

ATTACHMENT H:  
GCI APPEAL LETTER AND USAC DENIAL  
FOR FRN 1694661 (ST. GEORGE)

*Administrator's Decision on Rural Health Care Program Appeal*

Via Electronic Mail

September 16, 2019

Mr. Timothy J. Simeone  
Harris, Wiltshire & Grannis LLP  
1919 M Street NW, Eighth Floor  
Washington, DC 20036

Re: General Communications, Inc. – Appeal of USAC's Decision for  
Funding Request Number 1694661

Dear Mr. Simeone:

The Universal Service Administrative Company (USAC) has completed its evaluation of the July 27, 2018 letter of appeal (Appeal) submitted on behalf of General Communications Inc. (GCI) for St. George Traditional Clinic, health care provider number 11608.<sup>1</sup> On May 31, 2018, USAC issued a Notification of Commitment Adjustment Letter (COMAD Letter), seeking recovery of funds disbursed to St. George Traditional Clinic in the federal Rural Health Care Telecommunications Program (Telecom Program) for funding year 2016 (FY 2016).<sup>2</sup> The Appeal requests that USAC adjust the service dates for FY 2016 funding request number (FRN) 1694661 or, in the alternative, waive the FCC Form 467 (Connection Certification) instructions and permit St. George Traditional Clinic to input a date of disconnection on the FCC Form 467 that is later than the funding end date for FRN 1694661.<sup>3</sup>

USAC has reviewed the Appeal and the facts related to this matter and has determined that Federal Communications Commission (FCC) rules and requirements support the recovery of funds disbursed under FRN 1694661. Specifically, as discussed in detail below, USAC is not authorized to grant the requested relief to allow St. George Traditional Clinic to receive support in excess of the approved commitment amount for FRN 1694661. Therefore, USAC denies the Appeal.

Background

The Telecom Program provides eligible HCPs with universal service support for the difference

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<sup>1</sup> See Letter from Timothy J. Simeone, Counsel for General Communications Inc., Harris, Wiltshire & Grannis LLP, on behalf General Communications Inc., to Rural Health Care Division, USAC (July 27, 2018) (Appeal).

<sup>2</sup> See Notification of Commitment Adjustment Letter from Rural Health Care Division, USAC, to St. George Traditional Clinic (May 31, 2018) (Administrator's COMAD).

<sup>3</sup> See Appeal.

between urban and rural rates for eligible telecommunications services, subject to limitations set forth in the Commission's rules.<sup>4</sup> FCC rules require HCPs applying for discounts for services under the Telecom Program to submit a request for discounts by filing an FCC Form 466 (Funding Request and Certification Form).<sup>5</sup> The HCP uses the FCC Form 466 to provide information about the services selected and to certify that those services are the most cost-effective options of the offers received.<sup>6</sup> After reviewing the funding request, USAC issues a Funding Commitment Letter (FCL) or denial.<sup>7</sup> The FCL identifies, among other things, the funding start and end dates, and the total amount of support that the HCP is eligible to receive.<sup>8</sup> Support provided under the FCL is capped at the amount provided in the letter, and applicants are unable to receive additional support.<sup>9</sup> To the extent that support has been improperly committed or disbursed, USAC must recover such funds through its normal processes.<sup>10</sup> USAC is not authorized to make policy or waive the FCC's rules and requirements for the Telecom Program.<sup>11</sup>

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<sup>4</sup> See 47 C.F.R. §§ 54.602(a), 54.604(b).

<sup>5</sup> See Health Care Providers Universal Service, Funding Request and Certification Form, OMB 3060-0804 (July 2014) (FCC Form 466).

<sup>6</sup> See Step 4 Submit Funding Requests, available at <https://www.usac.org/rhc/telecommunications/health-care-providers/step04/default.aspx> (last visited Aug. 12, 2019).

<sup>7</sup> See *Rural Health Care Support Mechanism*, WC Docket No. 02-60, Report and Order, 27 FCC Rcd 16678, 16803, para. 302 (2012) (*Healthcare Connect Fund Order*).

<sup>8</sup> See *id.*

<sup>9</sup> See *id.* at 16807, para. 315. Although applicants may request a site or service substitution under certain circumstances, support for a qualifying site and service substitution is only guaranteed if the substitution will not cause the total amount of support under the FCL to increase. See *id.*

<sup>10</sup> See *Comprehensive Review of the Universal Service Fund Management, Administration, & Oversight, Federal-State Joint Board on Universal Service Schools & Libraries Universal Service Support Mechanism, Rural Health Care Support Mechanism, Lifeline & Link-Up Changes to the Board of Directors for the National Exchange Carrier Association, Inc.*, WC Docket Nos. 05-195, 02-60, and 03-109, CC Docket Nos. 96-45, 02-6, and 97-21, Report and Order, 22 FCC Rcd. 16372, 16386, para. 30 (2007) (“[F]unds disbursed from the high-cost, low-income, and rural health care support mechanisms in violation of a Commission rule that implements the statute or a substantive program goal should be recovered.”). *C.f.* *Changes to the Board of Directors of the National Exchange Carrier Association, Inc. Federal-State Joint Board on Universal Service*, CC Docket Nos. 96-45 and 97-21, Order, 15 FCC Rcd. 7197, 7200, para. 8 (1999) (*Commitment Adjustment Order*) (finding that Congress requires the Commission to recover monies erroneously disbursed under the E-rate program); *Changes to Board of Directors of the National Exchange Carrier Association, Inc.*, CC Docket No. 97-21, Order, 15 FCC Rcd. 22975, 22977, para. 3 (2000) (“As explained in the *Commitment Adjustment Order*, both the Debt Collection Improvement Act (DCIA) and the Commission's rules require collection of any disbursements it made in violation of the Act.”).

<sup>11</sup> See generally, 47 C.F.R. § 54.702(c) (“[USAC] may not make policy, interpret unclear provisions of the statute or rules, or interpret the intent of Congress.”); 47 C.F.R. § 1.3 (“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 Procedures Act and the provisions of this chapter.”); 47 C.F.R. § 54.719(c) (“Parties seeking waivers of the Commission's rules shall seek relief directly from the Commission.”).

St. George Traditional Clinic's Funding Request

On November 7, 2016, St. George Traditional Clinic submitted an FCC Form 466 seeking support for services provided by GCI in the Telecom Program, under FRN 1694661.<sup>12</sup> On April 11, 2017, USAC issued an FCL to St. George Traditional Clinic for FRN 1694661, approving a total support amount of \$44,618.21 for the funding period between July 29, 2016 and November 30, 2016.<sup>13</sup> However, on its FCC Form 467, St. George Traditional Clinic entered a date of disconnection of April 28, 2017, which was after the funding end date specified on the FCL for FRN 1694661.<sup>14</sup> As a result, St. George Traditional Clinic received a total disbursement of \$98,347.44, which was \$53,729.23 more than the total amount of support committed for FRN 1694661.<sup>15</sup> On May 31, 2018, USAC issued a COMAD letter seeking recovery of the unapproved Telecom Program funding disbursed to St. George Traditional Clinic for FRN 1694661.<sup>16</sup>

GCI's Appeal

On July 27, 2018, GCI appealed USAC's decision to seek recovery of the unapproved support disbursed under FRN 1694661.<sup>17</sup> In its Appeal, GCI argues the following: (1) USAC's finding that unapproved support was disbursed is incorrect because USAC issued two FCLs that, in combination, covered the service period at issue;<sup>18</sup> (2) the total disbursement for services provided to St. George Traditional Clinic by GCI was less than the total amount of support committed to St. George Traditional Clinic in the two FCLs;<sup>19</sup> (3) it is not always possible to estimate the installation date for new services, and USAC should not allow its administrative processes to become practical impediments to the goals of the Telecom Program;<sup>20</sup> and, (4) USAC can resolve the administrative problem presented in the Appeal by amending the FCL at issue and adjusting the underlying funding commitment, or by permitting St. George Traditional Clinic to enter a date of disconnection on its FCC Form 467 that is later than the funding end date specified in the FCL.<sup>21</sup> USAC addresses each of the arguments raised by GCI below.

*1 – USAC's finding that unapproved support was disbursed is incorrect because USAC issued two FCLs that, in combination, covered the service period at issue.*

First, GCI argues that USAC was incorrect in finding that the disbursements at issue were not

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<sup>12</sup> See FCC Form 466 for FRN 1694661 (Nov. 7, 2016).

<sup>13</sup> See Email from Rural Health Care Division, USAC, to St. George Traditional Clinic for FRN 1694661 (Apr. 11, 2017)(FCL for FRN 1694661).

<sup>14</sup> See FCC Form 467 for FRN 1694661 (Aug. 8, 2016).

<sup>15</sup> See Rural Health Care Remittance Statement for SPIN 143001199 (Sept. 6, 2017).

<sup>16</sup> See Administrator's COMAD.

<sup>17</sup> See Appeal.

<sup>18</sup> See *id.* at 1-2.

<sup>19</sup> See *id.* at 1, 3-4.

<sup>20</sup> See *id.* at 2, 4.

<sup>21</sup> See *id.* at 1, 4.

approved because St. George Traditional Clinic received two funding commitments that, in combination, covered the period in which it was receiving services from GCI.<sup>22</sup> We reject this argument. Although USAC approved a second funding request for services GCI provided after the service end date for FRN 1694661, this funding request was not for the same services.<sup>23</sup> Therefore, USAC's approval of St. George Traditional Clinic's second funding request did not constitute approval of additional funding for FRN 1694661.

*2 – The total disbursement for services provided to St. George Traditional Clinic by GCI was less than the total amount of support committed to St. George Traditional Clinic in the two FCLs.*

Second, GCI argues that USAC should reverse its decision to seek recovery of support disbursed for FRN 1694661 because the total support disbursed for this funding request and the second funding request referenced above was less than the total amount originally committed for these two funding requests.<sup>24</sup> However, as explained above, if USAC issues an FCL approving an HCP's funding request, support for the requested services is capped at the amount specified in the letter.<sup>25</sup> The fact that additional support amounts may be offset by a reduction in the amount of funding disbursed for a separate commitment is immaterial, as USAC is not authorized to waive FCC rules.<sup>26</sup> Therefore, we dismiss this argument.

*3 – It is not always possible to estimate the installation date for new services, and USAC should not allow its administrative processes to become practical impediments to the goals of the Telecom Program.*

GCI also argues that USAC's failure to permit HCPs to extend the funding period for individual commitments impedes the substantive goals of the Telecom Program because it is not always possible to estimate the installation dates for new services.<sup>27</sup> Specifically, GCI explains that applicants seeking to change services during a given funding year must submit separate funding requests for the old and new services.<sup>28</sup> Because the funding periods for the two funding requests cannot overlap, applicants experience gaps in support if installation of the new service is delayed and the funding end date for the old services is not extended.<sup>29</sup> However, because these issues are

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<sup>22</sup> See *id.* at 1-2. Specifically, GCI refers to the FCL for FRN 1694673, which approved support for upgraded services from GCI for the funding period between December 1, 2016 and June 30, 2017. See Email from Rural Health Care Program, USAC, to St. George Traditional Clinic for FRN 1694673 (Apr. 11, 2017)(FCL for FRN 1694673).

<sup>23</sup> Compare FCL for FRN 1694661 (approving support for 3 Mbps Satellite Service), and FCL for FRN 1694673 (approving support for 10 Mbps Satellite Service).

<sup>24</sup> See Appeal at 1, 3-4.

<sup>25</sup> See *supra* note 9.

<sup>26</sup> See *supra* notes 9, 11.

<sup>27</sup> See Appeal at 2, 4.

<sup>28</sup> See *id.* at 2.

<sup>29</sup> See *id.* at 4.

questions of policy, and USAC is not authorized to make policy,<sup>30</sup> we do not address these claims.

*4 – USAC can resolve the administrative problem presented in the Appeal by amending the FCL at issue and adjusting the underlying funding commitment, or by permitting St. George Traditional Clinic to enter a date of disconnection on its FCC Form 467 that is later than the funding end date.*

Finally, GCI argues that USAC can address the potential gap in funding for St. George Traditional Clinic by extending the service end date in the FCL for FRN 1694661 and adjusting the underlying commitment to cover services provided after the original funding end date.<sup>31</sup> Alternatively, GCI asserts, USAC can permit St. George Traditional Clinic to enter a date of disconnection on its FCC Form 467 that is later than the funding end date for FRN 1694661, thereby permitting it to receive funding for services provided after the service end date specified in the FCL.<sup>32</sup> We reject this argument. As previously explained, if USAC approves an HCP's funding request, support is capped at the amount provided in the FCL for that commitment.<sup>33</sup> Because USAC is not authorized to waive this requirement and approve additional support for FRN 1694661,<sup>34</sup> we are unable to grant the relief requested in the Appeal. To the extent that GCI seeks a waiver of Telecom Program rules and requirements, it must seek relief directly from the FCC.<sup>35</sup>

#### Administrator's Decision on Appeal

Based on a review of the facts, USAC finds that St. George Traditional Clinic received a disbursement of unapproved support in the amount of \$53,729.23 for FRN 1694661. As stated above, support provided for an approved funding request is capped at the amount specified in the applicable FCL,<sup>36</sup> and USAC is required to recover support improperly committed or disbursed.<sup>37</sup> Because USAC is not authorized to waive FCC rules and requirements for the Telecom Program, USAC denies the Appeal.

If you wish to appeal this decision or request a waiver, you can follow the instructions pursuant to 47 C.F.R. Part 54, Subpart I (47 C.F.R. §§ 54.719 to 725). Further instructions for filing appeals or requesting waivers are available at:

<http://www.usac.org/about/about/program-integrity/appeals.aspx>.

