

ORIGINAL
FILE COPY

FLORIDA PUBLIC SERVICE COMMISSION
DIVISION OF COMMUNICATIONS
DIRECT TESTIMONY OF THOMAS E. WILLIAMS, III
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 960811-TI
SEPTEMBER 5, 1997

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Q. Please state your name, position, and business address.

A. My name is Thomas E. Williams, III. My position title is Engineer
IV. My address is Florida Public Service Commission, Division of
Communications, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-
0850.

Q. How long have you been employed by the Florida Public Service
Commission?

A. I have been employed by the Florida Public Service Commission since
January 6, 1977.

Q. Please explain your position responsibilities.

A. I regularly review applications for certification as interexchange
telecommunication company providers, alternative access vendor
providers, shared tenant service providers and alternative local

DOCUMENT NUMBER-DATE
08945 SEP-55
FPSC-RECORDS/REPORTING

1 | exchange company providers for compliance with Commission rules and
2 | regulations, and engineering and service standards. I coordinate the
3 | Bureau's recommendations with the Division of Auditing and Financial
4 | Analysis and the Division of Legal Services and I make appropriate
5 | recommendations to the Commission for disposition of such dockets. I
6 | periodically assist in the preparation and revision of rules.
7 | regulations, and standards of service and the interpretation and
8 | implementation of Commission rules and policies relative to the
9 | telephone industry.

10 |
11 | Q Have you testified before the Florida Public Service Commission
12 | previously?

13 |
14 | A. Yes. I have testified many times before the Commission at Water and
15 | Wastewater hearings.

16 |
17 | Q. Are you familiar with the application of Health Liability Management
18 | Corporation for certification as an interexchange carrier in Florida?

19 |
20 | A. Yes. I am. I have attached it to my testimony as Exhibit TEW-1.

21 |
22 | Q. What has been your role in processing Health Liability Management
23 | Corporation's application?

24 |
25 | A. I reviewed the application to see if it was in compliance with

1 | Commission Rule 25-24.471, Florida Administrative Code. Application for
2 | Certificate, and Section 364.337, Florida Statutes. Alternative local
3 | exchange telecommunications companies; intrastate interexchange
4 | telecommunications services; certification. I further coordinated with
5 | the Division of Auditing and Financial Analysis to see if the applicant
6 | had met the requirements of Section 364.337(3), Florida Statutes.

7 |
8 | Q. When did Health Liability Management Corporation file its
9 | application with the Commission?

10 |
11 | A. Health Liability Management Corporation filed its application on
12 | July 8, 1996.

13 |
14 | Q. Who filed Health Liability Management Corporation's application?

15 |
16 | A. Dr. Michael Weilert, 13738 Ox Bow Road, Ft. Myers, Florida, 33905.

17 |
18 | Q. What conditions must an applicant for certification as an
19 | interexchange carrier meet in Florida?

20 |
21 | A. To become certificated the application must be in compliance with
22 | Commission Rule 25-24.471, Florida Administrative Code, which, in part,
23 | requires the applicant to file an application on Commission Form PSC/CMU
24 | 31 (12/96) with a non-refundable application fee of \$250 and instructs
25 | that the Commission grant a certificate if the Commission determines

1 that certification is in the public interest. The application must also
2 be in compliance with Section 364.337, Florida Statutes, which, among
3 other things, instructs in subpart (3) that the Commission grant a
4 certificate upon a showing that the applicant has sufficient technical,
5 financial, and managerial capability to provide such service in the
6 geographic area proposed to be served.

7
8 Q. What is the policy of the Commission that Commission Staff
9 implements when considering an application for certification as an
10 interexchange carrier?

11
12 A. Staff seeks to implement the public policy that the
13 telecommunications industry in Florida should become truly competitive
14 as soon as possible by facilitating the entry of all qualified,
15 potential competitors. Commission Staff reviews all information
16 provided with the application to see if the application is in compliance
17 with Commission Rule 25-24.471, Florida Administrative Code. If
18 additional information is needed, Commission Staff routinely contacts
19 the appropriate person identified in the application to advise what
20 additional information the applicant needs to provide in a effort to
21 help the applicant become certificated.

22
23 Q. Please describe what you found upon study of Health Liability
24 Management Corporations's application?
25

1 | A: The application in its original state was incomplete. Additional
2 | information was required for Question 18, pages 6 and 7, concerning
3 | financial, managerial, and technical capabilities. The proposed tariff,
4 | Question 19, page 7, which is required by Commission Rule 25-24.485,
5 | Florida Administrative Code, was missing from the application. Further
6 | investigation of the company's application revealed that the company's
7 | authorization with the Secretary of State was deactivated on August 22,
8 | 1994, for failure to file its annual report with the Division of
9 | Corporations. Please see Exhibit TEW-2A, Corporate Detail Record Screen
10 | dated July 29, 1997. On September 23, 1996, the Division of
11 | Corporations cancelled Health Liability Management Corporation's request
12 | for reinstatement status due to a returned check. Please see Exhibit
13 | TEW-2B, Notes Detail Screen dated July 29, 1997. However, on August 20,
14 | 1997, the Division of Corporations informed Commission Staff that Health
15 | Liability Management Corporation was reactivated.

16 |
17 | Q. Please relate when and the manner in which the deficiencies in the
18 | application were conveyed to the company?

19 |
20 | A. I conveyed to the company the deficiencies in its application by
21 | telephone and facsimile on September 9, 1996, December 19, 1996, April
22 | 7, 1997, and April 9, 1997, and in numerous other unrecorded telephone
23 | conversations throughout the application period. Please see Exhibits
24 | TEW-3, TEW-4, TEW-5 and TEW-6. Letters/Facsimiles Thomas Williams to Dr.
25 | Michael Weilert.

1 Q. Describe the company's response.

2

3 A. The company invariably responded that all the requested information
4 had been sent to Commission Staff.

5

6 Q. How did Commission Staff recommend to the Commission it should rule
7 on Health Liability Management Corporation's application?

8

9 A. Staff recommended to the Commission that the application should be
10 denied at the June 10, 1997, regular agenda conference. Please see
11 Exhibit TEW-7. Memorandum, May 29, 1997.

12

13 Q. What were Commission Staff's reasons for its recommendation?

14

15 A. The application did not meet the requirements as stated in Rule 25-
16 24.471, Florida Administrative Code, and Section 364.337, Florida
17 Statutes. Further, the applicant had not forwarded the required
18 information, which had been missing from the start, after repeated
19 attempts by Commission Staff to obtain it.

20

21 Q. Does the Commission find it necessary to frequently deny
22 applications for certification?

23

24 A. No. The Commission rarely finds it necessary to deny certification
25 pursuant to Section 364.337(3), Florida Statutes.

1 Q. Did the Commission approve Staff's recommendation?

2

3 A. Yes.

4

5 Q. How and when did the Commission order its approval of Staff's
6 recommendation?

7

8 A. The Commission unanimously approved Staff's recommendation at the
9 June 10, 1997, regular agenda conference and memorialized its decision
10 in Proposed Agency Action Order No. PSC-97-0741-FOF-TI, issued June 25,
11 1997.

12

13 Q. Describe the company's action upon issuance of the Commission's
14 order.

15

16 A. Dr. Michael Weilert contacted numerous Commission Staff members and
17 voiced his displeasure with the Commission's decision. He later filed
18 a Petition for a Formal Proceeding in accordance with Rule 25-22.029,
19 Florida Administrative Code, on July 21, 1997. Please see Exhibit TEW-
20 8, Petition for Formal Proceeding.

21

22 Q. Has Commission staff continued in its efforts to obtain the
23 information necessary to evaluate Health Liability Management
24 Corporation's financial capability?

25

1 | A. Yes. Commission staff, after the filing of the petition for a
2 | formal hearing, mailed a letter to counsel for Health Liability
3 | Management Corporation, William B. Ellinger, Mitchell and Ellinger,
4 | P.A., La Plata, Maryland, on August 15, 1997, offering assurances that
5 | if Health Liability Management Corporation were to furnish Staff with
6 | the necessary information, Staff would reconsider its previous
7 | recommendation. Please see Exhibit TEW-9, Letter Charles Pellegrini to
8 | William Ellinger. I understand discussions to this purpose are
9 | continuing.

10 |
11 | Q. Does Commission Staff possess today any further information that
12 | would cause it to make a different recommendation concerning Health
13 | Liability Management Corporation's application?

14 |
15 | A. No. The company's application remains as deficient as it was
16 | initially.

17 |
18 | Q. What information specifically is still lacking in Health Liability
19 | Management Corporation's application?

20 |
21 | A. The financial information still lacking was identified in the above-
22 | mentioned letter to Mr. Ellinger. That information is, at a minimum,
23 | Health Liability Management Corporation's financial statements for the
24 | most recent 3 years, including balance sheet; income statement; and
25 | statement of retained earnings. Further, Staff requested that Health

1 | Liability Management Corporation submit the same sort of information for
2 | 1993-94, 1994-95, 1995-96, and the six months ended June 30, 1997, as
3 | it submitted for the earlier periods 1990-91, 1991-92 and 1992-93. The
4 | information for the earlier periods consisted of balance sheets,
5 | statements of operations, statements of changes in retained earnings,
6 | statements of cash flows, schedules of cost of sales and services and
7 | schedules of selling, general and administrative expenses, with
8 | accountant's review reports and notes. The information submitted for
9 | the later periods was decidedly inferior in substance, was for the most
10 | part pro forma data, and was neither reviewed nor audited.

11 | In addition, Health Liability Management Corporation has yet to
12 | submit the required tariff. An example tariff was mailed UPS next day
13 | air on August 25, 1997, to Dr. Weilert, 13738 Oxbow Road, Suite 100, Ft.
14 | Myers, FL 33905. Please see Exhibit TEW-10, Example Tariff. The
15 | tariff, required by Commission Rule 25-24.485, Florida Administrative
16 | Code, must also be completed before the application can be placed before
17 | the Commission. Staff explained this to both Dr. Weilert and Mr.
18 | Ellinger in a teleconferenced issue identification workshop on August
19 | 25, 1997.

20 |
21 | Q. Does Commission Staff have concerns regarding Health Liability
22 | Management Corporation's managerial capability?

23 |
24 | A. Yes. The conduct of the company in resolving the deficiencies in
25 | the application has given Staff concerns about its management

1 | capabilities. The company has been consistently unresponsive to Staff's
2 | request for routine information missing from its filing and necessary
3 | to evaluating its application. Moreover, Staff has found it
4 | unreasonably difficult on many occasions to communicate effectively with
5 | the company.

