

# Alaska Telephone Association

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December 18, 1996

Federal Communications Commission  
Office of Secretary

William F. Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Room 222  
Washington, D.C. 20554

RE: CC Docket No. 96-45, FCC 96J-3, Joint Board Recommended Decision

Dear Mr. Caton:

The Alaska Telephone Association appreciates the extension of the filing deadline on this issue. We think our efforts during the additional time period have allowed our comments to be more precise. The Commission's decisions regarding universal service of the greatest importance to telecommunications in Alaska.

Thank you for your attention.

Very Truly Yours,



James Rowe

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Before the  
Federal Communications Commission  
Washington, D.C. 20554

Federal Communications Commission  
Office of Secretary

FCC 96J-3

In the Matter of )  
 )  
Federal-State Board on ) CC Docket No. 96-45  
Universal Service )

Comments of the Alaska Telephone Association  
in Response to the Federal-State Joint Board's  
Recommended Decision on Universal Service  
Released November 8, 1996

The Alaska Telephone Association (ATA), a trade association representing 22 local exchange companies in the State of Alaska, respectfully submits these comments in response to the Federal-State Joint Board's Recommended Decision on universal service released November 8, 1996.

The ATA's members have years of experience providing high-quality, advanced telecommunications services throughout Alaska. The service areas include the most rugged and remote parts of the United States. They include, isolated, wind-swept Aleutian Islands; barren Bering Sea communities; and frigid Arctic Slope Inupiat and Eskimo villages. There are no roads connecting many of Alaska's communities with any commercial center.

Despite these formidable obstacles, the Association's members have long provided high-quality and affordable local telephone service. This level of service is due, in large part, to the availability of universal service funds. These funds are what make telephone rates, both residential and business, affordable. Without these funds, significant portions of Alaska's rural residents would simply not have telephone service. Without access to telephone, there would be no emergency 911 service, there would be no modems, facsimiles, electronic information service, businesses, or telemedicine.

The ATA recognizes the daunting task faced by the Joint Board in preparing universal service recommendations to address the diverse needs of all the regions of this nation. We are happily compelled to compliment and thank the Joint Board for the attention it has devoted to this, most rural, part of the national telecommunications network.

With our total state population less than that of major cities, a non-contiguous location, and represented by only three delegates to Congress, Alaska could easily have been overlooked as the Joint Board struggled with such an array of difficult issues -- except that Alaska epitomizes what universal service is all about! Densely populated areas of the United States will have access to modern telecommunications regardless of any universal service policy. However, it is that policy which enables those urban areas to have telecommunication access to the high cost, rural communities.

The ATA, on behalf of its members and their customers, thank the Joint Board for visiting our state, studying our telecommunications network, and listening to our small voice in the cacophony generated on this issue by the industry.

### Requirement of the Act

Section 254(b) of the Telecommunications Act of 1996 requires the Joint Board and the Commission to preserve and advance universal service. To this effect, section 254(b)(1) requires that quality telecommunications services be available at just, reasonable and affordable rates. Section 254(b)(2) requires that access to advanced telecommunications and information services be provided in all regions of the country. Section 254(b)(3) requires that consumers in rural, insular and high-cost areas have access to advanced telecommunications services that are reasonably comparable in quality and price to those services provided in urban areas. Section 254(b)(5) requires that universal service support be sufficient. Section 254(b)(7) requires that the public interest be protected. And, under section 254(c)(1) of the Act, universal service is defined as an evolving level of telecommunications services which takes into account advances in telecommunications and information technologies and services.

The key to accomplishing these goals, and particularly the goal of ensuring that consumers in rural Alaska have telecommunications services that are reasonably comparable to those in urban areas, is expanding rather than diminishing universal service support. However, the Joint Board's Recommended Decision freezes and diminishes that support. The Recommended Decision, if implemented, would undermine the development of infrastructure to provide advanced telecommunications and information services in rural areas of Alaska. Thus, while the ATA appreciates Alaska's exemption from the use of proxy models as the basis for calculating universal service support, the ATA strongly objects to the recommendations which would diminish universal service support to Alaska in a time of increased demand for facilities.