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<sup>30</sup> See *supra* note 11.

<sup>31</sup> See Appeal at 1, 4.

<sup>32</sup> See *id.*

<sup>33</sup> See *supra* note 9.

<sup>34</sup> See *supra* note 11.

<sup>35</sup> See *supra* note 11.

<sup>36</sup> See *supra* note 9.

<sup>37</sup> See *supra* note 10.

Mr. Timothy J. Simeone  
Harris, Wiltshire & Grannis LLP  
September 16, 2019  
Page 6 of 6

Sincerely,

/s/ Universal Service Administrative Company

cc: Frederic Bauer, St. George Traditional Clinic  
Ariel Burr, General Communications, Inc.

July \_\_, 2018

*VIA ELECTRONIC MAIL*

Rural Health Care Division  
Universal Service Administrative Company  
Attention: Letter of Appeal  
700 12<sup>th</sup> Street, NW, Suite 900  
Washington, DC

**Re: 5/31/18 Notification of Commitment Adjustment Letter: Funding Request  
Number 1694661, FCC Registration Number 0014767388**

To Rural Health Care Appeals:

General Communication, Inc. (“GCI”)<sup>1</sup> hereby appeals the Universal Service Administration Company Rural Health Care Division’s (“RHCD”) denial of funding for certain services provided by GCI in Alaska.<sup>2</sup> Specifically, as reflected in Attachment 1, RHCD denied funding for services provided to St. George Traditional Clinic—a Healthcare Provider (“HCP”) located in the remote Pribilof Islands—on the basis that the HCP committed a rule violation by submitting a Form 467 reflecting a Date of Disconnection later than the Funding End Date on the corresponding Funding Commitment Letter (“FCL”).<sup>3</sup> According to the Notification of Commitment Adjustment Letter, this “result[ed] in the disbursement of an additional 149 days of unapproved funding.”<sup>4</sup>

But RHCD’s conclusion that “unapproved funding” was disbursed is incorrect. Significantly, RHCD issued *two* FCLs covering GCI’s services to APIA for the relevant period.<sup>5</sup> Those two letters must be viewed together, and together they committed far *more* funding than APIA ultimately sought in its Form 467s. In other words, as further set forth below, the total amount disbursed was far less than the approved amount for the period at issue.

GCI accordingly requests that RHCD adjust the service dates of the relevant FCLs to reflect the services actually provided, or, in the alternative, that RHCD grant a waiver of its Form 467

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<sup>1</sup> GCI’s Service Provider Identification Number is 143001199.

<sup>2</sup> See Attachment 1 (“Notification of Commitment Adjustment Letter,” issued 5/31/2018).

<sup>3</sup> St. George Traditional Clinic (HCP 11608) is among the tribal health services provided by the Aleutian Pribilof Islands Association, Inc. (“APIA”), and is hereafter referred to as “APIA” in this letter.

<sup>4</sup> Notification of Commitment Adjustment Letter (final page, unnumbered).

<sup>5</sup> See Attachment 2 (FCL for FRN 1694661) and Attachment 3 (FCL for FRN 1694673).



instructions to permit a Date of Disconnection later than the Funding End Date for the FCL that was the subject of RHCD's Funding Commitment Adjustment.

### **Background**

Like other recent GCI appeals,<sup>6</sup> this Letter of Appeal reflects the practical reality that because of climate, weather, and other considerations specific to Alaska—including the often very isolated locations of HCPs in the state—it is not always possible to determine in advance precisely when new services will be installed. In such situations, HCPs will often seek to separate FCLs, one for the old service and one for the to-be-upgraded service. Unfortunately, the HCP can only estimate the upgrade date. That estimate may be incorrect. GCI often has little choice but to continue to provide services even after the Funding End Date of the initial FCL, pending the installation of new services that are the subject of a subsequent FCL. As RHCD is aware, however, once an FCL has issued, RHCD's rules do not contemplate a specific method for revising its service dates to accurately reflect the services provided. In this instance, APIA and GCI contacted RHCD to seek assistance with the change, and even RHCD recognized the limitations of the current system.<sup>7</sup>

As relevant here, GCI provided services to APIA at the St. George Traditional Clinic from July 29, 2016 until June 30, 2017. These services were the subject of two FRNs—1694661 and 1694673—which, as noted above, resulted in two FCLs. The first—with a Funding Start Date of July 29, 2016 and a Funding End Date of November 30, 2016—provided a Committed Funding Amount of \$44, 618.21.<sup>8</sup> The second—with a Funding Start Date of December 1, 2016 and a Funding End Date of June 30, 2017—provided a Committed Funding Amount of \$263,061.84.<sup>9</sup> The total Committed Funding Amount for the entire period from July 29, 2016 to June 30, 2017 was thus \$307,680.05.

As these figures demonstrate, the monthly funding commitment under the second FCL was considerably higher than under the first FCL—approximately \$35,000/mth versus approximately \$11,000/mth. That is because the services to be provided under the second FCL had much

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<sup>6</sup> See, e.g., letter from Jeffrey Mitchell, Lukas La Faria Gutierrez & Sachs LLP, to Rural Health Care Division (Nov. 20, 2017) (appealing a number of denials of requests to submit Form 467s with corrected service dates) (“11/20/17 GCI Appeal”) (Attachment 4).

<sup>7</sup> See, e.g., email from Ariel Burr to Bernie Manns, copy to Joe Furrer, Jennifer Bachman, Robert Taylor, Christina Hensley (November 15, 2016) (noting that logistics issues resulted in installation date changes) (Attachment 5); email from Bernie Manns to Joe Furrer, copy to Ariel Burr, Jennifer Bachman, Robert Taylor, Christina Hensley (November 28, 2016) (indicating that withdrawing Form 467s would “in essence cancel[] the commitment request” rather than resulting in a change to the funding dates on the FCL) (Attachment 6).

<sup>8</sup> See Attachment 2 (FCL for FRN 1694661).

<sup>9</sup> See Attachment 3 (FCL for FRN 1694673).

higher bandwidth (10 Mbps) than under the first FCL (3 Mbps), and were therefore more expensive.<sup>10</sup>

The transition from the less to the more costly service did not, however, take place as expected on December 1, 2016, but rather four months later on April 28, 2017.<sup>11</sup> GCI thus continued to provide the less expensive service until that later date. As a result, when APAI submitted its Form 467 in connection with the first of the two FCLs, it accurately reported the Date of Disconnection as April 28, 2017.<sup>12</sup> This resulted in a total disbursement under the first FCL—in connection with services from July 29, 2016 until April 28, 2017—of \$98,347.44.

APAI's second Form 467 covered the period from April 29, 2017 until the Date of Disconnection of June 30, 2017.<sup>13</sup> This resulted in a disbursement of \$77,666.00 for this second time period. The total disbursement for the entire time period covered by the two FCLs was thus \$176,013.44. This total disbursement was \$131,666.61 *less* than the total Committed Funding Amount for this period.

As noted above, RHCD issued a Notification of Commitment Adjustment Letter on June 31, 2018. That letter sought recovery of \$53,729.23 from St. George Traditional Clinic on the ground that the Date of Disconnection was later than the Funding End Date on the corresponding FCL.

### **Request for Relief**

GCI requests that RHCD adjust the service dates of the two FCLs at issue here to reflect the services actually provided and to correspond with the dates in the Form 467 certifications. If RHCD determines that it cannot make those adjustments, GCI requests that RHCD grant a waiver of its Form 467 instructions to permit a Date of Disconnection later than the Funding End Date for the FCL that was the subject of the challenged Funding Commitment Adjustment.

As RHCD is aware, applicants seeking uninterrupted service while also desiring to modify or upgrade their service during the course of a funding year face a practical problem—what date to provide for the end of the old service and the beginning of the new one. As GCI has noted in discussions with RHCD staff and in filings,<sup>14</sup> it simply is not always possible to determine with

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<sup>10</sup> See Attachment 2 (FCL for FRN 1694661) (3 Mbps service to be provided from July 29, 2016 to November 30, 2016); Attachment 3 (FCL for FRN 1694673) (10 Mbps service to be provided from December 1, 2016 to June 30, 2017).

<sup>11</sup> See 06/02/2016 Customer Acceptance Form (indicating installation date of 04/28/2017 for 10 Mbps MPLS at St. George Traditional Clinic) (Attachment 7).

<sup>12</sup> See Attachment 8 (HCP Support Schedule for FRN 1694661).

<sup>13</sup> See Attachment 9 (HCP Support Schedule for FRN 1694673).

<sup>14</sup> See, e.g., Attachment 4 (11/20/17 GCI Appeal at 1).

certainty when new services will be able to be installed in rural Alaska, given the unique challenges of providing services there.

Until recently—prior to FY 2016—applicants seeking uninterrupted services could address upgrade situations by obtaining two funding commitments and providing tentative start/end dates reflecting approximately when the upgraded services would be available. To take account of uncertainty, the funding commitments might overlap—the old service would be funding beyond the estimated start date, to provide flexibility in case installation of the new service was delayed. Beginning in FY 2016, however, RCD sought to eliminate such overlaps, requiring applicants to choose non-overlapping start and end dates.

The result, unfortunately, is the kind of situation presented here. Specifically, cases like this transform administrative, essentially clerical, problems into real-world financial hardships. That serves no purpose. From a big-picture perspective, the delay in installing new services here not only did not cost the Rural Health Care Program anything—it actually saved the program well over \$100,000 because the old services were less costly than the new ones. Yet the Funding Commitment Adjustment from which GCI appeals here took an additional \$53,739.23 back from the St. George Traditional Clinic.

It simply does not make sense for RHCD to allow its administrative processes to become practical impediments to the goals of the Program. The Commission has repeatedly recognized this fact, directing RHCD in the past to revise its processes when they sacrificed the substantive goals of the Program to administrative “efficiency.”<sup>15</sup>

The administrative problem presented by this appeal is amenable to a clerical “fix” with just a few keystrokes. Again, GCI believes that the most straightforward solution is for RCHP to simply amend the FCLs at issue here to reflect the correct dates for the services actually provided, and to make corresponding adjustments to the underlying funding commitments. But as also noted above, in the alternative, RHCD has authority to grant a waiver of its own Form 467 instructions to permit a Date of Disconnection later than the Funding End Date for the FCL that was the subject of RHCD’s Funding Commitment Adjustment.

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<sup>15</sup> See, e.g., *Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, Federal-State Joint Board on Universal Service, Sixth Order on Reconsideration in CC Docket No. 97-21 and Fifteenth Order on Reconsideration in CC Docket No. 96-45, 14 FCC Rcd 18756, ¶ 59 (1999) (finding that administrative difficulties were not so great as to justify barring applicants from adding new entities to existing contracts by submitting a new Form 465); *Streamlined Resolution of Requests Related to Actions by the Universal Service Administrative Company*, CC Docket Nos. 96-45, 02-6, WC Docket Nos. 02-60, 06-122, DA 14-1526, 6-7 (2014) (granting appeals of applicants where RHCD had refused to process mid-year service upgrades).

Rural Health Care Division, USAC

July \_\_, 2018

Page 5 of 5

Sincerely,

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Timothy J. Simeone

[tsimeone@hwglaw.com](mailto:tsimeone@hwglaw.com)

202-730-1332

*Counsel for General Communications, Inc.*

# Attachment 1



Rural Health Care Division  
[www.usac.org/rhc](http://www.usac.org/rhc)  
1-800 453 1546

### **NOTIFICATION OF COMMITMENT ADJUSTMENT LETTER**

**5/31/2018**

Grace Merculief  
St George Traditional Clinic  
01 Zapadni Rd  
St George Islnd, AK 99591

Re:      **Health Care Provider (HCP) Number:** 11608  
         **Funding Year:** 2016  
         **FCC Form 465 Number:** 43163913  
         **Funding Request Number:** 1694661  
         **FCC Registration Number:** 0014767388  
         **SPIN:** 143001199  
         **Service Provider Name:** GCI Communication Corp  
         **Service Provider Contact Person:** Ariel Burr

Our routine review of Rural Health Care (RHC) program funding commitments revealed certain applications in which funds were disbursed in violation of RHC program rules.

In order to be sure that no funds are used in violation of RHC program rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the required adjustments to your funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the Health Care Provider is responsible for all or some of the violations. Therefore, the service provider is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The Federal Communications Commission's (FCC) Red Light Rule requires USAC to dismiss pending FCC Form 462 or 466 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see <https://www.fcc.gov/encyclopedia/red-light-frequently-asked-questions>.

**TO APPEAL THIS DECISION:**





Rural Health Care Division  
[www.usac.org/rhc](http://www.usac.org/rhc)  
1-800-453-1546

If you wish to appeal the Commitment Adjustment Decision indicated in this letter to USAC, your appeal must **be received or postmarked within 60 days of the date of this letter**. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, and email address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of the Commitment Adjustment Letter and the Funding Request Number(s) (FRNs) you are appealing. Your letter of appeal must include the following:
  - Billed Entity Name,
  - Billed Entity Number, and
  - FCC Registration Number (FCC EN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. Please keep your letter to the point and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal including any correspondence and documentation.
4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
5. Provide an authorized signature on your letter of appeal.

We strongly recommend that you use one of the electronic filing options. To submit your appeal to USAC by email, email your appeal to [RHC-appeals@usac.org](mailto:RHC-appeals@usac.org). USAC will automatically reply to incoming emails to confirm receipt.

