



PUBLIC NOTICE

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REMINDER TO RURAL HEALTH CARE PILOT PROGRAM PARTICIPANTS OF FILING REQUIREMENTS AND DUE DATES FOR QUARTERLY REPORTS

WC Docket No. 02-60

In 2006 the Commission initiated the Rural Health Care Pilot Program (Pilot Program) “to examine how the rural health care (RHC) funding mechanism can be used to enhance public and non-profit health care providers’ access to advanced telecommunications and information services.”¹ Under the Pilot Program, sixty-two projects are eligible for universal service funding to support up to eighty-five percent of the costs associated with the construction of state or regional broadband health care networks and with the advanced telecommunications and information services provided over those networks.² The selected participants are eligible for funding commitments for a three-year period beginning in RHC funding year 2007 and ending in RHC funding year 2009.³ The Commission noted that “[u]pon completion of the Pilot Program, the Commission intends to issue a report detailing the results of the Pilot

¹ *Rural Health Care Support Mechanism*, WC Docket No. 02-60, Order, 21 FCC Rcd 11111, para. 1 (2006) (2006 Pilot Program Order).

² See *Rural Health Care Support Mechanism*, WC Docket No. 02-60, Order, 22 FCC Rcd 20360, 20361, para. 2 (2007) (2007 RHC Pilot Program Selection Order). As a result of mergers of projects, there are currently 62 projects eligible for funding under the 2007 RHC Pilot Program Selection Order. See *Holzer Consolidated Health Systems and Southern Ohio Health Care Network Request for Merger of Rural Health Care Pilot Program Projects*, WC Docket No. 02-60, Order, 23 FCC Rcd 17396 (Wireline Comp. Bur. 2008); *As One Together for Health and the University of Mississippi Medical Center Request for Merger of Rural Health Care Pilot Program Projects*, WC Docket No. 02-60, Order, 23 FCC Rcd 17401 (Wireline Comp. Bur. 2008); *Texas Healthcare Network and Texas Health Information Network Collaborative Request for Merger of Rural Health Care Pilot Program Projects*, WC Docket No. 02-60, Order, 24 FCC Rcd 4587 (Wireline Comp. Bur. 2009); *North Carolina TeleHealth Network, Albemarle Health, Western Carolina University, and University Health Systems of Eastern Carolina Request for Merger of Pilot Program Projects*, WC Docket No. 02-60, Order, DA 09-1696 (Wireline Comp. Bur. July 31, 2009); *Juniata Valley Network and Pennsylvania Mountains Healthcare Alliance Request for Merger of Rural Health Care Pilot Program Projects*, WC Docket No. 02-60, Order, DA 09-1782 (Wireline Comp. Bur. Aug. 12, 2009).

³ 2007 RHC Pilot Program Selection Order, 22 FCC Rcd at 20361, para. 2. Participants must file all of their Pilot Program funding commitment requests (FCC Forms 466-A) with the Universal Service Administrative Company (USAC) by the end of funding year 2009, which is June 30, 2010. *Id.* at 20373, para. 33. Participants have five years from receipt of their initial funding commitment letter from USAC to submit invoices to receive funding under the Pilot Program. *Id.* at 20409-10, para. 94, n.305.

Program and the status of the RHC support mechanism generally, and to recommend any changes necessary to improve [the] existing RHC support mechanism.”⁴

Pilot Program participants are required to file quarterly reports for a 72-month period commencing July 30, 2008.⁵ The next quarterly report is due on October 30, 2009, and it must include responsive data through September 30, 2009. The information in the quarterly reports will inform the Commission of the cost-effectiveness and efficacy of the different state and regional networks funded by the Pilot Program and of whether support is being used in a manner consistent with section 254 of the Communications Act of 1934, as amended (the Act), and the Commission’s rules and orders.⁶ The Commission also intends to use this information in any subsequent proceedings to reform the existing RHC support mechanism.⁷

The quarterly reports must contain all the data listed in Appendix D of the *2007 RHC Pilot Program Selection Order*.⁸ We remind Pilot Program participants that the data requirements listed in Appendix D are mandatory and that a complete response is required for each component of each question. Based on a sample review of quarterly reports that have been filed to date, we remind participants that particular attention should be made to completing the following information:

Data Item No. 2 - Identify all health care facilities included in the network. Participants are required to provide complete responses as to whether each institution participating in the proposed network is: (i) public or non-public, (ii) not-for-profit or for-profit; (iii) an eligible health care provider or ineligible health-care provider (with an explanation of why the health care facility is eligible under section 254 of the Act and the Commission’s rules, or a description of the type of ineligible health care provider entity).⁹

Data Item No. 3 - Network Narrative. Participants must divide their responses into five distinct sections labeled (a) through (e) as set forth in paragraph 3 of Appendix D of the *2007 RHC Pilot Program Selection Order*.¹⁰ Where applicable, participants should clearly identify the transmission speeds for health care provider sites.¹¹

Data Item No. 5 - Recurring and Non-Recurring Costs. Participants are required to disclose budgeted costs and, when applicable, the actual costs incurred for the applicable quarter and the funding year to-date. Participants should provide a response to each of the seven expense categories listed in paragraph 5 of Appendix D of the *2007 RHC Pilot Program Selection Order*.¹²

⁴ *2006 Pilot Program Order*, 21 FCC Rcd at 11113, para. 9.

⁵ *2007 RHC Pilot Program Selection Order*, 22 FCC Rcd at 20424, para. 127.

⁶ *Id.* at 20423-24, para. 126.

⁷ *See id.*; *2006 Pilot Program Order*, 21 FCC Rcd at 11114, para. 9.

⁸ *2007 RHC Pilot Program Selection Order*, 22 FCC Rcd at 20423-24, para. 126.

⁹ *Id.* at 20432-34, Appendix D, para. 2(b).

¹⁰ *Id.* at Appendix D, para. 3.

¹¹ *Id.* at Appendix D, para. 3(b).

¹² *Id.* at Appendix D, para. 5.

Data Item No. 6 - Apportionment of Costs. Participants must divide their responses into four distinct sections labeled (a) through (d) as set forth in paragraph 6 of Appendix D of the 2007 RHC Pilot Program Selection Order.¹³ Where applicable, participants must identify the source of funds for project costs.¹⁴

Data Item No. 7 - Technical Requirements. Participants should identify any technical or non-technical requirements or procedures necessary for ineligible entities to connect to the participant's network.¹⁵ Unless the project will exclude all ineligible entities from its network, the project should develop criteria for ineligible entities to connect to the participants' networks.

Data Item No. 8 - Project Management Plan. A detailed management plan was required from each participant as part of the application process, outlining the project's leadership and management structure, as well as its work plan, schedule, and budget.¹⁶ As participants make progress in completing their projects, their project management plans should be updated to reflect tasks that have been completed, as well as the status of tasks yet to be completed. Quarterly reports should identify which project deliverables, scheduled for the previous quarter, were met, and which were not met. In the event a project deliverable was not achieved, or the work and deliverables deviated from the work plan, the participant must provide an explanation.¹⁷

Data Item No. 9 - Self-Sustainability. Each participant is required to provide relevant details on whether its network is or will become self-sustaining.¹⁸ We remind participants that the Commission's Wireline Competition Bureau has previously issued guidance regarding sustainability plans.¹⁹ Generally, a sustainability plan should discuss the following points (as explained more fully in the FAQ):

- Status of obtaining minimum fifteen percent match for the project.
- Projected sustainability period.
- Principal factors that were considered by the participant to demonstrate sustainability.
- Terms of membership in the network.
- Excess capacity.
- Ownership structure.
- Sources of future support.
- Management costs.

Data Item No. 11- HHS Health IT Initiatives. Participants must comply, where feasible, with the United States Department of Health and Human Services (HHS) health IT initiatives.²⁰

¹³ *Id.* at Appendix D, para. 6.

¹⁴ *Id.*

¹⁵ *Id.* at Appendix D, para. 7.

¹⁶ 2006 Pilot Program Order, 21 FCC Rcd at 11116-17, para. 17, item (9).

¹⁷ 2007 RHC Pilot Program Selection Order, 22 FCC Rcd at 20432-34, Appendix D, para. 8.

