

**Universal Service Administrative Company  
Rural Health Care Committee Quarterly Meeting  
Agenda**

<b>Monday January 30, 2012 12:30 p.m. – 1:30 p.m. Eastern Time USAC Offices, Suite 200 2000 L Street, NW Washington, D.C.</b>
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<b><u>ACTION ITEMS</u></b>
<b>a1.</b> Approval of Rural Health Care Committee Meeting Minutes of October 24, 2011
<b>a2.</b> Recommendation for Annual Election of Committee Chair and Vice Chair
<b>a3.</b> Approval of 2nd Quarter 2012 and 2012 Annual Rural Health Care Support Mechanism Programmatic Budgets
<b>a4.</b> Approval of 2nd Quarter 2012 Rural Health Care Support Mechanism Demand Projection for the February 1, 2012 FCC Filing
<b>a5.</b> Action on 10 USAC Internal Audit Division Rural Health Care Support Mechanism Beneficiary Audit Reports – <i>Executive Session Option</i>
<b>a6.</b> Consideration of Rural Health Care and Schools and Libraries Program Support Services Contract – <b>Confidential &amp; Proprietary</b> – <i>Executive Session Recommended</i> <i>Same as aSL07cf, aBOD08cf</i>
<b>a7.</b> Miscellaneous. Solicit ideas for April 2012 Committee meeting agenda.

<b><u>INFORMATION ITEMS</u></b>
<b>i1.</b> Rural Health Care Support Mechanism Update
<b>i2.</b> Rural Health Care Pilot Program Update
<b>i3.</b> Miscellaneous

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

<b>Monday, April 23, 2012 11:30 a.m. – 12:30 p.m. 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, January 30, 2012**

**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, January 30, 2012. Dr. Jay Sanders, Committee Chair, called the meeting to order at 12:31 p.m. Eastern Time, with a quorum of seven of the eight Committee members present.

Anderson, D. Michael	Kragel, Dr. Peter – Vice Chair – <i>by telephone</i>
Barash, Scott – Acting Chief Executive Officer	Mitchell, Randy
Gillan, Joe	Sanders, Dr. Jay – Chair
Jortner, Wayne	

Member of the Committee not present:

Jimenez, Jose

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

Abshire, Sheryl – Member of the Board  
Belden, Richard – Chief Operating Officer  
Blackwell, Mel Vice President, Schools and Libraries Division  
Campbell, Anne – Member of the Board  
Capozzi, David – Acting General Counsel and Assistant Secretary  
Case, David – Vice President of Finance, Chief Financial Officer and Assistant Treasurer  
Feiss, Geoff – Member of the Board  
Greiner, Colleen, Vice President and Chief Information Officer  
Scott, Wayne – Vice President of Internal Audit  
Talbott, Dr. Brian – Board Chair

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Anderson, Latonya	USAC
Betancourt, Laura	USAC
Costa, Paloma	USAC
Davis, Craig	USAC

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<u>NAME</u>	<u>COMPANY</u>
Delmar, Teleshia	USAC
Donadio, Giuseppe	SAIC
Ellis, Tess	USAC
Hughes, Jeff	USAC
Iversen, Eric	USAC
Jacobs, David	USAC
Lathrop, Roy	NCTA
Lutz, Cory	USAC
Marjani, Rexhina	USAC
McCornac, Carolyn	USAC
McKinley, Larry	FCC
Miller, Jack	Solix
Molson, Adam	USAC
Nuzzo, Patsy	USAC
Parry, John	Solix
Permyakov, Andrey	USAC
Reynolds, Dan	USAC
Rogers, Camelia	USAC
Sansbury, Cherice	USAC
Skadin, Andy	FCC
Smith, Chris	USAC
Theodoropoulos, Nikoletta	USAC

