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July 13, 2007

Via Electronic Filing

Ms. Marlene Dortch
Secretary
Federal Communications Commission
The Portals, TW-A325
445 Twelfth Street, SW
Washington, DC 20554

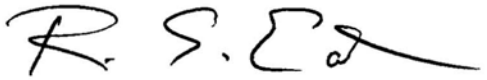
Re: Ex Parte Notice -- Rural Health Care Support Mechanism, WC Docket No. 02-60

Dear Ms. Dortch:

On July 12, 2007, Jim Mormann, Chief Information Officer for Iowa Health System ("IHS"), Sabra Rosener, Director of Government Affairs for IHS, Pamela Delagardelle, Chief Executive Officer of Grundy County Memorial Hospital, and Douglas Orvis and Robert S. Eaton, from Bingham McCutchen LLP, outside counsel to IHS, met with Ian Dillner, Legal Advisor to Chairman Kevin Martin, to discuss the merits of IHS's application for grant funds pursuant to the Commission's Rural Health Care Pilot Program established in the above-referenced docket. The attached written materials were provided during the presentation.

Pursuant to Section 1.206(b) of the Commission's Rules, this letter and attachment are being submitted for inclusion in the referenced docket. Please direct any questions to the undersigned.

Sincerely yours,



Douglas D. Orivis II
Robert S. Eaton

Counsel to Iowa Health System

cc: Ian Dillner

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Iowa Health System FCC Rural Health Care Pilot Program

07/12/07

Agenda

I. Who is Iowa Health System?

II. What is HealthNet?

III. HealthNet Goals

IV. HealthNet Support

V. Budget Summary

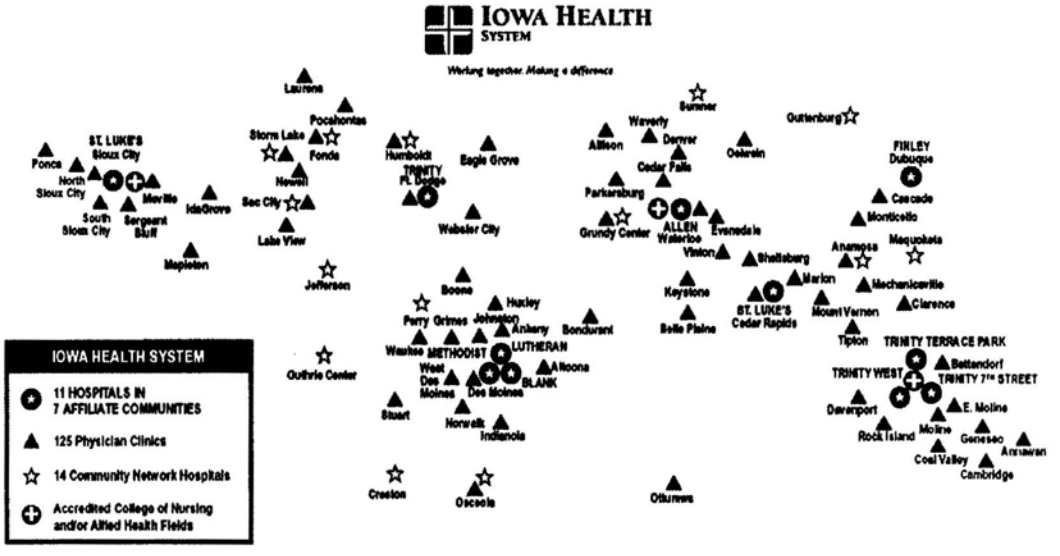
VI. Application's Benefits

IHS FCC Rural Health Care Pilot Program

Iowa Health System . . .

