COVINGTON & BURLING LLP

BEIJING BRUSSELS LONDON NEW YORK
SAN DIEGO SAN FRANCISCO SEOUL
SHANGHAI SILICON VALLEY WASHINGTON

1201 PENNSYLVANIA AVENUE, NW
WASHINGTON, DC 20004-2401
T 202.662.6000
www.cov.com

July 8, 2014

REDACTED – FOR PUBLIC INSPECTION

VIA HAND DELIVERY AND ELECTRONIC FILING

CONFIDENTIAL
TREATMENT REQUESTED

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street SW
Washington, D.C. 20554

Re: Notice of Ex Parte Presentation, WC Docket No. 02-60
REDACTED – FOR PUBLIC INSPECTION

Dear Ms. Dortch:

Pursuant to Section 0.459(a) of the Commission's rules, 47 C.F.R. §0.459(a), Yukon-Kuskokwim Health Corporation ("YKHC") hereby submits the enclosed redacted letter containing confidential information. The unredacted version of this letter for which confidential treatment is being sought is filed under separate cover with the Secretary's office.

Please contact the undersigned should you have any questions regarding this matter.

Respectfully submitted,

Yaron Dori
Morgan Kennedy
Michael Beder
COVINGTON & BURLING LLP
1201 Pennsylvania Avenue, NW
Washington, DC 20004
(202) 662-6000
Counsel for YKHC

Enclosure

COVINGTON & BURLING LLP

BEIJING BRUSSELS LONDON NEW YORK
SAN DIEGO SAN FRANCISCO SEOUL
SHANGHAI SILICON VALLEY WASHINGTON

1201 PENNSYLVANIA AVENUE, NW
WASHINGTON, DC 20004-2401
T 202.662.6000
www.cov.com

July 8, 2014

REDACTED – FOR PUBLIC INSPECTION

VIA HAND DELIVERY AND ELECTRONIC FILING

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Notice of Ex Parte Presentation, WC Docket No. 02-60

Dear Ms. Dortch:

This submission responds to three specific questions raised by staff at an ex parte meeting that took place on June 19, 2014, in connection with, among other things, the Requests for Review of the Yukon-Kuskokwim Health Corporation ("YKHC") filed on October 28, 2014, and May 27, 2014, in the above-referenced proceeding.[1]

During the meeting, staff asked questions concerning the competitive bidding and service provider selection process undertaken by YKHC for the 2011 Funding Year. That process ultimately resulted in YKHC selecting GCI Communications Corp. ("GCI") as its provider of telecommunications and Internet services, as set forth in the 2011 Agreement for USF-Eligible Telecommunications Services between the parties (the "Contract").

Below are both the questions asked by staff and YKHC's responses.

1. What in particular drove YKHC to include in its service requirements that its service provider would need to have the ability to increase bandwidth on 48 hours' notice?

YKHC posted FCC Forms 465 in connection with its request for Telehealth Network Services on April 28, 2011.[2] In response to the posting of these FCC Forms 465, a total of [redacted]

---

[1] An ex parte notification reporting on that meeting was filed in the docket on June 23, 2014.

[2] *E.g.*, Request for Review of Yukon-Kuskokwim Health Corporation, WC Docket No. 02-60, filed October 28, 2013 ("*YKHC October 2013 Request*"), Attachment 4 (2011 FCC Form 465 for the Regional Hospital).

service providers — [redacted] — approached YKHC for more information.[3] Prior to the receipt of competitive bids, YKHC made available to each of these [redacted] service providers a network diagram reflecting its existing bandwidth needs and a detailed list of its network requirements for all of its facilities.[4] The network requirements document specified, among other things, that YKHC would need its service providers to have the "[a]bility to increase bandwidth as needed within 48 hours of notification."[5]

This 48 hour requirement stemmed from [redacted].[7]

---

[3] *YKHC October 2013 Request*, at 8.

[4] *Id.*

[5] *YKHC October 2013 Request*, Attachments 1 (YKHC Network Requirements) and 2 (YKHC Network Diagram).

[6] Exhibit A ([redacted]), at 1-2.

[7] *See* [redacted].