To submit your appeal to us on paper, send your appeal to:

Universal Service Administrative Co.  
Rural Health Care  
Attn: Letter of Appeal  
700 12th Street, NW, Suite 900  
Washington, DC 20005

Parties seeking waivers of FCC rules can appeal directly to the FCC. Detailed instructions for filing appeals are available at: <http://www.usac.org/about/about/program-integrity/appeals.aspx>. If you have questions or need help, you may call the Customer Service Support Center at 1-800-453-1546.

#### TO PAY THE DEBT

Please remit payment for the full "Funds to be Recovered from St George Traditional Clinic" amount shown in the Report below.



Rural Health Care Division  
[www.usac.org/rhc](http://www.usac.org/rhc)  
1-800-453-1546

Payment of the Debt should be made at [www.usac.org/pay](http://www.usac.org/pay).

Sincerely,

USAC

CC: Ariel Burr  
GCI Communication Corp

### **A Guide to the Funding Commitment Adjustment Report**

**On the page following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 465 application cited above. The enclosed Report includes the Funding Request Number (FRN) from your application for which adjustments are necessary. USAC is also sending this information to the applicant for informational purposes. If USAC has determined the applicant is also responsible for any rule violation related to the FRN, a separate letter will be sent to the applicant detailing the necessary applicant action.**

**Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Commitment(s). Please ensure that any invoices that you or the applicant submits to USAC are consistent with RHC program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the service provider is responsible for repaying.**

- ◆ **Funds to be Recovered:** This represents the amount of Funds Disbursed to Date that exceeds the Adjusted Funding Commitment amount. These funds will have to be recovered.
- ◆ **Funds Disbursed to Date:** This represents the total funds which have been paid up to now to the identified service provider for this FRN.
- ◆ **Adjusted Funding Commitment:** This represents the adjusted total amount of funding that the RHC program has committed to this FRN. If this amount exceeds the Funds Disbursed to Date, the RHC program will continue to process properly filed invoices up to the new commitment amount.
- ◆ **Funding Request Number (FRN):** An FRN is assigned by the RHC program to each Funding Commitment Letter. This number is used to report to applicants and service providers the status of funding requests for all RHC programs.
- ◆ **Service Provider Identification Number (SPIN):** A unique number assigned by USAC identify service providers seeking payment from universal service fund programs.





**Universal Service**  
Administrative Co.

Rural Health Care Division  
[www.usac.org/rhc](http://www.usac.org/rhc)  
1-800-453-1546

## **Funding Commitment Adjustment Report for** **Funding Request Number: 1694661**

### **St George Traditional Clinic**

Funding Year: 2016  
HCP Number 11608  
HCP Contact Person: Grace Mercurief  
RHC Program: Telecom

**SPIN:** 143001199  
**Service Provider Name:** GCI Communication Corp

<b><u>Total Original Funding Commitment:</u></b>	\$ 44,618.21
<b><u>Total Commitment Adjustment Amount:</u></b>	\$ 53,729.23
<b><u>Total Adjusted Funding Commitment:</u></b>	\$ 44,618.21
<b><u>Total Funds Disbursed to Date:</u></b>	\$ 98,347.44
<b><u>Total Funds to be Recovered from</u></b> <b><u>St George Traditional Clinic:</u></b>	\$ 53,729.23

### **Funding Commitment Adjustment Explanation:**

USAC's records indicate that St George Traditional Clinic submitted an FCC Form 467 (Connection Certification) for the FRN referenced above in the Rural Health Care Telecommunications Program (Telecom Program). When submitting this form, St George Traditional Clinic selected a Date of Disconnection later than the original Funding End Date shown on the Funding Commitment Letter (FCL). However, pursuant to FCC rules and requirements governing the Telecom Program, the Date of Disconnection cannot be later than the Funding End Date noted on the FCL. Further, applicants may only submit a Date of Disconnection if the service was installed or switched on later than the Funding Start Date shown on the FCL or the service was disconnected earlier than Funding End Date shown on the FCL. See Health Care Providers Universal Service Connection Certification, FCC Form 467 Instructions, Rural Health Care Universal Service Mechanism, OMB 3060-0804 at 4 (July 2014) (Form 467 Instructions) ("Line 12 requires the date service was or will be disconnected, if Form 467 is being submitted to notify RHCD that the discounted service has been terminated. If there are no plans to disconnect the service, leave this item blank.").



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In this case, the FRN referenced above was approved for funding, and had a Funding Start Date of July 29, 2016 and a Funding End Date of November 30, 2016, as stated in the FCL for the funding request. However, on its FCC Form 467, St George Traditional Clinic entered April 28, 2017 as the Date of Disconnection, resulting in the disbursement of an additional 149 days of unapproved funding (Service Provider Invoice Number APIA FY2016 352409).

Because the HCP is required to certify that it satisfies each of the specific requirements set forth in the Form 467 and its instructions, and that it will abide by all relevant requirements of 47 U.S.C. Sec. 254, USAC finds that St George Traditional Clinic is responsible for the violation in this case. See Form 467 Instructions at 4. Therefore, USAC is seeking recovery of the unapproved funding from St George Traditional Clinic.

# Attachment 2

**From:** Ariel Burr  
**To:** [Jennifer Bachman](#)  
**Subject:** FW: RHC Telecommunications Program - Funding Commitment Letter (FCL) - HCP # 11608 - FRN 16946611  
**Date:** Wednesday, April 12, 2017 1:21:13 AM

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**From:** rhc-assist@usac.org  
**Sent:** Tuesday, April 11, 2017 9:20:19 PM (UTC-09:00) Alaska  
**To:** Ariel Burr  
**Subject:** RHC Telecommunications Program - Funding Commitment Letter (FCL) - HCP # 11608 - FRN 16946611

**[External Email]**

**Date:** 11-Apr-2017  
**Program:** Telecommunications Program  
**Funding Year:** 2016  
**Health Care Provider (HCP) Name:** St George Traditional Clinic  
**HCP Number:** 11608  
**HCP Contact Name:** Frederick Bauer  
**HCP Contact Email:** [REDACTED]  
**HCP Contact Phone:** [REDACTED]  
**FCC Form 465 Application Number:** 43163913  
**Funding Request Number (FRN):** 16946611

The Universal Service Administrative Company (USAC)'s Rural Health Care (RHC) Program completed the review of the Funding Request and Certification Form (FCC Form 466) submitted on behalf of the HCP referenced above. Based on the information provided, USAC determined that the HCP is eligible for the funding shown below. Additionally, if the HCP submitted a contract or service agreement with the form, the outcome of the contract review is included in this letter.

**HCP Physical Location:** 01 Zapadni Rd, St George Island, AK, 99591  
**Service Type:** Satellite Service  
**Bandwidth:** 3 Mbps  
**Service Provider Name:** GCI Communication Corp  
**SPIN/498 Filer ID:** 143001199  
**Billing Account Number:** RH000220015  
**Contract ID:** NO CONTRACT ATTACHED  
**Contract Friendly Name:** N/A  
**Contract Expiration Date:** N/A

Funding Start Date	Funding End Date	Months of Funding	Non-Recurring Funding Amount	Monthly Recurring Funding Amount	Total Funding Amount	Committed Funding Amount*
29-Jul-	30-Nov-					



2016	2016	4.09677	\$0.00	\$11,770.56	\$48,221.28	\$44,618.21
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The pro-rata factor for this filing window period is 92.52804%\*

\*This funding request was submitted during the FY2016 Filing Window 2 period. All qualifying requests (i.e., FCC Forms 466) submitted by the close of the filing window period are guaranteed to receive at least a percentage of the funding requested. For each filing window period, if the total demand for RHC Program funding exceeds the total remaining funding available for the funding year, USAC will apply a pro-rata factor to each funding request. Learn more about funding request filing window periods [here](#).

It is the HCP's responsibility to review and verify that all information on this FCL is accurate. All account holders and the service provider listed on the form have received this FCL, and it is saved in the *My Documents* section of *My Portal*.

### **Contract/Service Agreement Endorsement Determination: Non-Evergreen/MTM**

**Non-evergreen (or month-to-month) service offering:** If an HCP submits a service agreement or contract that is not signed and dated, or if the type of service, the term, or location of service(s) is not specified, the service agreement or contract will be designated as Non-evergreen, (month-to-month, tariffed service). The HCP must participate in competitive bidding each funding year (submit an FCC Form 465 and select the most cost-effective service and service provider).

If, at any time, the funded services are not provided to the HCP, or the HCP is not otherwise receiving the approved funding, the HCP must notify USAC immediately.

The HCP entered Billing Account Number, certifications, and all other information provided on FCC Forms 465, 466, and 467 may be subject to audit by USAC and the FCC.<sup>1</sup> HCPs are subject to audits and other reviews that USAC and/or the FCC may undertake to ensure that the universal service support is used in compliance with FCC program rules. If the funded service(s) is not used in compliance with program rules, program participants will be subject to enforcement activities and other means of recourse by USAC and other appropriate federal, state, and local authorities.

### **Next Steps**

Submit an FCC Form 467 (*Connection Certification Form*), which confirms receipt of the services for which funding has been approved, and the date on which the service provider began providing those services (and when those services ended, if prior to the end of the funding year). To submit the FCC Form 467, go to the *My Forms* tab of *My Portal* and find the applicable Form 466 or FRN, and click on the "Create 467" button. Once the Form 467 is approved, the HCP and the service provider will receive a copy of the HCP Support Schedule (HSS). Receipt of the HSS means that the service provider must begin crediting the HCP for the funding amount (if it has not yet done so) and may begin to invoice USAC.

### **Errors and Corrections:**

If the funding amount, funding dates, or contract information is incorrect or missing, please contact the Rural Health Care Program Help Desk immediately by phone at (800)-453-1546 or

by email at [RHC-Assist@usac.org](mailto:RHC-Assist@usac.org).

**Appeals:**

Before appealing a funding decision, contact the RHC Help Desk. To appeal this funding decision, deliver a letter of appeal to USAC within 60 days of the date of this letter. Detailed instructions for filing appeals are available at: <http://www.usac.org/about/about/program-integrity/appeals.aspx>. Details about and definitions of all terms used in this FCL are provided on the USAC website ([www.usac.org/rhc](http://www.usac.org/rhc)).

**For More Information:**

Please do not reply directly to this email, as emails to this account will not be delivered to the RHC Program team. For questions or assistance, contact the Rural Health Care Program Help Desk at (800)-453-1546 or by email at [RHC-Assist@usac.org](mailto:RHC-Assist@usac.org).

For more information about the Telecommunications Program application process, refer to the Telecom Program Process Overview web page on the USAC web site at <http://www.usac.org/rhc/telecommunications/process-overview/default.aspx/>.

For more information about the FCC Form 467, visit the Telecommunications Program Forms web page at <http://www.usac.org/rhc/telecommunications/tools/forms/>.

The primary account holder will be copied on this and all correspondence from USAC related to this HCP.

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<sup>1</sup> 47 C.F.R. 54.619(c).

# Attachment 3

**From:** Ariel Burr  
**To:** [Jennifer Bachman](#)  
**Subject:** FW: RHC Telecommunications Program - Funding Commitment Letter (FCL) - HCP # 11608 - FRN 16946731  
**Date:** Wednesday, April 12, 2017 2:13:03 AM

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**From:** rhc-assist@usac.org  
**Sent:** Tuesday, April 11, 2017 10:11:36 PM (UTC-09:00) Alaska  
**To:** Ariel Burr  
**Subject:** RHC Telecommunications Program - Funding Commitment Letter (FCL) - HCP # 11608 - FRN 16946731

[External Email]

**Date:** 11-Apr-2017  
**Program:** Telecommunications Program  
**Funding Year:** 2016  
**Health Care Provider (HCP) Name:** St George Traditional Clinic  
**HCP Number:** 11608  
**HCP Contact Name:** Frederick Bauer  
**HCP Contact Email:** [REDACTED]  
**HCP Contact Phone:** [REDACTED]  
**FCC Form 465 Application Number:** 43163913  
**Funding Request Number (FRN):** 16946731

The Universal Service Administrative Company (USAC)'s Rural Health Care (RHC) Program completed the review of the Funding Request and Certification Form (FCC Form 466) submitted on behalf of the HCP referenced above. Based on the information provided, USAC determined that the HCP is eligible for the funding shown below. Additionally, if the HCP submitted a contract or service agreement with the form, the outcome of the contract review is included in this letter.

**HCP Physical Location:** 01 Zapadni Rd, St George Island, AK, 99591  
**Service Type:** Satellite Service  
**Bandwidth:** 10 Mbps  
**Service Provider Name:** GCI Communication Corp  
**SPIN/498 Filer ID:** 143001199  
**Billing Account Number:** RH000220015  
**Contract ID:** 905414  
**Contract Friendly Name:** GCI HC-475-01  
**Contract Expiration Date:** 01-Aug-2021

Funding Start Date	Funding End Date	Months of Funding	Non-Recurring Funding Amount	Monthly Recurring Funding Amount	Total Funding Amount	Committed Funding Amount*
01-Dec-	30-Jun-					



2016	2017	7.00000	\$0.00	\$40,615.00	\$284,305.00	\$263,061.84
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The pro-rata factor for this filing window period is 92.52804%\*

\*This funding request was submitted during the FY2016 Filing Window 2 period. All qualifying requests (i.e., FCC Forms 466) submitted by the close of the filing window period are guaranteed to receive at least a percentage of the funding requested. For each filing window period, if the total demand for RHC Program funding exceeds the total remaining funding available for the funding year, USAC will apply a pro-rata factor to each funding request. Learn more about funding request filing window periods [here](#).

