



May 2, 2018

Scot Mitchell
Cordova Community Medical Center
PO Box 160
Cordova, AK 99574

via Email

RE: Rural Health Care Fund Year 2017 – Amount Due

Account #1851855

Thank you for the opportunity to provide Cordova Community Medical Center with data services over the past 9 years. We believe centers like yours are vital to the health of Alaskans.

In the past, the Rural Health Care (RHC) division of USAC made funding decisions in a short enough time that we could provide your service and only charge you the urban rate. This was not the case the past two years. We are now 10 months into the current funding year and your funding request is still being put through an “enhanced review” by USAC.

Alaska Communications believes in your mission, and has endeavored to continue to provide you with service throughout this extraordinary delay. In fact, despite not receiving payment for your telecommunications services, Alaska Communications has used its own cash to pay third parties to keep you in service – at the cost of reducing our workforce and reducing employee compensation. We cannot sustain our business this way.

Consequently, we must ask you to pay your balance in full by June 30, 2018. The total amount due as of June 30th is \$964,370. If you are unable to make payment, we will disconnect your RHC service on July 1, 2018.

These are uncertain times for the FCC’s Rural Health Care support mechanism. Funding short falls and delays are harming all of us as we try to serve Alaska’s rural communities. We have advocated, and continue to advocate, for the FCC to release the Rural Health Care funds for the funding year that started July 1, 2017, as well as for an increase to the overall RHC program budget, so that rural healthcare providers may receive full support of their services for funding year 2017 and beyond.

We know this amount will have a significant impact to your organization. If/when USAC issues funding we will refund the USAC amount to your organization. Please do not hesitate to contact us to discuss payment plans.

Sincerely,

A handwritten signature in cursive script that reads 'Laurie Butcher'.

Laurie Butcher
Senior Vice President, Finance
(907) 564-1704