



10/25/2012

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VIA ELECTRONIC FILING

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

Re: Ex Parte Communication regarding Rural Health Care Universal Service Support, WC Docket No. 02-60

Dear Ms. Dortch:

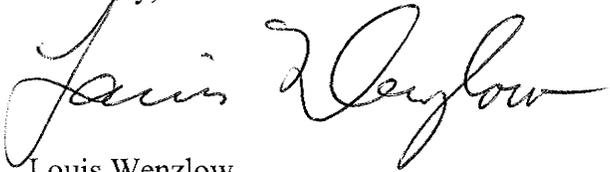
On October 25, 2012 I talked with Linda Oliver (Deputy Chief, Telecommunications Access Policy Division) of the Wireline Competition Bureau regarding the Rural Healthcare (“RHC”) program. We discussed my submitted comments on behalf of 35 rural Wisconsin hospitals relating to rural health care program reform, including the following:

- RWHC represents both independent rural providers and system affiliated rural providers, and we believe that the reformed funding mechanism should support both horizontal consortia (independent rural providers networked together to create efficiencies of scale) and vertical consortia (rural providers affiliated with urban tertiary centers to create efficiencies of scale).
- As a primary principle, RWHC believes in the importance of ensuring that RHC reform continues to heavily prioritize rural providers and alleviate the ongoing rural/urban broadband cost disparity, as intended by the Telecommunications Act.
- RWHC believes that it is reasonable that bed-size be used as a proxy for determining whether a hospital can be funded through a USAC rural consortium without further restriction. However, we believe that the bed-size restriction can be set at no more than 200 beds without including the majority of urban hospitals. According to the American Hospital Association, 74% of US hospitals have less than 200 beds and 53% have less than 100 beds.
- RWHC believes that it is important to create restrictions regarding how hospitals over the bed limit can participate in rural consortia. Specifically, RWHC believes that only a certain percentage of such hospitals should make up a rural consortium.

- Additionally, RWHC believes that there needs to be a mechanism to ensure that such urban hospitals over the bed-size limit cannot utilize a disproportionate share of the available consortia funding. We believe that the percentage of the consortia funding for such hospitals needs to somehow be capped, so there is no possibility that the RHC program begins to predominantly fund urban technology and telecommunications at the expense of rural technology and telecommunication needs.
- Perhaps most importantly, we believe that it is imperative to fund rural provider consortium datacenters and hubs. If the reformed program provides an opportunity to fund urban hospitals/systems hubs, there needs to be an equivalent opportunity for rural providers in horizontal consortium networks to have their consortia datacenters/hubs funded, whether the hubs are in a rural or urban location. Both vertical and horizontal network models create efficiencies and reduce telecommunications and other technology costs.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Louis Wenzlow". The signature is written in black ink and is positioned above the printed name.

Louis Wenzlow
Director of Health Information Technology
Rural Wisconsin Health Cooperative