**Note that the funding end date will coincide with the contract expiration date. Therefore, if the contract ends during this funding year, the HCP must participate in competitive bidding before selecting a new service provider (or continuing formerly contracted services on a month-to-month basis) to be eligible for funding for the entirety of the funding year.**

It is the HCP's responsibility to review and verify that all information on this FCL is accurate. All account holders and the service provider listed on the form have received this FCL, and it is saved in the *My Documents* section of *My Portal*.

#### **Contract/Service Agreement Endorsement Determination: Evergreen**

**Evergreen:** For the life of the contract, the HCP is exempt from competitive bidding for the service(s) identified above, and therefore is not required to post a FCC Form 465 (Description of Services Requested and Certification Form). However, the HCP must submit the FCC Form 466 (and the FCC Form 467) to receive funding each year.<sup>1</sup>

**The Evergreen endorsement and competitive bidding exemption end when the contract expires.** The HCP must participate in competitive bidding at the expiration of the contract. This means that the HCP must post a new FCC Form 465 and wait 28 days before selecting a new service provider (or when continuing the formerly contracted service on a month-to-month basis). Funding Requests (FCC Form 466) must be subsequently submitted in all cases.

If, at any time, the funded services are not provided to the HCP, or the HCP is not otherwise receiving the approved funding, the HCP must notify USAC immediately.

The HCP entered Billing Account Number, certifications, and all other information provided on FCC Forms 465, 466, and 467 may be subject to audit by USAC and the FCC.<sup>2</sup> HCPs are subject to audits and other reviews that USAC and/or the FCC may undertake to ensure that the universal service support is used in compliance with FCC program rules. If the funded service(s) is not used in compliance with program rules, program participants will be subject to enforcement activities and other means of recourse by USAC and other appropriate federal, state, and local authorities.

#### **Next Steps**

Submit an FCC Form 467 (*Connection Certification Form*), which confirms receipt of the services for which funding has been approved, and the date on which the service provider

began providing those services (and when those services ended, if prior to the end of the funding year). To submit the FCC Form 467, go to the *My Forms* tab of *My Portal* and find the applicable Form 466 or FRN, and click on the "Create 467" button. Once the Form 467 is approved, the HCP and the service provider will receive a copy of the HCP Support Schedule (HSS). Receipt of the HSS means that the service provider must begin crediting the HCP for the funding amount (if it has not yet done so) and may begin to invoice USAC.

**Errors and Corrections:**

If the funding amount, funding dates, or contract information is incorrect or missing, please contact the Rural Health Care Program Help Desk immediately by phone at (800)-453-1546 or by email at [RHC-Assist@usac.org](mailto:RHC-Assist@usac.org).

**Appeals:**

Before appealing a funding decision, contact the RHC Help Desk. To appeal this funding decision, deliver a letter of appeal to USAC within 60 days of the date of this letter. Detailed instructions for filing appeals are available at: <http://www.usac.org/about/about/program-integrity/appeals.aspx>. Details about and definitions of all terms used in this FCL are provided on the USAC website ([www.usac.org/rhc](http://www.usac.org/rhc)).

**For More Information:**

Please do not reply directly to this email, as emails to this account will not be delivered to the RHC Program team. For questions or assistance, contact the Rural Health Care Program Help Desk at (800)-453-1546 or by email at [RHC-Assist@usac.org](mailto:RHC-Assist@usac.org).

For more information about the Telecommunications Program application process, refer to the Telecom Program Process Overview web page on the USAC web site at <http://www.usac.org/rhc/telecommunications/process-overview/default.aspx/>.

For more information about the FCC Form 467, visit the Telecommunications Program Forms web page at <http://www.usac.org/rhc/telecommunications/tools/forms/>.

The primary account holder will be copied on this and all correspondence from USAC related to this HCP.

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<sup>1</sup> 47 C.F.R. 54.623(d).

<sup>2</sup> 47 C.F.R. 54.619(c).

# Attachment 4

November 20, 2017

***VIA ELECTRONIC MAIL***

Rural Health Care Division  
Universal Service Administrative Company  
Attention: Letter of Appeal  
700 12th Street, NW, Suite 900  
Washington, DC 20005

**Re: General Communication, Inc. Appeal of Rural Health Care Division's Refusal to Process Certain Service Date Revisions for Funding Year 2016<sup>1</sup>**

To Rural Health Care Appeals:

General Communication, Inc. (GCI) appeals the Universal Service Administrative Company (USAC) Rural Health Care Division's (RHCD) denial of requests to submit FCC Form 467s that establish correct service dates for approved (FY) 2016 funding commitments – and to adjust those funding commitments to accurately reflect services actually provided by GCI. Because of weather and climate conditions in Alaska it is impossible to determine in advance exactly when new services will be installed; therefore post-commitment service date adjustments for Alaskan HCPs are both foreseeable and inevitable. GCI explained this reality to RHCD staff prior to issuance of FY 2016 funding commitments – noting in particular the expected impact on funding commitment amounts – and sought guidance.<sup>2</sup> In response, RHCD staff explained to GCI (and later to applicants on multiple occasions) that after funding commitments were issued and once the installations had occurred, Form 467s could and should be utilized to adjust service dates.<sup>3</sup>

On September 21, 2017, after multiple requests to adjust service dates affecting numerous FY 2016 funding commitments, RHCD indicated to GCI during a conference call that it would not adjust any FY 2016 funding commitments to reflect actual dates of service for the affected

<sup>1</sup> Attachment 1 contains a summary of the affected health care providers (HCPs), requested service date revisions, and relevant funding commitments.

<sup>2</sup> See email from Jeffrey Mitchell, Lukas LaFuria Gutierrez & Sachs LLP (LLGS), to Nikoletta Theodoropoulos, Director, RHCD (Oct. 31, 2016) (Attachment 2).

<sup>3</sup> See, e.g., email from Caroline McCornac, RHCD, to Jeffrey Mitchell, LLGS, copy to Nikoletta Theodoropoulos, Director, RHCD (Nov. 8, 2016) (Attachment 3); email from Bernie Manns, RHCD, to Jennifer Bachman, GCI (Oct. 20, 2016) (Attachment 4); email from Bernie Manns, RHCD, to Ariel Burr, GCI, and Christina Hensley, Maniilaq Association (Jan. 12, 2017) (Attachment 5).

applicants.<sup>4</sup> This letter constitutes an appeal of this September 21, 2017 decision and is timely filed.<sup>5</sup>

### **Background**

The FCC has long-recognized that applicants may modify or upgrade services within a contract during the course of a funding year.<sup>6</sup> Alternatively, an applicant may obtain services under an old contract for part of the funding year and, after new services are installed, may switch to obtaining services under a new agreement for the remainder of the funding year. In this case, both underlying contracts were competitively bid and were approved by RHCD as part of the funding commitment process. Whether service changes are within a single contract, or between adjacent contracts, the issue is practical and purely administrative: when do the old services end and the new services begin?

Prior to FY 2016, applicants seeking uninterrupted services straddling two separate contracts obtained two funding commitments and provided tentative service start/end dates reflecting when the upgraded services would be available. To address the uncertainty, the separate funding commitments might overlap – that is, the old service might be funded beyond the estimated start date for the new service, to provide a buffer in case installation of the new service was delayed. For FY 2016, after the FCC established RHC filing windows, RHCD sought to eliminate such overlaps, forcing applicants to choose non-overlapping service start and end dates.

<sup>4</sup> The September 21, 2017 conference call with GCI and undersigned counsel was on a USAC conference bridge organized by Karen Lee, RHCD Vice-President. The purpose of the call was to discuss GCI's August 25, 2017, letter to RHCD explaining, among other things, that GCI could not determine final amounts for purposes of the FY 2016 *Alaska Waiver* until the service date revision issue was resolved. See Attachment 6 at 1 (noting need to resolve pending requests "to make service end-date changes" via Form 467s); Rural Health Care Support Mechanism, Order, FCC 17-84, WC Docket No. 02-60, ¶ 6 (rel. Jun. 30, 2017) (*Alaska Waiver*). During the September 21, 2017 call, Ms. Lee, in addition to communicating the decision GCI is appealing here, indicated that any previous RHCD guidance stating or implying that FY 2016 funding commitments could be modified to address changes in service dates was erroneous.

<sup>5</sup> 47 C.F.R. §§ 54.719(a), 54.720(b) (providing 60 days from the date of issuance to appeal USAC actions or decisions). On October 16, 2017, and again on October 31, 2017, GCI requested that USAC provide a writing to confirm the decision communicated orally on September 21, 2017. As of the date of this appeal, USAC has not confirmed whether it will do so. In the absence of such a writing, GCI must treat September 21, 2017, as the decision date.

<sup>6</sup> See Federal-State Joint Board on Universal Service, Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Transport Rate Structure and Pricing, End User Common Line Charge, Fourth Order on Reconsideration in CC Docket No. 96-45, 13 FCC Rcd 5318, 5425-5426, ¶¶ 227-29 (1997) (adopting "cardinal change" standard for evaluating whether to allow mid-contract service modifications); *Rural Health Care Mechanism*, WC Docket No. 02-60, ¶ 263 (2012) (extending existing cardinal change rule to Healthcare Connect Fund).

That was the situation in October 2016 when GCI, with its customers asking for firm start/end-dates for services that had not yet been installed, sought guidance from RHCD staff. As GCI explained:

The problem for the service providers – particularly in Alaska – is that it is not always possible to know much in advance when new services will in fact be available. This can be due to everything from unpredictable weather to federal permitting delays ([Bureau of Land Management], etc.).

GCI wants to work with USAC to minimize unused funding commitments but they are in a difficult position because they don't want to put a customer in a position where GCI provides an "end date" for the old service and the customer gets cut off from funding when the new service is delayed by a month or more.<sup>7</sup>

On November 8, 2016, RHCD responded with the following guidance:

Practically speaking, as long as the HCP does not submit the Form 467, service start and end dates could be modified on an [Funding Commitment Letter (FCL)] (in most cases). To that end, if an HCP plans to upgrade service in January, and there is an FCL for the original service for July through Dec, and one FCL for the upgraded service for Jan – June, as long as the Form 467 hasn't been submitted for either of those FCLs, the dates for both FCLs could be adjusted to match the dates of the service change (in most cases).<sup>8</sup>

Over the course of FY 2016, RHCD staff provided similar guidance to GCI and its customers.<sup>9</sup> As a result of this guidance, GCI and its customers understood the Form 467 process would protect them from unnecessary gaps in funding.

On September 21, 2017, RHCD communicated for the first time that, notwithstanding Form 467 adjustments to *service dates* to reflect actual service periods, RHCD will not make corresponding adjustments to the *funding amount* for any affected FCLs. However, because of the previous

<sup>7</sup> See Attachment 2.

<sup>8</sup> See Attachment 3 at 1. To be sure RHCD understood GCI's concern about health care providers potentially losing funding in these "gaps", GCI-requested a follow-up call the next day. On that call RHCD staff informed GCI (paraphrasing): "USAC no longer has the resources to babysit these funding requests."

<sup>9</sup> See Attachment 4 at 1 (responding to question about whether the end-date for Bristol Bay Area Health Corporation FRN 1688624 would be adjusted, Mr. Manns stated: "Yes, it will be adjusted to 9/30/16 to correspond with the anticipated install date of 10/1/16 of the 30M service on FRN 1690396. *Once again the commitments are not finalized until the FCC Form 467 is received from the HCP and the [service support schedule] is produced.*") (emphasis added); Attachment 5 at 1 ("FRNs 1689896, 1689903, and 1689900 – The funding start date for these FRNs will be adjusted to reflect the anticipated install dates you provided in your response. The corresponding forms for the existing service will have the funding end date adjusted to end prior to the start of these upgrade forms.").

RHCD guidance repeatedly directing GCI to the Form 467 process as the appropriate remedy for service date adjustments, GCI did not file appeals of the relevant funding commitments when they were issued in April 2017.

### **Request for Relief**

GCI requests that RHCD process Form 467s to reflect the actual periods during which it provided services during FY 2016, and to make corresponding adjustments to underlying funding commitments. We do not seek relief or exemption from *pro rata* cap reductions that would apply to the revised funding amounts. (GCI does intend to provide relief pursuant to and consistent with the *Alaska Waiver*.)

GCI does not believe it is reasonable for affected applicants to incur these additional costs and the resulting financial hardship – particularly when GCI notified RHCD in advance of the funding year and received (along with applicants) consistent guidance from RHCD staff indicating that the Form 467 filing process was the appropriate way to address the issue. If USAC fails to act, we calculate the total amount of the funding shortfall in these cases to be \$2,093,973.00 (subject to any applicable *pro rata* reductions).

Notably, the *Alaska Waiver* will not allow GCI to waive this funding gap for affected customers (even if it were willing to do so), thus putting substantial financial hardship on these applicants and creating additional uncertainties for Alaskan applicants in FY 2017.<sup>10</sup> Moreover, if RHCD fails to act with respect to FY 2016 – and to address this issue in future years – applicants will have incentives to over-subscribe to services, thereby tying-up scarce RHC funding in commitments that will not be fully utilized.<sup>11</sup>

Note the Commission has previously directed USAC to change RHCD administrative processes in cases where RHCD has failed to sufficiently accommodate program rules and requirements. This occurred in 1999 when the Commission expressly directed USAC to allow applicants to add new consortia members to an existing contract by submitting a new Form 465.<sup>12</sup> More recently,

<sup>10</sup> See *Alaska Waiver* at ¶ 9 (“For all eligible HCPs in remote Alaska that received funding commitments associated with the second filing window period for funding year 2016, we waive our rules to allow service providers to voluntarily reduce their rates on this one-time basis, while holding constant the pro-rated support amount contained in the HCPs’ funding commitment letters.”) GCI has separately sought guidance from RHCD concerning how to prevent a recurrence of this problem in FY 2017. See Letter from Jeffrey Mitchell, Counsel for GCI, to Karen Lee, Vice President, RHCD (Oct. 25, 2017).

