

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. NUSF-26
Public Service Commission, on its)
own motion, seeking to establish a) ORDER APPROVING TELEHEALTH
long-term universal service) PLAN
funding mechanism.)
) Entered: June 13, 2006

APPEARANCES:

For the Nebraska Hospital Association:

Roger Keetle
134 South 13th Street
Suite 400
Lincoln, NE 68508

For the Commission:

Shana Knutson
300 The Atrium
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Lincoln, NE 68508

BY THE COMMISSION:

By Motion filed March 6, 2006 and amended on March 8, 2006, the Nebraska Hospital Association (NHA) seeks approval of its statewide telehealth plan. The Commission directed the NUSF Department, all NETCs and the NHA to work to develop a specific plan for support not to exceed \$900,000 per calendar year. Notice of this filing appeared in the Daily Record, Omaha, Nebraska on March 8, 2006 and again on March 22, 2006. The Commission held a hearing on this matter on May 15, 2006 in the Commission Hearing Room in Lincoln, Nebraska.

Mr. Roger Keetle, attorney and lobbyist for the Nebraska Hospital Association, called Ms. Laura Meyers who testified in support of the Motion and accompanying Attachments, as corrected in her prepared testimony.

Mr. Jeffrey Pursley, Director of the Nebraska Universal Service Fund (NUSF), offered recommendations for the Commission to consider. First, Mr. Pursley questioned the proposed connection from Bassett to Kearney. Mr. Pursley recommended that the Commission approve the proposed Telehealth Plan as corrected by Ms. Meyers. Mr. Pursley further recommended the Commission handle adjustments to the proposed plan administratively as long as the proposed adjustments are consistent with the Commission's previous findings in relation to Telehealth. Any and all proposed adjustments would be brought before the Commission for approval. Finally, Mr. Pursley recommended that the Commission open a new docket to seek comment on processing the proposed Telehealth adjustments administratively and to be a precursor to rulemaking.

The record, as it relates to the Telehealth program, would be rolled into the new proceeding which would be dedicated to administering the Telehealth program and developing rules and regulations.

Ms. Lesley Bollwitt, a representative of Good Samaritan Hospital in Kearney gave testimony in response to Mr. Pursley's question regarding the Bassett to Kearney connection. Ms. Bollwitt stated that Rock County in Bassett is part of the Mid-Nebraska Telemedicine Network that is currently funded through the office for the Advancement for Telehealth. They have signed agreements, through this grant, for funding until August 31, 2007. They are also working with Alltel to see if there is a way to keep the connection without exceeding the MAD. To ensure that they are operating in a cost-effective manner, Ms. Bollwitt stated she will be looking at the Norfolk versus Kearney price structure towards the end of the grant program.

Mr. David Glover, a representative of the Nebraska Statewide Telehealth Network, stated that he is working with the Nebraska State Public Health Laboratory, with the University of Nebraska-Omaha and with Indian Health Services to see if Indian Health Services has a desire to be connected to the Telehealth Network.

Ms. Donna Hammack, a representative of Saint Elizabeth, testified that the statistics presented in Ms. Meyer's testimony are a strong indicator that the Telehealth program is being more widely used. She stated that over the last two years use for the Telehealth Network has evolved considerably.

O P I N I O N A N D F I N D I N G S

Upon consideration of the testimony and evidence presented at the May 15, 2006 hearing, the Commission is of the opinion and finds that the staff proposal as set forth in Exhibit 3 should be approved. The Commission approves the telehealth plan for the hospitals as described in the hearing and offered by the Nebraska Hospital Association as Exhibit 4 (Scheduled support). Support for this program is contingent upon funds being available for disbursement. If the necessary funds are available, NUSF department should be permitted to disburse funds to the eligible telecommunications providers consistent with Commission orders in NUSF-26. The NUSF Director may take any steps necessary to administer the program and to ensure Telehealth program support is being used only for its intended purpose. The Commission agrees with Mr. Pursley's recommendation and finds that a new docket shall be opened and dedicated to the Telehealth program.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the Motion of the Nebraska Hospital Association be and it is hereby granted as provided herein.

IT IS FURTHER ORDERED that disbursement of support shall be made consistent with Attachment A to this Order.

IT IS FURTHER ORDERED that adjustments to the approved amounts shall be filed in writing with the NUSF Department. Any adjustments to the scheduled support will be brought to the Commission and will be processed by the Commission administratively where appropriate.

MADE AND ENTERED at Lincoln, Nebraska, this 13th day of June 2006.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director