6 |
7 | Q. Does Commission Staff have concerns regarding Health Liability
8 | Management Corporation's technical capability?

9 |
10 | A. No. It is my present understanding that Health Liability
11 | Management Corporation will operate as a reseller. In that case
12 | technical capability would be provided by BellSouth Telecommunications
13 | under a service contract with Health Liability Management Corporation.

14 | In its application, however, Health Liability Management
15 | Corporation indicates that it will operate in several other capacities,
16 | including as a facilities based carrier. Staff would have these
17 | concerns if Health Liability Management Corporation were to operate as
18 | a facilities based carrier.

19 |
20 | Q. Would you summarize your testimony?

21 |
22 | A. Yes. Health Liability Management Corporation has failed to provide
23 | specific necessary certificate application information, which Commission
24 | Staff has repeatedly requested in an effort to help Health Liability
25 | Management Corporation become certificated. Commission Staff concludes.

1 | therefore, that it is unable to determine that Health Liability
2 | Management Corporation possesses the required financial capability to
3 | provide telecommunications services as an interexchange company pursuant
4 | to Section 364.337(3), Florida Statutes. Moreover, the conduct of the
5 | company in resolving the deficiencies in its application has given staff
6 | serious concerns regarding the company's managerial capabilities,
7 | including its capability to deal effectively and efficiently with the
8 | public. Staff is unable to state that certification of Health Liability
9 | Management Corporation is in the public interest as required by Rule 25-
10 | 24.471(3), Florida Administrative Code. It remains staff's opinion that
11 | the Commission should reject Health Liability Management Corporation's
12 | application for certification.

13 |
14 | Q. Does this conclude your testimony?

15 |
16 | A. Yes, it does.

17 |

18 |

19 |

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22 |

23 |

24 |

25 |

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL
FILE COPY

In re: Application for
certificate to provide
interexchange telecommunications
service by Health Liability
Management Corporation.

DOCKET NO. 960811-TI

FILED: SEPTEMBER 5, 1997

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Staff's
Direct Testimony of Thomas E. Williams, III has been furnished by
Express-Mail on this 5th day of September, 1997, to the following:

William B. Ellinger, Esquire
Mitchell and Ellinger, P.A.
115 La Grange Ave. N. 101
La Plata, MD 20646

Charles J. Pellegrini
CHARLES J. PELLEGRINI
Staff Counsel

FLORIDA PUBLIC SERVICE COMMISSION
Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
(850) 413-6199

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC _____
- WAS _____
- OTH _____

DOCUMENT NUMBER-DATE
08945 SEP-56
FPSC-RECORDS/REPORTING

EXHIBIT NO. _____

DOCKET NO.: 960811-TI

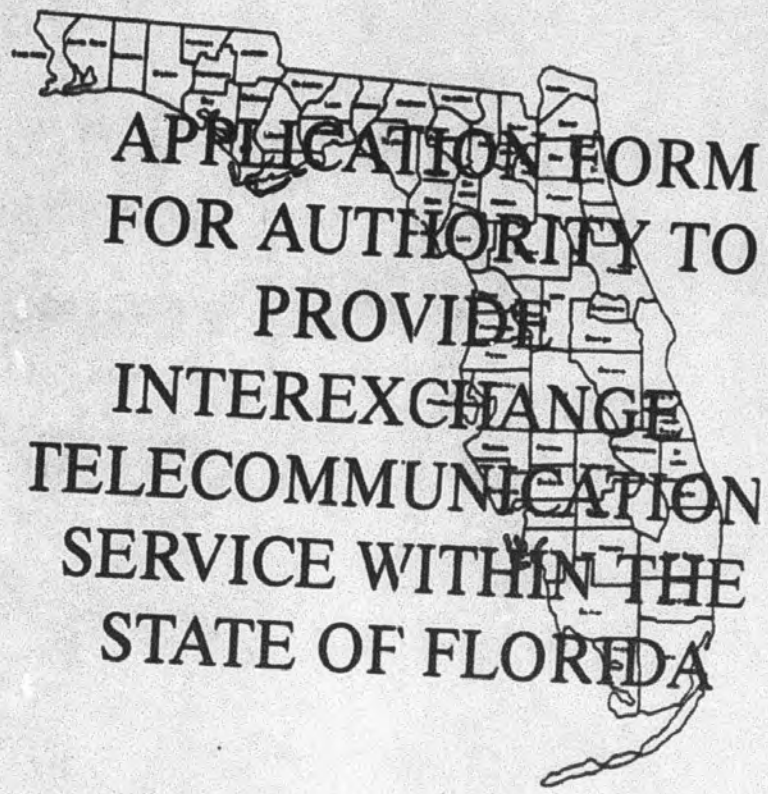
WITNESS: Thomas E. Williams

PARTY: Florida Public Service Commission

DESCRIPTION: HLMC Application

PROFFERING PARTY: STAFF

I.D.# TEW-1



APPLICATION FORM
FOR AUTHORITY TO
PROVIDE
INTEREXCHANGE
TELECOMMUNICATION
SERVICE WITHIN THE
STATE OF FLORIDA

**** FLORIDA PUBLIC SERVICE COMMISSION ***

DIVISION OF COMMUNICATIONS
BUREAU OF SERVICE EVALUATION

APPLICATION FORM
for
AUTHORITY TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE
WITHIN THE STATE OF FLORIDA

Instructions

- A. This form is used for an original application for a certificate and for approval of sale, assignment or transfer of an existing certificate. In case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee (See Appendix A).
- B. Respond to each item requested in the application and appendices. If an item is not applicable, please explain why.
- C. Use a separate sheet for each answer which will not fit the allotted space.
- D. If you have questions about completing the form, contact:

Florida Public Service Commission
Division of Communications
Bureau of Service Evaluation
2540 Shumard Oak Blvd.
Gunter Building
Tallahassee, Florida 32399-0850
(904) 413-6600

- E. Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of \$250.00 to:

Florida Public Service Commission
Division of Administration
2540 Shumard Oak Blvd.
Gunter Building
Tallahassee, Florida 32399-0850
(904) 413-6251

1. This is an application for (check one):
- Original Authority (New company).
 - Approval of Transfer (To another certificated company).
 - Approval of Assignment of existing certificate (To an uncertificated company).
 - Approval for transfer of control (To another certificated company).
2. Select what type of business your company will be conducting (check all that apply):
- Facilities based carrier - company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.
 - Operator Service Provider - company provides or plans to provide alternative operator services for IXCs; or toll operator services to call aggregator locations; or clearinghouse services to bill such calls.
 - Reseller - company has or plans to have one or more switches but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.
 - Switchless Rebiller - company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount but generally below the rate end users would pay for unaggregated traffic.
 - Multi-Location Discount Aggregator - company contracts with unaffiliated entities to obtain bulk/volume discounts under multi-location discount plans from certain underlying carriers. Then offers the resold service by enrolling unaffiliated customers.

3. Name of corporation, partnership, cooperative, joint venture or sole proprietorship:
HEALTH LIABILITY MANAGEMENT CORPORATION
4. Name under which the applicant will do business (fictitious name, etc.):
HEALTH LIABILITY MANAGEMENT CORPORATION
5. National address (including street name & number, post office box, city, state and zip code).
13738 OXBOW ROAD FT MYERS FLORIDA 33905 1110 DULLES ONE CENTER ELDEN STREET HERNDON VIRGINIA 33905
6. Florida address (including street name & number, post office box, city, state and zip code):
13738 OXBOW ROAD FT MYERS FLORIDA 33905
7. Structure of organization;
- | | |
|--|---|
| <input type="checkbox"/> Individual | <input checked="" type="checkbox"/> Corporation |
| <input type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Foreign Partnership |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Other, _____ | |

8. If applicant is an individual or partnership, please give name, title and address of sole proprietor or partners.

(a) Provide proof of compliance with the foreign limited partnership statute (Chapter 620.169 FS), if applicable.

(b) Indicate if the individual or any of the partners have previously been:

(1) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings.
No

(2) officer, director, partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with company, give reason why not.
No

9. If incorporated, please give:

- (a) Proof from the Florida Secretary of State that the applicant has authority to operate in Florida.

Corporate charter number: P91000012530

- (b) Name and address of the company's Florida registered agent.

1338 OKBOW ROAD
FT MYERS FLORIDA 33905

- (c) Provide proof of compliance with the fictitious name statute (Chapter 865.09 FS), if applicable.

Fictitious name registration number: _____

- (c) Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(1) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. *No*

(2) officer, director, partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with company, give reason why not. *No*

10. Who will serve as liaison with the Commission in regard to (please give name, title, address and telephone number):

DR MICHAEL WEILERT CEO

1338 OKBOW ROAD

FT MYERS FLORIDA 33905

- (a) The application;
DR MICHAEL WEILERT CEO 1338 OKBOW ROAD
FT MYERS FLORIDA 33905

- (b) Official Point of Contact for the ongoing operations of the company;

PHILIP E KRICKSON & DR MICHAEL WEILERT

- (c) Tariff;
3027 DAVISBOULEVARD NAPLES FLORIDA 33905

DR MICHAEL WEILERT

1338 OKBOW ROAD

FT MYERS FLORIDA 33905

(d) Complaints/Inquiries from customers;

11. List the states in which the applicant:

(a) Has operated as an interexchange carrier.

KENTUCKY

(b) Has applications pending to be certificated as an interexchange carrier.

ARKANSAS KENTUCKY FLORIDA AND ALL OTHER
INDIANA NEW YORK MASSACHUSETTS (50 STATES AND OUTSIDE TERRITORIES)

(c) Is certificated to operate as an interexchange carrier.

KENTUCKY

(d) Has been denied authority to operate as an interexchange carrier and the circumstances involved.

N.A.

(e) Has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.

N.A.

(f) Has been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved.

N.A.

12. What services will the applicant offer to other certificated telephone companies:

- (✓) Facilities. (✓) Operators.
(✓) Billing and Collection. (✓) Sales.
(✓) Maintenance.
() Other: _____

13. Do you have a marketing program?

YES WITH (COMMSYS)
(EOS)

14. Will your marketing program:

- Pay commissions?
- Offer sales franchises?
- Offer multi-level sales incentives?
- Offer other sales incentives?