The ATA offers the following comments:

- ▶ The ATA enthusiastically supports the recommendation in Paragraph 272 which would exempt rural telephone companies in Alaska from using proxy models rather than embedded costs as the basis for calculating universal service support.
- ▶ In regard for competitive neutrality, the ATA endorses a fair and equitable contribution, by all industry segments, to a universal service support fund.
- ▶ The ATA encourages the creation of a universal service fund that includes both interstate and intrastate revenues in its funding mechanism.
- ▶ The ATA objects to the recommendation in Paragraph 289 which would freeze the level of universal service support.
- ▶ The ATA objects to the recommendations in Paragraphs 89-92 which would restrict universal service support to a single residential line and reduce universal service support for business lines.
- ▶ The ATA supports the recommendation in Paragraph 417 for a Lifeline program to ensure that low-income consumers receive Lifeline support but objects to the recommendation in Paragraph 419 for a state matching incentive program.
- ▶ The ATA objects to the recommendation in Paragraph 716 to compensate a company providing services to health care providers by offsetting that company's universal service obligation.
- ▶ The ATA objects to the recommendation in Paragraph 776 that customers which do not select a primary interexchange carrier be charged directly to the incumbent local exchange carrier.

### Exemption of Alaska from Proxy Models

The ATA adamantly applauds the Joint Board's recommendation to temporarily exempt Alaska from the use of proxy models as a basis for calculating universal service support. The recommendation acknowledged the unique challenges presented to telecommunications service providers in this state. It also noted the absolute exclusion of Alaska data from any proxy model (Paragraph 272).

### Competitive Neutrality

Universal Service reform must be grounded in the concept of competitive neutrality. As the Telecom Act of 1996 accelerates the introduction of competition in all markets, the viability of incumbents and new market entrants alike will be inextricably linked to the notion of a "level competitive playing field." For universal service reform, this means that all industry segments must contribute to the support mechanism in a fair and equitable manner. It also means that allocation of the benefits of the support system must properly balance the interests of competition with the ultimate goal of providing basic, affordable telecommunications services to as many consumers as reasonably possible.

The ATA advocates adopting service support mechanisms which are "explicit, efficient, and fair." Effective universal service reform requires the Commission to provide an incentive for the development of new services and the deployment of modern technologies. In that regard, the system that the Commission adopts must be flexible enough to accommodate the market dynamics that are about to be released throughout the country.

### Combined State/Interstate Revenue Basis

The ATA strongly endorses the creation of a universal service fund basis that includes both state and interstate revenues. The FCC is encouraged to view universal service for what it is: a national policy which, once defined, should be funded, in its entirety, by a national support mechanism. This approach will ensure that the goals of universal service are funded fairly and adequately across the country.

The ATA supports the principle that universal service is a mutual goal of state and federal policy makers. The 1996 Act reflects the continued partnership among the states and the FCC in preserving and advancing universal service. The ATA agrees with Sprint that because intrastate services will be supported by universal service, intrastate funds should be included in the basis for calculating contributions.

There are other important considerations which call for the use of a combined revenue basis. For example, given the nature of basic telecommunications service, it is becoming extremely difficult to jurisdictionally segregate provisioning facilities and costs. Network applications such as toll access and Internet are just two examples of this dilemma. Trying to separate and fund universal service support jurisdictionally would also motivate the artificial shifting of revenue classification in an effort to avoid contributions; an effort that would defeat the very purpose of the fund.

Perhaps the most persuasive reason to use a combined state/interstate revenue basis is that it is the only way to achieve the real objectives of universal service. Continued service to consumers in states with small, high cost, predominantly rural populations like Alaska,

will be genuinely threatened by a universal service support mechanism generated solely by interstate revenues. Interstate support, incorporating nationally averaged proxies, will be inadequate in high cost rural states. The states, themselves, will be called upon to generate supplemental support derived from a very limited pool of intrastate revenues. Again, the level of support will fall short and the cost burden will shift to local ratepayers. In states like Alaska with low populations and high costs, this will simply be a burden that cannot be sustained and the customer will be forced to drop off the network.

The Commission is urged to adopt a combined revenue funding basis which will ensure that the high level of basic service that has been achieved throughout the country will be maintained and will encourage the expanded use of the network by those customers who, heretofore, have not received the benefits enjoyed by other citizens.

### Freezing Level of Support

In Paragraph 289, the Joint Board recommends freezing universal service support. Specifically, the Joint Board recommends that, beginning in 1989 and continuing through the end of year 2000, support payments for high cost assistance, DEM weighting and long-term support be frozen for each carrier. The rationale for this recommendation is that "freezing support will encourage rural carriers to operate efficiently because no additional support will be provided for increased costs." The Joint Board's decision does not tie the freeze on support to any specific inefficiencies by any rural carrier or class of carriers. This recommendation is not in accord with section 254(b)(1), (2), (3), (5), (7) and (c)(1) of the Telecommunications Act of 1996.