<sup>11</sup> For example an HCP might seek a contract to provide 12 months of a more expensive upgraded service, but simply invoice for a less costly service for an indefinite period until installation occurs.

<sup>12</sup> See *Changes to the Board of Directors of the National Exchange Carrier Association, Inc., Federal-State Joint Board on Universal Service*, Sixth Order on Reconsideration in CC Docket No. 97-21 and Fifteenth Order on Reconsideration in CC Docket No. 96-45, 14 FCC Rcd 18756, ¶ 59 (1999) (“We understand that USAC might prefer

in 2014, the Commission overruled USAC after RHCD had refused to process mid-year service upgrades pursuant to approved evergreen contracts.<sup>13</sup> The current situation resembles these earlier cases where RHCD administrative processes conflicted with both the letter and spirit of program rules.

Finally, because this issue solely concerns the mechanics of ensuring uninterrupted funding for applicants, it is practical and purely administrative in nature. Moreover, the current situation was solely caused by the functioning (or malfunctioning) of RHCD administrative processes – including RHCD’s failure to clearly communicate what those processes were. Accordingly, we seek relief from USAC rather than a waiver of rules from the Commission.<sup>14</sup>

Sincerely,



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Jeffrey A. Mitchell  
*Counsel for General Communication, Inc.*

#### Attachments

that rural health care providers list all possible participants in their initial applications, thus, permitting USAC to evaluate all participants at once. We, however, are not persuaded that the administrative difficulties are so great as to warrant restricting joint purchasing and network-sharing arrangements.”).

<sup>13</sup> See Streamlined Resolution of Requests Related to Actions by the Universal Service Administrative Company, CC Docket Nos. 96-45, 02-6, WC Docket Nos. 02-60, 06-122, DA 14-1526, 6-7 (2014) (reversing RHCD funding denials and granting separate appeals by Yukon-Kushkokwin Health Corporation and Norton Sound Health Corporation who each sought to upgrade services mid-year pursuant to RHCD-approved evergreen contracts containing provisions allowing such upgrades).

<sup>14</sup> GCI reserves its right to seek an appropriate waiver from the Commission if that becomes necessary.



## ATTACHMENT 4

HCP Name	HCP Number	FRN	SPIN	Type of Service	FCL Date	Service Start Date from FCL	Service End Date from FCL	Actual Service Start Date	Actual Service End Date	Funding Gap (Mos. and days)	Comments
Nightmute Clinic	10174	16911821	143001199	3 Mbps MPLS	04/11/2017	08/13/16	12/08/16	8/13/2016	12/13/2016	0.16129	<p>Because of delays in the installation of new services, original services continued for longer than was anticipated.</p> <p><i>GCI requested that these FRNs be modified to reflect correct in-service dates and funding amounts that correspond with the in-service dates.</i></p> <p>Neither GCI nor HCPs appealed the original FRNs because, at the time they were issued, the parties were operating pursuant to an understanding, based on RHCD guidance and the experience of other GCI customers, that as long as the Form 467 had not been filed, it was still possible to revise in-service dates.</p> <p>In a September 21, 2017 call between the GCI RHC team and Karen Lee and the RHCD team, RHCD communicated its policy that FRN amounts could not be upwardly adjusted to reflect actual service periods, even if the Form 467 had not yet been filed.</p>
Nunapitchuk	10175	16913791	143001199	3 Mbps MPLS	04/11/2017	08/13/16	12/08/16	8/13/2016	12/15/2016	0.22581	
Pitkas Point Clinic	10178	16913961	143001199	1.544 Mbps MPLS	04/11/2017	08/13/16	12/01/16	8/13/2016	12/6/2016	0.16129	
Russian Mission Clinic	10181	16913991	143001199	3 Mbps MPLS	04/11/2017	08/13/16	12/01/16	8/13/2016	6/26/2017	6.83441	
John Afcan Memorial Clinic - St Marys	10182	16914051	143001199	10Mbps MPLS	04/11/2017	08/13/16	12/01/16	8/13/2016	6/30/2017	6.96774	
Scammon Bay Clinic	10183	16914081	143001199	3 Mbps MPLS	04/11/2017	08/13/16	12/08/16	8/13/2016	12/15/2016	0.22581	
Shageluk Clinic	10184	16914111	143001199	3 Mbps MPLS	04/11/2017	08/13/16	01/14/17	8/13/2016	6/26/2017	5.41506	
Sleetmute Clinic	10186	16914131	143001199	1.544 Mbps Satellite	04/11/2017	08/13/16	12/08/16	8/13/2016	2/9/2017	2.06337	
Stony River Clinic	10187	16914141	143001199	1.544 Mbps Satellite	04/11/2017	08/13/16	12/08/16	8/13/2016	2/10/2017	2.09908	
Toksook Bay Clinic	10188	16914171	143001199	10 Mbps MPLS	04/11/2017	08/13/16	12/01/16	8/13/2016	6/26/2017	6.83441	
Kathleen Daniel Memorial Hospital - Tuntutuliak	10190	16914191	143001199	3 Mbps MPLS	04/11/2017	08/13/16	12/01/16	8/13/2016	1/10/2017	1.29032	
Crooked Creek Clinic	10192	16914151	143001199	1.544 Mbps Satellite	04/11/2017	08/13/16	12/08/16	8/13/2016	2/8/2017	2.02765	
Grayling Clinic	10195	16914211	143001199	3 Mbps MPLS	04/11/2017	08/13/16	12/08/16	8/13/2016	6/26/2017	6.60861	
Theresa Demientieff Health Clinic - Holy Cross	10196	16914221	143001199	1.544 Mbps MPLS	04/11/2017	08/13/16	01/14/17	8/13/2016	6/26/2017	5.41506	
Catherine Alexie Clinic - Upper kalsag	10199	16911811	143001199	3 Mbps MPLS	04/11/2017	08/13/16	12/08/16	8/13/2016	3/7/2017	2.96775	
Kotlik Clinic	10204	16914251	143001199	3 Mbps MPLS	04/11/2017	08/13/16	12/08/16	8/13/2016	2/7/2017	1.99194	
Kwigillingok Clinic	10206	16914271	143001199	3 Mbps MPLS	04/11/2017	08/13/16	12/08/16	8/13/2016	12/12/2016	0.12904	
Theresa Elia Memorial Clinic Marshall	10208	16914281	143001199	3 Mbps MPLS	04/11/2017	08/13/16	12/08/16	8/13/2016	12/13/2016	0.16129	
Mekoryuk Clinic	10209	16911791	143001199	3 Mbps MPLS	04/11/2017	08/13/16	12/01/16	8/13/2016	6/20/2017	6.63441	
Mountain Village Clinic	10210	16914291	143001199	3 Mbps MPLS	04/11/2017	08/13/16	12/08/16	8/13/2016	12/13/2016	0.16129	
Clara Morgan Sub-Regional Clinic - Aniak	10214	16914321	143001199	10 Mbps MPLS	04/11/2017	08/13/16	12/01/16	8/13/2016	12/5/2016	0.12903	
Anvik Clinic	10215	16914331	143001199	1.544 Mbps MPLS	04/11/2017	08/13/16	12/15/16	8/13/2016	6/26/2017	6.38280	
Chuathbaluk	10220	16914361	143001199	1.544 Mbps MPLS	04/11/2017	08/13/16	12/01/16	8/13/2016	6/21/2017	6.66774	
Bristol Bay Area Health Corporation dba Kanakanak Hospital	10992	16886241	143001199	3 Mbps Satellite	04/11/2017	07/01/16	9/30/16	7/01/2016	6/30/2017	8.97534	

## ATTACHMENT 4

HCP Name	HCP Number	FRN	SPIN	Type of Service	FCL Date	Service Start Date from FCL	Service End Date from FCL	Actual Service Start Date	Actual Service End Date	Funding Gap (Mos. and days)	Comments
Tununak Clinic	10191	16911781	143001199	3 Mbps MPLS	04/11/2017	08/13/16	12/01/16	8/13/2016	12/11/2017	0.32258	RHCD indicated that in order to change the service dates RHCD needed to zero out the current FRNs, and replace them with “administrative” FRNs (Nos. 1628485 and 1628486). These administrative FRNs were apparently never established while the old FRNs (identified here) were zeroed out.  <i>GCI requested that these FRNs be modified to reflect correct in-service dates and funding amounts that correspond with the in-service dates.</i>
Crimet Phillips, Sr. Clinic - Lower Kalskag	10198	16911711	143001199	3 Mbps MPLS	04/11/2017	08/13/16	01/14/17	8/13/2016	6/26/2017	5.41506	
Pearl E. Johnson/ Emmonak Subregional Clinic	10194	16868911	143001199	10 Mbps MPLS							The 10 Mbps FRN is currently in the portal. However, RHCD apparently withdrew the 15 Mbps FRN in error.  <i>GCI requested that this be 15 Mbps FRN be reinstated with the correct in-service dates and funding amounts.</i>
Pearl E. Johnson/ Emmonak Subregional Clinic	10194	16914401	143001199	15 Mbps MPLS		07/01/16	08/12/16			1.38710	

**From:** Jeffrey Mitchell  
**Sent:** Monday, October 31, 2016 11:16 AM  
**To:** Nikoletta Theodoropoulos  
**Subject:** Process question for "overlapping" RHC funding commitments

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

Hey Nicole,

Very nice seeing you the other day. Hey, not sure who to talk to about this, but I work with GCI and they have an issue it might be helpful to have a call about.

Basically, there are situations where a customer that has existing service may get a funding committing for a new service that is not available yet – so there will be two funding commitments that are overlapping. Once the new service is provisioned, the customer stops invoicing on the old commitment, and starts invoicing under the new one – thus ensuring uninterrupted RHC subsidy.

With the funding close to the cap, this creates a situation where USAC is committing funding for a certain number of months that will never be used. So while this practice protects HCPs that are upgrading, it also ties up funding. So it's in everyone's interest to try to address this.

The problem for the service providers – particularly in Alaska – is that it is not always possible to know much in advance when new services will in fact be available. This can be due to everything from unpredictable weather to federal permitting delays (BLM, etc.).

GCI wants to work with USAC to minimize unused funding commitments but they are in a difficult position because they don't want to put a customer in a position where GCI provides an "end date" for the old service and the customer gets cut off from funding when the new service is delayed by a month or more.

Let me know if this is something USAC would like to discuss or who I should approach about this.

Best,  
Jeff

Jeffrey A. Mitchell  
Lukas, Nace, Gutierrez & Sachs, LLP  
8300 Greensboro Drive  
Suite 1200  
McLean, VA 22102

If you have received this message in error, please contact me because it may contain information that is confidential or protected by the attorney-client privilege.

[REDACTED]

---

**From:** Carolyn McCornac [REDACTED]  
**Sent:** Friday, November 04, 2016 2:42 PM  
**To:** Jeffrey Mitchell  
**Cc:** Nikoletta Theodoropoulos  
**Subject:** FW: Process question for "overlapping" RHC funding commitments

Hi Jeff,

Nicole forwarded your message to me. I'm the manager for the funding request and commitments. You can direct these kinds of questions to me, if you prefer.

I'm familiar with the scenario you present. For the record, RHC does not provide, "funding commitments that are overlapping..." *Overlapping* implies duplicate funding; and that is not allowed in any of the RHC programs. Further, RHC does not, "[commit] funding for a certain number of months that will never be used..." RHC relies on the signed and certified information provided by the HCPs on the forms to commit funding exclusively for the duration of the eligible service. It is the responsibility of the program participants to contact RHC regarding changes in dates of service.

To the extent that a form reviewer can work with a program participant to help manage the timing of funding, we are happy to do so. However, we cannot provide concurrent funding for the same circuit. That is a violation of program rules.

Practically speaking, as long as the HCP does not submit the Form 467, service start and end dates could be modified on an FCL (in most cases). To that end, if an HCP plans to upgrade service in January, and there is an FCL for the original service for July through Dec, and one FCL for the upgraded service for Jan – June, as long as the Form 467 hasn't been submitted for either of those FCLs, the dates for both FCLs could be adjusted to match the dates of the service change (in most cases).

I hope this helps. Please feel free to contact me if you have additional questions.

Thanks,  
Carolyn  
[REDACTED]

---

**From:** Nikoletta Theodoropoulos  
**Sent:** Friday, November 04, 2016 12:22 PM  
**To:** Carolyn McCornac [REDACTED]  
**Subject:** FW: Process question for "overlapping" RHC funding commitments

-----Original Message-----

**From:** Jeffrey Mitchell [REDACTED]  
**Sent:** Friday, November 04, 2016 12:13 PM Eastern Standard Time  
**To:** Nikoletta Theodoropoulos  
**Subject:** RE: Process question for "overlapping" RHC funding commitments



ATTACHMENT 4

Nicole – following up with you on email below. This is actually a time sensitive issue -- hoping you can provide some direction for me.

Thanks,  
Jeff

Jeff Mitchell  
[REDACTED]

---

**From:** Jeffrey Mitchell  
**Sent:** Monday, October 31, 2016 11:16 AM  
**To:** Nikoletta Theodoropoulos [REDACTED]  
**Subject:** Process question for "overlapping" RHC funding commitments

Hey Nicole,  
Very nice seeing you the other day. Hey, not sure who to talk to about this, but I work with GCI and they have an issue it might be helpful to have a call about.