15. Explain any of the offers checked in question 14 (To whom, what amount, type of franchise, etc.).

PAY COMMISSIONS TO EXECUTIVES, EMPLOYEES; END USERS
MULTI-LEVEL SALES INCENTIVES TO ALL CORPORATIONS + END USERS

16. Who will receive the bills for your service (Check all that apply)?

- Residential customers.
- PATS providers.
- Hotels & motels.
- Universities.
- Business customers.
- PATS station end-users.
- Hotel & motel guests.
- Univ. dormitory residents.
- Other: (specify) _____

17. Please provide the following (if applicable):

(a) Will the name of your company appear on the bill for your services, and if not who will the billed party contact to ask questions about the bill (provide name and phone number) and how is this information provided?

BOTH THE CH BELL SOUTH HEALTH LIABILITY MANAGEMENT CORPORATE MONTHLY BILLING STATEMENTS

(b) Name and address of the firm who will bill for your service.

HEALTH LIABILITY MANAGEMENT CORPORATE
13738D BOWERS ROAD FT MYERS FLORIDA 33905
BELL SOUTH TELECOMMUNICATIONS
675 PEACHTREE STREET N.E.
ROOM 3451 ATLANTA GA 30375

18. Please provide all available documentation demonstrating that the applicant has the following capabilities to provide interexchange telecommunications service in Florida.

A. Financial capability.

Regarding the showing of financial capability, the following applies:

The application should contain the applicant's financial statements, including:

1. the balance sheet
2. income statement
3. statement of retained earnings for the most recent 3 years.

If available, the financial statements should be audited financial statements.

If the applicant does not have audited financial statements, it shall be so stated. The unaudited financial statements should then be signed by the applicant's chief executive officer and chief financial officer. The signatures should affirm that the financial statements are true and correct.

B. Managerial capability.

C. Technical capability.

19. Please submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.485 (example enclosed). FCC Nos. 2 and 3 and 4

ATT & BELL SOUTH TELECOMMUNICATIONS INTRASTATE
TARIFFS
EFFECTIVE 8/1/95 FCC #1 ACCESS TARIFF

SWITCHED LOCAL CHANNEL	2W	4W	DS1	DS3	SWITCHED LOC COMMUNICATION TRANSPORT
MONTHLY	TEFV2	TEFV4	TEFHQ	TEFMS	6.2.2(A)
1ST 30 DAYS INITIAL	\$25.00	\$45.24	\$133.81	\$2,137.00	FACILITIES TERMINATION VARIABLE PER MINUTE/MIN
ADDITIONAL	\$19.49	\$25.34	\$76.63	\$427.88	(R) 0.0036
					PER ACCESS MONTH
					(R) 80.00112 (A) 80.00112
					(R) 0.00004 (A) 0.00004
					TRANSITIONAL 6.2.2(C)

FORM PSC/CMU 31 (3/96)

Required by Commission Rule Nos. 25-24.471 and 25-24.473.

20. The applicant will provide the following interexchange carrier services (Check all that apply):

- MTS with distance sensitive per minute rates
- Method of access is FGA
- Method of access is FGB
- Method of access is FGD
- Method of access is 800

- MTS with route specific rates per minute
- Method of access is FGA
- Method of access is FGB
- Method of access is FGD
- Method of access is 800

MTS with statewide flat rates per minute (i.e. not distance sensitive)

- Method of access is FGA
- Method of access is FGB
- Method of access is FGD
- Method of access is 800

MTS for pay telephone service providers

Block-of-time calling plan (Reach out Florida, Ring America, etc.).

800 Service (Toll free)

- WATS type service (Bulk or volume discount)
- Method of access is via dedicated facilities
- Method of access is via switched facilities

Private Line services (Channel Services)
(For ex. 1.544 mbs., DS-3, etc.)

DS-1 DS-2 DS-3

CCS/SS7 ISDN BRI + PRI

Travel Service
 Method of access is 950
 Method of access is 800

900 service

Operator Services
 Available to presubscribed customers
 Available to non presubscribed customers (for
example to patrons of hotels, students in
universities, patients in hospitals.
 Available to inmates

Services included are:

Station assistance
 Person to Person assistance
 Directory assistance
 Operator verify and interrupt
 Conference Calling

21. What does the end user dial for each of the interexchange carrier services that were checked in services included (above).

22. 1r Other:
950 PANAX
0+

**** APPLICANT ACKNOWLEDGEMENT STATEMENT ****

1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of its gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
2. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
3. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
4. **APPLICATION FEE:** A non-refundable application fee of \$250.00 must be submitted with the application.
5. **RECEIPT AND UNDERSTANDING OF RULES:** I acknowledge receipt and understanding of the Florida Public Service Commission's Rules and Orders relating to my provision of interexchange telephone service in Florida. I also understand that it is my responsibility to comply with all current and future Commission requirements regarding interexchange service.
6. **ACCURACY OF APPLICATION:** By my signature below, I the undersigned owner or officer of the named utility in the application, attest to the accuracy of the information contained in this application and associated attachments. I have read the foregoing and declare that to the best of my knowledge and belief, the information is a true and correct statement.
Further, I am aware that pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083".

UTILITY OFFICIAL:

 TL
Signature

 04-30-96
Date

 CEO
Title

 441 694 0101
Telephone No.

**** APPENDIX A ****

CERTIFICATE TRANSFER STATEMENT

I, (TYPE NAME) _____,
(TITLE) _____, of (NAME OF COMPANY)
_____, and current
holder of certificate number _____, have reviewed
this application and join in the petitioner's request for a
transfer of the above-mentioned certificate.

UTILITY OFFICIAL:

Signature

Date

Title

Telephone No.

** APPENDIX B **

CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be responded to in one of the following ways (applicant please check one):

(✓) The applicant will not collect deposits nor will it collect payments for service more than one month in advance.

() The applicant will file with the Commission and maintain a surety bond in an amount equal to the current balance of deposits and advance payments in excess of one month. (Bond must accompany application.)

UTILITY OFFICIAL:

JA

Signature

043096

Date

CEO

Title

9416940207

Telephone No.

**** APPENDIX C ****

INTRASTATE NETWORK

1. **POP:** Addresses where located, and indicate if owned or leased.

- LEASED FROM BELL SOUTH TELECOMMUNICATIONS AND MANAGEMENT OF BUILDINGS
- 1) NORTH DAD GOLDEN GLADES LATA SE
18400 NE 5 AVENUE MIAMI FL 33120A
 - 2) PANAMA CITY MAIN LATA PNCY
3700 RCA BOULEVARD
 - 3) PENSACOLA WARRINGTON LATA PNC
PNC
 - 4) ORLANDO MAGNOLIA and CLEMENS LATA
ORLDFLMA030
ORLDFLCL01T

2. **SWITCHES:** Address where located, by type of switch, and indicate if owned or leased.

- 1) 18400 NE 5 AVENUE NORTH DAD GOLDEN GLADES LATA SE
TANDEM CLLI CODE
NDADFLGCD3T
DMS 200
TANDEM CLLI CODE
- 2) PANAMA CITY MAIN TANDEM CLLI CODE
COMBINED LOCAL OFFICE
CLLI CODE
PNCY FL MA03T
PNCY FL MA03T
DMS 1/2 REMOTE
- 3) PENSACOLA WARRINGTON LATA PNC
CLLI CODE
PNC FL WA 01 T PNC FL WA 03
DMS 1/2 REMOTE
- 4) ORLANDO MAGNOLIA TANDEM CLLI CODE
LOCAL
ORLDFLMA03T
DMS 200 REMOTE
ORLDFLCL01T
ORLDFLCL01T

3. **TRANSMISSION FACILITIES:** Pop-to-Pop facilities by type of facilities (microwave, fiber, copper, satellite, etc.) and indicate if owned or leased.

	TYPE	OWNERSHIP
1) POP-to-POP	ICSECODE 31 1202-03	LEASE
UNIFIED SERVICE CODE 0341 ICSECODE FL02-03	ICSECODE	UNIFIED SERVICE
2) 0330 IC CODE	VTO 1	UNIFIED SERVICE

4. **ORIGINATING SERVICE:** Please provide the list of exchanges where you are proposing to provide originating service within thirty (30) days after the effective date of the certificate (Appendix D).

- NPA 904 LATA 448 NXX 825-839-876-882-889-951-992-537-572-514-
- NPA 942 LATA NXX 678-664-764-729-986-244-781-893-885-182-542
- NPA 467 LATA NXX 718-00.21.
- NPA 704-404-706-734-305-234-912-606-977-318-501-504-601-910.

5. **TRAFFIC RESTRICTIONS:** Please explain how the applicant will comply with the EAEA requirements contained in Commission Rule 25-24.471 (4) (a) (copy enclosed).

under all compliance of commission Rule 25-24.471

6. **CURRENT FLORIDA INTRASTATE SERVICES:** Applicant has () or has not (✓) previously provided intrastate telecommunications in Florida. If the answer is has, fully describe the following:

a) What services have been provided and when did these services begin?

b) If the services are not currently offered, when were they discontinued?

UTILITY OFFICIAL:

JA
Signature

04-30-96
Date

CEO
Title

941-684-0207
Telephone No.

5. **TRAFFIC RESTRICTIONS:** Please explain how the applicant will comply with the EAEA requirements contained in Commission Rule 25-24.471 (4) (a) (copy enclosed).

under all compliance of commission rule 25-24.471

6. **CURRENT FLORIDA INTRASTATE SERVICES:** Applicant has () or has not (✓) previously provided intrastate telecommunications in Florida. If the answer is has, fully describe the following:

a) What services have been provided and when did these services begin?

b) If the services are not currently offered, when were they discontinued?

UTILITY OFFICIAL:

JA

Signature

04-30-96
Date

CEO

Title

941-694-0207
Telephone No.

**** APPENDIX D ****

FLORIDA TELEPHONE EXCHANGES

AND

EAS ROUTES

Describe the service area in which you hold yourself out to provide service by telephone company exchange. If all services listed in your tariff are not offered at all locations, so indicate.

In an effort to assist you, attached is a list of major exchanges in Florida showing the small exchanges with which each has extended area service (EAS).