Freezing support will make it impossible for rural telephone companies to upgrade networks and provide modern, advanced telecommunications services. Many rural companies in Alaska are planning to upgrade their equipment and offer new services and features which would benefit both residential and business customers and would allow for advanced telecommunications services. Indeed, certain upgrades are necessary to accommodate the goals of the Telecommunications Act of 1996 and other regulatory mandates. However, as one example, a new 5ESS switch, which will allow for the delivery in rural areas of virtually any service available in urban areas, costs approximately \$1.5 million. Reducing or freezing support would cause rural companies to forego these upgrades as rural telephone companies would have no method of recovering expenses and rural Alaskans could not afford to pay the significant costs of these upgrades.

The Joint Board's recommendation to freeze support violates the Telecommunications Act of 1996. Freezing support violates section 254(b) which requires the Joint Board and the Commission to preserve and advance universal service; section 254(b)(1) which requires that quality services be available at just, reasonable and affordable rates; section 254(b)(2) which requires that access to advanced telecommunications and information services be provided in

all regions of the country; section 254(b)(3) which requires that consumers in rural, insular and high cost areas have access to telecommunications services which are reasonably comparable in quality and price to those services provided in urban areas; section 254(b)(5) which requires that universal service support be sufficient; section 254(b)(7) which requires the Joint Board and the Commission to protect the public interest; and section 254(c)(1) which defines universal service as an evolving level of telecommunications services based on advances in telecommunications and information technologies and services.

The Joint Board's recommendation to freeze universal service support is not consistent with the Telecommunications Act of 1996. The Commission should refuse to adopt this recommendation.

### Treatment of Multiple Lines

The recommendation by the Joint Board in restricting support to only single line business and first residential lines at paragraph 91 needs clarification or reconsideration. The reduction in some LECs universal service funding due to the loss of multiline business support would be substantial. This is inconsistent with the Act, and inconsistent with the Joint Board's stated intent to cushion the impact of changes on the rural LECs.

The Joint Board recommendations regarding the definition and extent of universal service support should be modified in order to comply with Telecommunications Act of 1996.

- 1) The Joint Board recommendation ensures that support will not be "sufficient" (as required at Sec. 254(d), (e), & (f)). The recommendations of the Joint Board will ensure that some Alaska LECs will have to raise local rates over 75% for all services or over 140% for multi-line business services. Multi-line business rates will have to increase to over \$120 per month.
- 2) The Joint Board recommendation ensures that the cost for all services "including interexchange and advanced telecommunications and information services" will in no way have "rates that are reasonably comparable to rates charged for similar services in urban areas" (as required at 254(b)(3)).

The Act does not differentiate between residential and business in requiring support and comparable rates. For some Alaska LECs, second residential lines will have to increase over 300%, with monthly rates of \$90 per month.

Second lines for facsimile or on-line services will become unaffordable.

- 3) The Joint Board's recommended treatment of business lines perpetuates implicit subsidies to help fund high-cost residential services. Business line rates are higher than residential line rates in order to subsidize residential service. Implicit support is inconsistent with the Act.
- 4) Without specific regulatory approval for universal service support increases, rural LECs will have trouble financing the cost of regulatory mandates (e.g., upgrades to provide equal access, number portability).
- 5) The reduction in support based on average loop cost is inconsistent with both the embedded cost of the multi-line business lines and the forward-looking cost of providing multi-line service. It understates the cost of single line service and overstates the cost of multi-line service. This method essentially shifts costs incurred for residences to multi-line businesses, then disallows recovery of these costs through USF.
- 6) By ceasing to allow support for categories of basic telephone service based upon the number and use of lines by the customer, (single line vs. multi-line, residential vs. business), the proposal prescribes a method of setting and balancing local rates. This will require rate rebalancing for many Alaska LECs resulting in dramatic local increases. This appears to go beyond the intent of the Act and the authority granted by the Act to the FCC and Joint Board.
- 7) Congress's intent to bring advanced telecommunications services to rural areas, and foster economic development in those areas, will be thwarted if support for multi-line business rates is eliminated. Most Alaska businesses need more than a single line, but few can afford rates of \$120 per month.
- 8) Restricting the number of lines eligible for support or capping support at current levels take into account the impact of access reform. If LEC revenues are further reduced via the impending access reform process, the universal service support must be increased by a corresponding amount to compensate for the lost revenue and to ensure that support is sufficient to preserve and promote universal service.

For these reasons, the Commission should:

- ▶ support multi-line business service in high-cost areas;
- ▶ permit escalation in the cost per line if and when costs increase;

- ▶ not reduce subsidy amounts for business lines below the company-wide average amount per line; and
- ▶ increase support for revenue reductions caused by changing the access charge process.