**ACTION ITEMS:**

- a1. Approval of Rural Health Care Committee Meeting Minutes of October 24, 2011.** On a motion duly made and seconded, the Committee approved the minutes, as written, of the Committee meeting of October 24, 2011.
- a2. Recommendation for Annual Election of Committee Chair and Vice Chair.** Dr. Sanders presented this item to the Committee noting that the FCC has not made selections to fill the seats of those Board members whose terms expired on December 31, 2011. Dr. Sanders recommended and the Committee agreed that, consistent with past practice, this item be deferred until those selections are made with the current chair and vice chair continuing to serve in their present positions.
- a3. Approval of 2nd Quarter 2012 and 2012 Annual Rural Health Care Support Mechanism Programmatic Budgets.** Mr. Belden presented this item to the Committee.

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

To expedite navigation, please use the bookmarks located in the Navigation Pane.

**RESOLVED**, that the USAC Rural Health Care Committee approves a 2nd Quarter 2012 Rural Health Care Support Mechanism budget of \$2.78 million; and

**RESOLVED FURTHER**, that the USAC Rural Health Care Committee directs USAC staff to submit a collection requirement of \$2.78 million for Rural Health Care Support Mechanism administrative expenses in the required February 1, 2012 filing to the FCC on behalf of the Committee; and

**RESOLVED FURTHER**, that the USAC Rural Health Care Committee approves an annual 2012 Rural Health Care Support Mechanism budget of \$10.75 million.

- a4. Approval of 2nd Quarter 2012 Rural Health Care Support Mechanism Demand Projection for the February 1, 2012 FCC Filing.** Mr. Belden presented this item to the Committee.

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

**RESOLVED**, that the USAC Rural Health Care Committee, having reviewed at its meeting on January 30, 2012, a summary of the 2nd Quarter 2012 Rural Health Care Support Mechanism demand estimate, including administrative costs, hereby directs USAC staff to proceed with the required February 1, 2012 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.

- a5. Action on 10 USAC Internal Audit Division Rural Health Care Support Mechanism Beneficiary Audit Reports.** Mr. Chris Smith, Manager of Internal Audit, presented this item to the Committee.

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

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

- a6. Consideration of Rural Health Care and Schools and Libraries Program Support Services Contract.** In accordance with the approved criteria and procedures for conducting USAC Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this item be conducted in

To expedite navigation, please use the bookmarks located in the Navigation Pane.

*Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

**RESOLVED**, that the USAC Rural Health Care Committee determines that discussion of the Rural Health Care and Schools and Libraries Program support services contract shall be conducted in *Executive Session*.

- a7. **Miscellaneous. Solicit ideas for the April 2012 Committee Agenda.** Dr. Sanders reminded Committee members that they may offer suggestions for agenda items at each quarterly meeting. Ideas may be submitted to Dr. Sanders, Dr. Kragel, Mr. Barash or Mr. Davis between quarterly meetings.

**INFORMATION ITEMS:**

- i1. **Rural Health Care Support Mechanism Update.** Mr. Belden presented this item to the Committee, noting that:
- Form 465 submissions are up nearly 11 percent over this time last year and 20 percent over 2009.
  - Packet submissions (Form 466, 466-A, and supporting documentation) for Funding Year 2011 are up nearly 40 percent over this time in 2010 and 70 percent over 2009.
  - RHC Program staff continues to work closely with USAC Information Technology (IT) Division staff on the development of its new IT system, and presently plans for the system to be operational in 2012.
  - RHC Program staff continues to meet with the FCC every two weeks to discuss open issues.
  - Nine RHC Program beneficiary appeals were resolved this quarter, lowering the queue to six open appeals.
  - RHC Program staff continues to achieve the goals outlined in the 2011 Outreach Plan. The 2012 Outreach Plan has been finalized.
- i2. **Rural Health Care Pilot Program Update.** Mr. Belden presented this item to the Committee, noting that during 4th Quarter 2011:

To expedite navigation, please use the bookmarks located in the Navigation Pane.

