



Federal Communications Commission
Washington, D.C. 20554

December 23, 2020

DA 20-1536

Mr. Mark Sweeney
Vice President of the Rural Health Care Program
Universal Service Administrative Company
700 12th Street, N.W., Suite 900
Washington, DC 20005

Re: Rural Health Care Support Mechanism, WC Docket No. 17-310
Database of Urban and Rural Rates for the Telecommunications Program

Dear Mr. Sweeney:

By this letter, the Wireline Competition Bureau (Bureau) directs the Universal Service Administrative Company (Administrator) to add to the Database of Urban and Rural Rates for the Telecommunications Program (Telecom Program Rates Database) rates for all funding requests committed since its launch. In the Bureau's letter of June 30, 2020, the Bureau directed the Administrator, among other things, to include data from both the E-Rate and Rural Health Care Programs from the three most recent available funding years to identify the median rates when establishing the Telecom Program Rates Database.¹ To provide certainty as to the median rates upon which support amounts are based, the Telecom Program Rates Database uses data as of a set date.² Accordingly, at the launch of the Telecom Program Rates Database on July 1, 2020, the data included was as of June 30, 2020.

The Bureau separately directed the Administrator to provide a two-month period for stakeholders to provide supplemental rate information following the launch of the Telecom Program Rates Database.³ The Bureau reasoned that time period would provide stakeholders an opportunity to identify data omissions and corrections to improve the data used for the Telecom Program Rates Database. As the window for filing Telecom Program applications seeking support for funding year 2021 commences on January 4, 2021, the Bureau intentionally limited this refresh period following the launch to a two-month period to give Telecom Program "participants . . . ample opportunity to interact with the new database before the [funding year 2021] application filing window opens."⁴ Following the two-month window, the

¹ See Letter from Kris Monteith, Chief, Wireline Competition Bur., Federal Communications Commission, to Radha Sekhar, Chief, Exec. Officer, Administrator, WC Docket No. 17-310, DA 20-697, at 7 (June 30, 2020) (Bureau Guidance Letter).

² The Commission anticipated the data would be periodically revisited and updated every few years to ensure that the urban and rural rates used to allocate support reflect reasonably comparable rates for similar services in the marketplace. See *Promoting Telehealth in Rural America*, WC Docket No. 17-310, Report and Order, 34 FCC Rcd 7335, 7372-73, para. 78, n.217 (2019). If we allowed continual supplementing of the data set, then the support levels could theoretically change as the data is updated, thereby frustrating the Commission's ability to accurately and definitively award support amounts without exceeding the available funding. We therefore directed the Administrator to use data from a snapshot in time to ensure a static Telecom Program Rates Database to promote certainty and the efficient allocation of support to Telecom Program participants during the applicable funding year.

³ Bureau Guidance Letter at 12.

⁴ *Id.*

Administrator released a refreshed version of the Telecom Program Rates Database on September 30, 2020. Accordingly, the database currently reflects available E-Rate and Rural Health Care Program data for the last three funding years as of September 30, 2020.

In the interest of ensuring a comprehensive and robust dataset for the inaugural application of the database for funding year 2021, we direct the Administrator to add to the rates database any rates not already in the database that are associated with funding commitments made in the E-Rate and Rural Health Care Programs from the launch of the Telecom Program Rates Database through the date of this letter.⁵ This action will allow for a larger sample of committed rates to be included in the rates database while also providing certainty to health care providers and service providers on the level of support available for funding year 2021.

If you have questions, please do not hesitate to contact me.

Sincerely,

/s/ Ryan Palmer
Ryan Palmer
Chief
Telecommunications Access Policy Division
Wireline Competition Bureau

cc: Radha Sekar, Chief Executive Officer, USAC
Kris Monteith, Chief, WCB
Adam Copeland, Assoc. Chief, WCB
Bryan Boyle, Deputy Div. Chief, TAPD/WCB
William Layton, Asst. Div. Chief, TAPD/WCB

⁵ Additions would include, to the extent applicable, commitments issued for funding year 2020, even though action has not yet been taken on all commitment requests for that funding year.