### **Low Income/Lifeline**

The ATA supports the Board's recommendation for a "Lifeline program to ensure that low-income consumers may receive Lifeline support without regard to the state in which they reside" (Joint Board Recommendation and Order at 417). However, the ATA recommends that \$7.00 be provided as federal contribution to Lifeline participants without a requirement for state matching contributions. The ATA proposal is nondiscriminatory in that every Lifeline participant receives an equal amount of assistance and it meets the Board's objectives of increasing Lifeline participation by providing support in states that do not currently offer Lifeline assistance. Finally, a \$7.00 federal contribution will ensure current participants do not receive less aid than under today's program.

The proposed state matching incentive program is inconsistent with the Board's objective, may be contrary to the Telecommunications Act of 1996, and is unnecessary. First, although the modified program achieves the objective of providing Lifeline support in every state, it virtually guarantees different amounts of support based on varying levels of state participation. Lifeline participants may receive any amount from \$5.25 to \$10.50 or more based on the state they reside in. In addition, the option exists for states to choose to remove current contributions thus reducing current support from \$7.00 (federal and state) to \$5.25 (federal only). The ATA believes the potential for such a vastly divergent administration of the Lifeline program is inconsistent with the Board's objectives.

Second, it is not necessary to encourage state matching requirements. The Board has already recommended that universal service fund contributions, i.e. funding for Lifeline assistance, be based on gross interstate and state revenues (Joint Board Recommendations and Order at 778 & 807). Thus, states are already contributing to Lifeline assistance. The Board has made other recommendations that encourage carrier participation in the Lifeline program by requiring participation in order to receive new national universal support to qualified individuals (Joint Board Recommendations and Order at 417 & 424).

Finally, the Board did not recommend matching state with federal contributions to provide service to any other class of customer. Low income customers should not be treated differently. As a national policy, articulated by Congress and implemented by the federal Executive Branch, the FCC should adopt a \$7.00 federal funding program for Lifeline assistance and remove any state matching requirements.

## Health Care

In Paragraph 716, the Joint Board recommends that the Commission compensate a company providing services to health care providers by treating the amount eligible for support as an offset against the company's universal service support obligation. The Joint Board specifically recommends that the Commission disallow the option of direct reimbursement. However, smaller companies cannot afford to carry the incurred debt. This compensation mechanism puts smaller companies at a severe disadvantage. The most extreme impact is encountered by the small company whose total rate reduction exceeds its universal service obligation in a year. The Joint Board recommends that the balance of the incurred debt be carried forward against the succeeding year's universal service obligation.

The Joint Board notes that the option of direct reimbursement is within the Commission's authority. Thus, the Commission should either refuse to adopt the Joint Board's recommendation for an offset or, at the very least, should allow smaller companies to seek direct reimbursement.

The ATA supports the Joint Board's finding that there is insufficient information to determine what services should be supported to benefit rural health care providers. This determination will require an in-depth survey of the facilities and services currently available, the costs of supporting such upgrades, and an extrapolation of the cost incurred by increased usage of the enhanced services.

The Commission requested comments on an upgrade schedule that could be achieved through public and private support and without resort to universal service funding. The ATA believes that network upgrades and modernization would not occur without universal service support for health care in rural, high-cost areas.

## Schools and Libraries

The ATA supports the Joint Board's recommendations that, consistent with the intent of the 1996 Act, extend universal service support to eligible elementary and secondary schools and libraries. The Board's recommendations add further impetus to connecting the nation's classrooms and libraries to new and expanded storehouses of knowledge for the benefit of all American youth -- rich and poor, urban and isolated. The Commission is challenged, as never before, to set rules overseeing the administration of this education fund in the spirit of competitive neutrality but still allowing all opportunities to advanced technological tools that are fostered in a competitive environment.

### Level of Local Usage

ATA recommends that any level of local usage that is established should only apply to LECs that choose to implement local measured service. Most LECs bill their local customers a flat-rate monthly charge. This flat-rate monthly charge for local calling applies to "a substantial majority of residential customers," one of the criteria for support established in the Act. There is no reason to impose an administrative burden on all LECs to quantify local usage by customer when it is likely that Congress contemplated flat-rate local usage in the universal service support funding.

### Interstate CCL Costs Should Not Have to be Collected by ILECs Directly From Local Rate Payers

The Joint Board recommends that the current Carrier Common Line (CCL) charge structure be revised so that LECs are no longer required to recover the non traffic sensitive cost of the loop through the application of a per minute, traffic sensitive rate structure (paragraph 776). The Joint Board opines that a "promising alternative" calls for the application of a flat rate charge per access line to be billed to each customer's primary interexchange carrier (PIC). For those customers that do not choose a PIC, the Joint Board suggests that the Incumbent Local Exchange Carrier (ILEC) be allowed to bill the flat rate CCL charge directly to the customer.