**** FLORIDA EAS FOR MAJOR EXCHANGES ****

<u>Extended Service Area</u>	<u>with</u>	<u>These Exchanges</u>
PENSACOLA:		Cantonment, Gulf Breeze Pace, Milton Holley-Navarre.
PANAMA CITY:		Lynn Haven, Panama City Beach, Youngstown-Fountain and Tyndall AFB.
TALLAHASSEE:		Crawfordville, Havana, Monticello, Panacea, Sopchoppy and St. Marks.
JACKSONVILLE:		Baldwin, Ft. George, Jacksonville Beach, Callahan, Maxville, Middleburg Orange Park, Ponte Vedra and Julington.
GAINESVILLE:		Alachua, Archer, Brooker, Hawthorne, High Springs, Melrose, Micanopy, Newberry and Waldo.
OCALA:		Belleview, Citra, Dunnellon,

TEW-1
Page 17 of 23
Forest Lady Lake (B21),
McIntosh, Oklawaha,
Orange Springs, Salt Springs and
Silver Springs Shores.

New Smyrna Beach.

DAYTONA BEACH:

TAMPA:

Central	None
East	Plant City
North	Zephyrhills
South	Palmetto
West	Clearwater

CLEARWATER:

St. Petersburg, Tampa-West and
Tarpon Springs.

ST. PETERSBURG:

Clearwater.

LAKELAND:

Bartow, Mulberry, Plant City,
Polk City and Winter Haven.

ORLANDO:

Apopka, East Orange, Lake Buena
Vista, Oviedo, Windermere,
Winter Garden,
Winter Park, Montverde, Reedy
Creek, and Oviedo-Winter
Springs.

WINTER PARK:

Apopka, East Orange, Lake Buena Vista,
Orlando, Oviedo, Sanford, Windermere,
Winter Garden, Oviedo-Winter Springs
Reedy Creek, Geneva and Montverde.

TITUSVILLE:

Cocoa and Cocoa Beach.

COCOA:

Cocoa Beach, Eau Gallie,
Melbourne and Titusville.

MELBOURNE:

Cocoa, Cocoa Beach, Eau Gallie
and Sebastian.

SARASOTA:

Bradenton, Myakka and Venice.

FT. MYERS:

Cape Coral, Ft. Myers Beach, North Cape
Coral, North Ft. Myers, Pine Island, Lehigh
Acres and Sanibel-Captiva Islands.

NAPLES:

Marco Island and North Naples.

WEST PALM BEACH:

Boynton Beach and Jupiter.

POMPANO BEACH:

FT. LAUDERDALE:

HOLLYWOOD:

NORTH DADE:

MIAMI:

Boca Raton, Coral Springs, TEW-1
Deerfield Beach and Ft. Lauderdale. Page 18 of 23

Coral Springs, Deerfield Beach,
Hollywood and Pompano Beach.

Ft. Lauderdale and North Dade.

Hollywood, Miami and Perrine.

Homestead, North Dade and
Perrine

**** APPENDIX E ****

**** GLOSSARY ****

ACCESS CODE: The term denotes a uniform four or seven digit code assigned to an individual IXC. The five digit code has the form 10XXX and the seven digit code has the form 950-XXXX.

BYPASS: Transmission facilities that go direct from the local exchange end user to an IXC point of presence, thus bypassing the local exchange company.

CARRIERS CARRIER: An IXC that provides telecommunications service, mainly bulk transmission service, to other IXC only.

CENTRAL OFFICE: A local operating unit by means of which connections are established between subscribers' lines and trunk or toll lines to other central offices within the same exchange or other exchanges. Each three (3) digit central office code (NXX) used shall be considered a separate central office unit.

CENTRAL OFFICE CODE: The term denotes the first three digits (NXX) of the seven (7) digit telephone number assigned to a customer's telephone exchange service.

COMMISSION: The Florida Public Service Commission.

COMPANY, TELEPHONE COMPANY, UTILITY: These terms may be used interchangeably herein and shall mean any person, firm, partnership or corporation engaged in the business of furnishing communication service to the public under the jurisdiction of the Commission.

DEDICATED FACILITY: The term denotes a transmission circuit which is permanently for the exclusive use of a customer or a pair of customers.

END USER: The term denotes any individual, partnership, association, corporation, governmental agency or any other entity which (A) obtains a common line, uses a pay telephone or obtains interstate service arrangements in the operating territory of the company or (B) subscribes to interstate services provided by an IXC or uses the services of the IXC when the IXC provides interstate service for its own use.

EQUAL ACCESS EXCHANGE AREAS: EAEA means a geographical area, of 23 configured based on 1987 planned toll center/access tandem areas, in which local exchange companies are responsible for providing equal access to both carriers and customers of carriers in the most economically efficient manner.

EXCHANGE: The entire telephone plant and facilities used in providing telephone service to subscribers located in an exchange area. An exchange may include more than one central office unit.

EXCHANGE (SERVICE) AREA: The territory, including the base rate suburban and rural areas served by an exchange, within which local telephone service is furnished at the exchange rates applicable within that area.

EXTENDED AREA SERVICE: A type of telephone service furnished under tariff provision whereby subscribers of a given exchange or area may complete calls to, and receive messages from, one or more other contiguous exchanges without toll charges, or complete calls to one or more other exchanges without toll message charges.

FACILITIES BASED: An IXC that has its own transmission and/or switching equipment or other elements of equipment and does not rely on others to provide this service.

FOREIGN EXCHANGE SERVICES: A classification of exchange service furnished under tariff provisions whereby a subscriber may be provided telephone service from an exchange other than the one from which he would normally be served.

FEATURE GROUPS: General categories of unbundled tariffs to stipulate related services.

Feature Group A: Line side connections presently serving specialized common carriers.

Feature Group B: Trunk side connections without equal digit or code dialing.

Feature Group C: Trunk side connections presently serving AT&T-C.

Feature Group D: Equal trunk access with subscription.

INTEREXCHANGE COMPANY: means any telephone company, as defined in Section 364.02(4), F.S. (excluding Payphone Providers), which provides telecommunication service between exchange areas as those areas are described in the approved tariffs of individual local exchange companies.

INTER-OFFICE CALL: A telephone call originating in one central office unit or entity but terminating in another central office unit or entity both of which are in the same designated exchange area.

INTRA-OFFICE CALL: A telephone call originating and terminating within the same central office unit or entity.

INTRASTATE COMMUNICATIONS: The term denotes any communications in Florida subject to oversight by the Florida Public Service Commission as provided by the laws of the State.

INTRA-STATE TOLL MESSAGE: Those toll messages which originate and terminate within the same state.

LOCAL ACCESS AND TRANSPORT AREA: LATA means the geographic area established for the administration of communications service. It encompasses designated exchanges, which are grouped to serve common social, economic and other purposes.

LOCAL EXCHANGE COMPANY (LEC): Means any telephone company, as defined in Section 364.02(4), F.S., which, in addition to any other telephonic communication service, provides telecommunication service within exchange areas as those areas are described in the approved tariffs of the telephone company.

OPTIONAL CALLING PLAN: An optional service furnished under tariff provisions which recognizes a need of some subscribers for extended area calling without imposing the cost on the entire body of subscribers.

900 SERVICE: A service similar to 800 service, except this service is charged back to the customer based on first minute plus additional minute usage.

PIN NUMBER: A group of numbers used by a company to identify their customers.

PAY TELEPHONE SERVICE COMPANY: Means any telephone company, other than a Local Exchange Company, which provides pay telephone service as defined in Section 364.335(4), F.S.

POINT OF PRESENCE (POP): Bell-coined term which designates the

actual (physical) location of an IXC's facility. Replaces some applications of the term "demarcation point." ^{TEW-1}
page 22 of 23

PRIMARY SERVICE: Individual line service or party line service.

RESELLER: An IXC that does not have certain facilities but purchases telecommunications service from an IXC and then resells that service to others.

STATION: A telephone instrument consisting of a transmitter, receiver, and associated apparatus so connected as to permit sending and/or receiving telephone messages.

SUBSCRIBER, CUSTOMER: These terms may be used interchangeably herein and shall mean any person, firm, partnership, corporation, municipality, cooperative organization, or governmental agency supplied with communication service by a telephone company.

SUBSCRIBER LINE: The circuit or channel used to connect the subscriber station with the central office equipment.

SWITCHING CENTER: Location at which telephone traffic, either local or toll, is switched or connected from one circuit or line to another. A local switching center may be comprised of several central office units.

TRUNK: A communication channel between central office units or entities, or private branch exchanges.

ATTACHMENTS:

- A - CERTIFICATE TRANSFER STATEMENT
- B - CUSTOMER DEPOSITS AND ADVANCE PAYMENTS
- C - INTRASTATE NETWORK
- D - FLORIDA TELEPHONE EXCHANGES and EAS ROUTES
- E - GLOSSARY

EXHIBIT NO. _____

DOCKET NO.: 960811-TI

WITNESS: Thomas E. Williams

PARTY: Florida Public Service Commission

DESCRIPTION: Event Detail Screen dated
July 29, 1997, Division of
Corporations

PROFFERING PARTY: STAFF

I.D.# TEW-2A

7/29/97

EVENT DETAIL SCREEN

TEW-2A
Page 1 of 1
11:36 AM
CORP STATUS: ACTIVE

...CORP NUMBER: P93000088530

...FILED DATE : 12/20/1993

...CORP NAME : HEALTH LIABILITY MANAGEMENT CORPORATION

... EVENT TYPE	FILED DATE	EFFECTIVE DATE	DESCRIPTION
----------------	------------	----------------	-------------

...REINSTATEMENT 07/19/1996

...ADMIN DISSOLUTION 08/26/1994
...FOR ANNUAL REPORT

...+ NEXT, 1. MENU, 2. FILING, 3. OFFICERS, 4. TOP, 5. NOTES

...7. LIST, 8. NEXT BY LIST, 9. PREV BY LIST

...----- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT -----

...ENTER SELECTION AND <CR>: >

EXHIBIT NO. _____

DOCKET NO.: 960811-TI

WITNESS: Thomas E. Williams

PARTY: Florida Public Service Commission

DESCRIPTION: Notes Detail Screen dated
July 29, 1997, Division of
Corporations

PROFFERING PARTY: STAFF

I.D.# TEW-2B

7/29/97 NOTES DETAIL SCREEN 11:36 AM
...CORP NUMBER: P93000088530 CORP NAME: HEALTH LIABILITY MANAGEMENT CORPORATION
...
...8/12/96-REC.DM#70426-F;SENT NOTICE
...9/23/96-CANC. 94-96 REINST. (OFD 7/19/96) DUE TO RET.CK#0192,\$775,
...DATED 7/16/96;\$813.75 REACTIVATE BY 12/23/96
...5/30/97-REC. PAYMENT CKS. REACTIVATED 94-96 REINST. \$813.75
...ALSO MAILED A BLANK 97 A.R. TO DR. WEILERT (2ND MAILING)
...
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...
...
...
...
...
...
...+ NEXT, - PREV, 1. MENU, 2. FILING, 3. OFFICERS, 4. EVENTS, 5. TOP
...7. LIST, 8. NEXT BY LIST, 9. PREV BY LIST
... ----- THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT -----
...ENTER SELECTION AND <CR>: >

