <td style="border: none;"><input style="width: 100%;" type="text"/> Desktop tools</td> </tr> <tr> <td style="border: none;"><input style="width: 100%;" type="text"/> Don't know</td> <td style="border: none;"><input style="width: 100%;" type="text"/> Other</td> </tr> </table>	<input style="width: 100%;" type="text"/> Budget	<input style="width: 100%;" type="text"/> Bandwidth	<input style="width: 100%;" type="text"/> IT staff	<input style="width: 100%;" type="text"/> Application backlog	<input style="width: 100%;" type="text"/> Lack of local service	<input style="width: 100%;" type="text"/> Desktop tools	<input style="width: 100%;" type="text"/> Don't know	<input style="width: 100%;" type="text"/> Other
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<input style="width: 100%;" type="text"/> Lack of local service	<input style="width: 100%;" type="text"/> Desktop tools								
<input style="width: 100%;" type="text"/> Don't know	<input style="width: 100%;" type="text"/> Other								
14) Are the challenges in #13 preventing you from meeting business objectives?	<input style="width: 50px;" type="text"/> YES <input style="width: 50px;" type="text"/> NO								
15) Does your network business recovery plan include circuit redundancy?	<input style="width: 50px;" type="text"/> YES <input style="width: 50px;" type="text"/> NO								
16) How important is network redundancy to your tactical plan?	<input style="width: 50px;" type="text"/> Very important <input style="width: 50px;" type="text"/> Somewhat important <input style="width: 50px;" type="text"/> Not important								
17) Have there been any challenges with capacity, bandwidth with current services or service options?	<div style="border: 1px solid black; height: 80px; width: 100%;"></div>								

**FCC Healthcare Fiber Network
Existing WAN Infrastructure Data Gathering**

Location Specifics

Name of institution:

Contact:

Address:

Phone:

Cell phone:

Date of Site Visit:

Institutional representative who provided information:

1) Is a budget available to connect these network circuits?

2) Will you show support through signing a letter of intent?

3) Explain your funding capability including payment timelines