



September 26, 2014

VIA ELECTRONIC DELIVERY

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

Re: Feedback from state led HCF consortia on HCF program rollout. Continued challenges and difficulties with the USAC administered HCF program (WC Docket No: 06-20)

Madam Secretary,

In accordance with Section 1.1206 of the Commission's rules, 47 C.F.R. 1.1206, we hereby provide notice of a conference call held with Commission Staff on September 15, 2014. The following individuals attended the conference call:

Courtney Stennick, Kim Klupenger and, Abby Sears of OCHIN Inc. d/b/a **the Oregon Health Network**
Denise Jurca and Eric Brown of the **California Telehealth Network**
Rob Jenkins and Tracy Hines of the **Colorado Telehealth Network**
Roger Holloway and Doug Power of the **Illinois Rural Healthnet**
Sara Davis of the **Bacon County Health System**
Jim Rogers of the **New England Telehealth Consortium**.
Michael Batt of Hall Render, counsel to the **HCF Coalition** met with:
Radhika Karmarkar, Deputy Division Chief of the **Telecommunications Access Policy Division**
Regina Brown, Dana Bradford, and Beth McCarthy of the **Wireline Competition Bureau**.

This meeting was held in reference to ongoing challenges and difficulties experienced by consortia participating in the Healthcare Connect Fund (HCF) and to provide feedback on how those challenges are affecting the business operations of consortium leaders. These challenges run counter to the spirit and letter of the HCF order particularly a stated preference for the consortium approach. As outlined below, the primary challenges experience by consortia can be addressed and resolved through the provision of supplemental guidance by the Commission to USAC.



The key topics of discussion are as follows:

1. Portal Functionality

a. System instability

i. Not deployed correctly: The deployment of the My Portal system was done so without the full functionality contemplated by the commission when the HCF order was released in December of 2012. Though deployed in July of 2013, the "My Portal" system lacked the functionality to import data from paper submissions thus requiring pilot programs who receive HCF site approvals using pilot program forms to resubmit form 460s through the portal in direct contradiction of paragraph 214 of the HCF order thus representing a substantial duplication of work for consortium leaders. Additionally, those consortia with evergreen contracts were unable to certify form 462s thereby providing them with the ability to invoice against their funding commitment letters which can only be done by generating a form 463 for which form 462 certification is a critical first step.

ii. Months behind: The failure to correctly deploy portal functionality has resulted in consortium leaders finding themselves months, in some cases over a year, behind in critical operations. The timely receipt of eligibility determinations via the form 460 process continues to be an ongoing issue for consortia. This has resulted in new sites before forced to pay for unsubsidized services for broadband connectivity at rates much higher than their urban counter parts. Additionally, form 462 and 463 processing has been delayed thus forcing consortia to carry large amount of service provider debt at the risk of member HCP sites and consortium leader organizations.

iii. Not useful tool: The portal does not function as it was originally contemplated therefore it represents a more cumbersome resource than a useful tool to consortium leaders

b. Lack of site/service substitutions: The lack of ability to do site and service substitutions through the portal has further delayed payment to service providers as any sites with upgraded bandwidth, circuit changes (asynchronous transfer mode to metro optical ethernet conversions), address changes, name changes, etc. cannot access funding.

c. No interim fix in place: though consortium leaders went on record time and again with both the FCC and USAC staff and senior management, an interim fix was never offered thus forcing consortium leaders to endure protracted delays. Calls and e-mails to USAC on procedural issues go unanswered.



Proposed Solution:

- a. Provide program participants with transparency into MyPortal performance by directing USAC to publically submit website availability performance metrics. When the portal is not functioning or consortia otherwise receives permission from USAC, permit consortia to submit data to USAC in either a paper format or as an Excel format, and direct USAC to develop submission tools which accommodate batch submissions that do not rely on a remotely hosted tool. If a healthcare provider is seeking funding for broadband connectivity, those who need the funding the most may not have a broadband connection that is stable enough to facilitate the application process.
 - b. Direct USAC to allow site/substitutions upon notice through e-mail correspondence until an alternative method is provided by USAC.
 - c. Define minimum service level expectations for USAC to return calls and e-mails within one week with either the answer to the question or indicating that the issue is outside of the scope of USAC and the provider should contact the FCC for guidance on the issue.
2. Inexperienced staff and lack of FCC action to timely clarify ambiguous terms.
- a. No legal, Healthcare or IT experience: Despite the substantial amount of impact USAC staff possess with regards to determining site eligibility, USAC staff members lack the necessary legal, healthcare and/or information technology experience to understand the work that consortium leaders are undertaking. The program forms seek information related to the corporate structures, billing structures, licensure and physical networks of healthcare providers. USAC staff appear to struggle with the scope, significance and authority of these structures over the service delivery locations. This critical lack of experience and knowledge results in undue and unnecessary scrutiny given by USAC staff. This scrutiny further delays consortium leader operations often as the result of USAC staff simply lacking the experience to understand the Order, healthcare operations and information technology. Departure from coaching model: Though this coaching model proved to be unsustainable for USAC and the Commission, moving away from this model has resulted in a very unnecessarily complex process for consortia leaders as they are forced to reeducate a new person every time they are assigned a consortium form or task. Additionally, the sheer volume of people involved in program decision making results in a lack of familiarity with consortia thereby forcing additional delays as consortium leaders must reeducate USAC staff about their operations with every new USAC staff member that becomes involved in a particular consortium's operations. Some programs have experienced a tremendous amount of redundancy stemming from this "non coach" model. Forcing delays in eligibility determinations because there are 2 -3 USAC staff asking the same questions about any given site.

Proposed Solution:



- a. USAC should be advised that at a minimum USAC staff should have an understanding of the distinction between a physical building, a corporate entity, a billing entity and service locations identified on a hospital license.
 - b. USAC should be advised to identify one staff member associated with each Consortium that is responsible for maintaining continuity through the Consortium application process.
3. USAC's handling of HCF jeopardizes consortium model
- a. With the current procedures used by USAC, an eligible HCP is much more likely to seek funding and to receive funding much more timely if it submits filings as an individual applicant as opposed to as a member of a consortia. Consortium leaders find that the HCF program as USAC has chosen to administer it has created an environment where the HCF program favors individual applicants rather than consortium leaders which is counter to the spirit and letter of the HCF Order. USAC's ongoing demonstration of preference for its portal over the orderly administration of the HCF program continues to further jeopardize the consortium approach to this program.

Proposed Solution:

- a. USAC should be advised to use quarterly webinars to identify, address and fix issues. The Commission and HCPs may reasonably expect USAC to resolve issues within 30 days or otherwise provide a project plan with a resolution date. To date, USAC has demonstrated a disturbing lack of transparency with regards to its ongoing portal issues and the fixes it intends to put into place or the timelines it anticipates for repairing said issues. USAC should devote the primary portion of their quarterly webinars to address the ongoing portal functionality issues, planned fixes and the anticipated timelines for having those fixes in place.



We greatly appreciate your time and consideration in hearing our thoughts.

A handwritten signature in black ink, appearing to read "Rob Jenkins", with a long horizontal line extending to the right.

Rob Jenkins
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