EXHIBIT NO. _____

DOCKET NO.: 960811-TI

WITNESS: Thomas E. Williams

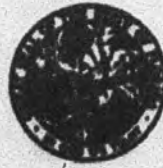
PARTY: Florida Public Service Commission

DESCRIPTION: Letter from Thomas E.
Williams to Dr. Michael
Weilert dated September 9,
1996

PROFFERING PARTY: STAFF

I.D.# TEW-3

State of Florida



DIVISION OF COMMUNICATIONS
WALTER D'HAESELEER
DIRECTOR
(904) 413-6600

Commissioners:
SUSAN F. CLARK, CHAIRMAN
J. TERRY DEASON
JULIA L. JOHNSON
DIANE K. KIESLING
JOE GARCIA

Public Service Commission

September 9, 1996

Dr. Michael Weilert
Health Liability Management Corporation
13738 Oxbow Road
Ft. Myers, FL 33905

RE: Docket No. 960811-TI; Health Liability Management Corporation
Recommendation Due Date: October 17, 1996
Agenda Date: October 29, 1996

Dear Dr. Weilert:

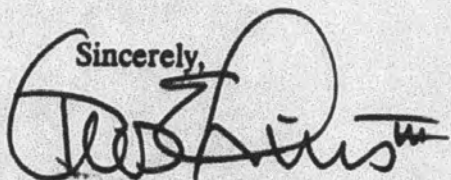
We have been informed by our Division of Auditing & Financial Analysis that as of this date we have not received all the financial information requested in previous telephone conversations and/or fax correspondence concerning the financial capability of the above subject applicant.

The information missing could either be the financial statements of the the company and/or the written explanations that show the financial capability. Therefore, I have attached a informative sheet that explains this documentation.

Further, since this information has been previously requested by the Division of Auditing & Financial Analysis, if we do not receive this information within one week prior to the date the recommendation is due to be filed with the Commission Clerk, a recommendation will be prepared and presented to the Commission to deny your application for failure to comply with Rule 25-24.471, Application for Certificate, Florida Administrative Code.

Certification
September 9, 1996
page 2

If you have any questions concerning the above, please contact Ms. Sonja Jones at (904) 413-6471 or Mr. Pete Lester at (904) 413-6467.

Sincerely,

Thomas E. Williams, III
Engineer
Bureau of Service Evaluation

TEW/tew

cc: AFAD, Jones
Legal, Lugo
Records & Reporting

A. Financial capability.

Regarding the showing of financial capability, the following applies:

The application should contain the applicant's financial statements for the most recent 3 years, including:

1. the balance sheet
2. income statement
3. statement of retained earnings.

Further, a written explanation, which can include supporting documentation, regarding the following should be provided to show financial capability.

1. Please provide documentation that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
2. Please provide documentation that the applicant has sufficient financial capability to maintain the requested service.
3. Please provide documentation that the applicant has sufficient financial capability to meet its lease or ownership obligations.

NOTE: This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.

If available, the financial statements should be audited financial statements.

If the applicant does not have audited financial statements, it shall be so stated. The unaudited financial statements should then be signed by the applicant's chief executive officer and chief financial officer. The signatures should affirm that the financial statements are true and correct.

EXHIBIT NO. _____

DOCKET NO.: 960811-TI

WITNESS: Thomas E. Williams

PARTY: Florida Public Service Commission

DESCRIPTION: Facsimile from Thomas E. Williams to Dr. Michael Weilert dated December 19, 1996

PROFFERING PARTY: STAFF

I.D.# TEW-4

State of Florida

Commissioners:
SUSAN F. CLARK, CHAIRMAN
J. TERRY DEASON
JULIA L. JOHNSON
DIANE K. KIESLING
JOE GARCIA



DIVISION OF COMMUNICATIONS
WALTER D'HAESELEER
DIRECTOR
(904) 413-6600

Public Service Commission

DIVISION OF COMMUNICATIONS
Facsimile Transmittal Cover Sheet

DATE: 12/19/96
TO: Dr. Michael WEILERT

OFFICE/BUSINESS: _____
FAX NO. 941-261-7225 TELEPHONE NO. _____

FROM: T. Williams
FAX NO. (904) 413-6587 TELEPHONE NO. (904) 413-6586

COMMENTS: Per our conversation yesterday.
Please complete all questions in
question #18. No projections.

NUMBER OF PAGES, INCLUDING COVER SHEET: 3

EXHIBIT NO. _____

DOCKET NO.: 960811-TI

WITNESS: Thomas E. Williams

PARTY: Florida Public Service Commission

DESCRIPTION: Facsimile from Thomas E.
Williams to Dr. Michael
Weilert dated April 7,
1997

PROFFERING PARTY: STAFF

I.D.# TEW-5

Date: 4/7/97

STATE OF FLORIDA



Dr. Weibert

PUBLIC SERVICE COMMISSION

2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

FROM: J. Williams

Fax: 911-693-2962

Voice:

RE: # 960811-TI

Note: 3 pages

EXHIBIT NO. _____

DOCKET NO.: 960811-TI

WITNESS: Thomas E. Williams

PARTY: Florida Public Service Commission

DESCRIPTION: Letter from Thomas E.
Williams to Dr. Michael
Weilert dated April 9,
1997

PROFFERING PARTY: STAFF

I.D.# TEW-6

State of Florida

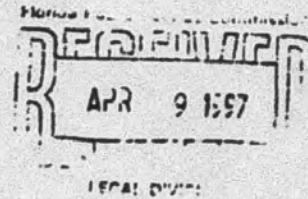
Commissioners:
JULIA L. JOHNSON, CHAIRMAN
SUSAN F. CLARK
J. TERRY DEASON
JOE GARCIA
DIANE K. KIESLING



DIVISION OF COMMUNICATIONS
WALTER D'HAESELEER
DIRECTOR
(904) 413-6600

Public Service Commission

April 9, 1997



Dr. Michael Weilert
Health Liability Management Corporation
13738 Oxbow Road, Suite 100
Ft. Myers, FL 33905

RE: Docket No. 960811-TI; Application for Certification.

Dear Dr. Weilert:

Per our telephone conversation this date I am enclosing a copy of a memo from our Division of Auditing & Financial Analysis. The letter is self explanatory and concerns misleading information along with the financial capability of Health Liability Management Corporation.

Also enclosed is a copy of Health Liability Management Corporation's Secretary of State file showing that Health Liability Management Corporation is an inactive corporation. The company was reinstated for a period but was cancelled again due to a returned check.

If certification is to be granted then you need to contact Ms. Ann Causseaux, Division of Auditing and Financial Analysis and correct any problems associated with the memo. Further, as a requirement for certification you need to be actively registered with the Secretary of State, Division of Corporations.

Sincerely,

Thomas E. Williams, III
Engineer
Bureau of Service Evaluation

attachments

cc: Causseaux, AFAD
Pena, Legal

State of Florida



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: January 9, 1997
TO: Tommy Williams, Division of Communication
FROM: Ann Causseaux, Division of Auditing & Financial Analysis APC KPS
RE: Docket No. 960811-TI, Health Management Corporation, Financial Analysis for
Certificate Application for Intrastate Interexchange Telecommunications Services

Section 364.337(3), Florida statutes, requires the following:

The Commission shall grant a certificate of authority to provide intrastate interexchange telecommunications service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served.

Also Section 364.01(3) and (4) states that:

(3) the Legislature finds that the competitive provision of telecommunications service, including local exchange telecommunications service, is in the public interest.

and

(4)(d) The Commission shall exercise its exclusive jurisdiction in order to : (d) Promote competition by encouraging new entrants into telecommunication markets . . .

Rule 25-24.471(1), Florida Administrative Code, requires that an applicant desiring to apply for a certificate shall submit an application on FORM PSC/CMU 31 (3/96) which is incorporated in Rule 25-24.471(1) by reference. That form, in part 9(a), requires proof from the Florida Secretary of State that the applicant has authority to operate in Florida.

Health Management Liability Corporation (HLMC) is asking for a certificate to provide IXC service. However, HLMC was dissolved by the Secretary of State in August of 1994 for failure to pay its fees or file its annual report. Dr. Weilert says the company has been reinstated. The Secretary of State says that it has not. Dr. Weilert is the CEO.

Dr. Weilert provided staff with a copy of HLMC's "Telecommunications Business Plan" dated October 1996, at least a portion of which he wishes to be treated confidentially. Portions of that plan indicate that the company has a customer deposit policy requiring extremely large deposits for some services. It is unclear whether the policy would apply to services to be offered under the certificate for which he is applying. Dr. Weilert has no phone. Calls must be left with his CFO at the CFO's office. Neither Dr. Weilert nor his CFO returned staff's calls or fax messages. Thus, staff is unable to say no customer funds will be at risk. Staff also believes,

based on its experience, that any customer with a problem would have a very difficult time gaining access to any one with the company.

The most recent filing by HLMC states that its "Financial capability, besides HLMC annual revenues, gross and net income and profits, is being fully supported by the SBA and Baby Bells and the State and Federal laws...". However, the information provided by Dr. Weilert from the Baby Bells indicates there is no business relationship between them.

Regarding the showing of financial capability, the Finance staff has analyzed the unaudited financial statements of Health Liability Management for the period ending December 31, 1995. An audit could change ones opinion of the company's financial condition. The applicant has requested confidential treatment of its financial statements. Based on the review of the applicant's financial information, HLMC appears to have adequate liquidity and ownership equity but no income figure was provided. However, information filed by Dr. Weilert indicates HLMC has not made a required deposit with one of the Bell regional holding companies nor has it supplied letters of credit which the latest filing seems to indicate exist.

Further, the income given for 1996 is based on only 18 days of estimated operation beginning "on the day it began operations as a Regional Bell Operating Company extension and Interexchange carrier." The beginning date of the 18 days is in April of 1996. HLMC has not provided actual data for 1996 though requested to do so and apparently it was in operation during that time as discussed below.

The most recent filing by Dr. Weilert seems to indicate that 10XXX service is being provided in Florida without certification. A letter from a Florida customer was enclosed in the packet of information. That letter is a request that the 10XXX service be blocked, or if HLMC is unwilling or unable to block the service, notice that HLMC will be expected to pay any costs for such service.

