

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

Received & Inspected

AUG -4 2017

FCC Mailroom

In the Matter of )  
 )  
Hannibal Regional Healthcare System )  
 ) WC Docket No. 02-60  
 )  
Request for Review of Decisions of the )  
Universal Service Administrative Company )  
  
To: Wireline Competition Bureau

DOCKET FILE COPY ORIGINAL

REQUEST FOR REVIEW AND RULE WAIVER

Pursuant to §§ 54.719(c) and 54.720(a) of the Commission's Rules ("Rules"), Hannibal Regional Healthcare System ("Hannibal") hereby requests that the Commission review and reverse the decision of the Universal Service Administrative Company ("USAC") below, waive § 54.605 of the Rules, and grant funding to Hannibal as specified herein. In support thereof, the following is respectfully submitted:

FACTS

Hannibal Regional Healthcare System, located in Hannibal, Mo. is a not-for-profit hospital serving numerous counties in eastern Missouri. In 2012, Hannibal Regional Healthcare System engaged a consulting firm, USF Healthcare Consulting, Inc. ("UHC"), to assist it in obtaining Universal Service support through the Telecommunications Program ("Telecom Program") for rural health care providers ("HCPs"). Hannibal authorized UHC to prepare the FCC Forms 465 ("Form 465") and the FCC Forms 466 ("Form 466") necessary to obtain Telecom Program funding and to submit them electronically to USAC's Rural Health Care Division ("RHCD").

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List ABCDE

UHC is helping Hannibal obtain funding for switched Ethernet their rural clinics.

As the Commission is aware, participants in the Telecom Program have found it difficult to determine urban rates as required by § 54.605 of the Rules.<sup>1</sup> As set forth in the Declaration of Geoff W. Boggs, UHC's Chief Executive Officer, UHC found it difficult to obtain tariffed or publicly available rates for high-speed Ethernet packet-based services that are offered in urban areas (cities with populations of 50,000 or more).<sup>2</sup> Consequently, UHC followed the practice of obtaining urban rates from urban service providers.<sup>3</sup> To document the urban rate, UHC asked the provider to supply a letter on its letterhead that states the rate that is charged in an urban area in the state.<sup>4</sup>

In the case of Hannibal, UHC relied on a letters from Scott Madison, the managing member of Network Services Solutions ("NSS"). Mr. Madison represented that "[t]he urban rate for a 50M Ethernet connection in Birmingham, AL. is \$138.00 per channel termination and 1 Gig is \$100. This rate is based upon a 36-month contract."<sup>5</sup> UHC prepared and submitted a 466 Form for Hannibal that gave \$138.00 as the urban rate for 50 Mbps Ethernet service and \$100 for the 100 Meg.<sup>6</sup>

On March 29, 2017, the RHCD requested that Hannibal explain how it derived the \$138 and \$100 urban rates to provide urban rate documentation.<sup>7</sup> In response, UHC provided the RHCD

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<sup>1</sup> See, e.g., Comments of Alaska Communications, GN Docket No. 16-46, at 12-13 (May 24, 2017) ("Alaska Communications Comments").

<sup>2</sup> See Exhibit 1 at 2 (¶ 7).

<sup>3</sup> See *id.* (¶ 8).

<sup>4</sup> See *id.*

<sup>5</sup> *Id.* (¶ 9).

<sup>6</sup> See *id.* at 6 (¶ 6), 2 (Table 2).

<sup>7</sup> See *id.* at 3 (¶¶ 11, 12).

with documents showing that BellSouth Telecommunications, LLC offered to provide 100 Mbps switched Ethernet service throughout Missouri at monthly charge of \$195.00 under a three-year contract.<sup>8</sup> Thereafter, UHC repeatedly asked if the RHCD needed additional information or if it could speak with the RHCD staffer who was reviewing the \$195.00 urban rate.<sup>9</sup> UHC expected that it would be contacted if the RHCD had any questions with regard to the urban rate, and that it would be afforded the opportunity to address any such questions before the RHCD would render its funding decisions.<sup>10</sup> However, UHC was given no such opportunity.<sup>11</sup>

On June 2, 2017, the RHCD notified Hannibal that USAC was “unable to provide support” to Hannibal, specifically because it had not “demonstrated that the urban rate provided for the requested service is ‘no higher than the highest tariffed or publicly-available rate charged to a commercial customer for a *functionally similar* service’ in any city with a population of 50,000 or more in that state.”<sup>12</sup> The RHCD did not explain why Hannibal’s submissions were insufficient or why it did not grant Hannibal’s requests for the opportunity to address the urban rate issue.

Hannibal Regional Healthcare System strives to provide excellent patient care throughout the community and the region we serve extends into rural communities. Unfortunately, the high-speed data connections required to deliver essential EMR applications to the providers of care can be quite costly and can leave a significant gap in the budget. Funding provided by the USF eases budget constraints and helps to promote a higher standard of patient care.

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<sup>8</sup> See *id.* (¶ 13).