IOWA HEALTH SYSTEM

- First and largest integrated health care system in IA
- System of 10 senior affiliate hospitals in 7 different regions and 14 rural hospitals in other Iowa communities
- 450 Physicians and 125 Clinics
- 80 communities in Iowa, Illinois, Nebraska, and South Dakota
- Revenues of $1.8 Billion in 2006



- Currently owns and operates 2,000+ route miles of private fiber optic network connecting affiliates and clinics at multi-Gigabits per second
- Significant experience in telemedicine and telehealth systems

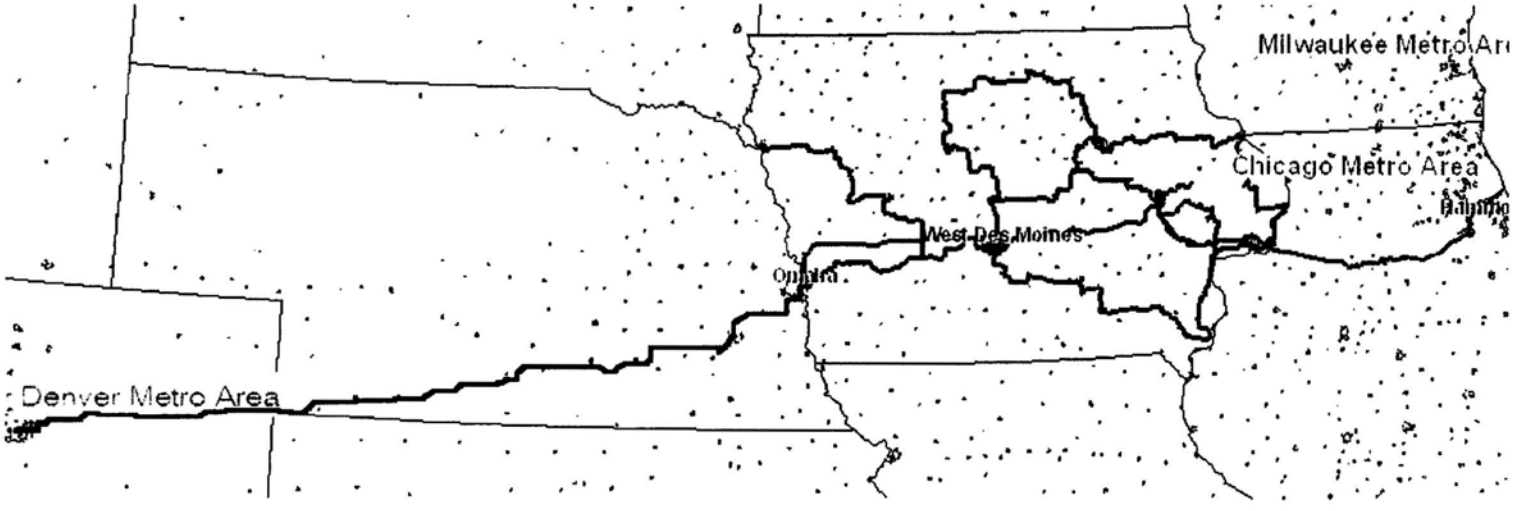
is the first and largest integrated health care system in Iowa.

IHS FCC Rural Health Care Pilot Program

HealthNet is . . .

IOWA HEALTH SYSTEM

- Private 3,000+ route miles of fiber optic network in Iowa and extending to Chicago and Denver
- A multi-million dollar IHS investment to make connectivity available to urban and rural health care providers
- FCC Pilot program funds would extend access to health care providers across Iowa
- Connectivity options include Iowa telecom providers Qwest and Iowa Telecom



