



March 27, 2012

Sharon Gilbert
Chief
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

**Re: Comment in WC Docket No. 02-60: Funding Pilot Program Participants Transitioning Out of the Rural Health Care Pilot Program in Funding Year 2012
Palmetto State Providers Network and Bridge Funding (DA 12-273)**

Dear Ms Gilbert,

As the Associate Program Coordinator for the Palmetto State Providers Network (PSPN) I have concerns regarding the transition to the Rural Health Care Primary program, the potential for experiencing a reduced discount rate, and the sustainability of our network. Pilot Program networks provide access to specialized, robust, and secure broadband and commodity Internet which in the recent past was not available in states such as South Carolina. Through Pilot networks, such as the PSPN, rural health care facilities now have access to specialized care and significant savings have been achieved. For an 18 month period ending in June of 2011, savings to the state Medicaid and Medicare funds were approximately \$18,000,000 through Telepsychiatric triage. That figure has now matured into a sustained savings of \$1000 per Telepsychiatry encounter. Other advances have been made in programs such as OB/GYN, Maternal and Fetal care, which conducts over 100 patient encounters per week.

Within the 2012 Fiscal Year, we will exhaust funding for our network members under the Rural Health Care Pilot Program. I am encouraged by the Federal Communications Commission's interest in providing bridge funding to those operational networks which must transition to the RHC Primary Program. Bridge Funding will provide the time for a transition to the RHC Primary Program, and will provide the FCC time to consider administrative and policy alternatives which will promote the sustainability of Pilot Networks.

Sustainability and growth of the networks are determined by the user's ability to afford the service. The RHC Pilot project originally established an 85% discount rate for eligible members in the consortia. Now, that the Pilot networks must transition to the RHC Primary program, the funding calculation and annual filing requirement now creates an undue burden for the Pilot networks. Our members are considering whether to discontinue participation on the network due to this administrative burden. We have actually lost HCPs considering membership because we could not provide them with an accurate discount rate and a reliable estimate of their monthly charges, post-Pilot program funding. This is because of how funding is calculated in the Primary Program and that funding must be requested on an annual basis. HCPs are either reluctant or not willing to file with the RHC Primary program, even if the FCC implements the 50% discount rate proposed in the 2010 NPRM. We have found that they are more willing to participate with the current 85% discount and the more inclusive policies used by the RHC Pilot. We strongly and enthusiastically encourage the FCC to continue the current RHC Pilot program discount rate for combined Internet and Broadband at 85%. This will ensure an affordable network service which HCPs can manage during these fiscally distressing times.

Eligibility in the RHC Pilot program and RHC Primary program varies greatly in that urban HCPs are unable to participate in the Pilot Program Even aside from the lower discount rate, many potential beneficiaries of the PSPN have communicated to us that they have been denied eligibility by the RHC Primary Program for a variety of reasons. Others have stated that it has been impossible to participate in the RHC Primary program in the past. The plethora of restrictions, the annual filing requirements and low discount rates are simply not motivators for participation Urban Hospitals, are excluded from the RHC Primary program. These HCPs provide a critical link in telemedicine and Health Information Exchanges. The rural hospitals are 'referring' sites, the urban hospitals are typically the 'consulting' sites. Regional or tertiary care hospitals are usually located in urban areas. These urban hospitals are often as hard pressed for available funding as the rural hospitals and find the non-discounted costs of participation in the networks difficult. Without their participation, vital links in telemedicine and continuity of care are missing. Increasing the scope of eligibility will insure that electronic means of access for specialty healthcare and medical records transport are available to rural areas. We strongly encourage the Federal Communications Commission to consider new and broader eligibility guidelines to include urban hospitals.

The Order creating the Pilot networks encouraged the networks to function as a consortium for administrative and billing purposes.. Individual members, especially in rural locations, often do not have the resources or time to navigate the RHC Primary program process and it would be unimaginable that the RHC would want to receive literally hundreds of invoices per month from one local network, when the ability to bill as a consortium would be more efficient. .We strongly encourage the FCC to allow the RHC Pilot networks to continue to bill and operate as a consortium.

The structure of the RHC Pilot program is conducive to growth and sustainability of the networks. There are areas for improvement, but this was our understanding in creating the Pilot networks – find out what works and what doesn't. More flexible eligibility requirements which allow; rural for profit and urban entities to participate and obtain discounted service; maintaining the 85% discount rate as in the current RHC Pilot program; and changes in the administrative requirements to allow for continued consortium management and billing are three of the most important changes from our perspective. Your consideration and support in achieving these changes will be critical to continued success.

Sincerely,

A handwritten signature in black ink, appearing to read 'W. Roger Poston, II', written in a cursive style.

W. Roger Poston, II, Ed.D.
Associate Program Coordinator, Administration
Palmetto State Providers Network