

USF Consultants

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Universal Service Fund - Rural Health Care Specialists
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Federal Communications Commission
Office of the Secretary

Fax Cover Sheet

DATE: 5/16/08 FAX: 202.418.2825 (web)

TO: FCC - Universal Service Fund Appeal - Rural Health

FROM: Mike O'Connor USF Consultants

Voice (608) 268 2565

Fax (608) 268 2566

Number of Attached Pages: 14

RE: ~~ADD 2006 HCP 149191 FRN 27750~~ WC Docket No. 02-60

FY 2006 / HCP 149191 FRN 27750

Pravira duChien Clinic

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usf CONSULTANTS

VIA FAX 202-418-2825

Federal Communications Commission
Office of the Secretary
Room TW-A325
445 12th Street SW
Washington, DC 20554

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MAY 2 8 2008

Federal Communications Commission
Office of the Secretary

May 16, 2008

WC Docket No. 02-60

Re: In the matter of Request for Review by Franciscan Skemp Prairie du Chien Clinic of
Decision of the Universal Service Administrator Docket Nos. 96-45 and 97-21
FY2006 HCP 14919 FRN 27750

Dear Wireline Competition Bureau,

Franciscan Skemp Prairie du Chien Clinic ("Prairie du Chien") hereby appeals the initial decision of the Universal Service Administration Company ("USAC") denying Prairie du Chien's request for Rural Health Care Program support funds for telecommunication services. USAC erred in its application 47 C.F.R. § 54.605, Prairie du Chien respectfully requests the Federal Communication Commission ("FCC") overturn USAC's decision and provide universal service support as set forth below.

Background

Prairie du Chien utilizes a Metro Ethernet Service provided by CenturyTel, to provide a dedicated full bandwidth connection from the Prairie du Chien Clinic to the Franciscan Skemp Data Center located in La Crosse, WI. The full bandwidth connection provides 10Mbps of throughput to link the Local Area Network at the Clinic to the Data Center.

The Metro Ethernet Service is billed on per location basis based on term and Ethernet Service Connectivity, Total Transport. The Total Transport for the Prairie du Chien Clinic is 10Mb.

A contract for a 10Mbps connection into the CenturyTel Network from the Prairie du Chien location was executed on 4-14-2006. Monthly Charge: \$865 for 10Mb.

A contract for a 200Mbps connection into the CenturyTel Network from the Franciscan Skemp Data Center was executed on 4-14-2006. Monthly Charge: \$1590 for 200Mb.

CenturyTel also supports four 45Mb connects to nearby Clinics. The total bandwidth from the sum of all the Clinics into the Franciscan Skemp Data Center is 190Mb. All connections are full bandwidth virtual connections.

To provide an end to end connection, a completed circuit path requires the 10Mbps service from Prairie du Chien to be combined with other Metro Ethernet services and delivered as a single 200Mbps multiplexed service to the hospital. There is one Ethernet Channel Termination at the Clinic end (10Mbps) and one Ethernet Channel Termination at the hospital (200Mbps).

The 10Mbps point to point service utilizes 100% of the 10Mbps Prairie du Chien Ethernet Channel Termination and 1/20 of the of the 200Mbps hospital Ethernet Channel Termination. The Prairie du Chien 10Mbps Ethernet Channel Termination is billed \$865/mo. The hospital 200Mbps Ethernet Channel Termination is billed \$1590/mo.

Together, the two Ethernet Channel Terminations represent a full point to point circuit.

An urban equivalence rate was provided from the Verizon Business Converged Ethernet Access Service. A 10Mbps - 60mo term plan service would be billed \$483/mo.

USAC determined the support amount for the 10Mbps Prairie du Chien service would be the rural rate of \$865 less the urban rate of \$483 x 2, or \$966; representing the cost of two individual 10Mbps Channel Terminations. The urban rate was calculated to be more than the rural rate and subsequently no support was provided.

Argument

The misapplication of the price for two 10Mbps Urban Channel Terminations resulted in the loss of all support for Prairie du Chien.

USAC failed to take into consideration the billing of Ethernet services is on a per location basis not a per circuit basis. The rural amount of \$865 was assumed by USAC to represent a full and complete circuit, point to point with 2 channel terminations of 10Mbps each. The \$865 billed by CenturyTel represented only one end of the circuit or 1 Ethernet Channel Termination.

By assuming the billing represented a full circuit, USAC doubled the Urban Ethernet Channel Termination resulting in a total urban rate of \$966. (\$483 x 2) When compared to an actual rural rate of \$865 no support was awarded as the rural rate was \$101 less than the urban rate.

This error is understandable as traditional TDM services billed by the telephone company are billed as a complete unit; a channel termination at the near end, mileage components and a channel termination at the far end.