- USAC posted seven Form 465 packages representing four projects, issued 27 funding commitments totaling \$10,666,262.09, and disbursed \$17,859,545.83.
- Pilot Program staff verified the eligibility of approximately 190 health care providers (HCPs) participating in Pilot Program networks.

At 1:08 p.m. Eastern Time, on a motion duly made and seconded, the Committee moved into *Executive Session* for the purpose of discussing the confidential and proprietary item noted above.

**EXECUTIVE SESSION:**

- a6. Schools and Libraries and Rural Health Care Program Support Services Solicitation Update.** Mr. Barash presented this item to the Committee.

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

**RESOLVED**, that the USAC Rural Health Care Committee accepts management's recommendation and hereby approves an extension to the contract between USAC and Solix, Inc. under the terms set forth by management in this issue paper for Rural Health Care and Schools and Libraries Program support services for the period July 1, 2012 through June 30, 2014; and

**RESOLVED FURTHER**, that management is hereby authorized to finalize the terms and conditions of the proposed agreement, and upon receiving FCC approval, execute the proposed contract extension with Solix, Inc. and proceed with its implementation.

At 1:13 p.m. Eastern Time, on a motion duly made and seconded, the Committee adjourned from *Executive Session* and immediately reconvened in *Open Session*, at which time, Dr. Sanders reported that the Committee discussed item a6 above in *Executive Session*. On a motion duly made and seconded, the Committee adjourned at 1:14 p.m. Eastern Time.

/s/ David A. Capozzi  
Assistant Secretary

**Universal Service Administrative Company  
Rural Health Care Committee Quarterly Meeting  
Agenda**

**Monday, April 23, 2012  
11:30 a.m. – 12:30 p.m. Eastern Time  
USAC Offices, Suite 200  
2000 L Street, NW  
Washington, D.C.**

**ACTION ITEMS**

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| <b>a1.</b> Approval of Rural Health Care Committee Meeting Minutes of January 30, 2012                                       |
| <b>a2.</b> Approval of 3rd Quarter 2012 Rural Health Care Support Mechanism Programmatic Budget                              |
| <b>a3.</b> Approval of 3rd Quarter 2012 Rural Health Care Support Mechanism Demand Projection for the May 2, 2012 FCC Filing |
| <b>a4.</b> Miscellaneous. Solicit ideas for July 2012 Committee meeting agenda.  |

**INFORMATION ITEMS**

- |   |
|---|
| <b>i1.</b> Rural Health Care Support Mechanism Update   |
| <b>i2.</b> Rural Health Care Pilot Program Update   |
| <b>i3.</b> Schools and Libraries and Rural Health Care Program Support Services Procurement Update – <b>Confidential &amp; Proprietary</b> – <i>Executive Session Recommended</i><br><i>Same as iSL02cf</i> |
| <b>i4.</b> Miscellaneous  |

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

**Monday, July 30, 2012  
11:30 a.m. – 12:30 p.m.  
USAC Offices, Washington, D.C.**

**UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**  
**2000 L Street, N.W., Suite 200**  
**Washington, D.C. 20036**

**RURAL HEALTH CARE COMMITTEE MEETING**  
**Monday, April 23, 2012**

**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, April 23, 2012. Dr. Jay Sanders, Committee Chair, called the meeting to order at 12:06 p.m. Eastern Time, with a quorum of all six of Committee members present (there are two vacancies):

Barash, Scott – Acting Chief Executive Officer	Jortner, Wayne
Gillan, Joe	Kragel, Dr. Peter – Vice Chair
Jimenez, Jose	Sanders, Dr. Jay – Chair

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

Abshire, Sheryl – Member of the Board  
Belden, Richard – Chief Operating Officer  
Campbell, Anne – Member of the Board  
Capozzi, David – Acting General Counsel and Assistant Secretary  
Case, David – Vice President of Finance, Chief Financial Officer and Assistant Treasurer  
Greiner, Colleen, Vice President and Chief Information Officer  
Scott, Wayne – Vice President of Internal Audit  
Talbott, Dr. Brian – Board Chair

