



April 12, 2012

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

VIA ECFS

*RE: In the matter of WC Docket No. 02-60, Public Notice DA 12-273:
Wireline Competition Bureau Seeks Comment on Funding Pilot Program
Participants Transitioning Out of the Rural Health Care Pilot Program in
Funding Year 2012*

Dear Ms. Dortch:

We very much appreciate the Federal Communications Commission's (the Commission's) forethought in considering bridge funding for Pilot Program participants transitioning out of the Rural Health Care Pilot Program in funding year 2012. Colorado Health Care Connections (CHCC, administered by the Colorado Hospital Association) is one of the participants in the Rural Health Care Pilot Program (RHCPP) that would be eligible for bridge funding as proposed in Public Notice DA 12-273. Our network is fully deployed, with 90 subsidized participating Health Care Providers (HCPs), 66 rural and 24 urban. We have 81 HCPs (57 rural and 24 urban) whose RHCPP funding will be fully expended before or during funding year 2012 (FY2012).

CHCC is successfully established and strategies have been put in place to sustain ongoing administration of USAC funding. CHCC has collaborated with the Rocky Mountain HealthNet (RMHN, administered by the Colorado Behavioral Health Council) to provide physical and mental health broadband network services statewide throughout Colorado, working jointly as the Colorado Telehealth Network (CTN). Comments from RMHN are being submitted separately from this letter.

We fully support the proposed bridge funding. Our specific comments follow. ***Our main comment—and concern—is that the proposed bridge funding be efficiently administered; we suggest specific means to do so below.***

Regarding Paragraphs 1-5: The Commission seeks comment on whether to fund RHCPP participants (Pilot Projects) who will exhaust funding allocated to them before or during

FY2012. We support the proposed bridge funding because the value developed under the Pilot Program would be placed at risk if certain Pilot Projects have to face the significant difficulties of temporarily transitioning to the existing Primary Program. That value includes the connectivity developed under the Pilot Program, but also the increased participation in the Rural Health Care (RHC) support mechanism made possible through the eligibility of consortium participants. Therefore, all Pilot Projects should be kept intact at current funding levels for all eligible HCPs, urban and rural, until the in-process RHC support mechanism rulemaking is completed. This will enable an orderly transition of consortium-scale networks to the permanent program.

Regarding Paragraph 6. *Exhaustion of Pilot Program Funds:* The Commission seeks comment on supporting only those Pilot Projects for bridge funding who have HCPs whose funding will be exhausted at some time during FY2012. Our response is that since the funding is limited to a specific purpose, bridge funding, it necessarily follows that eligibility will also be limited, namely, only to the estimated 14 Pilot Projects whose funding for HCPs will be exhausted during FY2012.

The Commission also seeks comment on how providing bridge funding will impact the sustainability of Pilot Projects. Providing such funding for an additional year would greatly improve the sustainability of CHCC for two reasons: first, it will help avoid the loss of membership during FY2012 due to lack of subsidy; and second, it will assure our network remains intact and ready to participate in the permanent RHC once the rulemaking is finalized.

Regarding Paragraph 7. *Support levels for 2012-2013 funding year:* We strongly support the proposal to maintain the current level of support for eligible Pilot Projects' recurring costs (both urban and rural). However, we strongly encourage the Commission to implement extended support in the most administratively efficient manner possible. Bridge funding calculations should be based on existing formal documentation and commitments and should not necessitate any changes to that documentation other than "Number of Items or Months," column 8 of the Network Cost Worksheet (NCW), and "Total # of Items/Months Remaining," column 8 of the RHCPP invoice (Invoice). We suggest updating the NCW (column 8) and Invoice (column 8) to reflect additional months of funding available to each Pilot Program HCP eligible for bridge funding based on the "Project Estimated Date Funds Run Out" data provided in response to the USAC request of February 28, 2012, once this is finalized and exact.

The Monthly Recurring Cost (MRC) should be implemented without change to previously committed rates. A change in the MRC will impose administrative burdens on both USAC and the 14 select participants and delay timely provision of bridge funding (several of our sites need bridge funding as of July 1, 2012). The methodology for computing the MRC cited in the notice is unclear (c.f., "...*the yearly average amount of support for recurring costs that participants have received over the life of their Pilot ...*"). We suggest the "yearly average amount" should more properly be read as "the monthly average amount" and that this amount should be taken, by definition, to be the amount committed to in the NCW, "Cost Per Item/Month," column 9, and reflected in the Invoice, "Committed Total Cost per Item/Month," column 9.

We have similar reasoning regarding the percentage subsidy. This too should remain exactly the percentage committed to in the NCW "RHC Pilot Program Funding Request," column 16. For us, this amount varies HCP by HCP (by bandwidth). If bridge funding for all our HCPs were to be a flat 85 percent, this would not reflect the subsidy rates committed to in our NCW and contracted for with our HCPs and service provider, and we recommend against this.

We have been very specific in the above recommendations regarding the administration of the bridge funding. We would rather be overly specific than vague on an efficient means to streamline this process

Regarding Paragraph 8. Duration. We conditionally support the proposal that Pilot Projects who meet eligibility requirements receive transitional funding only for FY2012. This is a reasonable period as it synchronizes with the RHC funding year cycle. Our reservation is that during this time the Commission be able to complete its rulemaking for the RHC Program so that the existing consortia can apply for and receive funding under the permanent program effective the beginning of FY2013 (July 1, 2013). If for some reason this proves not possible, we would encourage the Commission continue to provide bridge funding until the permanent RHC program is both established and existing Pilot Projects have sufficient lead time to complete the application and award process.

Finally, we encourage the Commission to make a quick decision on bridge funding and implement it in a timely manner as there is a very little time between now and when HCPs will begin needing bridge funding.

Very truly yours,



Steven Summer
President and CEO, Colorado Hospital Association
Project Coordinator, Colorado Health Care Connections