Ethernet services are billed per location and a basic point to point circuit will require at a minimum two separate bills. The Prairie du Chien Service is more complicated as the Hospital Channel Termination end has contributory traffic from other locations. The Prairie du Chien location represents only 5% of the bandwidth into the Hospitals Data Center.

The nature of the service is not a single 10Mbps Ethernet Connection at one end and a 10Mbps connection at the other. This service is comprised of 2 separate Channel Terminations with different bandwidths. Each must be compared individually:

The rural service is composed of two separate Ethernet Channel Terminations:

a single 10Mbps Ethernet Service (Prairie du Chien CT)....\$865
1/20 of a 200Mbps Ethernet Service (Hospital CT).....\$1590

The equivalent urban service Ethernet Channel Terminations:

A single 10Mbps Ethernet Service (Urban).....\$483
1/20 of a 200Mbps Ethernet Service (Urban)*.....\$1590

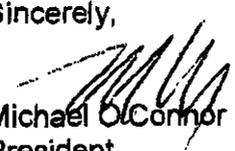
*Rural and urban cost is the same as the service is in a urban area

Based on the urban rural analysis, support for the point to point 10Mbps service should equal: \$382 for the 10Mbps Channel Termination at Prairie du Chien and \$0 for the 200Mbps Channel Termination at La Crosse. Total support should be \$382.

Conclusion

For the reasons stated above, Prairie du Chien should be granted funding in the amount of \$382 per month representing the difference in the rural verses urban rate.

Sincerely,


Michael O'Connor
President

Michael O'Connor
USF Consultants
PO Box 6641
Monona, WI 53716
(608) 268-2565 voice
(608) 268-2566 fax
Michael@usfnw.com

Attachments: USAC Letter March 17 2008 Denial
USF Letter Dec 26, 2007 USAC Appeal
CenturyTel Addendum for PdC and La Crosse
CenturyTel bill # 405364018 may-07
CenturyTel Tariff page 1-17.4.8.B(1)

Administrator's Decision on Rural Health Care Program Appeal

Via Electronic and Certified Mail

March 17, 2008

Mr. Michael O'Connor
President, USF Consultants
PO Box 6641
Monona, WI 53716-0641

Re: Request for Recalculation of Support – Multiple HCP's

Dear Mr. O'Connor:

The Universal Service Administrative Company (USAC) has completed its evaluation of USF Consultants' letters of appeal received on October 30, 2007, December 26, 2007 and January 14, 2008. USF Consultants appeals the Rural Health Care Division's (RHCD) partial funding for Funding Year 2006 applications covering six health care providers (HCP) listed in Attachment A to this letter. USF Consultants' appeal requests that USAC grant a lower urban rate, based on a point-to-hub network configuration. Upon review, USAC concludes that the requests for funding for all Funding Year 2006 applications noted in Attachment A were correctly processed.

Decision on Appeal and Explanation: Denied

This appeal requests that RHCD calculate support based on a point-to-hub urban rate. RHCD originally calculated support for this connection using a point-to-point urban rate. USAC has contacted the service providers, Charter Communication ("Charter") and CenturyTel to ascertain the appropriate method of calculating support. Charter and CenturyTel have confirmed that the connections are point-to-point circuits; therefore the corresponding urban rate should include two channel terminations. Therefore, RHCD correctly calculated support.

If you wish to further appeal this decision, you may file an appeal with the FCC. Detailed instructions for filing appeals are available at:

<http://www.usac.org/rhc/about/filing-appeals.aspx>

Sincerely,

USAC

ATTACHMENT A

Listing of Health Care Providers Subject to this Appeal

HCP No.	HCP Name	FRN
13127	Fort HealthCare – Fort Memorial	27579
13129	Fort HealthCare – Lake Mills Clinic	27624
14574	Lake Delton Urgent Care	27895
15525	Marshfield Clinic	27897
14919	Franciscan Skemp Prairie du Chien	27750
13131	Fort HealthCare Whitewater	28614

USF Consultants

Universal Service Fund - Rural Health Care Specialists
PO Box 6641 Monona, Wisconsin 53716-6641 (608) 268-2565

Letter of Appeal
Rural Health care Division of USAC
2000 L Street Northwest, Suite 200
Washington, DC 20036

December 26, 2007

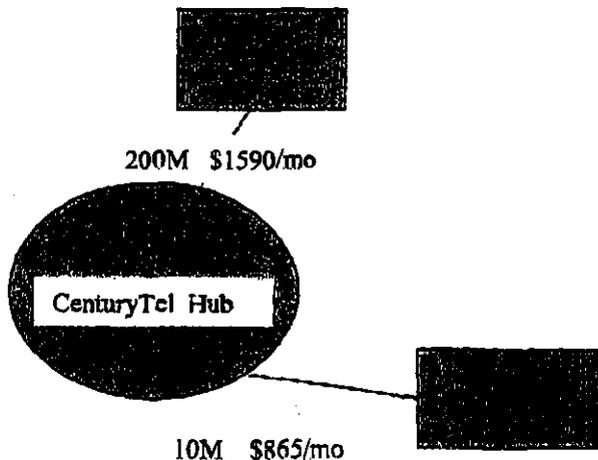
Re: Universal Service Fund Appeal -Request for Recalculation of Support
Franciscan Skemp Prairie du Chien HCP 14919 FRN 27750

Dear Appeals Committee,

I am providing this detailed information to assist in the determination of the appropriate amount of funding support and identify the cause for the initial under funding error.