Basically, there are situations where a customer that has existing service may get a funding committing for a new service that is not available yet – so there will be two funding commitments that are overlapping. Once the new service is provisioned, the customer stops invoicing on the old commitment, and starts invoicing under the new one – thus ensuring uninterrupted RHC subsidy.

With the funding close to the cap, this creates a situation where USAC is committing funding for a certain number of months that will never be used. So while this practice protects HCPs that are upgrading, it also ties up funding. So it's in everyone's interest to try to address this.

The problem for the service providers – particularly in Alaska – is that it is not always possible to know much in advance when new services will in fact be available. This can be due to everything from unpredictable weather to federal permitting delays (BLM, etc.).

GCI wants to work with USAC to minimize unused funding commitments but they are in a difficult position because they don't want to put a customer in a position where GCI provides an "end date" for the old service and the customer gets cut off from funding when the new service is delayed by a month or more.

Let me know if this is something USAC would like to discuss or who I should approach about this.

Best,  
Jeff

Jeffrey A. Mitchell  
Lukas, Nace, Gutierrez & Sachs, LLP  
8300 Greensboro Drive  
Suite 1200  
McLean, VA 22102  
[REDACTED]

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ATTACHMENT 4

**From:** [Bernie Manns](#)  
**To:** [Jennifer Bachman](#); [RHC-Assist](#)  
**Cc:** [Robert Taylor](#); [Joe Furrer](#); [Ariel Burr](#); [Johanna Darrough](#)  
**Subject:** RE: Action Required - RHC Telecommunications Program - Submit Requested Information - FCC Form 466 HCP # 10992, FRN 1688624  
**Date:** Thursday, October 20, 2016 10:56:40 AM  
**Attachments:** [image001.png](#)

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[External Email]

Yes, it will be adjusted to 9/30/16 to correspond with the anticipated install date of 10/1/16 of the 30M service on FRN 1690396. Once again the commitments are not finalized until the FCC Form 467 is received from the HCP and the HSS is produced.

Regards,

**Bernie Manns**

Senior Program Analyst | Rural Health Care  
USAC

[REDACTED]

[REDACTED] | [www.usac.org](http://www.usac.org)

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**From:** Jennifer Bachman [REDACTED]  
**Sent:** Thursday, October 20, 2016 12:22 PM  
**To:** Bernie Manns; RHC-Assist  
**Cc:** Robert Taylor; Joe Furrer; Ariel Burr; Johanna Darrough  
**Subject:** FW: Action Required - RHC Telecommunications Program - Submit Requested Information - FCC Form 466 HCP # 10992, FRN 1688624

Bernie,

Will the end date be adjusted for FRN 1688624?

Thank you,

Jennifer Bachman  
USF Account Administrator

[REDACTED]

[REDACTED]

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ATTACHMENT 4

support program instructions available to the addressee.

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**From:** Jennifer Bachman  
**Sent:** Wednesday, October 19, 2016 11:42 AM  
**To:** Bernie Manns; RHC-Assist  
**Cc:** Johanna Darrough; Joe Furrer; Robert Taylor; Ariel Burr  
**Subject:** RE: Action Required - RHC Telecommunications Program - Submit Requested Information - FCC Form 466 HCP # 10992, FRN 1688624

Okay I understand trying to budget the numbers. I just want to make sure that if services for the for 3 Mbps FRN 1688624, do not end until for example 11/1/2016 and the new service for 30 Mbps starts on 11/2/2016, but the 466 for FRN 1688624 shows funding end date if 09/30/2016 will this be adjusted on the 467? I think we are just worried about an end date of 9/30/2016 when the services for the 3 Mbps are still in service.

Thank you,

Jennifer Bachman  
USF Account Administrator

[REDACTED]  
[REDACTED]

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**From:** Bernie Manns [REDACTED]  
**Sent:** Wednesday, October 19, 2016 11:26 AM  
**To:** Jennifer Bachman; RHC-Assist  
**Cc:** Johanna Darrough; Joe Furrer; Robert Taylor; Ariel Burr  
**Subject:** RE: Action Required - RHC Telecommunications Program - Submit Requested Information - FCC Form 466 HCP # 10992, FRN 1688624

[External Email]

No, the old service would need to end the day prior to the anticipated start of the new service. This is to mitigate the illusion of duplicate funding as it relates to being able to track our progress towards the \$400 million cap. In the scenario you described below the old service and new service would both be counting against the estimated cap for the period of 10/1/16 – 6/30/17. No funding commitment is finalized without the agreement by the submitter, via their 467.

Regards,

**Bernie Manns**

Senior Program Analyst | Rural Health Care  
USAC



[REDACTED]  
[REDACTED] | [www.usac.org](http://www.usac.org)

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**From:** Jennifer Bachman [REDACTED]  
**Sent:** Wednesday, October 19, 2016 3:18 PM  
**To:** Bernie Manns; RHC-Assist  
**Cc:** Johanna Darrough; Joe Furrer; Robert Taylor; Ariel Burr  
**Subject:** RE: Action Required - RHC Telecommunications Program - Submit Requested Information - FCC Form 466 HCP # 10992, FRN 1688624

So to be clear, ends dates for the old service remain at 06/30/2017 and the new service anticipated installation date remain at 10/1/2016, and the clinic should not complete 467s until both dates are firm.

Thank you,

Jennifer Bachman  
USF Account Administrator  
[REDACTED]  
[REDACTED]

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**From:** Bernie Manns [REDACTED]  
**Sent:** Wednesday, October 19, 2016 11:09 AM  
**To:** Jennifer Bachman; RHC-Assist  
**Cc:** Johanna Darrough; Joe Furrer; Robert Taylor; Ariel Burr  
**Subject:** RE: Action Required - RHC Telecommunications Program - Submit Requested Information - FCC Form 466 HCP # 10992, FRN 1688624

[External Email]

Jennifer,

As long as the Form 467 is not submitted we can pull the form back into review and alter the funding period, once the firm dates are established.

Regards,

**Bernie Manns**

ATTACHMENT 4

Senior Program Analyst | Rural Health Care  
USAC

[REDACTED]

[REDACTED] | [www.usac.org](http://www.usac.org)

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**From:** Jennifer Bachman [REDACTED]  
**Sent:** Wednesday, October 19, 2016 2:35 PM  
**To:** Bernie Manns; RHC-Assist  
**Cc:** Johanna Darrough; Joe Furrer; Robert Taylor; Ariel Burr  
**Subject:** RE: Action Required - RHC Telecommunications Program - Submit Requested Information - FCC Form 466 HCP # 10992, FRN 1688624  
**Importance:** High

Hi Bernie,

Could you help us with this. To agree to an end date of 9/30/2016 for FRN 1688624 when the we do not have a firm installation date for FRN 1690396, will we not be losing funding? Or can the end date on 1688624 be change on the 467 just like the installation date on upgrade be changed?

How do we assure there is funding for the 3 Mbps is available until the upgrade is installed?

Thank you,

Jennifer Bachman  
USF Account Administrator

[REDACTED]  
[REDACTED]

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**From:** Johanna Darrough [REDACTED]  
**Sent:** Wednesday, October 19, 2016 9:57 AM  
**To:** Ariel Burr; Jennifer Bachman  
**Cc:** Joe Furrer  
**Subject:** FW: Action Required - RHC Telecommunications Program - Submit Requested Information - FCC Form 466 HCP # 10992, FRN 1688624  
**Importance:** High

[External Email]

FYI: new request type.

Based on the spreadsheet that was filled out with stop/start dates for funding requests in Funding Year 2016 – this is now a new request.

Information Request

Request Type

Other Information

Deadline

10/31/2016

Requested information.

FRN: 1688624 The funding request submitted by the HCP appears to be for existing 3M MPLS service that will be discontinued upon the installation of a 30M MPLS service related to FRN 1690396. FRN 1690396 reflects an install date of 10/1/16. So to curtail possible duplicate or erroneous funding, the funding end date for FRN 1688624 will be adjusted to 9/30/16. If these are anticipated dates that could possible change please refrain from submitting your FCC Form 467 when you received your Funding Commitment Letter. When you have a firm installation date of the upgrade, if needed please reach out to USAC to make any needed adjustments to the funding start and end dates of the applicable FRNs. Once we receive your 467, this will be considered accurate per the agreed upon certifications. Duplicate funding is not allowed, and is a violation of program rules. Please respond to this information request as soon as possible with your consent to adjust this form on your behalf. A response is required. Responses not received within 14 calendar days may result in a denial of this funding request. For questions or assistance about this information request, contact Bernie Manns at [REDACTED]

Use this space to provide pertinent information and documents being uploaded.

Response

Upload the requested document here.

+ Upload...

Submit Response

So, I think I would respond that I am in agreement to change the end date of 1688624 to 9/30/16. However, the installation date for the 30 MBs was 10/1/2016 and we are now at 10/19/2016. I think I should still agree to their request and then as mentioned wait to file any 467s, etc...

ATTACHMENT 4

**From:** [rhc-assist@usac.org](mailto:rhc-assist@usac.org) [<mailto:rhc-assist@usac.org>]  
**Sent:** Monday, October 17, 2016 10:40 AM  
**To:** Johanna Darrough  
**Subject:** Action Required - RHC Telecommunications Program - Submit Requested Information - FCC Form 466 HCP # 10992, FRN 1688624

Date: 17-Oct-2016

HCP Number: 10992  
FCC Form 465 Application Number: 43162397  
Funding Request Number (FRN): 1688624  
Service Type: Satellite Service  
Funding Year: 2016

The Rural Health Care (RHC) division of the Universal Service Administrative Company (USAC) has received the FCC Form 466 submitted by the HCP referenced above. However, RHC cannot process the form without information for FRN 1688624. To view and respond to the request for information, log into My Portal at <https://rhc.usac.org/rhc/>, go to Information Requested on the My Documents tab, and click on the "Request Type" hyperlink. Click on "Submit Response" to submit the information requested. Any account holder will be able to respond to an Information Request; once it has been completed, the request is removed from the Information Requests section and the information provided will be saved to your My Documents folder.

The information requested is required to process the above referenced form, and must be submitted to RHC by the deadline. Failure to respond to the email may impact funding.

Do not reply to this email - RHC does not monitor this account. For questions or assistance about the information request, contact the RHC Help Desk at 800-453-1546 or click on the "Contact RHC Help Desk" link in My Portal.

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[REDACTED]

---

**From:** Bernie Manns [REDACTED]  
**Sent:** Thursday, January 12, 2017 7:23 AM  
**To:** Ariel Burr; Christina Hensley  
**Cc:** Jennifer Bachman; Joe Furrer; Robert Taylor; RHC-Assist; Chad Sheldon  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

[External Email]

Ariel,

FRNs 1689896, 1689903, and 1689900 – The funding start date for these FRNs will be adjusted to reflect the anticipated install dates you provided in your response. The corresponding forms for the existing service will have the funding end date adjusted to end prior to the start of these upgrade forms. If the HCP disagrees with the granted commitment amount or time periods they will have the option to appeal for adjustments once they receive their FCLs.

Regards,

**Bernie Manns**

Senior Program Analyst | Rural Health Care  
USAC

[REDACTED] | [www.usac.org](http://www.usac.org)

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**From:** Ariel Burr [REDACTED]  
**Sent:** Wednesday, January 11, 2017 2:15 PM  
**To:** Bernie Manns; Christina Hensley  
**Cc:** Jennifer Bachman; Joe Furrer; Robert Taylor; RHC-Assist; Chad Sheldon  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

Hi Bernie,

Answers below in red. Please let me know if you need anything else. Thank you for your patience and cooperation as we work through these applications.

Thank you,  
Ariel

---

**From:** Bernie Manns [REDACTED]  
**Sent:** Wednesday, January 11, 2017 6:46 AM  
**To:** Ariel Burr; Christina Hensley  
**Cc:** Jennifer Bachman; Joe Furrer; Robert Taylor; RHC-Assist; Chad Sheldon  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

[External Email]

## ATTACHMENT 4

Ariel,

Sorry this kind of feel off of my radar with the push towards completing forms review. Just wanted to revisit this to confirm action to be taken. Please correct me if I'm off base on any of these.

FRNs 1689890 and 1689897 – Can be withdrawn due to the services will not be installed during FY16. The 467s for FRNs 1687108 and 1687159 can be approved for the entire funding year due to these two FRNs being withdrawn. **Yes, this is correct except I think there was a typo in one of the FRNs, should be 16871081.**

FRNs 1689896, 1689903, and 1689900 – Do you have install dates for these sites? We still need to coordinate the funding start dates with the funding end dates for the associated FRNs (1687132, 1687163, and 1687160) so as we are not reporting erroneous periods of duplicate funding. **I think this is the crux of the issue. We are not trying to double dip on funding. But, we can't provide a hard and firm installation date. Logistics and weather in rural Alaska can be extremely challenging. I have been given updated installation date estimates, but they are still only estimates. It is very likely that these dates could slip a few weeks. If that happens, can we reach back out to USAC to adjust the FCL dates on all 6 commitments?**

Buckland 2/10  
Selawik 2/13  
Noorvik 2/16

On these sites are these services replacing the existing (like a hot cut) or are new circuit facilities being installed where they will possibly have two circuits running while the new service is groomed in? **Yes, the new service will replace the old and it will be a hot cut.**

Regards,


**Bernie Manns**

Senior Program Analyst | Rural Health Care  
USAC

 | [www.usac.org](http://www.usac.org)

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---

**From:** Ariel Burr   
**Sent:** Wednesday, November 30, 2016 2:43 PM  
**To:** Christina Hensley; Bernie Manns  
**Cc:** Jennifer Bachman; Joe Furrer; Robert Taylor; RHC-Assist; Chad Sheldon  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

Hello,

Sorry I just want to clarify. We don't need to do anything with the 466s for the new services. They can stay as is.