<sup>9</sup> See *id.* at 4-5 (¶¶ 14, 15, 17-19).

<sup>10</sup> See *id.* at 5 (¶ 21).

<sup>11</sup> See *id.*

<sup>12</sup> *Id.* (¶ 22).

## WAIVER STANDARD

Hannibal seeks a waiver of § 54.603 of the Rules to permit it to receive the appropriate level of USF support for the Funding Year 2016. The Commission has the discretion to grant the requested waiver under § 1.3 of the Rules, which provides:

The provisions of this chapter may be suspended, revoked, amended, or waived for good cause shown, in whole or in part, at any time by the Commission, subject to the provisions of the Administrative Procedure Act [“APA”] and the provisions of this chapter. Any provision of the rules may be waived by the Commission on its own motion or on petition if good cause therefor is shown.<sup>13</sup>

Generally speaking, the Commission may exercise its discretion under the APA and § 1.3 of the Rules to suspend or waive a Rule for good cause “only if special circumstances warrant a deviation from the general and such deviation will serve the public interest.” *Northeast Cellular Telephone Co., L.P. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990). Of course, the Commission must grant waivers pursuant to an “appropriate general standard.” *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969). The Wireline Competition Bureau (“WTB”) recently set forth the general standard that is applied to requests for waivers of §§ 54.600 – 54.625 of the Rules, which govern the Telecom Program:

The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest. In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis. Waiver of the Commission's rules is appropriate only if both (i) special circumstances warrant a deviation from the general rule, and (ii) such deviation will serve the public interest.<sup>14</sup>

## ARGUMENT

In the words of one participant in the Telecom Program, the rules governing the program

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<sup>13</sup> 47 C.F.R. § 1.3.

<sup>14</sup> *Rural Health Care Universal Service Support Mechanism*, 2017 WL 735668, at \*2 (WTB Feb. 10, 2017). (footnotes omitted) (“*NSS Waiver Decision*”).

(“Telecom Rules”) “written two decades ago for a world of tariffed low-bandwidth, circuit-switched services are increasingly unworkable.”<sup>15</sup> In 2012, the Commission promised to address potential reforms to the Telecom Program “at a future date.”<sup>16</sup> In the meantime, it has allowed its woefully outdated Telecom Rules to remain in effect.<sup>17</sup> Section 54.605 of the Telecom Rules is one such rule.

Adopted in 1997, § 54.605 of the Telecom Rules has remained virtually unchanged.<sup>18</sup> The rule provides that the “urban rate” that an HCP should pay is “a rate no higher than the highest tariffed or publicly-available rate charged to a commercial customer for a functionally similar service in any city with a population of 50,000 or more in that state, calculated as if it were provided between two points within the city.” Although “[d]etermining the urban rate” is the heading of § 54.605, the rule does address exactly how an HCP should go about determining the “highest tariffed or publicly-available rate charged” for a similar service in an urban area.

The Commission assumed in 1997 that such the urban rate would be “tariffed or publicly available” and thus readily accessible. That assumption may have been well founded in 1997, but not so today. Now, HCPs use high-bandwidth services, like video and teleconferencing, which are provided by lightly-regulated competitive carriers over high-speed Ethernet packet-based networks. Those services are provided at competitive, market-driven rates, which often are neither tariffed nor publicly-available.<sup>19</sup> USAC was undoubtedly aware that HCPs were experiencing

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<sup>15</sup> Alaska Communications Comments at 12.

<sup>16</sup> *Rural Health Care Support Mechanism*, 27 FCC Rcd 16678, 16751 n.433 (2012)

<sup>17</sup> *See id.* at 16815 (¶ 344).

<sup>18</sup> *Compare Federal-State Joint Board on Universal Service*, 12 FCC Rcd 8776, 9348-49 (1997) with 47 C.F.R. § 54.605 (2017).

<sup>19</sup> *See* Exhibit 1 at 2 (¶ 7).

difficulty in ascertaining the urban rates for broadband Ethernet-based services.

The difficulties UHC experienced in obtaining urban rates for Ethernet services led it to obtain the urban rates for such services from urban service providers.<sup>20</sup> UHC's practice would be to obtain a letter on a service provider's letterhead that would state the rate that is charged in an urban area in the state for an Ethernet service similar to that required by the HCP. UHC would provide USAC with a copy of the service provider's letter to document the urban rate. The provision of such a letter is an approved means of documenting an urban rate.<sup>21</sup>

In this case, UHC obtained a letter on NSS's letterhead that represented that the urban rate for 50 Mbps was \$138.00 and Gig Ethernet service in St. Louis, Mo. was \$100 per channel termination. The Commission subsequently found that NSS's determinations of urban rates apparently were not calculated in the manner required by § 54.605 of the Telecom Rules.<sup>22</sup> Accordingly, when the RHCD questioned the validity of the urban rate that NSS supplied to Hannibal, UHC obtained documentation from another urban service provider to show that \$195.00 was the urban rate for Ethernet service up to 100 Meg in Missouri.<sup>23</sup> UHC obtained such documentation and submitted it to the RHCD in timely fashion.<sup>24</sup>

During the 65-day period between March 29, 2017, when Hannibal responded to the RHCD's inquiry, and June 2, 2017, when the RHCD rendered its funding decision, the RHCD did not: (1) advise UHC that its submission did not demonstrate its urban rate was no higher than the

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<sup>20</sup> See *id.* at 2 (¶ 8).