The Franciscan Skemp Clinic has a single 10Meg IP service connected to the CenturyTel Network. The service is a point to hub design and is billed at \$865 per month to access the network from the clinic. The hospital has a separate bill for \$1590 per month for a 200Meg IP service which supports multiple locations.

RURAL RATE INFORMATION

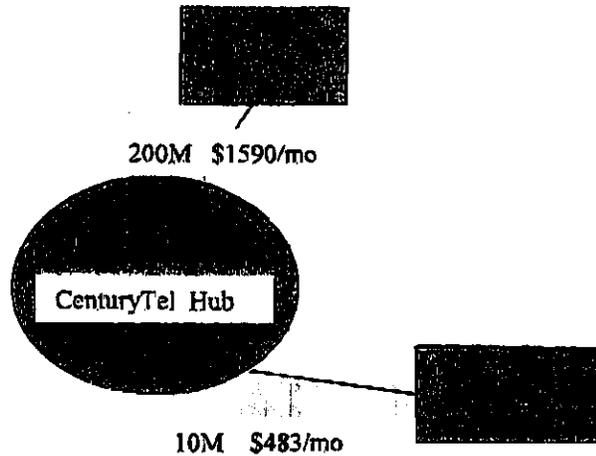


Our initial request was for a Comprehensive Rate Analysis; the most direct method to determine the appropriate support amount. The results were most unexpected as the support amounts were significantly less than the requested amounts.

USF Consultants: Dedicated, knowledgeable, Experienced

Our choice of an appropriate Urban Rate, Service Type, and Operation was provided by Verizon Business using their MPLS IP-VPN Service. This rate is available in Milwaukee, Wisconsin. A 10M service cost is \$483 per month.

**URBAN RATE
INFORMATION**



Upon further review, we surmised the request had been treated not as a point to hub configuration but a point to point configuration. The urban amount in each case had been doubled.

The 10Meg Service Urban Rate of \$483 per month was doubled to \$966. The result was a funding of \$865 rural rate – a \$966 urban rate = no support.

Our request is very simple. Please correct the urban rate to reflect a point to hub configuration as is provide in the billing.

This would increase the support for the 10M service from \$0 to \$382 (\$865 - \$483).

Thank you for your assistance.

Sincerely,

Michael O'Connor
President

Attachments FCL, CenturyTel Contract for Clinic Service, CenturyTel Contract Page for Hospital 200M Addendum page A , Verizon Urban rate

AGREEMENT TO PROVIDE TELECOMMUNICATIONS SERVICES

ADDENDUM A

Term Length: 60 months

Requested Installation Date: 45 business days after receipt of signed contract.

Monthly Charge: \$865.00 for 10-Mb

Non-Recurring Service Charges: N/A

Customer's Premises: 800 E Black Hawk Rd, Prairie Du Chien, WI.
 Telephone Number: _____

Signature on behalf of Franciscan Skemp Healthcare acknowledges the understanding and acceptance of the terms and conditions for CenturyTel of Central Wisconsin Equipment and Services, and that commitments under this Agreement are authorized.

The Customer

By: *Gene Lind*
 Title: Contract Coordinator
 Date: 4-14-2006

CenturyTel

By: *Kion Carlson AR*
 Title: Business Sales Mgr
 Date: 3-21-2006

AGREEMENT TO PROVIDE TELECOMMUNICATIONS SERVICES

ADDENDUM A

Term Length: 60 months

Requested Installation Date: 45 business days after receipt of signed contract.

Monthly Charge: \$1590.00 for 200-Mb

Non-Recurring Service Charges: N/A

Customer's Premises: 4-14-2006
700-900 West Ave S, La Crosse WI

Telephone Number: _____

Signature on behalf of Franciscan Skemp Healthcare acknowledges the understanding and acceptance of the terms and conditions for CenturyTel of Central Wisconsin Equipment and Services, and that commitments under this Agreement are authorized.

The Customer

By: [Signature]
Title: COURTNEY COORDINATOR
Date: 4-14-2006

CenturyTel

By: [Signature]
Title: BUSINESS SALES MGR
Date: 3-21-2006