- Buckland – FRN 1689896
- Noorvik – FRN 1689900
- Selawik – FRN 1689903

We can withdraw the 467s that were filed for

ATTACHMENT 4

- Buckland – FRN 16871321
- Noorvik – FRN 16871601
- Selawik – FRN 16871631

And then resubmit the 467s once the installation dates are known.

Then withdraw/cancel the 466s for Noatak (FRN 1689897) and Kiana (FRN 1689890) because they will not be installed this funding year. So the old services for Noatak (FRN 16871591) and Kiana (FRN 16871081) will continue through 06/30/2017.

Thanks,  
Ariel

---

**From:** Christina Hensley [REDACTED]  
**Sent:** Wednesday, November 30, 2016 10:12 AM  
**To:** Bernie Manns  
**Cc:** Jennifer Bachman; Joe Furrer; Robert Taylor; RHC-Assist; Ariel Burr; Chad Sheldon  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

[External Email]

Hello Bernie,

I understand that this is the most busiest time for you, and really don't want to be a troublesome. I really just wanted to make sure we're all on the same page and reiterate the plans (mostly for my comfort).

If I were to cancel the 466 for the following:

- Buckland – FRN 1689896
- Noorvik – FRN 1689900
- Selawik – FRN 1689903

Will we be able to withdraw the 467s for the following:

- Buckland – FRN 16871321
- Noorvik – FRN 16871601
- Selawik – FRN 16871631

And, confirm to withdraw/cancel the 466s for Noatak (FRN 1689897) and Kiana (FRN 1689890) because they will not be installed this funding year. So the old services for Noatak (FRN 16871591) and Kiana (FRN 16871081) will continue through 06/30/2017.

Thank you kindly,

*Christina Hensley*

---

**From:** Ariel Burr [REDACTED]  
**Sent:** Monday, November 28, 2016 12:50 PM  
**To:** Bernie Manns [REDACTED]  
**Cc:** Christina Hensley [REDACTED]; Jennifer Bachman [REDACTED]; Joe Furrer [REDACTED]  
[REDACTED] Robert Taylor [REDACTED]; [rhc-assist@usac.org](mailto:rhc-assist@usac.org)  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

Hi Bernie,



ATTACHMENT 4

Sorry I need to correct the three FRNs below for Buckland, Noorvik, and Selawik. We should be withdrawing (not canceling) the support schedules for the OLD services:

- Buckland – FRN 16871321
- Noorvik – FRN 16871601
- Selawik – FRN 16871631

Thanks for your help,  
Ariel

---

**From:** Ariel Burr  
**Sent:** Monday, November 28, 2016 11:23 AM  
**To:** Bernie Manns [REDACTED]  
**Cc:** Christina Hensley [REDACTED]; Jennifer Bachman; Joe Furrer; Robert Taylor; [rhc-assist@usac.org](mailto:rhc-assist@usac.org)  
**Subject:** FW: Support Schedule HCP 10249 FRN 16871081 Kiana

Hi Bernie,

Correct me if I'm wrong. Here is what I understand from your attached email.

If Maniilaq were to withdraw the 467s (not cancel the application, just withdraw the support schedule for now) for the following three HCPs:

- Buckland – FRN 1689896
- Noorvik – FRN 1689900
- Selawik – FRN 1689903

Once the installation dates for the new service are known, then the HCP can re-file the 467s for the above FRNs, reducing the overall amount of committed funds for the old service. Yes?

And, confirm to withdraw/cancel the 466s for Noatak (FRN 1689897) and Kiana (FRN 1689890) because they will not be installed this funding year. So the old services for Noatak (FRN 16871591) and Kiana (FRN 16871081) will continue through 06/30/2017.

Will this work?

Thank you,

Ariel Burr  
Universal Service Fund Manager  
Managed Broadband Services  
2550 Denali St. Ste #600  
Anchorage, AK 99503

[REDACTED]

---

**From:** Christina Hensley [REDACTED]  
**Sent:** Monday, November 28, 2016 10:50 AM  
**To:** Bernie Manns; Joe Furrer; Ariel Burr; RHC-Assist

**Cc:** Jennifer Bachman; Robert Taylor

**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

[External Email]

Hello Bernie,

I have a question. Can we withdraw all the upgraded FRNs, keep the original submissions up to the point of holding off the FCL dates until those dates are known?

Quyaanna (Thank you),

*Christina Hensley*

---

**From:** Bernie Manns [REDACTED]  
**Sent:** Monday, November 28, 2016 10:24 AM  
**To:** 'Joe Furrer' [REDACTED]; Ariel Burr [REDACTED]; RHC-Assist <[rhc-assist@usac.org](mailto:rhc-assist@usac.org)>  
**Cc:** Jennifer Bachman [REDACTED]; Robert Taylor [REDACTED]; Christina Hensley [REDACTED]  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

Joe,

It the HCP withdraws the 467s then they would be in essence cancelling the commitment request if I'm understanding your use of the term "withdraws". In this case they would need to re-submit FRNs if they are looking to replace the withdrawn forms.

Regards,

**Bernie Manns**

Senior Program Analyst | Rural Health Care  
USAC

[REDACTED] [www.usac.org](http://www.usac.org)

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---

**From:** Joe Furrer [REDACTED]  
**Sent:** Wednesday, November 16, 2016 5:34 PM  
**To:** Ariel Burr; Bernie Manns; RHC-Assist  
**Cc:** Jennifer Bachman; Robert Taylor; Christina Hensley [REDACTED]  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

Bernie,

If the HCP withdraws the 467s addressed in this email string, then will they be able to edit the funding dates on the FCL as services are brought online?

v/r,

Joe

Joe Furrer  
Director, GCI Healthcare  
[REDACTED]

---

**From:** Ariel Burr  
**Sent:** Wednesday, November 16, 2016 8:43 AM  
**To:** Bernie Manns [REDACTED]; RHC-Assist <[rhc-assist@usac.org](mailto:rhc-assist@usac.org)>  
**Cc:** Joe Furrer [REDACTED]; Jennifer Bachman [REDACTED]; Robert Taylor [REDACTED]; Christina Hensley [REDACTED]  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

What about these FRNs that have already had the 467 filed. Are they set in stone, or can you revise the dates on the FCL?

If the dates on the FCL cannot be revised, then I would suggest the HCP file new 466s, and then not file 467s so that the funding dates can be adjusted.

Thank you,  
Ariel

---

**From:** Bernie Manns [REDACTED]  
**Sent:** Wednesday, November 16, 2016 5:09 AM  
**To:** Ariel Burr; RHC-Assist  
**Cc:** Joe Furrer; Jennifer Bachman; Robert Taylor; Christina Hensley [REDACTED]  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

[External Email]

Honestly it's at the HCP's discretion to decide their most prudent course of action. We will process any forms received accordingly, so they should not factor USAC's level of effort in their decision making. Our task focuses on maximizing funding for all submitted participants by minimizing any possible duplication of estimated funding commitments. Probably the only other point of consideration I can add is if they do decide to withdraw the initial forms and re-submit new forms, the new forms will be reviewed under the same parameters of any other forms received during the current window. Thus, if the cap is hit during this current window these forms will be pro-rated along with all other forms submitted during this window. I apologize for not have any more specific course of action but we caution on unintentionally influencing the HCPs decision one way or the other.

Regards,

**Bernie Manns**  
Senior Program Analyst | Rural Health Care  
USAC  
[REDACTED]

| [www.usac.org](http://www.usac.org)

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---

**From:** Ariel Burr [REDACTED]  
**Sent:** Tuesday, November 15, 2016 6:04 PM  
**To:** Bernie Manns; RHC-Assist  
**Cc:** Joe Furrer; Jennifer Bachman; Robert Taylor; Christina Hensley [REDACTED]  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

Hi Bernie,

We are trying to create the least amount of work for USAC as possible.

The HCP has very little control over the expected installation dates. We are working on a project to build out fiber/microwave services to five HCPs in the Kotzebue region, which is located above the arctic circle. As you can imagine, there is a significant amount of logistics required to complete this type of project. While we've estimated 1/1/2017 as the estimated installation date, the truth is that date will probably change again.

We thought once the 467 was submitted, USAC was not able to adjust the dates, it was set in stone. So we were wondering if the HCP needs to withdraw, re-submit new 466s, and not file 467s, so the dates can be edited once they are firm?

We really appreciate your help and patience with us.

Thank you,

Ariel Burr  
Universal Service Fund Manager  
Managed Broadband Services  
2550 Denali St. Ste #600  
Anchorage, AK 99503

---

**From:** Bernie Manns [REDACTED]  
**Sent:** Tuesday, November 15, 2016 5:30 AM  
**To:** Jennifer Bachman; RHC-Assist; Christina Hensley  
**Cc:** Ariel Burr; Joe Furrer  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

[External Email]

Jennifer,

RHC Commitments Team cannot dictate the decision status or actions taken on FRNs. The HCP will have to weigh out the options that would best fit their situation while operating within the program rules of not representing duplicate funding in relation to upgraded circuits. At this point it would probably be most prudent to attempt to work directly with the HCP to figure out the most accurate anticipated installation dates and then pass this information on to us to update the FRNs involved accordingly.

Regards,

**Bernie Manns**

Senior Program Analyst | Rural Health Care  
USAC

[www.usac.org](http://www.usac.org)

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---

**From:** Jennifer Bachman [REDACTED]  
**Sent:** Friday, November 11, 2016 6:03 PM  
**To:** Bernie Manns; RHC-Assist; Christina Hensley  
**Cc:** Ariel Burr; Joe Furrer  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

Thank you Bernie for your assistance. I have a few questions.

1. Should the HCP withdraw the 467s for (1687108, 1687132, 1687163, 1687160, 1687159) and complete new 466s with the end date of 12/31/2016 and then not complete 467s until the upgraded FRNs (1689890, 1689896, 1689903, 1689900, 1689897) are installed.
2. Or can the 467's be changed to end on 12/31/2016, but not use the 467, and wait to certify them when the upgrades are complete?

Please let us know.

Jennifer Bachman  
USF Account Administrator



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---

**From:** Bernie Manns [REDACTED]  
**Sent:** Monday, October 31, 2016 12:24 PM  
**To:** Jennifer Bachman; RHC-Assist; Christina Hensley  
**Cc:** Ariel Burr; Joe Furrer  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

[External Email]

Jennifer,

## ATTACHMENT 4

The 467's for FRNs (1687108, 1687132, 1687163, 1687160, 1687159) related to Maniilaq Association were pulled back to adjust the funding end dates to 12/31/2016 due to new FRNs submitted during the current window that are for upgrades with an install date of 1/1/2017 for FRNs (1689890, 1689896, 1689903, 1689900, 1689897).

Due to the new submission windows we have to monitor and pro-actively adjust any situations that may present duplicate committed funds as in this situation. The original forms were committed for 7/1/16 – 6/30/17 and the upgrades are in review and request funding from 1/1/17 – 6/30/17.

I've included the HCP contact on this email so they are also aware of what is going on with these FRNs. If you have a different installation date for the upgraded forms then we can adjust for this but if the date is expected to stay at 1/1/17 then these original forms will have their funding end dates adjusted to 12/31/16 via the 467 revision. Please advise on the installation date of the upgrades, as the original forms will be pending 467 revision until we have an update and will not be accessible for invoicing until processed.

Regards,

**Bernie Manns**

Senior Program Analyst | Rural Health Care  
USAC

[www.usac.org](http://www.usac.org)

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---

**From:** Jennifer Bachman  
**Sent:** Monday, October 31, 2016 12:51 PM  
**To:** Bernie Manns; RHC-Assist  
**Cc:** Ariel Burr; Joe Furrer  
**Subject:** Support Schedule HCP 10249 FRN 16871081 Kiana

Hello,

We have a support schedule for HCP 10249 FRN 16871081 Kiana Maniilaq Association but funding is not available for invoicing. Please assist.

Under Support Date, you may select the latest date shown in the drop down menu to invoice all available months up to and including the month selected.

Funding Request #:	16871081
Funding Year:	Choose fund year
HCP #:	
HCP Name:	
HCP State:	AK
Service Type:	Choose Service Type
HCP Entered Billing Account #:	
Support Date:	Sep 2016

Note: The search will only return FRNs that have a positive balance available for invoicing.

Thank you,

Jennifer Bachman  
USF Account Administrator

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#### ATTACHMENT 4

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August 25, 2017

Karen Lee, Vice President  
Rural Health Care Division  
Universal Service Administrative Co.  
700 12th Street, NW, Suite 900  
Washington, DC 20005

RE: General Communication Inc.  
Election to Participate in FCC Remote Alaskan HCP Waiver

Dear Ms. Lee:

On behalf of General Communication, Inc. (GCI), we are formally notifying USAC's Rural Health Care Division (RHCD) of GCI's election to offer reduced funding year (FY) 2016 pricing<sup>1</sup> to several of our Rural Health Care (RHC) program customers. While GCI has elected to offer reduced FY 2016 pricing for all of its remote Alaska health care providers (HCPs), we are formally notifying RHCD of two instances where the final price reduction amount remains contingent upon actions yet to be taken by RHCD. In one case there is an RHCD appeal decision pending for Maniilaq Association (HCP Nos. 10812, 10817, and 10919) (Maniilaq), and in another case there is a pending request to make service end-date changes to a Form 467 for Yukon Kuskokwim Health Corporation (HCP Nos. 10191 and 10198) (YKHC). Maniilaq filed its appeal June 9, 2017, while GCI requested modification of the YKHC Form 467 on August 21, 2017 (after YKHC had been unable to make the change in the portal).

