Rural Health Care

Briefing Book

Monday, October 29, 2018
4:00 p.m. - 5:00 p.m. Eastern Time

Universal Service Administrative Company Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005
Universal Service Administrative Company
Rural Health Care Committee Quarterly Meeting Agenda

Monday, October 29, 2018
4:00 p.m. – 5:00 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

<table>
<thead>
<tr>
<th>OPEN SESSION</th>
<th>Estimated Duration in Minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair</td>
<td></td>
</tr>
<tr>
<td>a1. Consent Items (each available for discussion upon request):</td>
<td>5</td>
</tr>
<tr>
<td>A. Approval of Rural Health Care Committee Meeting Minutes of July 23, 2018</td>
<td></td>
</tr>
<tr>
<td>B. Approval of moving all Executive Session items into Executive Session</td>
<td></td>
</tr>
<tr>
<td>Mark</td>
<td></td>
</tr>
<tr>
<td>a2. Approval of Rural Health Care Support Mechanism 1st Quarter 2019 Programmatic Budget and Demand Projection for the November 2, 2018 FCC Filing</td>
<td>10</td>
</tr>
<tr>
<td>Mark</td>
<td></td>
</tr>
<tr>
<td>i1. Rural Health Care Support Mechanism Business Update</td>
<td>30</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXECUTIVE SESSION</th>
<th>Estimated Duration in Minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Confidential – Executive Session Recommended</td>
<td></td>
</tr>
<tr>
<td>Mark</td>
<td></td>
</tr>
<tr>
<td>i2. Information on Preliminary 2019 Annual Rural Health Care Support Mechanism Budget</td>
<td>15</td>
</tr>
</tbody>
</table>

Next Scheduled USAC Rural Health Care Committee Meeting
Monday, January 28, 2019
1:00 p.m. – 2:00 p.m.
USAC Offices, Washington, D.C.
Universal Service Administrative Company
Rural Health Care Committee Meeting

ACTION ITEM

Consent Items

Action Requested

The Rural Health Care Committee (Committee) is requested to approve the consent items listed below.

Discussion

The Committee is requested to approve the following items using the consent resolution below:

A. Committee meeting minutes of July 23, 2018 (see Attachment A).

B. Approval for discussing in Executive Session agenda items:

   (1) i2 – Information on Preliminary 2019 Annual Rural Health Care Support Mechanism Budget. USAC management recommends this item be discussed in Executive Session because this matter relates to USAC’s procurement strategy and contract administration.

Upon request of a Committee member any one or more of the above items are available for discussion by the Committee.

Recommended USAC Rural Health Care Committee Action

APPROVAL OF THE FOLLOWING RESOLUTION:

RESOLVED, that the USAC Rural Health Care Committee hereby approves: (1) the Committee meeting minutes of July 23, 2018; and (2) discussion in Executive Session of the agenda item noted above.
RURAL HEALTH CARE COMMITTEE MEETING
Monday, July 23, 2018

(DRAFT) MINUTES¹

The quarterly meeting of the Rural Health Care Committee (Committee) of the USAC Board of Directors (Board) was held at USAC’s offices in Washington, D.C. on Monday, July 23, 2018. Dr. Kathy Wibberly, Committee Chair, called the meeting to order at 1:08 p.m. Eastern Time, with all eight Committee members present:

- Fontana, Brent – by telephone
- Freeman, Sarah
- Hernandez, Dr. Mike – Vice Chair
- Kinser, Cynthia
- Sekar, Radha – Chief Executive Officer
- Tinic, Atilla
- Wein, Olivia
- Wibberly, Dr. Kathy – Chair

Other Board members and officers of the corporation present:

- Beckford, Ernesto – Vice President, General Counsel and Assistant Secretary
- Beyerhelm, Chris – Vice President of Enterprise Portfolio Management
- Bocher, Bob – Member of the Board
- Buzzacott, Alan – Member of the Board
- Feiss, Geoff – Member of the Board
- Gaither, Victor – Vice President of High Cost
- Garber, Michelle – Vice President of Lifeline
- Gerst, Matthew – Member of the Board
- Gillan, Joe – Member of the Board
- Holstein, Bob – Vice President and Chief Information Officer
- Lubin, Joel – Member of the Board
- Salvator, Charles – Vice President of Finance, Chief Financial Officer and Assistant Treasurer
- Scott, Wayne – Vice President of Internal Audit
- Sweeney, Mark – Vice President of Rural Health Care

Others present:

<table>
<thead>
<tr>
<th>NAME</th>
<th>COMPANY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anderson, Jarnice</td>
<td>USAC</td>
</tr>
</tbody>
</table>

¹ Draft resolutions were presented to the Committee prior to the Committee meeting. Where appropriate, non-substantive changes have been made to the resolutions set forth herein to clarify language where necessary or to correct grammatical or spelling errors.
**OPEN SESSION**

All materials from Open Session can be found on the [USAC website](https://usac.gov).

