



February 23, 2010

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

Re: Submission for the Record
GN Dockets: 09-47, 09-51, 09-137; WC Docket: 02-60

Dear Ms. Dortch:

Pursuant to a February 19, 2010 request from Federal Communications Commission staff, the Universal Service Administrative Company (USAC) submits the following unaudited information pertaining to the federal Universal Service Rural Health Care (RHC) Support Mechanism.

For calendar year 2009, 2,405 health care providers (HCPs) received primary (traditional) Rural Health Care Support Mechanism funding commitments for \$62,783,037 in telecommunications services, and 1,014 HCPs received commitments for \$2,043,910 of Internet access support, including 544 that received support for both telecommunications and Internet access.

In 2009, six percent of HCPs had service that provided less than T-1 (1.544 Mbps) bandwidth and received four percent of total RHC Support Mechanism funding commitments; 80 percent had T-1 service and received 75 percent of total RHC Support Mechanism funding commitments; one percent had service between 1.5 and 4Mbps and received three percent of total RHC Support Mechanism funding commitments; and 13 percent had service above 4 Mbps and received 18 percent of total RHC Support Mechanism funding commitments.

In terms of RHC Support Mechanism disbursements (payment for service delivered), in calendar year 2009, 2,097 HCPs received \$59,004,422 for telecommunications service, and 926 received \$1,693,472 for Internet access, including 453 that received support for both telecommunications and Internet access.

On average in 2009, rural health care telecommunications services cost 2.5 times more than similar urban service. Therefore, HCPs that applied for the urban/rural cost difference for eligible telecommunications services received RHC Support Mechanism funding commitments for an average 60 percent discount on their cost of service, with twelve percent receiving less than a 40 percent discount and 28 percent receiving more than an 80 percent discount.

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Regards,

/s/ William England
Vice President, Rural Health Care Division
Universal Service Administrative Company