The Alaska Telephone Association endorses the Joint Board's revised flat rate structure for recovering CCL costs. However, the ATA opposes the suggestion that end user customers who do not select a PIC be charged directly by the ILEC. The ATA agrees that all customer lines generate interstate CCL costs. However, when the assessment comes directly from the ILEC, that customer perceives the charge as a local service charge. Customers that do not choose a PIC can originate toll usage, either through dialing 10XXX or, if they have toll denial treatment on their lines, through the use of credit and debit calling cards. Customers without a PIC can all receive toll calls on their lines. Thus a portion of these facilities used to complete interstate toll calls contributes to the costs that should be recovered from interstate carriers, not from the local customer. ATA suggests that all CCL costs attributable to interstate long distance services, including those on non PIC lines, be completely recovered through the flat rate per PIC line charge assessed only to interexchange carriers.

### DEM Calculation

The current computation of Dial Equipment Minutes double-counts local calls within the same exchange (all local calls in many small rural LECs). When access reform is considered, this subsidy from the LECs to the IXC's should be eliminated.

**Conclusion**

The ATA thanks the Joint Board for its attention and compliments it for its recommendation to exempt Alaska from using proxy models rather than embedded costs as the basis for calculating universal service support. However, we disagree with the recommendation to freeze the level of support; we oppose the reduction of support to business lines; and we oppose the recommendation that support for residential service shall be limited to a single line.

The ATA strongly supports a national universal service policy with a fully funded, national support mechanism. Intrastate and interstate revenues should contribute to the universal service fund.

Further, ATA supports the recommendation for the Lifeline program to provide support to low income customers, but opposes the state matching component. ATA also opposes the recommendation to compensate a company providing services to a health care provider by offsetting that company's universal service obligation.

Finally, the ATA supports a flat rate structure for recovering carrier common line costs, but objects to the recommendation that customers who do not select a primary interexchange carrier should be charged directly by the incumbent local exchange carrier.

Respectfully submitted this 18th day of December 1996.



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NATIONAL RURAL HEALTH ASSOCIATION

FEDERAL COMMUNICATIONS COMMISSION  
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December 18, 1996

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Office of the Secretary  
Federal Communications Commission  
1919 M St., NW, Suite 222  
Washington D.C. 20554

To Whom It May Concern:

On behalf of the National Rural Health Association (NRHA), I am writing to comment on specific provisions of the Proposed Rule on the Implementation of Infrastructure Sharing Provisions In the Telecommunications Act of 1996.

The NRHA has a long history in the area of telemedicine issues. Because our membership includes rural health providers, administrators, educators and researchers, our interest and expertise in the field of telemedicine cuts across traditional boundaries. We strongly support telemedicine as a means to both increase rural access to quality health care and decrease overall health care costs. Unfortunately, the long distance inherent in rural telemedicine have generally resulted in extremely high telecommunications rates that inhibit the development and use of telemedicine's potential. It was for that reason that Congress included rural health care providers under the universal service provision: to give rural patients access to the same telemedicine services as urban patients by eliminating the distance element in telecommunications rates. We strongly urge the Commission to adopt a distance-neutral rate structure for rural telemedicine services. In addition to this point, we recommend the following with regard to scope of services:

- At the minimum, universal internet access (local dial tone) should be available to all licensed providers;
- Broadband access should be available also, if not to all licensed providers, to an aggregate entity to which licensed providers have access.
- Specific services needed would include: communication among partners in networks, including electronic transmission of patient data; support for diagnosis, including transmission of images; the development of a treatment plan, including direct consultation with image present at both ends; patient-physician counseling for routine follow up visits and behavioral counseling which would require real-time interactive televideo.

Donna M. Williams  
Executive  
Vice President

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Page Two

Regarding the definition of small rural health care providers;

- The current definition which targets hospital revenue should not be the benchmark, geographic location and populations served should be the determinant;
- The term "provider" should be defined in the broadest way possible under law. Our suggestion is to use "licensed practitioner" as the criterion;
- Consideration should not be limited to hospitals but should include rural community colleges, medical schools with rural programs, health centers, local health departments or agencies, and rural health clinics.