<sup>21</sup> See Form 466 Instructions, at 8 (July 2014) (urban rate documentation "may include tariff pages, contracts, a letter on company letterhead from the urban service provider, rate pricing information printed from the urban service provider's website, or similar documentation").

<sup>22</sup> See *Network Services Solutions, LLC*, 31 FCC Rcd 12238, 12275 (¶ 107) (2016).

<sup>23</sup> See Exhibit 1 at 3-4 (¶ 13).

<sup>24</sup> See *id.*

highest rate charged in St. Louis, Mo. for 100 Mbps Ethernet service; (2) respond to UHC's repeated requests for feedback; or (3) give UHC an opportunity to correct Hannibal's response by specifying that the urban rate for the Ethernet service should be \$585.75 for the 50 Meg and \$648.44 for the 100 Meg. The RHCD simply and inexplicably denied funding to Hannibal.

Under the special circumstances of this case, the strict enforcement of § 54.605 would be inequitable, inconsistent with the policies embodied in § 254(h)(1)(A) of the Act, and ultimately inconsistent with the public interest. With respect to the equities, the Commission should note the following facts.

- It is difficult for HCPs to determine the urban rates for Ethernet services in accordance with the outdated requirements of § 54.605.
- Hannibal complied with the Commission's requirement that it submit "missing or relevant support documentation" within 14 days of the RHCD's request for information.<sup>25</sup>
- UHC relied on NSS's urban rates in good faith, and that reliance led it to incorrectly identify AT&T's Ethernet basic port charge of \$195.00 as the urban rate in its initial response to the RHCD's inquiry.<sup>26</sup>
- UHC reasonably expected that the RHCD would give it the opportunity to correct any errors in its initial submission.<sup>27</sup>
- The RHCD ignored UHC's repeated requests to be informed of any problem with its proposed urban rate, and to be given the opportunity to address any such problem.
- UHC could have corrected its error in timely fashion had the RHCD clearly informed UHC

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<sup>25</sup> *Rural Health Care Support Mechanism*, 30 FCC Rcd 230, 231 (¶ 3) (WCB 2015).

<sup>26</sup> See Exhibit 1 at 3-4 (¶ 13), Attachment 1.

<sup>27</sup> See *id.* at 5 (¶ 21).

that the urban rate had to include one of AT&T's "committed information rates" ("CIRs") as well as its basic port charge.<sup>28</sup>

- Once Hannibal learned that the urban rate should include AT&T's port charge and a CIR, UHC proposed the correct urban rate of \$585.75 and \$648.44 per terminating end.<sup>29</sup>

Hannibal respectfully submits that RHCD abused its discretion when it refused to allow UHC to correct its mistaken reliance on NSS. The RHCD's refusal to grant equitable relief to Hannibal makes it inequitable for the Commission to strictly enforce § 54.605 in this case. The Commission should grant Hannibal a limited waiver of § 54.605 to permit it to receive funding for the Fiscal Year 2016. Such action would be consistent with the relief that the Commission has afforded other HCPs whose reliance on NSS led USAC to deny their funding requests. *See NSS Waiver Decision*, 2017 WL 735668, at \*2-3 (¶¶ 6-8).

Grant of the requested waiver would comport with the policy that Congress codified when it authorized the Commission to establish the Telecom Program. Congress instructed the Commission to base policies for the preservation and advancement of universal service in part on the principle that HCPs "should have access to advance telecommunications services as described in [§ 254(h) of the Act]."<sup>30</sup> Section 254(h)(1)(A) of the Act provides:

A telecommunications carrier shall, upon receiving a bona fide request, provide telecommunications services which are necessary for the provision of health care services in a State, including instruction relating to such services, to any public or nonprofit [HCP] that serves persons who reside in rural areas in that State at rates that are reasonably comparable to rates charged for similar services in urban areas in that State. A telecommunications carrier providing service under this paragraph shall be entitled to have an amount equal to the difference, if any, between the rates for services provided to [HCPs] for rural areas in a State and the rates for similar services provided to other customers in comparable rural areas in that State treated

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<sup>28</sup> *See id.* at 5-6 (¶¶ 23, 24), Attachment 3.

<sup>29</sup> *See id.* at 5-6 (¶ 23), Attachment 3.