1. **Rural Health Care Committee Approvals.** Dr. Wibberly introduced these items to the Committee for consideration.

   A. **Consent Items.**

   1. Approval of Rural Health Care Committee Minutes of April 23, 2018.

   2. Approval of Moving all *Executive Session* Items to Executive Session. Mr. Sweeney noted that the Executive Session item could be removed and discussed in open session.

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

RESOLVED, that the USAC Rural Health Care Committee hereby approves the Committee meeting minutes of April 23, 2018.

B. Approval of Rural Health Care Support Mechanism 4th Quarter 2018 Programmatic Budget and Demand Projection for the August 2, 2018 FCC Filing. Mr. Sweeney presented this item for consideration.

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

RESOLVED, that the USAC Rural Health Care Committee approves a 4th Quarter 2018 Rural Health Care Support Mechanism direct program budget of $1.67 million; and

RESOLVED FURTHER, that the USAC Rural Health Care Committee, having reviewed at its meeting on July 23, 2018, a summary of the 4th Quarter 2018 Rural Health Care Support Mechanism demand estimate, hereby directs USAC staff to proceed with the required August 2, 2018 filing to the FCC on behalf of the Committee. USAC staff may make adjustments if the total variance for the Rural Health Care Support Mechanism is equal to or less than $1 million, or may seek approval from the Committee Chair to make adjustments if the total variance is greater than $1 million, but not more than $2 million.

2. Information on One USAC Internal Audit Division Rural Health Care Support Mechanism Beneficiary Audit Report. This report was provided for informational purposes. No discussion was held.

3. Rural Health Care Business Update. Mr. Sweeney presented this item to the Committee for discussion:
   - Open items from the April Committee meeting.
   - Major deliverable and areas of focus for 2018.
   - Overview of significant program activities.
   - Program operational status and efficiencies

At 2:01 p.m. Eastern Time, on a motion duly made and seconded, the Committee adjourned.

/s/ Ernesto Beckford
Assistant Secretary
Universal Service Administrative Company
Rural Health Care Committee Meeting

ACTION ITEM

Approval of Rural Health Care Support Mechanism
1st Quarter 2019 Programmatic Budget and
Demand Projection for the November 2, 2018 FCC Filing

Action Requested:

The Rural Health Care Committee (Committee) of the USAC Board of Directors (Board) is requested to approve the 1st Quarter 2019 (1Q2019) programmatic budget and demand projection for the Rural Health Care Support Mechanism for submission to the Federal Communications Commission (FCC) in USAC’s November 2, 2018 quarterly filing.

Discussion:

On a quarterly basis, USAC is required to submit to the FCC each program’s budget\(^1\) and projected demand for the upcoming quarter.\(^2\)

Funding Requirement

USAC estimates the 1Q2019 funding requirement for the Rural Health Care Support Mechanism as follows:

<table>
<thead>
<tr>
<th>Table A. Program Funding Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in millions)</td>
</tr>
<tr>
<td>4Q2018</td>
</tr>
<tr>
<td>Steady State:</td>
</tr>
<tr>
<td>Funding Year 2018 (see Note 1)</td>
</tr>
<tr>
<td>Additional Requirement:</td>
</tr>
<tr>
<td>Funding Year 2017 (see Note 2)</td>
</tr>
<tr>
<td>Total Program Demand</td>
</tr>
<tr>
<td>Prior Period Adjustments (see Note 3)</td>
</tr>
<tr>
<td>USAC Admin Expenses(^3) (see Table B)</td>
</tr>
<tr>
<td>Interest Income</td>
</tr>
<tr>
<td>Total Funding Requirement</td>
</tr>
</tbody>
</table>

\(^1\) 47 C.F.R. § 54.715(c).
\(^2\) 47 C.F.R. § 54.709(a)(3).
\(^3\) When demand exceeds the funding cap, administrative costs are covered within the funding cap.
**Note 1:** Demand equals the required annual collection spread evenly over the remaining quarters in the funding year.

