

October 4, 2018

By Electronic Filing – Notice of *Ex Parte* Communication

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: *Promoting Telehealth In Rural America* – WC Docket No. 17-310

Dear Ms. Dortch:

On Tuesday, October 2 and Wednesday, October 3, 2018, Leonard Steinberg of Alaska Communications, Richard Cameron and I met with Nirali Patel, Travis Litman, Jamie Susskind, Arielle Roth and Kagen Despain, urging the Commission to act on the Notice of Proposed Rulemaking (“NPRM”) pending in the above-captioned proceeding.¹

As stated in its comments and reply comments filed in the response to the NPRM,² Alaska Communications supports a further increase in the budget for the rural health care (“RHC”) program so that sufficient funding is available to meet the current and anticipated communications demands of advanced tele-health applications. The record supports a RHC program budget of between \$800 million and \$1 billion.

Further, Alaska Communications requests that the Commission adopt changes to its RHC rules that will better serve the program in the current environment. These changes include:

- Modifying the definition of the “rural rate” to align it with market pricing, using the “lowest corresponding price” rule as a backstop, just as that rule effectively ensures the reasonableness of rates supported by the E-rate program for schools and libraries.³

¹ *Promoting Telehealth in Rural America*, WC Docket No. 17-310, Notice of Proposed Rulemaking and Order, FCC 17-164 (rel. Dec. 18, 2017).

² Comments of Alaska Communications in WC Docket No. 17-310 (filed Feb. 2, 2018) at 12-14; Reply Comments of Alaska Communications in WC Docket No. 17-310 (filed March 5, 2018) at 13-17.

³ See *Modernizing the E-Rate Program for Schools and Libraries, Report and Order*, WC Docket No. 13-184, 29 FCC Rcd 8870, ¶¶184-185 (2014).

- Providing guidance that, under the rule for determining the “urban rate,”⁴ USAC may accept rates for services *within a reasonable range* (even if not precisely the same bandwidth) as rates for “functionally similar services” under the rule.⁵
- Clarifying that service providers may offer RHC customers Internet access capability over the same transmission service they use for tele-health purposes. In other words, when a rural healthcare provider purchases a broadband connection such as MPLS or managed Ethernet service that is eligible for support under the Telecommunications Program, it may also obtain Internet access over the same connection without rendering the service ineligible – it need not purchase a separate Dedicated Internet Access connection, which is both an inefficient use of available bandwidth in rural areas, and more costly to the customer (and potentially to the RHC program).
- Improving accountability and transparency in USAC’s processing of RHC applications, such as by requiring a predictable timeframe for action and improved access to information.

Alaska Communications strongly believes that the benefits of the RHC program far outweigh the costs. In rural Alaska, tele-health services save lives, decrease treatment times, eliminate lengthy travel, and reduce costs across a wide range of medical needs. RHC-supported broadband connections have become essential for access to electronic health records, clinical consultations, remote imaging, and an ever-increasing array of tele-health uses.

But the program is badly in need of updating. Service providers and healthcare providers alike are struggling to comply with the outmoded rules and unacceptable delays in funding. Demand will almost certainly outstrip the current budget within a few years. Greater transparency and predictability are needed today if this program is to continue to serve the purpose for which it was established: ensuring the availability of communications services *which are necessary* for the provision of healthcare services in rural America.

⁴ For purposes of determining amounts that may be reimbursed under the RHC Telecommunications Program for an eligible service, the “urban rate” for that service may be *no higher than* the highest tariffed or publicly available rate charged to a commercial customer for a “functionally similar service” – thus, the urban rate provides a back-stop in the calculation of the urban-rural difference. *See* 47 C.F.R. §§54.605(a), (b).

⁵ For example, where a carrier offers MPLS service at 18 Mbps to a RHC Telecommunications Program customer, and has demonstrated publicly-available urban rates for MPLS at 15 and 20 Mbps, USAC should be able to find one of those rates to be acceptable as a rate for a “functionally similar” service for purposes of determining the urban rate for the service to be supported under the Telecommunications Program.

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Please direct any questions concerning this matter to me.

Respectfully submitted,



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