During the period in which YKHC was seeking bids, YKHC was in the process of installing high-definition video teleconferencing equipment in a number of its clinics and it anticipated requiring more bandwidth to accommodate the operation of that equipment. In YKHC's experience, a lack of sufficient bandwidth for high-definition video teleconferencing results in skips, slow frame rates, lag times, and generally poor performance. This significantly impedes the ability of a health care provider using the equipment to evaluate a patient, thus adversely affecting patient care. YKHC could have treated this [redacted] given its potential effect on patient care and the absence of equally effective visual alternatives, [redacted]. This explains why YKHC specified that it needed a service provider that was able to increase bandwidth within 48 hours' notice.

2. When YKHC evaluated GCI's bid in 2011, to what extent did YKHC consider not only the prices GCI would be charging at the outset for service, but also the prices specified for higher levels of bandwidth? Were the proposals at the time from [redacted] *the only information in YKHC's possession on pricing for both existing and future bandwidth needs when it made its decision to choose GCI as its service provider?*

Although [redacted] service providers expressed an interest in potentially serving YKHC, [redacted] — [redacted] — submitted proposals to YKHC in response to its posted FCC Forms 465. GCI's proposal contained specific prices for bandwidth speeds ranging from 1.5Mbps to 1000 Mbps.[8] [redacted].[9] After reviewing [redacted], YKHC transmitted letters on June 29, 2011, to [redacted] seeking additional information about [redacted].[10]

YKHC's letter to [redacted] asked questions [redacted].[11] For example, YKHC's first question was, [redacted][12] On July 8, 2011, [redacted] responded to YKHC's follow-up questions, explained the rationale for certain prices, and stated that one benefit of its proposal was that it would provide YKHC with the "technical ability to increase bandwidth on short notice."[13]

---

[8] *YKHC October 2013 Request*, Attachment 10 (GCI Proposal), at 63-69.

[9] Exhibit B ([redacted]).

[10] Exhibits C ([redacted]) and D ([redacted]).

[11] Exhibit C ([redacted]).

[12] *Id.*

[13] Exhibit E ([redacted]), at 3.

[redacted] proposal and response to YKHC's additional questions addressed YKHC's need for bandwidth increases within 48 hours and specified prices for a wide range of bandwidth levels. [redacted]. YKHC's June 29, 2011, letter to [redacted].[14] YKHC also asked for [redacted].[15] [redacted].[16]

[redacted].[17] [redacted].

3. Is the price GCI ended up charging YKHC for upgraded bandwidth the same as the price for that bandwidth that was provided in GCI's proposal?

Yes, the pricing schedule set forth in Attachment A of the Contract is the same as in GCI's proposal.[18] GCI is billing YKHC at the prices quoted in its proposal.

* * *

---

[14] Exhibit D ([redacted]).

[15] *Id.*

[16] [redacted].

[17] YKHC's network requirements also required service providers to "[p]rovide on-site support as needed at no additional cost to YKHC. With the ability to have resources on-site within 24 hours or less 24 x 7 x 365." *YKHC October 2013 Request*, Attachment 1 (YKHC Network Requirements).

[18] *Compare YKHC October 2013 Request*, Attachment 11 (Contract) at 15-16, *with YKHC October 2013 Request*, Attachment 10 (GCI Proposal) at 68. The one difference is that the price set forth in GCI's proposal for Oscarville Microwave is for 1.5Mbps, whereas the price set forth in the Contract is 1Mbps. However, the price ($819) is the same. This appears to have been a clerical error as all other bandwidth speeds and prices are the same in the two documents.

We hope this additional information is helpful and sufficient to resolve any outstanding questions or concerns. We also hope that with this additional information the Commission can proceed to act expeditiously on YKHC's Requests for Review.

Any questions concerning this submission should be directed to the undersigned.

Respectfully submitted,

Yaron Dori
Morgan Kennedy
Michael Beder
Counsel for YKHC

Attachments

cc: Christianna Barnhart, FCC (redacted version via e-mail)
Elizabeth McCarthy, FCC (redacted version via e-mail)
Garnet Hanley, FCC (redacted version via e-mail)

EXHIBIT A

REDACTED

EXHIBIT B

REDACTED

EXHIBIT C

REDACTED

EXHIBIT D

REDACTED

EXHIBIT E

REDACTED