**Note 2:** In the *2018 Rural Health Care Order*, the FCC instructed USAC to collect the additional funds needed to fully fund Funding Year 2017 evenly over two quarters (4Q2018 and 1Q2019).

**Note 3:** Prior period adjustments reconcile projections to actual results and include adjustments for billings, interest income, and bad debt.

The projected 1Q2019 funding requirement includes administrative expenses for the Rural Health Care Program of $3.80 million as detailed in the table below. Note that when demand exceeds the funding cap, administrative costs are covered within the funding cap.

<table>
<thead>
<tr>
<th></th>
<th>4Q2018 Budget</th>
<th>Increase/ (Decrease)</th>
<th>1Q2019 Budget</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direct Program Costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Expenses</td>
<td>$1.47</td>
<td>$0.21</td>
<td>$1.68</td>
<td>Increase due to budget of 47 FTEs in 4Q2018 (40 RHC, 7 IT) versus budget of 55 FTEs in 1Q2019 (46 RHC, 9 IT)</td>
</tr>
<tr>
<td>Professional Services</td>
<td>0.19</td>
<td>0.46</td>
<td>0.65</td>
<td>Increase for RHC system modernization requirements analysis and BCAP audits</td>
</tr>
<tr>
<td>Overhead (Direct)</td>
<td>0.01</td>
<td>(0.01)</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td><strong>Total Direct Program Costs</strong></td>
<td>$1.67</td>
<td>$0.66</td>
<td>$2.33</td>
<td></td>
</tr>
<tr>
<td><strong>Common Allocated Costs</strong></td>
<td>$1.23</td>
<td>$0.24</td>
<td>$1.47</td>
<td>Common costs include costs not directly attributable to a program and are allocated based on the Cost Allocation Methodology</td>
</tr>
<tr>
<td><strong>Total Program Budget</strong></td>
<td>$2.90</td>
<td>$0.90</td>
<td>$3.80</td>
<td></td>
</tr>
</tbody>
</table>

A comparison of actual expenditures to the budget for the nine months ending September 30, 2018 is provided in *Attachment A*.

---

Recommendation:

USAC management recommends that the Committee approve the 1Q2019 budget and projection of demand as proposed.

Recommended Rural Health Care Committee Actions:

APPROVAL OF THE FOLLOWING RESOLUTIONS:

RESOLVED, that the USAC Rural Health Care Committee approves a 1st Quarter 2019 Rural Health Care Support Mechanism direct program budget of $2.33 million; and

RESOLVED FURTHER, that the USAC Rural Health Care Committee, having reviewed at its meeting on October 29, 2018 a summary of the 1st Quarter 2019 Rural Health Care Support Mechanism demand estimate, hereby directs USAC staff to proceed with the required November 2, 2018 filing to the FCC on behalf of the Committee. USAC staff may make adjustments if the total variance for the Rural Health Care Support Mechanism is equal to or less than $1 million, or may seek approval from the Committee Chair to make adjustments if the total variance is greater than $1 million, but not more than $2 million.
### Rural Health Care Administrative Costs
Comparison of Actual Expenditures to the Budget for the Nine Months Ending September 30, 2018

<table>
<thead>
<tr>
<th>(in millions)</th>
<th>YTD Actual</th>
<th>YTD Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direct Program Costs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Expenses</td>
<td>$3.92</td>
<td>$4.36</td>
<td>$0.44</td>
</tr>
<tr>
<td>Professional Services</td>
<td>0.72</td>
<td>1.02</td>
<td>0.30</td>
</tr>
<tr>
<td>Overhead</td>
<td>0.00</td>
<td>0.06</td>
<td>0.06</td>
</tr>
<tr>
<td><strong>Total Direct Program Costs</strong></td>
<td><strong>$4.64</strong></td>
<td><strong>$5.44</strong></td>
<td><strong>$0.80</strong></td>
</tr>
<tr>
<td><strong>Common Allocated Costs</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Program Budget</strong></td>
<td><strong>$7.72</strong></td>
<td><strong>$9.40</strong></td>
<td><strong>$1.68</strong></td>
</tr>
</tbody>
</table>

**Note 4:** Actual direct program costs were lower than the budget due to vacant positions (average 45 FTEs vs 47 budgeted) and modification of the IT roadmap (IT resources deployed to higher priority, non-Rural Health Care projects).