<sup>30</sup> 47 U.S.C. § 254(b)(6).



as a service obligation as a part of its obligation to participate in the mechanisms to preserve and advance universal service.<sup>31</sup>

Congress codified the policy that HCPs be afforded access to advanced telecommunications services, such as Ethernet-based broadband services, at rates that are reasonably comparable to urban rates for similar services. That Congressional policy must outweigh the interests of “efficiency and effectiveness” that are served by the 14-day deadline for submitting urban rate documentation to the RHCD.<sup>32</sup> And that policy would clearly be served if the Commission permits Hannibal to submit a Form 466 that will allow it to receive Ethernet services at rates that are in fact reasonably comparable to the rates charged by AT&T for similar Ethernet services in cities in Alabama. The Commission should reverse the RHCD and grant the rule waiver that is necessary to allow Hannibal to submit such a Form 466 to the RHCD *nunc pro tunc* as of March 29, 2017.

#### REQUEST FOR RELIEF

Attached hereto as Exhibit 2 is three Form 466’s for Hannibal that lists a rural rate and urban rates listed in the table below.

HCP	Service	Bandwidth	Rural Rate	Urban Rate
17837-Hannibal Regional	Ethernet	50 Mbps	\$937.50	\$585.75
17837-Hannibal Regional	Ethernet	100 Mbps	\$1,025	\$648.44
17837-Hannibal Regional	Ethernet	50 Mbps	\$937.50	\$585.75

Hannibal respectfully requests that the Commission; (1) waive § 54.605 of the Telecom Rules to the limited extent of allowing Hannibal to submit the 466 Forms that are attached as Exhibit 2 to USAC; and (2) direct USAC to process the Form 466 as if it had been submitted on March 29,

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<sup>31</sup> 47 U.S.C. § 254(h)(1)(A).

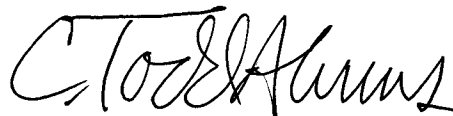
<sup>32</sup> *Rural Health Care Support Mechanism*, 30 FCC Rcd at 231 (¶ 3).

2017 in response to the RHCD's request for information.

Respectfully submitted,

Hannibal Regional Healthcare System

By:

A handwritten signature in black ink, appearing to read "C. Todd Ahrens", written over a horizontal line.

**C. Todd Ahrens**  
**President and Chief Executive Officer**  
**6500 Hospital Drive**  
**Hannibal, MO 63401**

**July 31, 2017**

## **EXHIBIT 1**

## DECLARATION

I, Geoff W. Boggs, do hereby declare as follows:

1. I am the Chief Executive Officer of USF Healthcare Consulting, Inc. ("UHC").
2. USF Healthcare Consulting, Inc. is a Kentucky based corporation that assists nonprofit Healthcare Facility with their Universal Service Fund ("USF") applications.
3. Hannibal Regional Hospital (Hannibal) is a not-for-profit hospital that is located in Hannibal, Missouri. They serve numerous communities in eastern Missouri.
4. UHC was retained to assist Hannibal in obtaining USF support through the Telecommunications Program ("Telecom Program") for rural health care providers ("HCPs"). Hannibal authorized UHC to prepare the FCC Forms 465 ("Form 465s") and the FCC Forms 466 ("Form 466s") necessary to obtain Telecom Program funding and to submit them electronically to the Rural Health Care Division ("RHCD") of the Universal Service Administrative Company ("USAC").
5. I am preparing this declaration to support the appeal and request for waiver that Hannibal plans to file with respect to the RHCD's decisions not to approve the Funding Request Numbers ("FRN's") identified in Table 1 below:

TABLE 1

Fund Year	HCP Number	HCP Name	FRN
2016	17837	Hannibal Regional	1688425
2016	17837	Hannibal Regional	1688423
2016	17837	Hannibal Regional	1688426

6. UHC prepared and submitted the Form 465s and Form 466s associated with the FRN identified above. I was listed as the contact person at Line 16 of the Form 465s and I electronically signed and certified the Form 466s. The Form 466 that was submitted electronically to USAC on September 6, 2016 included the information set forth in Table 2.

TABLE 2

HCP	FRN	Service	Bandwidth	Rural Rate	Urban Rate
17837-Hannibal Regional	1688425	Ethernet	50 Mbps	\$1,071.49	\$157.75
17837-Hannibal Regional	1688423	Ethernet	100 Mbps	\$1,171.50	\$114.29
17837-Hannibal Regional	1688426	Ethernet	50 Mbps	\$1,071.49	\$157.72

\* Both the rural and urban rate included taxes

7. UHC found it difficult to obtain tariffed or publicly available rates for high-speed Ethernet packet-based services that are offered in urban areas (cities with populations of 50,000 or more). Typically, such services are provided by lightly-regulated competitive carriers that neither publish tariffs nor make their urban rates available to the public.

8. Because of the difficulty of obtaining publicly-available urban rates for Ethernet services, UHC followed the practice of obtaining urban rates from urban service providers. To document the urban rate, UHC asked the provider to supply a letter on its letterhead that states the rate that is charged in an urban area in the state for an Ethernet service similar to that required by the HCP.

