



# Rural Nebraska

## HEALTHCARE NETWORK

A regional system of care provided locally.®

John Mentgen, FACHE, President, CEO  
Regional West Health Services  
4021 Ave B  
Scottsbluff, NE 69361  
RNHN President

Robin Stuart, CEO  
Morrill County Community Hospital  
1313 S. Street  
Bridgeport, NE 69336-0579  
RNHN Vice President

James LeBrun, CEO  
Perkins County Health Services  
900 Lincoln Ave.  
Grant, NE 69140  
RNHN Secretary-Treasurer

Lori Mazanec, ACHE, CEO  
Box Butte General Hospital  
2101 Box Butte Ave  
Alliance, NE 69301

William Giles, CEO  
Regional West Garden County  
1100 West Second  
Oshkosh, NE 69154

Ken Hunter, CEO  
Kimball Health Services  
505 S Burg  
Kimball, NE 69145

Jason Petik, CEO  
Sidney Regional Medical Center  
1000 Pale Creek Crossing  
Sidney, NE 69162

Donald Weidemann, CEO  
Gordon Memorial Hospital  
300 E 8th St  
Gordon, NE 69343

Anna Turman  
Chadron Community Hospital  
825 Centennial Drive  
Chadron, NE 69337

December 12, 2017

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

Re: Promoting Telehealth in rural America – WC Docket No. 17-310

Dear Ms. Dortch,

This letter is in response to the “Order” portion of the Commission’s Notice of Proposed Rulemaking and Order, Section IV. Order, A. Carrying Forward of Unused RHC Program Funds for FY 2017.

The Rural Nebraska Healthcare Network (RNHN) is a not for profit organization comprised of all the hospitals in western Nebraska. RNHN’s focus is *A Regional System of Care Provided Locally*. We provide infrastructure and services to support this focus. As such, we were one of the original Rural Healthcare Pilot Program participants and built a 700 mile broadband fiber network that provides the back bone for all RNHN projects and services.

Our consortium includes all nine RNHN member hospitals, their associated clinics, and 14 nonmember hospitals. The RNHN consortium is 97% rural. Twenty one of the 23 hospitals in the consortium are very small with 25 beds or less. The other two hospitals are Regional Referral Centers with just over 100 beds each. None of the healthcare providers using the RNHN fiber network are large urban healthcare providers.

The RNHN healthcare providers serve a very rural population with great geographic distances between our facilities. Healthcare providers connected to the RNHN fiber network serve all of western Nebraska, many areas in rural central and eastern Nebraska, as well as bordering areas of Colorado, South Dakota, and Wyoming. This area is located on the high plains. The population of the 15 counties in western Nebraska is 98,500, which is only 5% of the total state population and less than a quarter of the population in Nebraska’s largest city of Omaha. This population is dispersed over 17,700 square miles of farm and ranch land. The area is characterized by considerable distances and relative isolation. As a whole the entire area has an average of 5.6 people per square mile making western Nebraska not only rural but frontier due to the isolation and extremely low population density of less than 6 people per square mile.

Faced with this isolation, the RNHN fiber network provides connections to the Nebraska Statewide Telehealth Network, and has direct access to Radiologists, Laboratories, Clinical Pharmacists, and other specialists nationwide. Access to patient centric information and expert guidance for healthcare providers supports quality improvement for patient care and patient safety.

The network backbone provides near 100% reliability for telehealth and increases access to healthcare services and specialized providers. The backbone capacity is allowing hospitals to provide backup/disaster recovery services to each other. We believe that building this asset in the mostly rural/frontier region of western Nebraska is a testimony to the commitment the RNHN and its healthcare providers have to the communities and people in the region.

Comments

#### IV. Order

##### A. Carrying Forward of Unused RHC Program Funds for 2017

105.

RNHN is pleased that the Commission supports access to vital telehealth services and helps rural communities overcome obstacles in accessing healthcare. The commitment to carry forward from prior years to the RHC Program funding for FY 2017 to reduce proration is to be commended. However, Rural Nebraska Healthcare Network is not in favor of the statement in 105. Para 2 “we direct USAC to put unused RHC Program funding available at the time of the proration into the RHC Program for FY 2017 funding to lower or eliminate to proration factor **first of all for all qualifying funding requests from non-consortia rural healthcare providers. In the event there are funds remaining, USAC should then lower the proration factor for qualifying funding requests from consortia**”

Your broad assumption that consortia have advantages of bargaining power or economies of scale in purchasing services in the case of the RNHN is false. When we posted our RFPs for FY 2017, we received no responses to one request and one response to another request. Broadband services are still lacking in rural areas and consortia have to pay fees based on services available not necessarily based on bargaining power. Consortia can eliminate or reduce administrative burden for individual providers, but not always provide economies of scale. As explained in this letter, The RNHN Consortium is made up of small rural individual healthcare providers and they are at equal risk from harm due to proration.

Your own data presented in this Docket cited discounts to individual rural healthcare providers in Alaska of up to 98% with healthcare providers elsewhere getting an average discount of 91% is concerning in light of the Health Care Connect Fund getting a flat 65% before proration. This bears evidence that consortia members are already bearing more cost with proration decreasing that even further.

We ask the Commission to reconsider this proposed decision and direct USAC to distribute unused funds carried forward from prior years in an equitable manner for all RHC Program participants.

Respectfully submitted,



John A. Mentgen, FACHE  
President RNHN