**Note 5:** Common costs include costs not directly attributable to a program and are allocated based on the Cost Allocation Methodology.
# Agenda: Rural Health Care

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description</th>
<th>Purpose</th>
<th>Presenter</th>
<th>Length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Goals &amp; Objectives</td>
<td>Review of major goals &amp; objectives of the Rural Health Care Division</td>
<td>Informational</td>
<td>Mark Sweeney</td>
<td>5 min</td>
</tr>
<tr>
<td>Business View</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RHC Program At A Glance</td>
<td>Overview of RHC activities for next 12 months</td>
<td>Informational</td>
<td>Mark Sweeney</td>
<td>5 min</td>
</tr>
<tr>
<td>Accomplishments</td>
<td>Significant program quantitative &amp; qualitative accomplishments</td>
<td>Informational</td>
<td>Mark Sweeney</td>
<td>5 min</td>
</tr>
<tr>
<td>Current Topics</td>
<td>Discuss key topics in the RHC Division</td>
<td>Informational</td>
<td>Mark Sweeney</td>
<td>10 mins</td>
</tr>
<tr>
<td>Upcoming Milestones</td>
<td>Key milestones for the next two quarters</td>
<td>Informational</td>
<td>Mark Sweeney</td>
<td>5 min</td>
</tr>
</tbody>
</table>
# Strategic Initiatives & Objectives

Bringing world class medical care to rural areas through increased connectivity

<table>
<thead>
<tr>
<th>Strategic Initiatives</th>
<th>Objectives / Program Outcomes</th>
<th>How RHC will meet the goal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Execute Mission Critical Performance Goals</strong></td>
<td>Support access to vital telehealth services and help rural communities overcome obstacles to accessing healthcare.</td>
<td>Pursuant to FCC rules &amp; orders, award funding to eligible health care providers and consortia based on qualifying funding requests and disburse funds accordingly.</td>
</tr>
<tr>
<td><strong>Implement New FCC Orders and Mandates</strong></td>
<td>Implement new FCC orders and mandates in a timely manner.</td>
<td>Timely and accurate implementation of any new FCC orders.</td>
</tr>
<tr>
<td><strong>Improve Operational Efficiency and Effectiveness</strong></td>
<td>Increase RHC business productively through increased efficiency and effectiveness of both RHC and USAC operational processes.</td>
<td>Actively support USAC governance initiatives, consistently review RHC business processes to ensure they are aligned with FCC priorities and USAC's business needs. Implement RHC’s new program risk management strategy.</td>
</tr>
<tr>
<td><strong>Improve Program Participant/FCC Experience</strong></td>
<td>Streamline and simplify program participants' experience to enable successful participation. Provide the FCC with timely awareness of program administration issues, be responsive to FCC information requests, and flag issues in need of FCC guidance.</td>
<td>Implement strategy for improved help desk functionality and RHC program participant outreach. Collaborate with the FCC on goals, outcomes, and strategies and ensure alignment on significant program administration decisions.</td>
</tr>
<tr>
<td><strong>Enhance Program Integrity</strong></td>
<td>Monitor, report, and implement enhanced controls to assess program effectiveness and program business value.</td>
<td>Continuously review RHC data to identify trends that require attention or that may raise new risks to the program. Address significant risks through RHC’s program risk management.</td>
</tr>
<tr>
<td><strong>Improve Employee Engagement</strong></td>
<td>Enhance individuals through career development and fostering a positive work environment.</td>
<td>Implement action plans, including confirming goals and expectations, delivering regular feedback and conducting routine individual and team level meetings to exchange information and celebrate successes.</td>
</tr>
</tbody>
</table>
RHC Program: At a Glance

Systems
- Conduct requirements analysis and develop strategy proposals

PQA
- Finalize PQA procedures
- Notify selected beneficiaries
- Conduct PQA assessments and analysis
- Report findings

Open Data
- Finalize dataset
- Obtain approval
- Post commitments dataset
- Develop second dataset

Appeals
- Adjudicate RHC Appeals

KM
- Launch knowledge management
- Develop and enhance knowledge management procedures
- Final strategy for FCC
- Complete FY19
- Plan 2020 Strategy
- RHC 101 training

Outreach
- Draft updated website content
- Post updated content
- Continuous improvement of website

Admin.
- Program Administration for FY17-19

Legend
- Completed Milestone
- On Track Milestone
- At-Risk Milestone
- Delayed Milestone
- On Hold/TBD Milestone

© 2018 Universal Service Administrative Co.
Accomplishments

During the past quarter, the RHC program has made significant progress on the FY2017 reviews, and planning for FY2018 implementation.