9. To provide the urban rate documentation required by Line 41 of the Form 466, Hannibal submitted a letter from Scott Madison, the managing member of Network Services Solutions ("NSS"). Mr. Madison represented that "[t]he urban rate for a 100 Meg Ethernet

connection in St. Louis, Mo is \$138.00 per channel termination. The urban rate for the 50 Meg was dated February 11, 2015 for 1 Gig for \$100. These rate is based upon a 36-month contract.” I understood that NSS provided service to HCPs in the Telecom Program, and I was led to believe that I could rely on the urban rates that NSS supplied.

10. As far as I am aware, there is no Commission rule that informs an HCP of how it must submit a Form 466 electronically to USAC, or how the HCP must document the urban rate that is provided in a Form 466. Moreover, I do not know of a Commission rule that affords an HCP no more than 14 calendar days to respond to a USAC request for omitted or adequate documentation of the urban rate. I was led to believe that an HCP was free to supplement its initial response to a USAC request for urban rate documentation.

11. On March 27, 2017, the RHCD sent emails to Hannibal and UHC, it referred to an attachment that posed questions with regard to the HCP’s the above-identified FRN’s. The email stated, “Please submit your responses to these inquiries by no later than fourteen (14) calendar days from the date of this letter. Failure to provide the requested information within this time frame will result in denial of the funding requests.” In contrast, the attachment concluded:

Please submit your responses to the above requests by no later than **fourteen (14) calendar days** from the date of this letter. Failure to respond to USAC’s information requests in a timely manner and/or provide the requested documentation demonstrating compliance with the Commission’s rules may result in denial of the funding request, a commitment adjustment, rejection of an invoice, and/or recovery of improperly disbursed funds. The responses you provide may also result in a follow-up information requests by USAC as necessary.

12. Hannibal was requested to provide: (a) an explanation of “how the urban rates of \$138.00 and \$100 were derived;” (b) “documentation to support the urban rate provided, including, but not limited to, documentation that supports that the urban rate for the requested service is ‘no higher than the highest tariffed or publicly-available rate charged to a commercial customer for a

functionally similar service' in any city with a population of 50,000 or more in that state;" and (c) an "explanation how the HCP's request for 50 Mbps and 100 Meg Ethernet service is 'functionally similar' to the services(s) used for purposes of this comparison."

13. Attachment 1 to this declaration is a copy of the email that I sent to the RHCD on March 29, 2017, which was in response the RCHD's information request. I effectively informed the RHCD that Hannibal was amending its Form 466s by specifying that the urban rate was \$195. I provided the RHCD with a two-page rate card that showed AT&T's rates for its switched Ethernet Services effective May 1, 2016 and an excerpt from the "AT&T Ethernet Service Guide," which described the service. Those documents showed that BellSouth Telecommunications, LLC offered to provide switched Ethernet service throughout Missouri at monthly charge of \$195.00 under a three-year contract.

14. In my March 29, 2017 email, I asked the RHCD to confirm that it received my email. I also requested that the RHCD "let me know if we are missing anything."

15. Concerned that USAC had not approved the Forms 466s that UHC had filed that relied on the \$195.00 urban rate, I sent an email to Erica Stauter at USAC on April 14, 2017 in which I stated:

I wanted to ask about the Ethernet applications we filed and then resubmitted urban rates. We have not received any approvals on these and I wanted to make sure that you did not need anything else from us. Jeremy [Matkovich] told us our urban rates were fine, so I am just checking.

Some of our HCP [clients] are clamoring about their credits and I want to give them an answer.

16. On April 14, 2017, Blythe Albert responded to my email to Ms. Stauter. She sent me an email informing me as follows:

There seems to be some miscommunication about the forms below. These forms are being reviewed using the documentation provided. Until the reviews of all of these forms has been completed no commitments will be issued. During the review

process, additional questions may be asked to verify the information provided. The attached email is the correspondence between you and Jeremy. He did not explicitly say that the urban rates were fine. The first sentence says, "If the monthly recurring cost for services(s) that the HCP is requesting only for the transport and does not include any service charges(s)....." We will reach out with more questions if necessary. Thanks.

17. I immediately sent Ms. Albert an email in which I asked her: "If they are not accepted, will you tell us before denying? We want to make sure we are providing the right urban rates." Ms. Albert did not answer my question.

18. Beginning on May 11, 2017, I began providing Ms. Albert with copies AT&T pricing schedules showing that AT&T offered 100 Mbps switched Ethernet service to HCPs at rates comparable to the \$195 urban rate specified in the Form 466s that the Hannibal HCP submitted. I sent her rate schedules showing that AT&T had agreed to provide 100 Mbps switched Ethernet services to an HCP in Hondo, Texas at a monthly rate of \$214.50, and to an HCP in Independence, Kansas at a monthly rate of \$235.95. These rates were good throughout all AT&T territories including Missouri. I offered to discuss the rate schedules with Ms. Albert, and I asked her if I could speak with the person who was reviewing the 195.00 urban rate.

