



April 2, 2013

VIA ELECTRONIC DELIVERY

Julie A. Veach  
Chief, Wireline Competition Bureau  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, DC 20554

**Re: California Telehealth Network USAC Appeal in WC Docket No. 02-60**

Dear Chief Veach:

On behalf of the California Telehealth Network (“CTN”), I am writing to urge the Wireline Competition Bureau to promptly decide CTN’s December 2013 appeal of a decision of the Universal Service Administrative Company (“USAC”) in the Rural Healthcare Program (“RHC”).<sup>1</sup> The USAC decision unilaterally implemented a significant policy change regarding the eligibility of certain non-rural healthcare providers. This decision is impeding CTN’s ability to grow and strengthen as a sustainable consortium participant in the new Healthcare Connect Fund (“HCF”) – and is similarly affecting other large consortia participating in the HCF.<sup>2</sup>

Prompt resolution of such matters is critical to the efficient operation and administration of the universal service programs. Section 54.724 of the Commission’s rules establishes that the Bureau “shall, **within ninety (90) days**, take action in response to a request for review of a [USAC] decision that is properly before it.”<sup>3</sup> Although the Bureau may extend this time period, the rule clearly favors prompt, timely decision making.

Nowhere is such prompt action more important than here, where USAC without notice unilaterally and fundamentally altered the economic calculus for establishing and sustainably operating large, statewide RHC consortia.<sup>4</sup> USAC made this change notwithstanding a Commission rule clearly and unambiguously prohibiting such actions.<sup>5</sup>

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<sup>1</sup> See *California Telehealth Network Request for Review of Decision of the Universal Service Administrator*, WC Docket No. 02-60 (filed Dec. 20, 2013) (“CTN Appeal”).

<sup>2</sup> Requests for review of USAC’s policy change were filed by statewide Telehealth networks in Illinois, Oregon, and Colorado. See Letters from Roger L. Holloway, President/CEO, Illinois Rural HealthNet to Linda Oliver, Deputy Chief, Telecommunications Access Policy Division, FCC Wireline Competition Bureau, WC Docket No. 02-60 (filed Nov. 20 and 21, 2013, respectively); Letter from Robert Jenkins, Program Manager, Colorado Telehealth Network to Marlene H. Dortch, Secretary, FCC, WC Docket No. 02-60 (filed Nov. 22, 2013); Letter from Kim Klupenger, Project Coordinator, Oregon Health Network to Marlene H. Dortch, Secretary, FCC, WC Docket No. 02-60 (filed Nov. 27, 2013).

<sup>3</sup> See 47 C.F.R. § 54.724(a) (emphasis added). The 90-day period for CTN’s appeal concluded March 20, 2014.

<sup>4</sup> Cf. Letter from Brian Thibeau, President, New England Telehealth Consortium (“NETC”), to Julie Veach, Chief, Wireline Competition Bureau, WC Docket No. 02-60, at 3 (filed Feb. 6, 2014) (noting high percentage of non-rural health clinics that helped NETC – one of the largest and most successful RHC pilot program consortia – reach “critical mass” for network viability and sustainability).

<sup>5</sup> 47 C.F.R. § 54.702(c) (“[USAC] may not make policy, interpret unclear provisions of the statute or rules, or interpret the intent of Congress. Where the Act or the Commission’s rules are unclear, or do not address a particular situation, [USAC] shall seek guidance from the Commission.”).

USAC's policy change is preventing CTN from deploying high quality broadband connections for healthcare across California – connections to organizations and healthcare providers that agreed to join CTN based on the rules as they existed before they were suddenly and unilaterally changed by USAC. It is important that certainty regarding healthcare provider eligibility be restored as soon as possible. Accordingly, I urge the Bureau to conclude this matter by promptly issuing a decision.

Sincerely and respectfully,



Eric Brown  
President & CEO  
California Telehealth Network

Cc Chairman Tom Wheeler  
Commissioner Mignon Clyburn  
Commissioner Jessica Rosenworcel  
Commissioner Ajit Pai  
Commissioner Michael O'Rielly