Recent Accomplishments

• FY17 Activities:
  • FY17 Funding Cap Order implementation
    • Issued revised Funding Commitment Letters (FCLs) within 10 business days of Order issuance informing recipients of revised commitment amounts
    • Issued payments for revised commitments on past invoices within 3 weeks of Order issuance
    • Deployed system enhancements to reflect revised commitment amounts in My Portal within 2 months of Order issuance
    • Completed all system enhancements to My Portal within 3 months of Order issuance
  • Continued to issue decisions on FY2017 applications
  • Currently funding request adjudication is 99% complete for HCF and 93% complete for Telecom

• FY2018 Funding Review Activities:
  • Closed FY2018 filing window on June 29, 2018 with no major issues
  • Completed over 90% of initial reviews

• Overall RHC Program Activities
  • Migrated all calls and emails to external Help Desk and expanded service hours from 8 am – 5 pm EST to 8 am – 8 pm EST in order to improve availability of service for participants in other time zones
  • Help Desk remained fully operational despite Hurricane Florence in vicinity and staffing impacts
  • Conducted RHC 101 training webinar which received highest ever satisfaction score
  • Reorganized RHC Department to increase focus on program integrity and project management, while streamlining operations
Current Topics

Resolution of Open Appeals

• RHC strategy for improving throughput of aging appeals

18 Month Plan

• Increasing focus on planning and tracking to improve program administration

Short Term RHC Systems Enhancements

• Adapting to changes in FCC policies, specifically funding cap increase
Although RHC has increased efforts to clear appeals, age of open appeals is longer than targets

Summary and Analysis

- RHC currently has 189 appeals in queue

Insights and Action Items

- RHC oldest appeals will be the priority for resolution.
- Working with cross-Department IPT to improve procedures and targets based on complexity of appeals.
- Additional resources will help RHC resolve many appeals by the end of the year.
- The number of appeals we are tracking to resolve in 2018 is greater than the number resolved in 2016 and 2017 combined.

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
<th>Jan Actual</th>
<th>Feb Actual</th>
<th>March Actual</th>
<th>April Actual</th>
<th>May Actual</th>
<th>June Actual</th>
<th>July Actual</th>
<th>August Actual</th>
<th>September Actual</th>
<th>December Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Pending RHC Appeals</td>
<td>N/A</td>
<td>242</td>
<td>247</td>
<td>243</td>
<td>258</td>
<td>266</td>
<td>259</td>
<td>252</td>
<td>253</td>
<td>242</td>
<td>101</td>
</tr>
<tr>
<td>Average age of RHC Appeals</td>
<td>90</td>
<td>N/A</td>
<td>265.6</td>
<td>259.4</td>
<td>269.9</td>
<td>279.9</td>
<td>294.3</td>
<td>313.2</td>
<td>342</td>
<td>364.9</td>
<td>332</td>
</tr>
<tr>
<td>Number of open appeals over 90 days</td>
<td>0</td>
<td>226</td>
<td>242</td>
<td>237</td>
<td>235</td>
<td>231</td>
<td>226</td>
<td>225</td>
<td>241</td>
<td>228</td>
<td>95</td>
</tr>
<tr>
<td>Number of appeals resolved</td>
<td>N/A</td>
<td>5</td>
<td>1</td>
<td>6</td>
<td>5</td>
<td>3</td>
<td>20</td>
<td>0</td>
<td>9</td>
<td>13</td>
<td>147 (Sep-Dec)</td>
</tr>
</tbody>
</table>

*December target is based on appeals currently in the queue. Success will be measured against these targets, excluding any appeals received after September 10th.
# Current Topic: RHC 18 Month Plan

RHC is developing a robust, comprehensive portfolio management plan that will include project and milestone tracking and quarterly Board updates.

## Background
- Unprecedented increases in demand and an increased program funding cap.
- USAC recognizes the need for a more focused perspective on program administration and planning.
- Plan documents key project-based activities highlighting milestones, assumptions, dependencies, and objectives.