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Beaver, Tracey	USAC
Betancourt, Laura	USAC
Costa, Paloma	USAC
Davis, Craig	USAC
Delmar, Teleshia	USAC
Ellis, Tess	USAC
Emmanuel, Sherard	USAC
Falkowitz, Ed	USAC
Hughes, Jeff	USAC
Iversen, Eric	USAC
Lewis, Don	USAC
McCornac, Carolyn	USAC

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<u>NAME</u>	<u>COMPANY</u>
Miller, Jack	Solix
Nuzzo, Patsy	USAC
O'Connor, Austin	FCC
Parry, John	Solix
Permyakov, Andrey	USAC
Rasmussen, Mary	USAC
Rogers, Camelia	USAC
Sansbury, Cherice	USAC
Skadin, Andy	FCC
Smith, Chris	USAC
Theodoropoulos, Nikoletta	USAC
Watterson, Stefani	USAC

**ACTION ITEMS:**

- a1. Approval of Rural Health Care Committee Meeting Minutes of January 30, 2012.** On a motion duly made and seconded, the Committee approved the minutes, as written, of the Committee meeting of January 30, 2012.
- a2. Approval of 3rd Quarter 2012 Rural Health Care Support Mechanism Programmatic Budget.** Mr. Belden presented this item to the Committee.

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 3rd Quarter 2012 Rural Health Care Support Mechanism budget of \$2.73 million; and

**RESOLVED FURTHER**, that the USAC Rural Health Care Committee directs USAC staff to submit a collection requirement of \$2.73 million for Rural Health Care Support Mechanism administrative expenses in the required May 2, 2012 filing to the FCC on behalf of the Committee.

- a3. Approval of 3rd Quarter 2012 Rural Health Care Support Mechanism Demand Projection for the May 2, 2012 FCC Filing.** Mr. Davis presented this item to the Committee.

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

To expedite navigation, please use the bookmarks located in the Navigation Pane.

**RESOLVED**, that the USAC Rural Health Care Committee, having reviewed at its meeting on April 23, 2012, a summary of the 3rd Quarter 2012 Rural Health Care Support Mechanism demand estimate, including administrative costs, hereby directs USAC staff to proceed with the required May 2, 2012 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.

- a4. Miscellaneous. Solicit ideas for the July 2012 Committee Agenda.** Dr. Sanders reminded Committee members that they may offer suggestions for agenda items at each quarterly meeting. Ideas may be submitted to Dr. Sanders, Dr. Kragel, Mr. Barash or Mr. Davis between quarterly meetings.

#### **INFORMATION ITEMS:**

- i1. Rural Health Care Support Mechanism Update.** Mr. Davis presented this item to the Committee, noting that:

- Form 465 submissions are up nearly 11 percent over this time last year and 20 percent over 2009.
- Packet submissions (Form 466, 466-A, and supporting documentation) for Funding Year 2011 are up nearly 40 percent over this time in 2010 and 70 percent over 2009.
- RHC Program staff continues to work closely with USAC Information Technology (IT) Division staff on development of a new RHC Program operations IT system, and presently plans for the system to be operational in 2012.
- RHC Program staff continues to meet with the FCC every two weeks to discuss open issues.
- Nine RHC Program beneficiary appeals were resolved this quarter, lowering the queue to six open appeals.
- RHC Program staff continues to achieve the goals outlined in the 2011 Outreach Plan. The 2012 Outreach Plan has been finalized.

- i2. Rural Health Care Pilot Program Update.** Mr. Davis presented this item to the Committee, noting that during 1st Quarter 2012:

- USAC posted 11 FCC Form 465 packages representing eight projects, issued 34 funding commitments totaling \$23.60 million, and disbursed \$12.21 million.

To expedite navigation, please use the bookmarks located in the Navigation Pane.

- Pilot Program staff verified the eligibility of approximately 1,323 health care providers (HCPs) participating in Pilot Program networks.