Many of Dr. Weilert's responses did not address the information requested by staff, some information provided was inaccurate, many responses were misleading, and the complete financial information requested for the most recent time period was not provided.

Therefore, the Financial staff recommends that the application be denied and that an investigation be opened to determine if Dr. Weilert is operating HLMC in Florida without a certificate.

cc: Division of Legal Services
Division of Records & Reporting

EXHIBIT NO. _____

DOCKET NO.: 960811-TI

WITNESS: Thomas E. Williams

PARTY: Florida Public Service Commission

DESCRIPTION: Memorandum dated May 29,
1997

PROFFERING PARTY: STAFF

I.D.# TEW-7

FLORIDA PUBLIC SERVICE COMMISSION
Capital Circle Office Center • 2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

MEMORANDUM

MAY 29, 1997

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF COMMUNICATIONS (WILLIAMS, AUDU) *W*
DIVISION OF AUDITING & FINANCIAL ANALYSIS (CAUSSEAU) *CA*
DIVISION OF LEGAL SERVICES (PENA) *W MCB*

RE: DOCKET NO. 960811-TI - APPLICATION FOR CERTIFICATE TO
PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE BY
HEALTH LIABILITY MANAGEMENT CORPORATION

AGENDA: 06/10/97 - REGULAR AGENDA - PROPOSED AGENCY ACTION -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\960811TI.RCM

CASE BACKGROUND

On July 8, 1996, the above docket for certification to provide interexchange telecommunications service by Health Liability Management Corporation (HLMC) was opened. However, since that date, the company has not submitted the required financial information as required by Sections 364.337(1)(3), Florida Statutes.

Section 364.337(3), Florida Statutes, (effective July 1, 1995) reads as follows:

(3) The commission shall grant a certificate of authority to provide intrastate interexchange telecommunications service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served.

Further, HLMC has failed to furnish the required documentation that HLMC is registered with the Secretary of State, Division of Corporations to conduct business within the

DOCKET NO. 960811-TI
DATE: April 24, 1996

State of Florida as required in FORM PSC/CMU 31 (3/96) which is incorporated in Rule 25-24.471(1), Florida Administrative Code, by reference.

Therefore, because of HLMC's failure to file the necessary documentation and information in support of Section 364.337 (3), Florida Statutes, we are recommending that the Commission deny the application.

STAFF DISCUSSION

ISSUE 1: Should the Commission grant HEALTH LIABILITY MANAGEMENT CORPORATION (HLMC) a certificate to provide statewide interexchange telecommunications service within the State of Florida as provided by Section 364.337 (1) (3), Florida Statutes?

RECOMMENDATION: No.

STAFF ANALYSIS: On July 8 1996, HLMC filed an application with staff, to offer telecommunications service as a facilities based carrier, operator service provider, reseller and multi-location discount aggregator in Florida.

HLMC has not submitted to staff the required financial information as required by Sections 364.337(1)(3), Florida Statutes. Further, HLMC has failed to furnish the required documentation that HLMC is registered with the Secretary of State, Division of Corporations to conduct business within the State of Florida as required in FORM PSC/CMU 31 (3/96) which is incorporated in Rule 25-24.471(1), Florida Administrative Code, by reference. Because of this, on April 25, 1997, the Division of Auditing and Financial Analysis (AFAD) submitted a recommendation to deny HLMC's application to become certificated as a interexchange telecommunication service company in Florida. AFAD further suggested that an investigation be opened to determine if HLMC operated in Florida without a certificate prior to filing an application.

Investigation by staff indicates that HLMC was not operating in Florida in a capacity that needed certification.

DOCKET NO. 960811-TI
DATE: April 24, 1996

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if no person whose substantial interests are affected by the Commission's Proposed Agency Action files a protest within 21 days of the issuance date of the order.

STAFF ANALYSIS: This docket should be closed if no person whose substantial interests are affected by the Commission's Proposed Agency Action files a protest within 21 days of the issuance date of the order.

EXHIBIT NO. _____

DOCKET NO.: 960811-TI

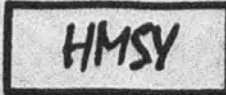
WITNESS: Thomas E. Williams

PARTY: Florida Public Service Commission

DESCRIPTION: Petition for Formal
Proceeding dated July 11,
1997

PROFFERING PARTY: STAFF

I.D.# TEW-8



HEALTH LIABILITY MANAGEMENT CORPORATION
Health Management Systems Inc.

13738 Oxbow Road Suite 100 ~ 401 Park Avenue South New York, New York 20016 ~ Fort Myers Lee County 33905 ~ USA
Phone 941 693 2962 ~ Fax 941/693-2962 ~ Email <http://www.oec.ucl.edu/indiv/ehood/mhonarc.doc.html>

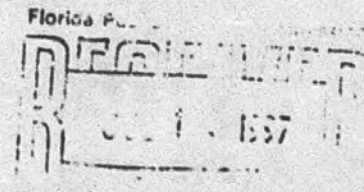
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
NOTICE OF PETITION FOR A FORMAL PROCEEDING
IN ACCORDANCE WITH RULE 25-22.029 FLORIDA ADMINISTRATIVE CODE

July 11, 1997

Name: STATE OF FLORIDA PUBLIC SERVICE COMMISSION
Address: 2540 Shumard Oak Boulevard
City, State or Province Postal Code: Tallahassee, Florida 32399-0870

☛ **Dear: Julia L. Johnson, Chairman:**

☛ **The Petition for a Formal Proceeding in accordance with Rule 25-22.029, Florida Administrative Code. This Formal Proceeding is being filed in behalf of HLMC, and its Attornies, and its representatives whose interests are substantially affected and thus requests a formal proceeding to attest the denial of HLMC for a Certificate of Public Convenience and Necessity to provide statewide interexchange telecommunication service. The following Commissioners whom participated in this disposition of this matter are misinformed about HLMC's application lacking the required financial information as required by Section 364.337, and for failing to furnish the required documentation of regristration with the Secretary of State, Division of Corporations to conduct business in the State of Florida as required in Form PSC/CMU 31 (3/96) which is incorporated by reference in Rule -24.471(1) Florida Administrative Code.**



- Forewith several reasons for filing for this petition for a formal proceeding, under Rule 25-22.029, Florida Administrative Code are the Florida State Secretary of State, Division of Corporation documentation of regristration to conduct business in the State of Florida was sent to the State of Florida Public Service Commission staff in a HLMC business plan, and the Commission of the State of Florida Service Commission could have checked with the Florida Secretary of State, Division of Corporations and the Commission would have found that HLMC registration is current, and active by reference of HLMC business plan.
- Further the Commission should be advised that the requirements of Section 364.337 (3), in which HLMC filed its application were also in the same business plan and met the requirements as required in Section 364.337(3) of having atleast \$25,000 unencumbered to operate as a CLEC in the State of Florida. Further the IRS tax records in the business plan, accompanied by audited annual finiacials, and balance sheets, auditors notes all the way from 1990 till present of the first two quarters of 1997, and a proper format, estimated earnings signed by HLMC's Chief Financial Officer, and CEO which is the proper requirements to do business in the State of Florida as an interexchange carrier under Section 364.337(3) for the proper financial information necessary for the requisites under the Florida Statues.
- There was also a letter in the defense of HLMC by GTE providing assistance to HLMC as their duties and obligations in the Deregulation Telecommunications Act, Bill, and Law of 1996 of the open entry policies proscribe, in which HLMC has been operating with as a Long Distance interstate interexchange carrier with the tarrif approval of the F.C.C. 214,5,2, and 1, since May 23, 1997 and in 38 other States such as the State of Kentucky after being approved for the Certificate of Convenience and Necessity as an intrastate interexchange carrier, and in which GTE and thier representatives will be adversely affected by this type of disposition.by the State of Florida Public Service Commission.

Furthermore HLMC prays that the State of Florida Public Service Commission grant its Certificate of Public Convenience, and Necessity in the public interest in promoting competition, in this formal procedure in accordance with Rule 25-22.029.

Sincerely,

^

Dr. Michael Weilert, Principle

EXHIBIT NO. _____

DOCKET NO.: 960811-TI

WITNESS: Thomas E. Williams

PARTY: Florida Public Service Commission

DESCRIPTION: Letter from Charles J.
Pellegrini to William B.
Ellinger dated August 15,
1997

PROFFERING PARTY: STAFF

I.D.# TEW-9

Commissioners:
 JULIA L. JOHNSON, CHAIRMAN
 J. TERRY DEASON
 SUSAN F. CLARK
 DIANE K. KIESLING
 JOE GARCIA



DIVISION OF LEGAL SERVICES
 NOREEN S. DAVIS
 DIRECTOR
 (850) 413-6199

Public Service Commission

August 15, 1997

Mr. William B. Ellinger
 Mitchell and Ellinger, P.A.
 115 La Grange Avenue, No. 101
 La Plata, Maryland 20646

In Re: Docket No. 960811-TI - Application for certificate to provide interexchange telecommunications service by Health Liability Management Corporation

Dear Mr. Ellinger:

As you know, the Florida Public Service Commission has set Health Liability Management Corporation's protest of the Commission's Order No. PSC-97-0741-FOF-TI, issued June 25, 1997, for hearing on October 22, 1997. In that Order, the Commission denied the company's July 8, 1996, application for certification to provide intrastate interexchange telecommunications service in Florida. I am writing, however, to confirm my suggestion to both you and Dr. Weilert that even now the company has it within its control to avoid the trouble and expense of going to hearing.

Thus far, the financial information that the company has submitted to Commission staff has not been the sort of information that is necessary for them to determine whether Health Liability Management Corporation has the financial capability to provide intrastate interexchange telecommunications service. You will note that Section 363.337, Florida Statutes, requires that this Commission grant a certificate of authority to provide intrastate interexchange telecommunications service only upon a showing by the applicant that it has "sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served." Because Commission staff could not make a determination in favor of Health Liability Management Corporation on the strength of the information the company had submitted, they were left no choice but to recommend to the Commission that the application be denied.

Mr. William B. Ellinger

Page 2

August 15, 1997

I can assure you that if the company were to furnish staff with the necessary information, they would be better able to assess the quality of its application. That information is the following, as a minimum:

- Health Liability Management Corporation financial statements for the most recent 3 years, including:
 - (i) balance sheet;
 - (ii) income statement; and
 - (iii) statement of retained earnings.

