



# NEWS

**Federal Communications Commission**  
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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.  
See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

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## **FCC EXPANDS AVAILABILITY OF FUNDING FOR RURAL TELEMEDICINE SERVICES**

Washington, D.C. – The Federal Communications Commission today expanded its program to bring up-to-date medical services and information to rural areas through telecommunications.

The Rural Health Care Support Mechanism program is authorized to provide up to \$400 million in telemedicine funding annually to ensure that health care providers serving rural communities pay no more than their urban counterparts for telecommunications essential to the provision of services. The program provides discounts on monthly telecommunications charges, satellite services for mobile medical clinics in rural areas, and Internet access.

With program expenditures below the annual limit, the Commission has taken numerous steps to increase use of the program. The changes adopted by the Commission:

- Redefine what constitutes a rural area to better target small towns and villages while still maintaining a focus on the areas with the most need. Prior to the change, a city like Dungannon, Va., population 317, would have been ineligible because it was part of a larger Metropolitan Statistical Area, even though the center of the MSA of which Dungannon is a part -- Kingsport, Tenn. -- is an hour's drive away. A list of eligible rural areas will be posted the Universal Service Administrative Company's website, [www.universalservice.org](http://www.universalservice.org).
- Increase discounts available to mobile rural health care providers for the purchase of mobile satellite telecommunications services. The rate paid by a rural mobile clinic for satellite service would be identical to the going rate for wireline service of similar bandwidth in an urban area. In the past, the discount for satellite service was limited to the difference between the urban and rural rates for a functionally similar wireline service. Mobile clinics that serve eight or more different sites in a year are automatically eligible to receive discounts; applications for those that serve fewer than eight sites must document the cost of local wireline services and will be reviewed on a case-by-case basis.

- Streamline the application process by setting an annual June 30 deadline for applications.

The Commission also launched a further rulemaking examining whether a flat 25 percent discount for Internet services is sufficient and whether network infrastructure should be funded under the rural health care mechanism.

Action by the Commission on December 15, 2004, by *Second Report and Order, Order on Reconsideration, and Further Notice of Proposed Rulemaking* (FCC 04-289)(WC 02-60). Chairman Powell, Commissioners Abernathy, Copps, Martin, and Adelstein, with separate statements issued by Chairman Powell, Commissioners Abernathy, Copps and Adelstein.

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