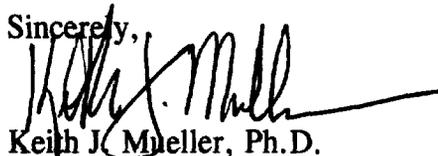
Regarding criteria for determining rural areas, the size of the town and remoteness (frontier areas) should be given special consideration.

The NRHA feels strongly that the regulatory approach taken should not disadvantage private practice. Geographic location and populations served should be the determining factors, not whether the entity is not-for-profit, for profit, big or small. All programs/facilities located in geographically remote areas serving those who would otherwise not have access to care should be assisted under the universal service provision.

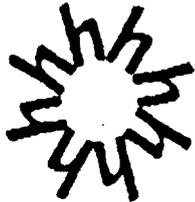
Finally, we believe that the FCC should create a flexible implementation program in concert with Congressional intent, one which responds quickly to the communication needs of rural communities but which revisits the issue of provider eligibility, eligible services, and infrastructure development on a regular basis, to ensure that both access and cost concerns are fairly balanced.

The NRHA appreciates the opportunity to share our comments with you on this important proposed rule. If we can be of further assistance, please do not hesitate to contact Jennifer Rapp in our Washington D.C. office at (202) 232-6200.

Sincerely,



Keith J. Mueller, Ph.D.  
President



Rural Wisconsin  
Health Cooperative

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

Friday, December 13, 1996

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Office of the Secretary  
Federal Communications Commission  
1919 M Street, NW Suite 222  
Washington D.C. 20554

Re: FCC Proposed Rule on Universal Services Provision

To Whom It May Concern:

RWHC has been working since last summer to begin to overcome the barriers that inhibit implementation and utilization of telecommunications and telemedicine technology in rural communities.

Very few hospitals, physicians and clinics have developed a strategic plan for telemedicine at the local level let alone at a regional level. Currently rural providers lack time, resources and knowledge to respond to the rapidly changing telecommunication environment. The many legal, regulatory and reimbursement issues that have not been fully addressed also pose barriers.

There is a growing concern that there will be an aggressive and a fragmented approach by various specialists to implement their telemedicine services without regard to commonality of equipment and interface with other telemedicine services and with little or no control at the community level. This may result in a lost opportunity for a collaborative effort to implement telemedicine in rural communities in a manner that:

- retains the local providers control and choice for telemedicine options,
- allows for a planned and coordinated effort to implement services that would enhance commonality of equipment acquisition,
- strengthens negotiation for price and service options and
- provides a basis for working together to address the legal, regulatory and reimbursement issues.

724 Water Street • Sauk City, Wisconsin 53583 • (608) 643-2343 • FAX (608) 643-4936

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To help accomplish these goals, we strongly request that you consider the following as you implement the Infrastructure Sharing Provision of the Telecommunications Act of 1996:

1. Private not-for-profit entities should have equal access with state government units or universities in applying for federal assistance to develop or assist rural networks.
2. Universal internet access should be available to all licensed providers.
3. Broadband access should be available, at a minimum, to all licensed practitioners via an aggregate entity within their region.
4. The price charged to rural provider must not be a function of distance.

Please do not hesitate to contact us if we can provide any additional input.

Sincerely,

*Tim Size*

Tim Size  
Executive Director

cc: RWHC Hospitals



Office of the Dean

December 16, 1996

Office of the Secretary  
Federal Communications Commission  
1919 M Street, N.W., Suite 222  
Washington, D.C. 20554

Dear Secretary:

The Infrastructure Sharing Provision of the Telecommunications Act of 1996 (PL 104-104), has been reviewed. I wish to comment on several items:

1. All licensed providers should have universal internet access at a minimum.
2. Broadband access should be available to all licensed practitioners on a regional basis.
3. Cost should not be exorbitant and therefore prohibitive.
4. A provider should be an individual licensed practitioner.
5. The private practice of a profession should not be penalized during the regulatory approach and assistance should be available to everyone on a competitive basis.

Thank you for your thoughtful approach to this matter.

Sincerely,

William B. Deal, M.D., F.A.C.P.  
Senior Associate Dean

meda031/secretary

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Center for Rural Health

17 December, 1996

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Federal Communications Commission

Re: Universal Service Provision

**DEC 18 1996**

Dear Sirs:

I manage rurally oriented health professions education and health care programs around Hazard Kentucky. It is hard to overestimate the importance of economical access to the Internet for rural health care providers. Over the past twenty-five years various technologies have been hyped as the salvation of rural people. Over the past year, however, I have become convinced that the power of the Internet to put people with needs for information in touch with resources is unprecedented.