In reviewing the Health Liability Management Corporation Business Plan, I note that Part VIII, Financials, includes balance sheets, statements of operations, statements of changes in retained earnings, statements of cash flows, schedules of cost of sales and services and schedules of selling, general and administrative expenses, with accountant's review reports and notes for 1990-91, 1991-92, and 1992-93. The information for subsequent periods, however, is not of the same quality. If the company would submit the same information for 1993-94, 1994-95, 1995-96, and the six months ended June 30, 1997, as it submitted for the earlier periods, staff would then be able to appropriately determine whether the company has the financial capability to provide and maintain the requested service in the geographic area proposed to be served, as well as to meet lease or ownership obligations.

I would ask the company to submit the new information by August 29, 1997. If that presents a hardship, please let me know.

I thank you in advance for your attention to this matter and I look forward to receiving your positive response.

Sincerely,

Charles J. Pellegrini
Staff Counsel

CJP:clp

cc: Dr. Michael Weilert

Mr. William B. Ellinger
Page 3
August 15, 1997

Health Liability Management Corporation
13738 Oxbow Road
Ft. Myers, Florida 33905

EXHIBIT NO. _____

DOCKET NO.: 960811-TI

WITNESS: Thomas E. Williams

PARTY: Florida Public Service Commission

DESCRIPTION: Example Tariff

PROFFERING PARTY: STAFF

I.D.# TEW-10

FLORIDA PUBLIC SERVICE COMMISSION

Division of Communications
Bureau of Service Evaluation

EXAMPLE TARIFF

INTEREXCHANGE TELECOMMUNICATIONS SERVICE

Florida Public Service Commission
Division of Communications
Bureau of Service Evaluation
2540 Shumard Oak Blvd.
Gunter Building
Tallahassee, Florida 32399-0850

THE ATTACHED ROGUS TARIFF IS INTENDED AS A GUIDE TO HELP NON-AOS IXC COMPANIES FILE THEIR INITIAL TARIFFS WITH THE FLORIDA PUBLIC SERVICE COMMISSION. WHILE INTENDED TO BE A USEFUL TOOL, NON-AOS IXC COMPANIES MAY BE REQUIRED BY THE COMMISSION TO INCLUDE SUBJECT MATTER NOT MENTIONED WITHIN THE ROGUS TARIFF.

BOGUS LD, INC.

TEW-10
Page 3 of 22
Florida Tariff No. 1
Original Sheet 1

TITLE SHEET

FLORIDA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service and facilities for telecommunications services provided by Bogus LD, Inc., with principal offices at 101 East Monet Street, Tallahassee, FL 32301. This tariff applies for services furnished within the state of Florida. This tariff is on file with the Florida Public Service Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued: January 15, 1995

EFFECTIVE: _____

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

CHECK SHEET

The sheets listed below, which are inclusive of this tariff, are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date of the bottom of this page.

SHEET	REVISION
1	Original
2	Original
3	Original
4	Original
5	Original
6	Original
7	Original
8	Original
9	Original
10	Original
11	Original
12	Original
13	Original
14	Original
15	Original
16	Original
17	Original
18	Original
19	Original
20	Original

Issued: January 15, 1995

EFFECTIVE: _____

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

TABLE OF CONTENTS

Title Sheet.....1
Check Sheet.....2
Table of Contents.....3
Symbols Sheet.....4
Tariff Format Sheets.....5
Section 1 - Technical Terms and Abbreviations.....7
Section 2 - Rules and Regulations.....8
Section 3 - Description of Service.....12
Section 4 - Rates.....17

Issued: January 15, 1995

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

EFFECTIVE: _____

SYMBOLS SHEET

PLEASE INCLUDE THE FOLLOWING LIST OF SYMBOLS VERBATIM

The following are the only symbols used for the purposes indicated below:

- D - Delete Or Discontinue
- I - Change Resulting In An Increase To A Customer's Bill
- M - Moved From Another Tariff Location
- N - New
- R - Change Resulting In A Reduction To A Customer's Bill
- T - Change in Text Or Regulation But No Change In Rate Or Charge

Issued: January 15, 1995

EFFECTIVE: _____

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

TARIFF FORMAT SHEETS

A. Sheet Numbering - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.

B. Sheet Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the FPSC. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14. Because of various suspension periods, deferrals, etc, the FPSC follows in their tariff approval process, the most current sheet number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the sheet currently in effect.

C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

- 2.
- 2.1.
- 2.1.1.
- 2.1.1.A.
- 2.1.1.A.1.
- 2.1.1.A.1.(a).
- 2.1.1.A.1.(a).I.
- 2.1.1.A.1.(a).I.(i).
- 2.1.1.A.1.(a).I.(i).(1).

Issued: January 15, 1995

EFFECTIVE: _____

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

TARIFF FORMAT SHEETS

D. Check Sheets - When a tariff filing is made with the FPSC, an updated check sheet accompanies the tariff filing. The check sheet lists the sheets contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages). The tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the FPSC.

[PLEASE INCLUDE A COPY OF THIS PAGE AS IT WILL HELP THE READER TO UNDERSTAND THE TARIFF FORMAT.]

Issued: January 15, 1995

EFFECTIVE: _____

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement which connects the customer's location to a Bogus LD, Inc. network switching center.

Authorization Code - A numerical code, one or more of which are available to a customer to enable him/her to access the carrier, and which are used by the carrier both to prevent unauthorized access to its facilities and to identify the customer for billing purposes.

Company or Carrier - Bogus LD, Inc.

Customer - the person, firm, corporation or other entity which orders service and is responsible for payment of charges due and compliance with the Company's tariff regulations.

Day - From 8:00 AM up to but not including 5:00 PM local time Sunday through Friday.

Evening - From 5:00 PM up to but not including 11:00 PM local time Sunday through Friday.

Holidays - Bogus LD, Inc.'s recognized holidays are New Year's Day, Martin Luther King, Jr. Day, Presidents Day, Ground Hog Day, St. Patrick's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day, Christmas Day.

Night/Weekend - From 11:00 PM up to but not including 8:00 AM Sunday through Friday, and 8:00 AM Saturday up to but not including 5:00 PM Sunday.

[YOU CAN USE THESE AND/OR ANY OTHER DEFINITIONS YOU WISH: JUST REMEMBER TO DEFINE HERE ANY UNUSUAL OR UNIQUE TERMINOLOGY USED IN THE BODY OF YOUR TARIFF.]

Issued: January 15, 1995

EFFECTIVE: _____

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of Bogus LD, Inc.

Bogus LD, Inc. services and facilities are furnished for communications originating at specified points within the state of Florida under terms of this Tariff.

Bogus LD, Inc. installs operates, and maintains the communications services provided herein in accordance with the terms and conditions set forth under this Tariff. It may act as the customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the customer, to allow connection of a customer's location to the Bogus LD, Inc. network. The customer shall be responsible for all charges due for such service arrangement.

The Company's services and facilities are provided on a monthly basis unless ordered on a longer term basis, and are available twenty-four hours per day, seven days per week.

2.2 Limitations

2.2.1 Service is offered subject to the availability of facilities and provisions of this tariff.

2.2.2 Bogus LD, Inc. reserves the right to discontinue furnishing service, or limit the use of service necessitated by conditions beyond its control: or when the customer is using service in violation of the law or the provisions of this Tariff.

2.2.3 All facilities provided under this Tariff are directly controlled by Bogus LD, Inc. and the customer may not transfer or assign the use of service or facilities, except with the express written consent of The Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

Issued: January 15, 1995

EFFECTIVE: _____

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

SECTION 2 - RULES AND REGULATIONS

2.2 Limitations (Cont.)

- 2.2.4 Prior written permission from The Company is required before any assignment or transfer. All regulations and conditions contained in this Tariff shall apply to all such permitted assignees or transferees, as well as all conditions for service.

2.3 Liabilities of The Company

- 2.3.1 Bogus LD, Inc.'s liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in the transmission occurring in the course of furnishing service or facilities, and not caused by the negligence of its employees or its agents, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the aforementioned faults in transmission occur.
- 2.3.2 Bogus LD, Inc. shall be indemnified and held harmless by the customer against:
- (A) Claims for libel, slander, or infringement of copyright arising out of the material, data, information, or other content transmitted over The Company's facilities.
 - (B) All other claims arising out of any act or omission of the customer in connection with any service or facility provided by Bogus LD, Inc.

Issued: January 15, 1995

EFFECTIVE: _____

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

SECTION 2 - RULES AND REGULATIONS

2.4 Interruption of Service

- 2.4.1 Credit allowance for the interruption of service which is not due to The Company's testing or adjusting, negligence or the customer, or to the failure of channels or equipment provided by the customer, are subject to the general liability provisions set forth in 2.3.1 herein. It shall be the obligation of the customer to notify The Company immediately of any interruption in service for which a credit allowance is desired. Before giving such notice, the customer shall ascertain that the trouble is not being caused by any action or omission by the customer within his control, if any, furnished by the customer and connected to The Company's facilities.
- 2.4.2 For purposes of credit computation, every month shall be considered to have 720 hours.
- 2.4.3 No credit shall be allowed for an interruption of a continuous duration of less than two hours.
- 2.4.4 The customer shall be credited for an interruption of two hours or more at the rate of 1/720th of the monthly charge for the facilities affected for each hour or major fraction thereof that the interruption continues.

Credit Formula:

Credit = $A/720 \times B$

"A" - outage time in hours

"B" - total monthly charge for affected facility

Issued: January 15, 1995

EFFECTIVE: _____

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

SECTION 2 - RULES AND REGULATIONS

[INCLUDE IN THIS SECTION ALL OF THE RULES AND REGULATIONS. YOU WANT TO INCLUDE - LIMITATIONS, LIABILITIES, RESTORATION OF SERVICE, INTERRUPTION OF SERVICE, MAINTENANCE, BILLING PERIODS, REFUNDS/CREDITS, RESPONSIBILITIES OF THE CUSTOMER, FREQUENCY RESTRICTIONS, CANCELLATIONS, CPE, NON PAYMENT, ETC. THE FOLLOWING SUBSECTIONS DEALING WITH DEPOSITS AND ADVANCE PAYMENTS WILL BE IN THIS SECTION. RULE 25-24.490(3) FORBIDS COLLECTION OF ANY DEPOSITS AND ANY ADVANCED PAYMENTS IN EXCESS OF ONE MONTH'S ESTIMATED CHARGES WITHOUT POSTING AN APPROPRIATE BOND OR OBTAINING A WAIVER OF THIS RULE. IF YOU DO NOT HAVE A BOND OR WAIVER YOU MUST STATE IN THIS SECTION SOMETHING TO THE EFFECT OF THE FOLLOWING:]

2.5 Deposits

The Company does not require a deposit from the customer.