**i3. Schools and Libraries and Rural Health Care Program Support Services Procurement Update.** In accordance with the approved criteria and procedures for conducting USAC Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

**RESOLVED**, that the USAC Rural Health Care Committee determines that discussion of the Schools and Libraries and Rural Health Care Program support services procurement shall be conducted in *Executive Session*.

At 12:34 p.m. Eastern Time, on a motion duly made and seconded, the Committee moved into *Executive Session* for the purpose of discussing the confidential and proprietary item noted above.

**EXECUTIVE SESSION:**

**i3. Schools and Libraries and Rural Health Care Program Support Services Procurement Update.** Mr. Barash presented this item to the Committee.

At 12:36 p.m. Eastern Time, on a motion duly made and seconded, the Committee adjourned from *Executive Session* and immediately reconvened in *Open Session*, at which time, Dr. Sanders reported that the Committee discussed item i3 above in *Executive Session*. On a motion duly made and seconded, the Committee adjourned at 12:37 p.m. Eastern Time.

/s/ David A. Capozzi  
Assistant Secretary

**Universal Service Administrative Company  
Rural Health Care Committee Quarterly Meeting  
Agenda**

<b>Monday, July 30, 2012 11:30 a.m. – 12:30 p.m. Eastern Time USAC Offices, Suite 200 2000 L Street, NW Washington, D.C.</b>
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<b><u>ACTION ITEMS</u></b>
<b>a1.</b> Approval of Rural Health Care Committee Meeting Minutes of April 23, 2012
<b>a2.</b> Recommendation for Election of Committee Chair and Vice Chair
<b>a3.</b> Approval of 4th Quarter 2012 and Revised 2012 Annual Rural Health Care Support Mechanism Programmatic Budgets
<b>a4.</b> Approval of 4th Quarter 2012 Rural Health Care Support Mechanism Demand Projection for the August 2, 2012 FCC Filing
<b>a5.</b> Miscellaneous. Solicit ideas for October 2012 Committee meeting agenda.

<b><u>INFORMATION ITEMS</u></b>
<b>i1.</b> Rural Health Care Support Mechanism Update
<b>i2.</b> Rural Health Care Pilot Program Update
<b>i3.</b> Schools and Libraries and Rural Health Care Program Support Services Procurement Update – <b>Confidential &amp; Proprietary</b> – <i>Executive Session Recommended</i> <i>Same as iSL02cf</i>
<b>i4.</b> Miscellaneous

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

<b>Monday, October 29, 2012 11:30 a.m. – 12:30 p.m. USAC Offices, Washington, D.C.</b>
--

**UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**  
**2000 L Street, N.W., Suite 200**  
**Washington, D.C. 20036**

**RURAL HEALTH CARE COMMITTEE MEETING**  
**Monday, July 30, 2012**

**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, July 30, 2012. Dr. Jay Sanders, Committee Chair, called the meeting to order at 11:31 p.m. Eastern Time, with a quorum of all seven of Committee members present (there is one vacancy):

Barash, Scott – Acting Chief Executive Officer	Jortner, Wayne
Brise, Ronald	Kragel, Dr. Peter – Vice Chair
Gillan, Joe	Sanders, Dr. Jay – Chair
Jimenez, Jose	

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

Abshire, Sheryl – Member of the Board  
Belden, Richard – Chief Operating Officer  
Capozzi, David – Acting General Counsel and Assistant Secretary  
Case, David – Vice President of Finance, Chief Financial Officer and Assistant Treasurer  
Davis, Craig, Vice President, Rural Health Care Division  
Feiss, Geoff – Member of the Board  
Greiner, Colleen, Vice President and Chief Information Officer  
Scott, Wayne – Vice President of Internal Audit  
Talbott, Dr. Brian – Board Chair

Others present for the meeting:

<b><u>NAME</u></b>	<b><u>COMPANY</u></b>
Amalfitano, Vince	FCC– <i>by telephone</i>
Betancourt, Laura	USAC
Costa, Paloma	USAC
Delmar, Teleshia	USAC
Ellis, Tess	USAC
Emmanuel, Sherard	USAC
Falkowitz, Ed	USAC
Garrett, Erika	USAC
Hughes, Jeff	USAC

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<u>NAME</u>	<u>COMPANY</u>
Iversen, Eric	USAC
Lewis, Don	USAC
McCornac, Carolyn	USAC
Molson, Adam	USAC
Nuzzo, Patsy	USAC
Park, Sang	USAC
Parry, John	Solix
Rasmussen, Mary	USAC
Rogers, Camelia	USAC
Sansbury, Cherice	USAC
Skadin, Andy	FCC
Smith, Chris	USAC
Theodoropoulos, Nikoletta	USAC
Watterson, Stefani	USAC

### ACTION ITEMS:

Dr. Sanders welcomed Commissioner Brise, a newly appointed Board and committee member.

- a1. **Approval of Rural Health Care Committee Meeting Minutes of April 23, 2012.** On a motion duly made and seconded, the Committee approved the minutes, as written, of the Committee meeting of April 23, 2012.
- a2. **Recommendation for Election of Committee Chair and Vice Chair.** Mr. Feiss nominated, with Mr. Gillan seconding, Dr. Jay Sanders as Chair and Dr. Peter Kragel as Vice Chair of the Committee.

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

**RESOLVED**, that the USAC Rural Health Care Committee recommends that the USAC Board of Directors elect **Dr. Jay Sanders** as Chair and **Dr. Peter Kragel** as Vice Chair of the Committee for a term that begins immediately upon the adoption of this resolution by the Board and ends when a successor to the Chair and/or Vice Chair has been elected, when the Chair or Vice Chair resigns from the Committee or the Board, is removed by resolution of the Board, or the Chair and/or Vice Chair's Board term expires.

- a3. **Approval of 4th Quarter 2012 and Revised 2012 Annual Rural Health Care Support Mechanism Programmatic Budgets.** Mr. Belden presented this item to the Committee.

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

To expedite navigation, please use the bookmarks located in the Navigation Pane.

**RESOLVED**, that the USAC Rural Health Care Committee approves a 4th Quarter 2012 Rural Health Care Support Mechanism budget of \$2.60 million; and

**RESOLVED FURTHER**, that the USAC Rural Health Care Committee directs USAC staff to submit a collection requirement of \$2.30 million for Rural Health Care Support Mechanism administrative expenses in the required August 2, 2012 filing to the FCC on behalf of the Committee; and

**RESOLVED FURTHER**, that the USAC Rural Health Care Committee approves a revised annual 2012 Rural Health Care Support Mechanism budget of \$10.44 million.

- a4. Approval of 4th Quarter 2012 Rural Health Care Support Mechanism Demand Projection for the August 2, 2012 FCC Filing.** Mr. Davis presented this item to the Committee.

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

**RESOLVED**, that the USAC Rural Health Care Committee, having reviewed at its meeting on July 30, 2012, a summary of the 4th Quarter 2012 Rural Health Care Support Mechanism demand estimate, including administrative costs, hereby directs USAC staff to proceed with the required August 2, 2012 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.

- a4. Miscellaneous. Solicit ideas for the October 2012 Committee Agenda.** Dr. Sanders reminded Committee members that they may offer suggestions for agenda items at each quarterly meeting. Ideas may be submitted to Dr. Sanders, Dr. Kragel, Mr. Barash or Mr. Davis between quarterly meetings.

#### **INFORMATION ITEMS:**

- i1. Rural Health Care Support Mechanism Update.** Mr. Davis presented this item to the Committee, noting that:
- Submission of Funding Year 2012 FCC Form 465s began on April 16, 2012.
  - Funding Year 2011 FCC Form 465 submissions have increased by 13 percent over Funding Year 2010, and 23 percent over Funding Year 2009.
  - Packet submissions (FCC Form 466, 466-A, and supporting documentation) for Funding Year 2011 have increased by nearly 11 percent over Funding Year 2010, and 26 percent over Funding Year 2009.