19. Attachment 2 is a copy of the email that I sent USAC on behalf of Hannibal on June 1, 2017. In my email, I stated:

I understand the \$195 urban rate is still under review. Since these FRNs have not been approved ... I am submitting a new urban rate, similar to the \$195, to be used if the \$195 is not accepted. I have attached the urban rate. This is to be used for the following [HCPs] and [FRNs].

HCP 17837 FRN 1688425, 1688423 and 1688426

Please call me if you have any questions

20. Attached to my email was a copy of a document showing that an AT&T customer had accepted the rates, terms and conditions of an AT&T switched Ethernet service pricing schedule. I circled the terms of the pricing schedule indicating that the urban rate for the Ethernet



circuits should be \$214.50.

21. I fully expected that the RHCD would contact me if it had any questions with regard to the \$195 or the \$214.50 urban rate, and UHC would be afforded the opportunity to address any such questions before the RHCD would render its funding decisions. UHC was given no such opportunity. I asked Blythe Albert multiple times to talk to the reviewer and never received any communication from a reviewer.

22. On June 2, 2017, I was notified that USAC was “unable to provide support” to Hannibal, specifically because it had not “demonstrated that the urban rate provided for the requested is ‘no higher than the highest tariffed or publicly-available rate charged to a commercial customer for a *functionally similar* service’ in any city with a population of 50,000 or more in that state.”

23. I subsequently learned that the urban rate should have included AT&T’s “Basic Port” charge and its “Committed Information Rate” or “CIR.” Accordingly, I went back to the AT&T pricing schedule that I sent Ms. Albert on May 15, 2017, and I circled the \$214.50 port charge and the appropriate CIR. I then wrote the information set forth in Table 3 on page 4 of the pricing schedule.

TABLE 3

BANDWIDTH	PORT CHARGE	CIR	TOTAL
5 Mbps	\$214.50	\$158.85	\$373.35
10 Mbps	\$214.50	\$255.00	\$464.50
20 Mbps	\$214.50	\$321.30	\$535.80
50 Mbps	\$214.50	\$371.25	\$585.75
100 Mbps	\$214.50	\$433.94	\$648.44

24. Attachment 3 consists of the emails that I sent the RHCD and Ms. Albert on June 12, 2017, and the AT&T pricing schedule that was an attachment to the first of my two emails. I requested feedback on whether the AT&T pricing schedule could be used to document urban rates

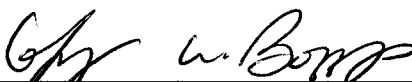
that would be comprised of its basic port rate and a CIR. Thus, I proposed to use Ethernet urban rates set forth in Table 3 for Funding Year 2017. I inquired whether UHC would be given the opportunity to fix any problems that USAC would have with regard to the proposed urban rates. I also asked for a prompt response to my question so that UHC could complete applications for funding prior to the upcoming deadline.

25. Ms. Albert called me on June 13, 2017 and left the following message:

Hey Geoff, it's Blythe calling from USAC. My direct line is 202-772-5248. About that urban rate document, we've kind of can't talk about them outside of the review but it looks like it has a pretty decent information and a reviewer will definitely reach out to you. I would suggest just submitting your application using that urban rate document if that makes sense and they, the reviewer, will reach out to you and we'll see what comes of that, ok. Anyway, you can call me back but that's pretty much, you know, the best answer I can give you, we don't typically review documents outside of the review. But it, for all intents and purposes, looks like it has decent information to me, I'm not sure what the reviewer will come up with but they will definitely, no question, reach out to you. Ok? Thanks. Bye.

26. We believe if RHCD had reached out in a call to communicate their questions they would have approved this application.

27. I declare under penalty of perjury that the foregoing is true and correct. Executed on July 30, 2017.

  
Geoff W. Boggs

# **ATTACHMENT 1**

**Geoff Boggs**

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**From:** Geoff Boggs  
**Sent:** Wednesday, March 29, 2017 10:32 AM  
**To:** 'RHC-Assist'  
**Subject:** RE: Request for Information for HCP#(s) 11509 for FY 2016  
**Attachments:** AT&T Ethernet @ \$195.00.pdf

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

I have attached the AT&T tariff which is for up to a 100 Meg for \$195. That will cover this 50 Meg.

Please confirm receipt and let me know if we are missing anything.

Thanks

Geoff Boggs  
USF Healthcare Consulting, Inc.  
P. O. Box 326  
Prospect, KY 40059  
502-228-1907  
888-875-8810 Fax  
gboggs@uasave.com

**From:** RHC-Assist [mailto:rhc-assist@usac.org]  
**Sent:** Monday, March 27, 2017 2:05 PM  
**To:** mike.howell@scotlandhealth.org  
**Cc:** gboggs@uasave.com  
**Subject:** Request for Information for HCP#(s) 11509 for FY 2016

Mike Howell,

Please see attached document for additional information regarding HCP number(s) 11509 for FY 2016.

Please submit your responses to these inquiries by no later than fourteen (14) calendar days from the date of this letter. Failure to provide the requested information within this time frame will result in denial of the funding requests.

