OREGON HEALTH NETWORK

hcare Sites Including Rural, Mental Health & FQHC's

Current: Revenue Model

Level	Minimum Revenue (000)	Maximum Revenue	Rate
1	$0	$19,999	0.0492
2	$20,000	$39,999	0.0369
3	$40,000	$99,999	0.0246
4	$100,000	over	0.0148
Revenue Fee for Oregon Hospitals Range: $600 - $20,000			

Current Model Assumptions:

1. Larger revenue producing hospitals can afford higher rates
2. Rate for lower revenue hospitals will encourage participation
3. Revenue generated has no actual cost considerations

Proposed: Revenue + Value Fees Model

Level	Minimum Revenue (000)	Maximum Revenue	Rate	Mininum Fee	Maximum Fee		*Leaf Node Fee: Sliding % of Value Received from FCC 85% Subsidy of Recurring Cost	**Connection Fee: Sliding % of Value Received from FCC 85% Subsidy of Recurring Cost
1	$0	$99,999	0.005	$0	$500	+	2-10%	2-5%
2	$100,000	$149,999	0.0055	$550	$825	+	2-10%	2-5%
3	$150,000	$499,999	0.006	$900	$3,000	+	2-10%	2-5%
4	$500,000	$999,999	0.0065	$ 3,250	$6,500	+	2-10%	2-5%
5	$1,000,000	$2,000,000	0.0075	$ 7,500	$15,000	+	2-10%	2-5%
6	$2,000,000	and over	Maximum:		$15,000	+	2-10%	2-5%

Proposed Model Assumptions:

1. Building in additional cost layers reduces disparity.
2. Adding cost-based Leaf Node fees reflects cost-based approach.
3. Adding Connection based fees reflects cost-based approach.
4. Tying Leaf Node and Connection fees to value realized by sites is reasonable and correlates with bandwidth usage.
5. A site may have more than 1 connection or interconnection
6. A site may NOT have a Leaf Node if they have interconnected to a site WITH a Leaf Node.
7. OHN is charged a fee from EasyStreet for each Leaf Node.
8. Value provided to a site from FCC & OHN needs to be factored in to expense to create reflection of gain.
9. RHC, FQHC, MHC, TC, will all have a different sliding scale than hospitals.
10. Leaf Node and Connection fee percentages can be altered to address 1-off issues for sites; as well as the development/use of a "foundation" fund to assist sites who can't cover costs.

GENERAL % RANGES
* Hospitals Sliding Scale: 3-10%
* RHC/MHC/FQHC Sliding Scale: 2-5%

SPECIAL USE CASE % RANGES
** Hospitals Sliding Scale: 3-5%
** RHC/MHC/FQHC Sliding Scale: 2-5%