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- RHC Program staff continues to work closely with USAC Information Technology (IT) Division staff on the development and production of the new RHC system, which will be launched in phases throughout 2012. The applicant-facing *My Portal* was deployed successfully on April 16, 2012, and the FCC Form 466/466-A functionality was deployed on June 28, 2012.
- Three RHC Program appeals were resolved this quarter.
- RHC Program staff continues outreach efforts, and has developed several multi-media training materials to introduce program participants to the new RHC system.

**i2. Rural Health Care Pilot Program Update.** Mr. Davis presented this item to the Committee, noting that during 2nd Quarter 2012:

- USAC posted 12 FCC Form 465 packages representing ten projects, issued funding commitments totaling \$39.57 million, and disbursed \$14.02 million.
- Pilot Program staff verified the eligibility of 237 health care providers (HCPs) participating in Pilot Program networks.

**i3. Schools and Libraries and Rural Health Care Program Support Services Procurement Update.** In accordance with the approved criteria and procedures for conducting USAC Board and committee business in *Executive Session*, Mr. Capozzi recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

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

**RESOLVED**, that the USAC Rural Health Care Committee determines that discussion of the Schools and Libraries and Rural Health Care Program support services procurement shall be conducted in *Executive Session*.

At 12:12 p.m. Eastern Time, on a motion duly made and seconded, the Committee moved into *Executive Session* for the purpose of discussing the confidential and proprietary item noted above.

#### **EXECUTIVE SESSION:**

**i3. Schools and Libraries and Rural Health Care Program Support Services Procurement Update.** Mr. Barash presented this item to the Committee.

At 12:14 p.m. Eastern Time, on a motion duly made and seconded, the Committee adjourned from *Executive Session* and immediately reconvened in *Open Session*, at which time, Dr. Sanders reported that the Committee discussed item i3 above in

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***Executive Session.*** On a motion duly made and seconded, the Committee adjourned at 12:15 p.m. Eastern Time.

/s/ David A. Capozzi  
Assistant Secretary

**Universal Service Administrative Company  
Rural Health Care Committee Quarterly Meeting  
Agenda**

**Monday, October 29, 2012  
11:30 a.m. – 12:30 p.m. Eastern Time  
USAC Offices, Suite 200  
2000 L Street, NW  
Washington, D.C.**

**ACTION ITEMS**

- |   |
|---|
| <b>a1.</b> Approval of Rural Health Care Committee Meeting Minutes of July 30, 2012   |
| <b>a2.</b> Approval of 1st Quarter 2013 Rural Health Care Support Mechanism Programmatic Budget and Information on the Estimated 2013 Annual Budget |
| <b>a3.</b> Approval of 1st Quarter 2013 Rural Health Care Support Mechanism Demand Projection for the November 2, 2012 FCC Filing                   |
| <b>a4.</b> Miscellaneous. Solicit ideas for January 2013 Committee meeting agenda.  |

**INFORMATION ITEMS**

- |   |
|---|
| <b>i1.</b> Rural Health Care Support Mechanism Update |
| <b>i2.</b> Rural Health Care Pilot Program Update     |
| <b>i3.</b> Miscellaneous                              |

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

**Monday, January 28, 2013  
11:30 a.m. – 12:30 p.m.  
USAC Offices, Washington, D.C.**

To expedite navigation, please use the bookmarks located in the Navigation Pane.

**UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**  
**2000 L Street, N.W., Suite 200**  
**Washington, D.C. 20036**

**RURAL HEALTH CARE COMMITTEE MEETING**  
**Monday, October 29, 2012**

**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 29, 2012. Dr. Jay Sanders, Committee Chair, called the meeting to order at 12:03 p.m. Eastern Time, with a quorum of five of the eight Committee members present:

Barash, Scott – Acting Chief Executive Officer	Kragel, Dr. Peter – Vice Chair – <i>by telephone</i>
Brise', Ronald – <i>by telephone</i>	Sanders, Dr. Jay – Chair
Jortner, Wayne – <i>by telephone</i>	

Mr. Geoff Feiss and Mr. Joe Gillan joined the meeting at 12:04 p.m. Eastern Time. They did not vote on item a1.

