



December 7, 2017

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: *Ex Parte* Communication: WC Docket No. 17-310

Dear Ms. Dortch:

ITTA submits this letter to address one element of the draft Rural Health Care order that is tentatively scheduled to be considered by the Commission at its December 14 Open Meeting.¹ Specifically, the draft order would waive the Commission's Rural Health Care (RHC) rules "to create a path for healthcare providers seeking support in FY 2017 to benefit from any voluntary price reduction(s) that their service providers elect to undertake for services based on qualifying funding requests submitted during the filing window period for FY 2017."²

The Commission should maintain, if not bolster, the language in its draft order emphasizing that any price reductions by service providers for RHC funding in FY 2017 are both voluntary and adopted as a single, one-time measure. The Commission also should add language specifying that any service provider that declines to voluntarily reduce its rates for qualifying FY 2017 requests will incur no penalty by the Commission for declining to do so.³

The more appropriate and efficient manner in which the Commission can manage costs in the RHC program is through well-managed procedural measures for RHC funding applicants and responsible stewardship of the Universal Service Fund. While the Commission's proposed approach may very well address funding shortfalls for FY 2017, it should not be viewed as a viable solution on a going-forward basis. Thus, going forward, the Commission should ensure that applications submitted and subsequently approved for RHC funding do not exceed the established cap for the program, without relying on voluntary price reductions by service providers. By doing so, the Commission can best ensure that funding approvals align with established caps.

¹ *Promoting Telehealth in Rural America*, Notice of Proposed Rulemaking and Order, FCC-CIRC1712-02 (Public Draft Nov. 22, 2017).

² *Id.* at 37, para. 107.

³ For example, such a statement could be added as a footnote at the conclusion of the penultimate sentence of paragraph 108 of the draft order.

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Please do not hesitate to contact the undersigned with any questions regarding this submission.

Respectfully submitted,

/s/

Michael J. Jacobs
Vice President, Regulatory Affairs