The information contained in this electronic communication and any attachments and links to websites are intended for the exclusive use of the addressee(s) and may contain confidential or privileged information. If you are not the intended recipient, or the person responsible for delivering this communication to the intended recipient, be advised you have received this communication in error and that any use, dissemination, forwarding, printing or copying is strictly prohibited. Please notify the sender immediately and destroy all copies of this communication and any attachments.

## **ATTACHMENT 2**

**Geoff Boggs**

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**From:** Geoff Boggs  
**Sent:** Thursday, June 01, 2017 11:31 AM  
**To:** 'RHC-Assist'; 'Nikoletta Theodoropoulos'; 'Blythe Albert'  
**Subject:** RE: HCP 11509 2016 Applications  
**Attachments:** AT&T Ethernet contract \$214.00 Multi state.pdf

I understand the \$195 urban rate is still under review. Since these FRN's have not been approved and I am submitting a new urban rate, similar to the \$195, to be used if the \$195 is not accepted. I have attached the urban here. This is to be used for the following HCP's and FRN's.

HCP 11509 FRN 1690172

Please call me if you have any questions.

Geoff Boggs  
USF Healthcare Consulting, Inc.  
P. O. Box 326  
Prospect, KY 40059  
502-228-1907  
888-875-8810 Fax  
[gboggs@uasave.com](mailto:gboggs@uasave.com)

## **ATTACHMENT 3**

## Geoff Boggs

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**From:** Geoff Boggs  
**Sent:** Monday, June 12, 2017 4:54 PM  
**To:** 'RHC-Assist'; 'Blythe Albert'; 'Nikoletta Theodoropoulos'  
**Subject:** RE: 2017 Telecommunication Program Applications Urban Rate  
**Attachments:** AT&T Ethernet contract \$214.00 COS Multi state.pdf

Were you able to review this contract to be used as an urban rate for Ethernet circuits? I would appreciate some feedback.

Thanks,

Geoff Boggs  
USF Healthcare Consulting, Inc.  
P. O. Box 326  
Prospect, KY 40059  
502-228-1907  
888-875-8810 Fax  
[gboggs@uasave.com](mailto:gboggs@uasave.com)

**From:** Geoff Boggs [<mailto:gboggs@uasave.com>]  
**Sent:** Monday, June 12, 2017 7:57 AM  
**To:** 'RHC-Assist' <[rhc-assist@usac.org](mailto:rhc-assist@usac.org)>; 'Blythe Albert' <[Blythe.Albert@usac.org](mailto:Blythe.Albert@usac.org)>; 'Nikoletta Theodoropoulos' <[Nikoletta.Theodoropoulos@usac.org](mailto:Nikoletta.Theodoropoulos@usac.org)>  
**Subject:** 2017 Telecommunication Program Applications Urban Rate

Can you give me some feedback?

We are using this urban rate for some Ethernet circuits for the states covered on this contract. The speeds are from 2 Meg to 1 GIG.

If the services are non-Internet Ethernet circuits will this work as an urban rate?

If you have any questions on urban rates will you notify us and give an opportunity to fix it for 2017 applications?

Please respond as soon as possible so that we can complete the applications in question before the deadline.

Geoff Boggs  
USF Healthcare Consulting, Inc.  
P. O. Box 326  
Prospect, KY 40059  
502-228-1907  
888-875-8810 Fax  
[gboggs@uasave.com](mailto:gboggs@uasave.com)



WK# - Interstate-InterLATA - TBD	For AT&T Administrative Use Only Pricing Schedule No. _____ Original Effective Date: _____
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**AT&T Switched Ethernet Service<sup>SM</sup> (with Network On Demand) Pricing Schedule Provided Pursuant to Custom Terms**

**1. SERVICE, SERVICE PROVIDER(S) and SERVICE PUBLICATION(S)**

**1.1 AT&T Switched Ethernet Service<sup>SM</sup>**

*Service Areas*

Service	Service Publication (Incorporated by reference)	Service Publication location
AT&T Switched Ethernet Service <sup>SM</sup>	AT&T Switched Ethernet Service Guide	<a href="http://cpr.att.com/pdf/commonEthServGuide.html">http://cpr.att.com/pdf/commonEthServGuide.html</a>

Service Providers			
AT&T Alabama	AT&T Indiana	AT&T Missouri	AT&T Tennessee
AT&T Arkansas	AT&T Kansas	AT&T Nevada	AT&T Texas
AT&T California	AT&T Kentucky	AT&T North Carolina	AT&T Wisconsin
AT&T Florida	AT&T Louisiana	AT&T Ohio	BellSouth Telecommunications, LLC d/b/a AT&T Southeast
AT&T Georgia	AT&T Michigan	AT&T Oklahoma	
AT&T Illinois	AT&T Mississippi	AT&T South Carolina	

**1.2 Inside Wiring**

Service	AT&T Inside Wiring
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Service Provider	Service Publication	Service Publication Location
Same as the AT&T Service Provider for the AT&T Switched Ethernet Service	AT&T Inside Wiring Service Attachment	<a href="http://cpr.att.com/pdf/service_publications/ASE_SDN_Inside_Wiring_Attachment.pdf">http://cpr.att.com/pdf/service_publications/ASE_SDN_Inside_Wiring_Attachment.pdf</a>