FEDERAL COMMUNICATIONS COMMISSION  
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On Tuesday, December 12, my brother in rural Maine was recognized as suffering from a newly recognized and vanishingly rare condition in which the blood clots when it cools slightly-even if it is in the capillaries of the skin: not a good thing in the winter in Maine. We medical school faculty would do the traditional "search of the literature" without finding much. Medical articles take two to three years from observation to publication. We'd then go find our sub-specialist friends and see what they might have heard through the grapevine..

Instead, working the Internet from Dover-Foxcroft Maine, Frank Myers within an evening was able to get an up to the minute review of the national experience with this condition, including suggestions from oncologists a thousand miles away regarding promising treatment strategies being tried. Thus, working with his local internist he was able, in less than 24 hours, to come up with a rational and state-of-the-art treatment plan. If the country patient can do it, so can the country doctor.

The Internet takes time. Telephone modem/line time costs money and limits most of our use of the net. Discriminatory in-state long distance tolls have largely squelched the promise of telecommunications for rural economic development. It is important that the same pattern not exclude rural health care from modern technology.

Sincerely yours

*Wayne W. Myers*  
Wayne W. Myers MD  
Director

An Equal Opportunity University

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**College of Medicine**

Associate Dean for Extramural and  
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202 Health Sciences Learning Center  
Lexington, Kentucky 40536-0232  
Phone: (606) 323-8018  
FAX: (606) 323-1043

December 13, 1996

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Office of the Secretary  
Federal Communications Commission  
1919 M. St., NW Suite 222  
Washington, DC 20554

**FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY**

Dear Sir/Madam:

On behalf of Kentucky TeleCare, I want to express my strong support for an implementation strategy for the Rule on Universal Service Provision that facilitates rural health care delivery. Specifically we must work to assure local dial tone internet access to all licensed providers, regardless of geographic location. This information source will be increasingly essential to practitioners as we move into the next century and rural providers must have access equal to that of their urban colleagues. Wide band capability should also be reasonably accessible to rural community practitioners so that participation in telemedical applications is distributed to rural communities in a manner not materially different from access in urban environments. Such access must be distance neutral or nearly distance neutral to assure that communications charges do not function as barriers to utilization of these emerging technologies.

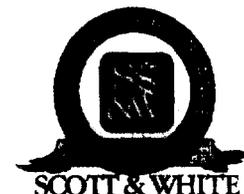
In short, I would argue that rule making and implementation should be guided by the principle that our goal is to allow and to facilitate the use of communications technology equally in the development of rural and urban health care systems.

Thank you for this opportunity to comment.

Yours truly

A handwritten signature in black ink, appearing to read 'James C. Norton', written over a circular stamp or seal.

James C. Norton, Ph.D.  
Associate Dean for Extramural and  
Post Graduate Medical Education

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OFFICE OF SECRETARY**

December 17, 1996

Office of the Secretary  
Federal Communications Commission  
1919 M Street, NW Suite 222  
Washington D.C. 20554

RE: FCC Proposed Rule on Universal Service Provision

To Whom it May Concern:

First, let me commend the Commission's efforts to improve access to the information highway for all Americans. The following represent some key concerns that I feel must be addressed in final rules on this issue.

1. Rural America, and particularly Frontier and wilderness communities, are especially disadvantaged by (a) the current system of costs that are based on distance and location. In order to improve access the FCC must assure that costs are distance neutral for T1 access or its equivalent. (b) Definitions of rural health provider that use criteria other than geographic location and populations served are inappropriate. The definition of small rural health care providers must be as broad as possible under the law.
2. Universal Internet access (local dial tone) should be available to all licensed providers, or, if not all licensed providers, an aggregate entity that licensed practitioners have access to.

The information highway holds a great deal of promise for rural providers and rural communities. However, this promise will not be realized if we cannot level the playing field between rural and urban.

Thank you for your consideration.

Sincerely,

Gail R. Bellamy, Ph.D.  
Director,  
Community Research and Program  
Development*Delivering tomorrow's health care today***SCOTT & WHITE  
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AND SCOTT, SHERWOOD  
AND BRINDLEY  
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The Commonwealth of Massachusetts  
Department of Education

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350 Main Street, Malden, Massachusetts 02148-5023

December 13, 1996

The Honorable Reed E. Hundt, Chairman  
Federal Communications Commission  
1919 M Street, N.W. Room 814  
Washington, D.C. 20554

RE: 11/7 Universal Service Recommended Decision (CC Docket No. 96-45)

Dear Chairman Hundt:

The undersigned members of the Massachusetts Universal Access working group wish to register the following comments related to the Federal-State Joint Board's November 7, 1996 Recommended Decision regarding universal service as applied to schools and libraries.