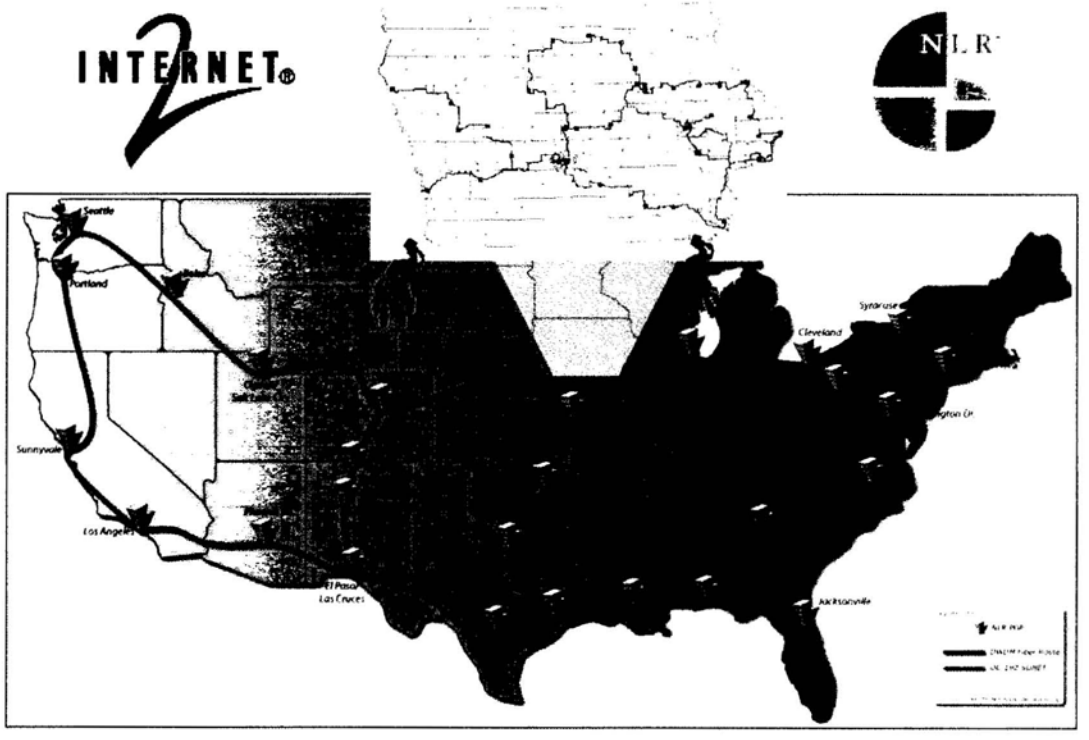
. . . A privately owned fiber optic health care network.

IHS FCC Rural Health Care Pilot Program

HealthNet Goals . . .

IOWA HEALTH SYSTEM

- Increase non-discriminatory connectivity for all health care providers in the region
- Extend IHS's privately owned fiber optic network to serve as a foundation for:
  - Telemedicine
  - Telehealth
  - Health records exchange
  - Secure data exchange and storage
  - Disaster recovery and coordination
  - Health care related research and documentation
  - Internet 2 and/or NLR access



Regional Health Care Network connecting to the National Health Care Network

Include increasing connectivity for all health care providers.

IHS FCC Rural Health Care Pilot Program

HealthNet Support . . .

IOWA HEALTH SYSTEM

Senator Charles Grassley
Senator Tom Harkin

Congressman Leonard Boswell
Congressman David Loebsack
Congressman Tom Latham
Congressman Bruce Braley
Congressman Steve King

Iowa Telecom

Qwest Communications

Coventry Health Care of Iowa, Inc.

Principal Financial Group

Wellmark BlueCross BlueShield

National LambdaRail

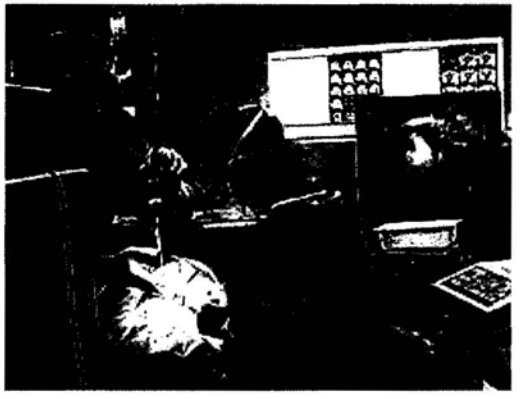
UnitedHealthcare

. . . Comes from providers, payers, and telecom companies.

IHS FCC Rural Health Care Pilot Program

HealthNet Budget . . .

IOWA HEALTH SYSTEM



- $12.8 Million project with $7.8 Million requested from FCC
- Grant funds received from the FCC will be spread across eligible entities agreeing to connect to HealthNet
- Grant funds would be used for expanding the network to rural health care providers

- No funds are sought for operating expenses or for reimbursement of investments already made
- Operational Expenses will be recouped via:
    1. Non-qualifying entities would pay proportionate use fee; 100% capital costs
    2. Qualifying entities would pay lower rate fee; Grant funds would pay for access

. . . Request is to extend access throughout the region.

IOWA HEALTH SYSTEM

1. Backbone fiber already exists
2. Dedicated solely to healthcare
3. Open to **ALL** health care entities without prior commitment
4. Grant funds are not required for ongoing operations
5. FCC application doesn't require waivers or special treatment

. . . Provides a unique opportunity for the Commission.

Q & A