Members of the Committee not present:

Jimenez, Jose

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

Abshire, Sheryl – Member of the Board  
Belden, Richard – Chief Operating Officer  
Capozzi, David – Acting General Counsel and Assistant Secretary  
Case, David – Vice President of Finance, Chief Financial Officer and Assistant Treasurer  
Davis, Craig, Vice President, Rural Health Care Division  
Greiner, Colleen – Vice President and Chief Information Officer – *by telephone*  
Scott, Wayne – Vice President of Internal Audit  
Talbott, Dr. Brian – Board Chair

Others present for the meeting:

<u>NAME</u>	<u>COMPANY</u>
Goode, Vernell	USAC
Nuzzo, Patsy	USAC
Parry, John	Solix
Smith, Chris – <i>by telephone</i>	USAC

NAME

Spade, Gina – *by telephone*

COMPANY

FCC

ACTION ITEMS:

- a1. **Approval of Rural Health Care Committee Meeting Minutes of July 30, 2012.** On a motion duly made and seconded, the Committee approved the minutes, as written, of the Committee meeting of July 30, 2012.
- a2. **Approval of 1st Quarter 2013 Rural Health Care Support Mechanism Programmatic Budget and Information on the Estimated 2013 Annual Budget.** Mr. Belden presented this item to the Committee.

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 1st Quarter 2013 Rural Health Care Support Mechanism programmatic operations budget of \$2.0 million; and

**RESOLVED FURTHER**, that the USAC Rural Health Care Committee directs USAC staff to submit a collection requirement of \$2.0 million for Rural Health Care Support Mechanism administrative expenses in the required November 2, 2012 filing to the FCC on behalf of the Committee.

- a3. **Approval of 1st Quarter 2013 Rural Health Care Support Mechanism Demand Projection for the November 2, 2012 FCC Filing.** Mr. Davis presented this item to the Committee.

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

**RESOLVED**, that the USAC Rural Health Care Committee, having reviewed at its meeting on October 29, 2012, a summary of the 1st Quarter 2013 Rural Health Care Support Mechanism demand estimate, including administrative costs, hereby directs USAC staff to proceed with the required November 2, 2012 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.

- a4. **Miscellaneous. Solicit ideas for the January 2013 Committee Agenda.** Dr. Sanders reminded Committee members that they may offer suggestions for agenda items at each quarterly meeting. Ideas may be submitted to Dr. Sanders, Dr. Kragel, Mr. Barash or Mr. Davis between quarterly meetings.

**INFORMATION ITEMS:**

**i1. Rural Health Care Support Mechanism Update.** Mr. Davis presented this item to the Committee, noting that:

- Funding Year 2012 FCC Form 465 submissions continue to out-pace Funding Year 2011 submissions. There is an 11 percent increase in Funding Year Form 465s over Funding Year 2011.
- RHC Program staff continues to work closely with USAC Information Technology (IT) Division staff on the development, implementation and maintenance of the new RHC system, which will be launched in phases throughout 2012.
- Eight RHC Program appeals were resolved this quarter.
- RHC Program staff continues outreach efforts, and has developed several multi-media training tools to introduce program participants and internal users to the new RHC system.

**i2. Rural Health Care Pilot Program Update.** Mr. Davis presented this item to the Committee, noting that during 3rd Quarter 2012:

- USAC posted one FCC Form 465 package representing one project, issued funding commitments totaling \$38.12 million, and disbursed \$10.89 million.

On a motion duly made and seconded, the Committee adjourned at 12:18 p.m. Eastern Time.

/s/ David A. Capozzi  
Assistant Secretary