¹⁸ *Id.* at Appendix D, para. 9.

¹⁹ See Rural Health Care Pilot Program Frequently Asked Questions and Answers, available at <http://www.fcc.gov/cgb/rural/rhcp.html#faq24>, at FAQ No. 24 (last visited Sept. 28, 2009).

²⁰ 2007 RHC Pilot Program Selection Order, 22 FCC Rcd at 20362-20363, para. 7, 20402-20403, para. 82.

Participants must consider and identify how they have complied with these health IT initiatives during the development and implementation phases of their projects.²¹

Data Item No. 12- HHS Coordination. Participants must coordinate the use of their health care networks with HHS and, in particular, with the Centers for Disease Control and Prevention (CDC) in instances of national, regional, or local public health emergencies (e.g., pandemics, bioterrorism). In such instances, where feasible, selected participants shall provide access to their supported networks to HHS, including CDC, and other public health officials.²² Participants should identify what steps they have taken or intend to take to coordinate the use of their health care networks with HHS, including the CDC, and other public health officials.²³

This information, in addition to the other information required of Pilot Program participants in the *2007 RHC Pilot Program Selection Order*, must be reported by all Pilot Program participants in their quarterly reports. This is not a complete summary of all the information that is required to be reported pursuant to Appendix D of the *2007 RHC Pilot Program Selection Order*. Participants should refer to the *2007 RHC Pilot Program Selection Order* for a complete list of all reporting requirements. Collection of this data is critical to the goal of examining the progress of the Pilot Program, and preventing waste, fraud, and abuse by ensuring that funding is being used for its intended purpose.²⁴ As the Commission stated in the *2007 RHC Pilot Program Selection Order*, participants that do not provide all of the required data may be eliminated from participating in the Pilot Program, may lose or receive reduced support, or may be required to return prior distributions.²⁵

Instructions for Filing Quarterly Reports with the Commission

In their quarterly reports, participants should reference the docket number for the Pilot Program (WC Docket No. 02-60), and may file their reports using: (1) the Commission's Electronic Comment Filing System (ECFS); or (2) by filing paper copies.

- **Electronic Filers:** Quarterly reports may be filed electronically using the Internet by accessing the ECFS at <http://www.fcc.gov/cgb/ecfs/>. Filers should follow the same instructions provided on the website for submitting comments. In completing the transmittal screen, ECFS filers should include their full name, U.S. Postal Service mailing address, and the applicable docket number (WC Docket No. 02-60). Filers may also submit an electronic copy by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov and should include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- **Paper Filers:** Parties who choose to file by paper must file an original and four copies of each application. Quarterly reports can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

²¹ *Id.* at 20432-34, Appendix D, para. 11.

²² *Id.* at 20362-20363, para. 7, 20402-20403, para. 82.

²³ *Id.* at 20432-34, Appendix D, para. 12.

²⁴ *Id.* at 20423-24, para. 126.

²⁵ *Id.* at 20424, para. 128.

- **Hand-Delivered or Messenger Delivered Reports:** The Commission’s contractor will receive hand-delivered or messenger-delivered paper filings for the Commission’s Secretary at 236 Massachusetts Avenue, NE, Suite 110, Washington, DC 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, SW, Washington DC 20554.
- **Courtesy Copies:** Filers must also send a courtesy copy of their quarterly reports to: Antoinette Stevens, Telecommunications Access Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5B-521, Washington, D.C. 20554; e-mail: Antoinette.Stevens@fcc.gov.
- **People with Disabilities:** To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).
- **Filing with USAC:** Quarterly reports must also be filed with USAC, via the USAC SharePoint site.
- **Confidential Treatment.** The Commission’s rules permit any person submitting information to the Commission to request that such information be withheld from public inspection (i.e., afforded confidential treatment). Pilot Program participants interested in requesting confidential treatment of their quarterly reports are required to comply with section 0.459 of the Commission’s rules, which describes the information that must be included in a request for confidential treatment, as well as filing procedures for those seeking confidential treatment.²⁶

For further information, please contact Erica Myers, Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-7400 or TTY (202) 418-0484, or Erica.Myers@fcc.gov.

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²⁶ See 47 C.F.R. § 0.459.