**2. PRICING SCHEDULE TERM, EFFECTIVE DATES**

*Term*

Pricing Schedule Term	36 months
Pricing following the end of Pricing Schedule Term	Non-stabilized prices as modified from time to time in applicable Service Publication or, if there is no such pricing, the pricing in this Pricing Schedule

**3. MINIMUM PAYMENT PERIOD**

Service Components	Percentage of Monthly Recurring Charge Applied for Calculation of Early Termination Charges*	Minimum Payment Period per Service Component
All Service Components	50% plus any unpaid or waived non-recurring charges	Until end of Pricing Schedule Term
*Early termination charges shall not exceed the total amount of monthly recurring charges for the remainder of the Minimum Payment Period; refer to <u>Network on Demand Guide</u> for details.		

**4. ADDS**

AT&T Switched Ethernet Service Customer Port Connections may be purchased during the Pricing Schedule Term at the rates, terms and conditions herein.

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# \* ETHERNET URBAN RATES

Contract Id: 4670831

WK# - Interstate-InterLATA - TBD	For AT&T Administrative Use Only Pricing Schedule No. _____ Original Effective Date: _____
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AT&T Switched Ethernet Service<sup>SM</sup> (with Network On Demand) Pricing Schedule Provided Pursuant to Custom Terms  
5. RATES and CHARGES

## 5.1 AT&T SWITCHED ETHERNET SERVICE

### 5.1.1 Monthly Recurring Charges (MRC)

All Monthly Recurring Charge (MRC) rates are per port. The total MRC for a port is the sum of the Port Connection MRC, the Bandwidth MRC, and any associated Feature MRC(s).

#### Port Connection MRC

\* Cost of Circuit

Customer Port Connection Speed	MRC
100 Mbps	\$214.5
1 Gbps	\$214.5

#### Bandwidth MRC

If Customer changes the CIR and/or CoS configuration during the billing cycle, the Bandwidth MRC will be prorated based on the time interval for each configuration.

Bandwidth MRC (100 Mbps and 1 Gbps Basic Port Connections)					
Committed Information Rate (CIR)	Class of Service (CoS)				
	Non Critical High	Business Critical Medium	Business Critical High	Interactive	Real Time
2 Mbps	\$91.09	\$94.23	\$113.08	\$133.49	\$144.49
4 Mbps	\$107.34	\$110.50	\$129.44	\$146.80	\$157.85
5 Mbps	\$136.61	\$142.97	\$158.85	\$174.74	\$187.44
8 Mbps	\$180.68	\$187.50	\$202.84	\$216.47	\$231.81
10 Mbps	\$210.80	\$221.00	\$255.00	\$289.00	\$309.40
20 Mbps	\$276.32	\$289.17	\$321.30	\$353.43	\$379.13
50 Mbps	\$323.40	\$338.25	\$371.25	\$404.25	\$435.60
100 Mbps	\$380.53	\$400.56	\$433.94	\$467.32	\$500.70
150 Mbps	\$530.94	\$557.29	\$582.82	\$607.95	\$652.53
250 Mbps	\$604.95	\$635.20	\$716.86	\$796.52	\$855.00
400 Mbps	\$665.91	\$699.50	\$778.54	\$857.58	\$920.82
500 Mbps	\$707.17	\$742.33	\$820.47	\$898.81	\$965.03
600 Mbps	\$809.63	\$849.73	\$939.47	\$1002.49	\$1073.14
1000 Mbps	\$918.26	\$965.11	\$1040.07	\$1115.03	\$1195.61

5M 214.50 10M 214.50 20M 214.50 50M 214.50 100M 214.50  
 158.85 255.00 321.30 371.25 433.94  
 Feature MRC \$ 313.35 \$ 464.50 \$ 535.50 \$ 589.75 \$ 648.44

Feature	MRC
Enhanced Multicast	\$70

### 5.1.2 Non Recurring Charges (NRC)

Standard Non Recurring Charges for installation of new Customer Port Connections, per the applicable Service Publication, will be waived.

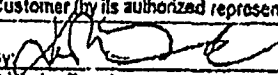


Contract ID: 4870831

AT&T MA Reference No. 138180UA  
AT&T Contract ID No. SDN50MJUPR

**AT&T SWITCHED ETHERNET SERVICE™ (with NETWORK ON DEMAND)**  
Pricing Schedule Provided Pursuant to Custom Terms

By signing this Pricing Schedule, Customer accepts all rates, terms and conditions herein, as presented to Customer by AT&T.

Customer (by its authorized representative)	
By:	
Printed or Typed Name:	KEVIN FROSCH
Title:	CFO
Date:	8/25/2016

For AT&T internal use only:

Contract Ordering and Billing Number (CNUM).

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AT&T and Customer Confidential Information  
Page 2 of 6

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