- 1) We strongly support the general thrust of the Recommended Decision and urge the full Commission to adopt a final decision in line with the basic framework recommended by the Joint Board.
- 2) We particularly urge the full Commission to maintain the recommended application of the Universal Service Fund to internal wiring and networking implementation and ongoing costs.
- 3) We urge the Commission to maintain the progressive discount schedule articulated in the Recommended Decision.
- 4) We urge the Commission to provide a nationally coordinated administrative structure with clear accounting guidelines to assist states, schools, libraries, and other affected parties in implementing the final decision.
- 5) We urge the Commission to preserve flexibility for states to expand the scope of services that receive discounted services by expanding contributions to an in-state fund from intrastate charges.
- 6) We urge the Commission to make explicit the accounting procedures for consortia containing eligible and non-eligible entities to access funds in its final decision

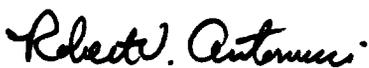
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7) We urge the full Commission to make explicit the opportunity for public and public-private consortia to access discounts from the Fund for telecommunications and networking services.

8) We urge the Commission to promulgate rules in its final decision that allow all public and private service providers - including school districts - to be able to draw from the Fund for eligible services to eligible entities.

9) We urge the full Commission to adopt a distribution of Fund resources to the respective states at rates proportional to the rate in which each state contributes to the Fund rather than "first come - first served".

Finally, we urge the Commission to expedite the process of implementing the final decision. The Commonwealth of Massachusetts is in the process of making several major decisions related to educational telecommunications which will be profoundly impacted by the timing and details of the Commission's work.



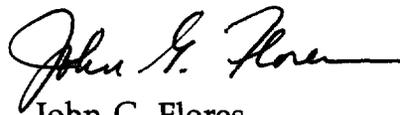
Robert V. Antonucci  
Commissioner of Education  
Department of Education



Kieth Michael Fiels  
Director  
Mass. Board of Library Commissioners



Peter Finn  
Executive Director  
Mass. Assoc. of School Superintendents



John G. Flores  
Executive Director  
Mass. Corp. for Educational Telecom.



Steven Miller  
Executive Director  
Mass. Network Education Partnership



Beth Lowd  
Business and Education for Schools  
and Technology



Nancy Vose  
President  
Mass. Computer Using Educators



Isa Zimmerman  
Chair  
EDCO Technology Task Force

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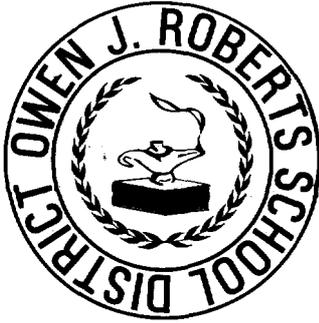
The Honorable Reed E. Hundt, Chairman  
Federal Communications Commission  
1919 M Street, N.W. Room 814  
Washington, DC 20554



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## Owen J. Roberts School District

Administration Building  
901 Ridge Road, Pottstown, Pennsylvania 19465  
Telephone (610) 469-6261  
Fax (610) 469-0748

December 13, 1996

The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, N. W., Room 814  
Washington, DC 20554

RE: CC Docket No. 96-45

Dear Chairman Hundt:

I am a school board member from the Owen J. Roberts School District and I would like to thank you for your leadership and the leadership of the Joint Board for their strong decision to ensure that all schools will have affordable access to the Information Superhighway. I urge the FCC to fully adopt the recommendations of the Joint Board.

The discount range of 20 to 90 percent will ensure that all schools – even the poorest – have truly affordable access. The plan is also very flexible and will empower schools to select the services that work best for their educational mission. The inclusion of discounts on internal connections and Internet access is equally vital and stands to bring services directly to the classroom where students learn.

As you move ahead in your deliberation on this important issue, I urge you to seize this opportunity to bring 21<sup>st</sup> century learning to our schoolchildren.

Sincerely,

A handwritten signature in cursive script, appearing to read "Eric C. Scheib".

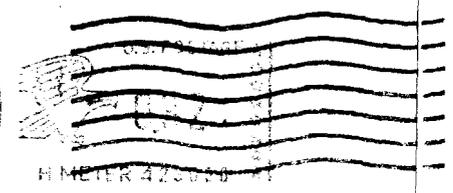
Eric C. Scheib  
School Board Member

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**Owen J. Roberts School District**  
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901 Ridge Road  
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The Honorable Reed Hundt  
Chairman  
Federal Communications Commission  
1919 M Street, N. W., Room 814  
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