## Objectives and Approach
- 18 month plan will support the program goals by ensuring USAC has set out a plan using a structured approach, and in a comprehensive way to impact all areas of the program, including people, process, and technology.
- Will be updated on a quarterly basis to incorporate changes and managed by the VP of Rural Healthcare, with oversight from the Office of CEO.
- Routine maintenance and reporting against the plan will be managed by the Director of Program Development within the RHC Division.
- On a monthly basis USAC will report on progress against the key milestones to the FCC and on a quarterly basis report on progress to the USAC Board of Directors.

## Projects Included
- FY 2017 Administration
- FY 2018 Administration
- FY 2019 Administration
- Resolve Open Appeals
- Long Term RHC System Planning
- Short Term System O&M Roadmap
- Knowledge Management
- Open Data
- Establish PQA
- Prior Period Audits
- Outreach
- RHC Website Migration and Redesign
Current Topic: Short Term RHC Systems Enhancements

RHC successfully implemented the June 2018 Funding Cap Order using a combination of manual efforts and system enhancements

Order Implementation Approach

- Worked with the FCC to understand high level intent before Order issuance in order to start developing potential solutions
- Coordinated across RHC, IT, Finance, and OGC to analyze Order and quickly evaluate solutions
- Discussed approaches and options with USAC leadership team to get feedback, especially from other programs
- Held many detailed discussions with the FCC to ensure USAC implementation addressed key priorities
- Developed briefing papers to ensure USAC and FCC had a common understanding of the approach
- Employed a phased approach with manual implementation first and then system enhancements to update My Portal
- Executed aggressive outreach campaigns during each step of the process to ensure program participants had the resources and information they needed in a timely fashion

Planned 2019 System Enhancements

- Roadmap includes enhancements planned to My Portal through 2019
- Enhancements focus on risk mitigation and program integrity, for example:
  - Moving to automated calculations of various program caps (ex: $30K cap on recurring costs for large urban hospitals)
  - Capturing key dates during review to assist in analysis and audits
- Some from 2018 will be completed in 2019 because of unanticipated work to implement the June Funding Cap Order
# Operational Performance Metrics Overview Q3 2018

## Key Insights

- Call center showing great improvement in abandonment rate and average speed to answer (12 seconds)
- Positive feedback from long time program participants:
  - Agents are well trained and knowledgeable
  - Agents are building relationships with frequent callers
  - Help guide participants through the process
- Appeals covered previously

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
<th>April Actual</th>
<th>May Actual</th>
<th>June Actual</th>
<th>July Actual</th>
<th>August Actual</th>
<th>September Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Call Ctre A/R</td>
<td>3.0%</td>
<td>5.9%</td>
<td>3.3%</td>
<td>3.0%</td>
<td>1.9%</td>
<td>0.6%</td>
<td>1.8%</td>
<td>1.2%</td>
</tr>
<tr>
<td>2 Total Pending RHC Appeals</td>
<td>N/A</td>
<td>258</td>
<td>266</td>
<td>259</td>
<td>252</td>
<td>253</td>
<td>242</td>
<td>N/A</td>
</tr>
<tr>
<td>3 Average age of RHC Appeals</td>
<td>90</td>
<td>269.9</td>
<td>279.9</td>
<td>294.3</td>
<td>313.2</td>
<td>342</td>
<td>364.9</td>
<td>-274.9</td>
</tr>
<tr>
<td>4 Number of open appeals over 90 days</td>
<td>0</td>
<td>235</td>
<td>231</td>
<td>226</td>
<td>225</td>
<td>241</td>
<td>228</td>
<td>-228</td>
</tr>
</tbody>
</table>

**Legend**

- ✔️ On track
- 🔴 Action Required

Briefing book excludes all materials discussed in Executive Session.
Upcoming Milestones

In the next quarter, the RHC program will focus on finalizing FY2017 funding commitment decisions, review of FY2018 funding requests, and finalizing appeal decisions.

- Finalize PQA procedures and notify selected beneficiaries
- Conduct system assessment to inform RHC’s long term IT strategy
- Post first RHC dataset to USAC Open Data platform
- Reduce open appeals
- Launch knowledge management for RHC
- Finalize and submit 2019 outreach strategy to FCC
- Update RHC website content
- Continue review and adjudication of FY17 and FY18 applications