2.6 Advance Payments

For customers whom the Company feels an advance payment is necessary, the Company reserves the right to collect an amount not to exceed one (1) month's estimated charges as an advance payment for service. This will be applied against the next month's charges and if necessary a new advance payment will be collected for the next month.

2.7 Taxes

All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

2.8 Employee Concessions

Any employee of the Company in good standing for three months or longer may receive any of the Company's services 20% below the tariffed rate as a concession.

[IF YOU CHARGE OTHER THAN THE TARIFFED RATE FOR ANY OF YOUR SERVICES TO EMPLOYEES AS A BENEFIT, YOU MUST STATE THE COMPLETE DETAILS IN THIS SECTION.]

Issued: January 15, 1995

EFFECTIVE: _____

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

SECTION 3 - DESCRIPTION OF SERVICE

[THE FOLLOWING MUST BE INCLUDED IN THIS SECTION: HOW CALLS ARE TIMED, CALCULATION OF DISTANCE (INCLUDING FORMULA), MINIMUM CALL COMPLETION RATE, AND DESCRIPTIONS OF EACH SERVICE YOU ARE OFFERING. PLEASE REFER TO SECTION 25-24.485 (3) (g)(6) OF THE FPSC RULES GOVERNING INTEREXCHANGE CARRIERS FOR SPECIFIC REQUIREMENTS AND USE THE FOLLOWING FOR FORMAT REFERENCE.]

3.1 Timing of Calls

3.1.1 When Billing Charges Begin and Terminate For Phone Calls

The customer's long distance usage charge is based on the actual usage of Bogus LD, Inc.'s network. Usage begins when the called party picks up the receiver, (i.e. When 2 way communication, often referred to as "conversation time" is possible.). When the called party picks up is determined by hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. When software answer supervision is employed, up to 60 seconds of ringing is allowed before it is billed as usage of the network. A call is terminated when the calling or called party hangs up.

3.1.2 Billing Increments

Unless otherwise specified in this tariff, the minimum call duration for billing purposes is 1 minute for a connected call. Calls beyond 1 minute are billed in 1 minute increments.

3.1.3 Per Call Billing Charges

Billing will be rounded up to the nearest penny for each call.

3.1.4 Uncompleted Calls

There shall be no charges for uncompleted calls.

Issued: January 15, 1995

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

EFFECTIVE: _____

SECTION 3 - DESCRIPTION OF SERVICE

3.2 Billing of Calls

All charges due by the subscriber are payable at any agency duly authorized to receive such payments. Any objection to billed charges should be promptly reported to the Company. Adjustments to customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate.

3.3 Payment of Calls

3.3.1 Late Payment Charges

Interest charges of 1 1/2% per month may be assessed on all unpaid balances more than thirty days old.

3.3.2 Return Check Charges

A return check charge of \$20.00 or 5% of the amount of the check, whichever is greater, will be assessed for checks returned for insufficient funds.

3.4 Restoration of Service

A reconnection fee of \$25.00 per occurrence is charged when service is re-established for customers who had been disconnected for non-payment.

[THIS WILL SATISFY THE RULE REQUIRING THIS SECTION. HOWEVER, IF YOU WISH TO PROVIDE AN EXAMPLE OF THIS CALCULATION, FEEL FREE TO DO SO.]

Issued: January 15, 1995

EFFECTIVE: _____

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

SECTION 3 - DESCRIPTION OF SERVICE

3.4 Calculation of Distance

Usage charges for all mileage sensitive products are based on the airline distance between rate centers associated with the originating and terminating points of the call.

The airline mileage between rate centers is determined by applying the formula below to the vertical and horizontal coordinates associated with the rate centers involved. The Company uses the rate centers that are produced by Bell Communications Research in the NPA-NXX V & H Coordinates Tape and Bell's NECA Tariff No. 4.

FORMULA:

$$\sqrt{\frac{(V1 - V2)^2 + (H1 - H2)^2}{10}}$$

EXAMPLE: Distance between Miami and Tallahassee -

	V	H
Miami	8,354	546
New York	<u>7,871</u>	<u>1,720</u>
Difference	483	-1,174

Square and add: $233,289 + 1,378,276 = 1,611,565$

Divide by 10 and round: $1,611,565 / 10 = 161,156.5$
 $= 161,157$

Take square root and round: $161,157 = 401.4$
 $= 402 \text{ miles}$

Issued: January 15, 1995

by:

I. M. Bogus, President
 101 East Monet Street
 Tallahassee, FL 32301

EFFECTIVE: _____

BOGUS LD, INC.

Florida Tariff No. 1
Original Sheet 15

SECTION 3 - DESCRIPTION OF SERVICE

3.5 Minimum Call Completion Rate

A customer can expect a call completion rate [EXPRESSED AS A PERCENTAGE] (number of calls completed / number of calls attempted) of not less than 90% during peak use periods for all FG D services ("1+" dialing).

3.6 Service Offerings

3.6.1 Cheapo I

Cheapo I is a flat rate, direct access, inter/intrastate service designated for the customer with less than \$2000 of monthly long distance usage.

3.6.2 Cheapo II

Cheapo II is a dial-up service designated for the small customer with no premise facilities or who travels around the local area and needs access to Bogus LD, Inc.'s network. Service is gained through dialing a local number or 950- access and entering an authorization code.

3.6.3 CheapWATS

CheapWATS is a direct access mileage, usage sensitive WATS offering requiring a dedicated access line for the customer to use this service. This is an outbound service only; no incoming calls will terminate over the dedicated lines used for this service.

Issued: January 15, 1995

EFFECTIVE: _____

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

SECTION 3 - DESCRIPTION OF SERVICE

3.6.4 Miser 800

Miser 800 service is a direct access, incoming only, usage sensitive WATS offering requiring a dedicated access line for use. This is a service whereby a customer can be billed at reduced rates for calls to his premises.

3.6.5 "Shoot The Works"

"Shoot The Works" service is a service whereby the customer can maintain a seat on the Board of Directors of Bogus LD, Inc. if his/her usage is \$750,000 per month or more. If the customer maintains this usage rate for a continuous 20 year period, he/she will own The Company. It is mileage, usage, and time-of-day sensitive and the rates are outrageous (see Section 4).

3.6.6 Tightwad Travel Service

This service allow the customer to call an 800 access number and authorization code to gain access to The Company's network from anywhere in the free world.

Issued: January 15, 1995

by:

I. M. Bogus, President
101 East Monet Street
Tallahassee, FL 32301

EFFECTIVE: _____

SECTION 4 - RATES

REMEMBER TO INCLUDE INTRASTATE RATES ONLY - DO NOT INCLUDE INTERSTATE RATES UNLESS THE CUSTOMER NEEDS THEM TO CALCULATE THE INTRASTATE PORTION OF HIS/HER BILL.

4.1 Cheapo I

Monthly Usage Charge	Maximum Usage	Per Add'l Min.
\$1995	200 Hours	\$.30

Installation Fee: \$300

Calls are rounded to the next higher 1 / 10 minute for billing purposes.

4.2 Cheapo II

Miles	Day	Eve.	Night
0-11	.897	.765	.432
11-22	.776	.656	.345
23-124	.567	.789	.232
125-292	.588	.433	.212
293-430	.545	.545	.545
431+	.777	.499	.433

Installation Fee: none

Monthly recurring charge: \$20

Calls are rounded to the next higher 1/6 minute.

Issued: January 15, 1995

EFFECTIVE: _____

by:

I. M. Bogus, President
 101 East Monet Street
 Tallahassee, FL 32301

SECTION 4 - RATES

4.3 CheapWATS

<u>Miles</u>	<u>0-100 Hours</u>	<u>100.1-250</u>	<u>251+</u>
0-10	.45	.40	.12
11-22	.46	.41	.13
23-124	.47	.42	.14
125-292	.48	.43	.15
293+	.50	.45	.18

Rates are per minute.

Installation Charge: \$250 plus dedicated line(s).
 Monthly Recurring Charge: \$49.50
 Calls are rounded to the next higher 1/10 minute.

4.4 Miser 800

<u>0-100 Hours</u>	<u>101-250</u>	<u>250+</u>
.344/minute	.234/minute	.121/minute

Other charges are the same as CheapWATS

4.5 "Shoot The Works"

<u>Miles</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
1-99	.875	.874	.873
100-199	.900	.899	.898
200+	.999	.998	.997

Usage over 10,000 minutes/ month: 15¢ discount
 Monthly Recurring Charge: \$1500
 Installation Charge: \$2495

Calls are rounded to the next higher minute.

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by:

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 101 East Monet Street
 Tallahassee, FL 32301

SECTION 4 - RATES

4.6 Tightwad Travel Service

- \$ 1.75/minute flat rate (intrastate)
- \$.75 surcharge per call
- \$ 4.95 per authorization code
- \$ 49.95 installation charge

4.7 Special Promotions

The company will, from time to time, offer special promotions to its customers waiving certain charges. These promotions will be approved by the FPSC with specific starting and ending dates and under no circumstances run for longer than 90 days in any 12 month period.

IF YOU WANT TO OFFER SPECIAL PROMOTIONS YOU WILL HAVE TO PUT IN A SECTION EQUIVALENT TO THE ONE ABOVE. PLEASE REFER TO RULE NUMBER (25-24.485(1)(1).1

4.8 Special Rates For The Handicapped

4.8.1. Dixectory Assistance

There shall be no charge for up to fifty calls per billing cycle from lines or trunks serving individuals with disabilities. The Company shall charge the prevailing tariff rates for every call in excess of 50 within a billing cycle."

4.8.2 Hearing and Speech Impaired Persons

Intrastate toll message rates for TDD users shall be evening rates for daytime calls and night rates for evening and night calls.

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4.8.3. Telecommunications Relay Service

For intrastate toll calls received from the relay service, the Company will when billing relay calls discount relay service calls by 50 percent off of the otherwise applicable rate for a voice nonrelay call except that where either the calling or called party indicates that either party is both hearing and visually impaired, the call shall be discounted 60 percent off of the otherwise applicable rate for a voice nonrelay call. The above discounts apply only to time-sensitive elements of a charge for the call and shall not apply to per call charges such as a credit card surcharge.

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