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Rural Health Care Committee Quarterly Meeting  
Agenda**

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| <b>Monday, October 26, 2015<br/>4:00 p.m. – 5:00 p.m. Eastern Time<br/>USAC Offices<br/>2000 L Street, N.W., Suite 200<br/>Washington, D.C. 20036</b> |
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| <b><u>OPEN SESSION</u></b> |  |
|----------------------------|--|
| Chair                      | <b>a1.</b> Consent Items (each available for discussion upon request):<br><b>A.</b> Approval of Rural Health Care Committee Meeting Minutes of July 27, 2015.<br><b>B.</b> Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i> .<br><b>C.</b> Routine Procurements: Deemed consideration and approval in <i>Executive Session</i> .<br><b>D.</b> Approval of Rural Health Care Support Mechanism 1st Quarter 2016 Programmatic Budget and Demand Projection for the November 2, 2015 FCC Filing. |
| Wayne                      | <b>a2.</b> Action on Eight USAC Internal Audit Division Rural Health Care Support Mechanism Beneficiary Audit Reports – <i>Executive Session Option</i>  |
| Craig                      | <b>i1.</b> Support Mechanism Business Update: <ul style="list-style-type: none"><li>• General Business Update.</li><li>• Key Measurements.</li><li>• Strategic Initiatives.</li></ul>  |

**Next Scheduled USAC Rural Health Care Committee Meeting**

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| <b>Monday, January 25, 2016<br/>3:30 p.m. – 5:00 p.m. Eastern Time<br/>USAC Offices, Washington, D.C.</b> |
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**UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**  
**2000 L Street, N.W., Suite 200**  
**Washington, D.C. 20036**

**RURAL HEALTH CARE COMMITTEE MEETING**  
**Monday, October 26, 2015**

**MINUTES**

The quarterly meeting of the Rural Health Care Committee (Committee) of the Universal Service Administrative Company (USAC) was held at USAC's offices in Washington, D.C. on Monday, October 26, 2015. Dr. Kathy Wibberly, Committee Chair, called the meeting to order at 4:00 p.m. Eastern Time, with a quorum of six of the eight Committee members present:

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| Gillan, Joe                                | Jortner, Wayne              |
| Henderson, Chris – Chief Executive Officer | Wein, Olivia                |
| Jimenez, Jose                              | Wibberly, Dr. Kathy – Chair |

Mr. Ronald Brisé joined the meeting at 4:19 p.m. He did not participate in the discussion or vote on item a1.

Board members not present:

Brown, Eric

Other Board of Directors (Board) members and officers of the corporation present:

Belden, Richard– Chief Operating Officer  
Capozzi, David – General Counsel and Assistant Secretary  
Case, Dave – Vice President of Finance, Chief Financial Officer and Assistant Treasurer  
Davis, Craig – Vice President, Rural Health Care Division  
Garber, Michelle – Vice President of Low Income Division  
Hays, Kate – Vice President of Stakeholder Engagement  
Jones, Rochelle – Member of the Board  
Majcher, Karen – Vice President, High Cost Division  
Schell, Julie Tritt – Member of the Board  
Scott, Wayne – Vice President of Internal Audit  
Talbot, Dr. Brian – Member of the Board  
Taylor, Peter – Vice President and Chief Information Officer

Others present:

**NAME**

**COMPANY**



| <u>NAME</u>               | <u>COMPANY</u>      |
|---------------------------|---------------------|
| Abebe, Hiwot              | USAC                |
| Beard, Jay                | USAC                |
| Boler, Natasha            | USAC                |
| Carter, Devent            | USAC                |
| Costa, Paloma             | USAC                |
| Delmar, Teleshia          | USAC                |
| Duvall, Rashann           | USAC                |
| Gonzalez, Veronica        | USAC                |
| Guinan, Gabriela Gross    | USAC                |
| Johnston, Anna            | USAC                |
| Kil, Benny                | USAC                |
| Nuzzo, Patsy              | USAC                |
| Palcic, Catherine         | USAC                |
| Park, Sang                | USAC                |
| Rasmussen, Mary           | USAC                |
| Riley, Adam               | USAC                |
| Rogers, Camelia           | Kellogg & Sovereign |
| Rovetto, Ed               | USAC                |
| Smith, Chris              | USAC                |
| Theodoropoulos, Nikoletta | USAC                |
| Zufolo, Jessica           | USAC                |

## OPEN SESSION

### **a1. Consent Items.**

On a motion duly made and seconded and after discussion, the Committee adopted the following resolutions:

**RESOLVED**, that the USAC Rural Health Care Committee hereby approves the Committee meeting minutes of July 27, 2015; and

**RESOLVED FURTHER**, that the USAC Rural Health Care Committee approves a 1st Quarter 2016 programmatic operating budget for the Rural Health Care Support Mechanism of \$2.02 million; and

**RESOLVED FURTHER**, that the USAC Rural Health Care Committee directs USAC staff to submit a collection requirement of \$3.1 million for Rural Health Care Support Mechanism administrative costs in the required November 2, 2015 filing to the FCC on behalf of the Committee; and

**RESOLVED**, that the USAC Rural Health Care Committee, having reviewed at its meeting on October 26, 2015, a summary of the 1st Quarter 2016 Rural Health Care Support Mechanism demand estimate,

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including administrative costs, hereby directs USAC staff to proceed with the required November 2, 2015 filing to the FCC. USAC staff may make adjustments if the variance is equal to or less than \$1.0 million, or may seek approval from the Rural Health Care Committee Chair to make adjustments if the variance is greater than \$1.0 million, but not more than \$2.0 million.

- a2. Action on Eight USAC Internal Audit Division Rural Health Care Support Mechanism Beneficiary Audit Reports.** Mr. Chris Smith, Senior Manager, Internal Audit, presented this item for discussion.

On a motion duly made and seconded and after discussion, the Committee adopted the following resolutions:

**RESOLVED**, that the USAC Rural Health Care Committee, having reviewed the Rural Health Care Support Mechanism Beneficiary Audit Reports listed in Exhibit I to this briefing paper together with management's responses thereto, accepts the recommendation of USAC management and hereby deems such reports final.

- i1. Business Update.** Mr. Davis, Mr. Benny Kil, Ms. Natasha Boler, and Ms. Paloma Costa presented this item for discussion:
- RHC Program Operations.
  - Key Measurements.
  - Strategic Initiatives.
- i2. Information on Estimated 2016 Annual Rural Health Care Support Mechanism Budget.** Mr. Capozzi recommended that this item be discussed in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

At 5:00 p.m. Eastern Time, on a motion duly made and seconded, the Committee moved into *Executive Session*, with only members of the Board, officers, and FCC representatives present for the purpose of discussing the confidential item listed above.

### **EXECUTIVE SESSION**

- i2. Information on Estimated 2016 Annual Rural Health Care Support Mechanism Budget.** Mr. Belden presented this item for discussion.

At 5:11 p.m. Eastern Time, the Committee moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Wibberly reported that in *Executive Session*, the Committee discussed item i2. On a motion duly made and seconded, the Committee adjourned at 5:11 p.m. Eastern Time.

/s/ David A. Capozzi  
Assistant Secretary