Our request is (1) that RHCD act in connection with these two HCPs prior to the September 28 waiver deadline so GCI will have time to finalize appropriate reduced pricing for these HCPs, or (2) in the event RHCD is unable to act on these requests prior to September 28, that RHCD provide assurance to GCI that by submitting this notification GCI has timely elected to participate in the pricing waiver for these HCPs,<sup>2</sup> and that RHCD can still process FY 2016 pricing reductions after September 28, 2017. If USAC is unable to do #1 or #2 above, we ask

<sup>1</sup> See *Rural Health Care Support Mechanism*, Order, FCC 17-84, WC Docket No. 02-60, ¶ 6 (rel. Jun. 30, 2017) ("2017 Waiver Order") ("We waive our rules to the extent described herein to create a path for HCPs located in remote Alaska to benefit from any voluntary price reduction(s) that their service providers elect to undertake for services rendered based on qualifying funding requests submitted during the second filing window period for the 2016 funding year.").

<sup>2</sup> *Id.* at n.8 ("Parties shall have 90 days to take advantage of the relief provided herein.").

that you notify us promptly so that we may explore whether to seek relief from the Wireline Bureau (such as a waiver deadline extension).

Sincerely,



Jeffrey A. Mitchell  
Counsel for General Communication, Inc.

cc: Radhika Karmarkar, Esq., FCC  
Johnnay Schreiber, Esq., USAC

# Attachment 5

ATTACHMENT 5

**From:** Ariel Burr [REDACTED]  
**Sent:** Tuesday, November 15, 2016 6:04 PM  
**To:** Bernie Manns; RHC-Assist  
**Cc:** Joe Furrer; Jennifer Bachman; Robert Taylor; Christina Hensley [REDACTED]  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

Hi Bernie,

We are trying to create the least amount of work for USAC as possible.

The HCP has very little control over the expected installation dates. We are working on a project to build out fiber/microwave services to five HCPs in the Kotzebue region, which is located above the arctic circle. As you can imagine, there is a significant amount of logistics required to complete this type of project. While we've estimated 1/1/2017 as the estimated installation date, the truth is that date will probably change again.

We thought once the 467 was submitted, USAC was not able to adjust the dates, it was set in stone. So we were wondering if the HCP needs to withdraw, re-submit new 466s, and not file 467s, so the dates can be edited once they are firm?

We really appreciate your help and patience with us.

Thank you,

Ariel Burr  
Universal Service Fund Manager  
Managed Broadband Services  
2550 Denali St. Ste #600  
Anchorage, AK 99503

[REDACTED]

# Attachment 6

ATTACHMENT 6

**From:** Bernie Manns [REDACTED]  
**Sent:** Monday, November 28, 2016 10:24 AM  
**To:** 'Joe Furrer' [REDACTED]; Ariel Burr [REDACTED]; RHC-Assist [REDACTED]  
**Cc:** Jennifer Bachman [REDACTED]; Robert Taylor [REDACTED]; Christina Hensley [REDACTED]  
**Subject:** RE: Support Schedule HCP 10249 FRN 16871081 Kiana

Joe,

If the HCP withdraws the 467s then they would be in essence cancelling the commitment request if I'm understanding your use of the term "withdraws". In this case they would need to re-submit FRNs if they are looking to replace the withdrawn forms.

Regards,

**Bernie Manns**

Senior Program Analyst | Rural Health Care  
USAC

[REDACTED]  
[REDACTED] [www.usac.org](http://www.usac.org)

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# Attachment 7



## Customer Acceptance Form

Customer: Aleutian Pribilof Island Association

Contract: HC-475-01-01

Date Signed: 08/02/2016

**Purpose:** This form documents service installation and Customer acceptance for use for the services in the contract listed above.

**Definitions:** Service and Location are per the contract or amendments to the contract. GCI Installation Date is the date the service installation was completed and successfully tested by GCI to the service demarcation point at the customer premise. The Customer Service Acceptance Date is the date the Customer acknowledges GCI installation, and the availability of the service for use and billing per the terms of the contract. Any Customer Acceptance Form not returned with ten (10) business days shall be considered as Customer acceptance of the Service(s) documented on this form.

Service	Location	GCI Installation Date	Customer Service Acceptance Date
10 Mbps MPLS	St. George Traditional Clinic	04/28/2017	4/28/17
10 Mbps MPLS	Nikolski Clinic	04/15/2017	4/15/17
10 Mbps MPLS	Atka Clinic	04/21/2017	4/21/17

GCI Installer: Valbhav Purani / Bob James

Service Location Administrator: Fred Bauer

Customer Phone Number: [REDACTED]

As the designated representative for (Customer), I acknowledge that the service(s) identified above are accepted for use and billable beginning on the Customer Service Acceptance Date per the terms of the contract.

[Signature]

Signature

Fred Bauer

Printed Name

6-13-17

Date

# Attachment 8

**From:** Ariel Burr  
**To:** [Jennifer Bachman](#)  
**Subject:** FW: RHC Telecommunications Program - HCP Support Schedule - HCP # 11608 - FRN 16946611  
**Date:** Tuesday, August 8, 2017 4:00:14 PM

---

---

**From:** rhc-assist@usac.org  
**Sent:** Tuesday, August 08, 2017 12:00:03 PM (UTC-09:00) Alaska  
**To:** Ariel Burr  
**Subject:** RHC Telecommunications Program - HCP Support Schedule - HCP # 11608 - FRN 16946611

[External Email]

Date: 08-Aug-2017  
Program: Telecommunications Program  
Funding Year: 2016  
Health Care Provider (HCP) Name: St George Traditional Clinic  
HCP Number: 11608  
Funding Request Number (FRN): 16946611  
FCC Form 465 Application Number: 43163913

The Universal Service Administrative Company (USAC)'s Rural Health Care (RHC) Program received the FCC Form 467 (Connection Certification Form) submitted for the above-referenced FRN. Based on the information provided on the form, a Health Care Provider Support Schedule (HSS) is attached.

This HSS has been sent to all account holders and the service provider listed on the FCC Form 498:

**Service Provider Name:** GCI Communication Corp  
**SPIN/498 ID:** 143001199  
**HCP Entered Billing Account Number:** RH000220015  
**Service Type:** Satellite Service  
**Bandwidth:** 3 Mbps

Funding Start Date:	29-Jul-2016
Funding End Date:	28-Apr-2017
Non-Recurring Funding:	\$0.00
Monthly Recurring Funding:	\$11,770.56

The first and last month's monthly recurring funding may be prorated depending on the number of days the service was in place for those months. Approved non-recurring funding will be included in the first month's funding

**Approved Funding Details**

<b>Date</b>	<b>Total Funding Amount</b>	<b>Committed Funding Amount*</b>
Jul 2016	\$1,139.04	\$1,053.93
Aug 2016	\$11,770.56	\$10,891.07
Sep 2016	\$11,770.56	\$10,891.07
Oct 2016	\$11,770.56	\$10,891.07
Nov 2016	\$11,770.56	\$10,891.07
Dec 2016	\$11,770.56	\$10,891.07
Jan 2017	\$11,770.56	\$10,891.07
Feb 2017	\$11,770.56	\$10,891.07
Mar 2017	\$11,770.56	\$10,891.07
Apr 2017	\$10,985.82	\$10,164.96
<b>Total</b>	<b>\$106,289.34</b>	<b>\$98,347.44</b>

The pro-rata factor for this filing window period is 92.52804%\*

\*This form was submitted during the FY2016 Filing Window 2 period. All qualifying requests (i.e., FCC Forms 466) submitted by the close of the filing window period are guaranteed to receive at least a percentage of the funding requested. For each filing window period, if the total demand for RHC Program funding exceeds the total remaining funding available for the funding year, USAC will apply a pro-rata factor to each funding request.

It is the HCP's responsibility to review the information in this HSS. Contact the RHC Program Help Desk at [RHC-Assist@usac.org](mailto:RHC-Assist@usac.org) immediately if, at any time, the supported services are not being provided to the HCP or the HCP is not otherwise receiving the approved support.

The HCP entered Billing Account Number, certifications, and all other information provided on FCC Forms 465, 466, and 467 may be subject to audit by USAC and the FCC.<sup>1</sup> HCPs are subject to audits and other reviews that USAC and/or the FCC may undertake to ensure that the universal service support is used in compliance with FCC program rules. If the funded service(s) is not used in compliance with program rules, program participants will be subject to enforcement activities and other means of recourse by USAC and other appropriate federal, state, and local authorities.

#### For More Information

Please do not reply directly to this email, as emails to this account will not be delivered to the RHC Program team. For questions or assistance, contact the Rural Health Care Program Help Desk at (800)-453-1546 or by email at [RHC-Assist@usac.org](mailto:RHC-Assist@usac.org).

For more information about the Telecommunications Program application process, refer to the Telecom Program Process Overview web page at <http://www.usac.org/rhc/telecommunications/process-overview/default.aspx>.

For more information about invoices, visit <http://www.usac.org/rhc/telecommunications/service-providers/step06/default.aspx>.

For more information about the HCP Support Schedule, visit <http://www.usac.org/rhc/telecommunications/service-providers/step05>.

The primary account holder will be copied on this and all correspondence from USAC related to this HCP.

---

<sup>1</sup>47 C.F.R. 54.619(d).

# Attachment 9



**From:** Ariel Burr  
**To:** [Jennifer Bachman](#)  
**Subject:** FW: RHC Telecommunications Program - HCP Support Schedule - HCP # 11608 - FRN 16946731  
**Date:** Tuesday, August 8, 2017 4:00:12 PM

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**From:** rhc-assist@usac.org  
**Sent:** Tuesday, August 08, 2017 12:00:03 PM (UTC-09:00) Alaska  
**To:** Ariel Burr  
**Subject:** RHC Telecommunications Program - HCP Support Schedule - HCP # 11608 - FRN 16946731

[External Email]

Date: 08-Aug-2017  
Program: Telecommunications Program  
Funding Year: 2016  
Health Care Provider (HCP) Name: St George Traditional Clinic  
HCP Number: 11608  
Funding Request Number (FRN): 16946731  
FCC Form 465 Application Number: 43163913

The Universal Service Administrative Company (USAC)'s Rural Health Care (RHC) Program received the FCC Form 467 (Connection Certification Form) submitted for the above-referenced FRN. Based on the information provided on the form, a Health Care Provider Support Schedule (HSS) is attached.

This HSS has been sent to all account holders and the service provider listed on the FCC Form 498:

**Service Provider Name:** GCI Communication Corp  
**SPIN/498 ID:** 143001199  
**HCP Entered Billing Account Number:** RH000220015  
**Service Type:** Satellite Service  
**Bandwidth:** 10 Mbps

Funding Start Date:	29-Apr-2017
Funding End Date:	30-Jun-2017
Non-Recurring Funding:	\$0.00
Monthly Recurring Funding:	\$40,615.00

The first and last month's monthly recurring funding may be prorated depending on the number of days the service was in place for those months. Approved non-recurring funding will be included in the first month's funding

**Approved Funding Details**

<b>Date</b>	<b>Total Funding Amount</b>	<b>Committed Funding Amount*</b>
Apr 2017	\$2,707.80	\$2,505.47
May 2017	\$40,615.00	\$37,580.26
Jun 2017	\$40,615.00	\$37,580.26
<b>Total</b>	<b>\$83,937.80</b>	<b>\$77,666.00</b>

The pro-rata factor for this filing window period is 92.52804%\*

\*This form was submitted during the FY2016 Filing Window 2 period. All qualifying requests (i.e., FCC Forms 466) submitted by the close of the filing window period are guaranteed to receive at least a percentage of the funding requested. For each filing window period, if the total demand for RHC Program funding exceeds the total remaining funding available for the funding year, USAC will apply a pro-rata factor to each funding request.

It is the HCP's responsibility to review the information in this HSS. Contact the RHC Program Help Desk at [RHC-Assist@usac.org](mailto:RHC-Assist@usac.org) immediately if, at any time, the supported services are not being provided to the HCP or the HCP is not otherwise receiving the approved support.

The HCP entered Billing Account Number, certifications, and all other information provided on FCC Forms 465, 466, and 467 may be subject to audit by USAC and the FCC.<sup>1</sup> HCPs are subject to audits and other reviews that USAC and/or the FCC may undertake to ensure that the universal service support is used in compliance with FCC program rules. If the funded service(s) is not used in compliance with program rules, program participants will be subject to enforcement activities and other means of recourse by USAC and other appropriate federal, state, and local authorities.

#### For More Information

Please do not reply directly to this email, as emails to this account will not be delivered to the RHC Program team. For questions or assistance, contact the Rural Health Care Program Help Desk at (800)-453-1546 or by email at [RHC-Assist@usac.org](mailto:RHC-Assist@usac.org).

For more information about the Telecommunications Program application process, refer to the Telecom Program Process Overview web page at <http://www.usac.org/rhc/telecommunications/process-overview/default.aspx>.

For more information about invoices, visit <http://www.usac.org/rhc/telecommunications/service-providers/step06/default.aspx>.

For more information about the HCP Support Schedule, visit <http://www.usac.org/rhc/telecommunications/service-providers/step05>.

The primary account holder will be copied on this and all correspondence from USAC related to this HCP.

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<sup>1</sup>47 C.F.R. 54.619(d).