

United States Senate

WASHINGTON, DC 20510

August 21, 2014

Received & Inspected

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The Honorable Tom Wheeler
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

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Dear Chairman Wheeler:

We are writing to urge the Commission to clarify the meaning of “not-for-profit hospital” utilized by the Universal Service Administration Company (USAC) in making determinations for eligibility in the Healthcare Connect Fund (Program). We are concerned that the USAC’s current interpretation of “not-for-profit” hospital fails to recognize the increased usage of integrated delivery models in the health care sector and undermines the goals of the Program by limiting the Commission’s desired development of a consortium approach to creating broadband health care networks.

We understand that the USAC has interpreted “not-for-profit hospital” to mean a building with beds that is licensed to provide acute care services under state law. However, this interpretation ignores the fact that the integrated delivery models now utilized in the health care sector have significantly expanded the role of ambulatory care centers and hospital-employed medical staff offices as a means to care for the patient population.

The USAC’s interpretation of “not-for-profit” hospital excludes many health care providers in our states who are considered part of non-profit facilities in other legal contexts. The exclusion of these providers undermines the Program’s desired objective of encouraging the creation of state and regional broadband health care networks comprised of providers that span the continuum of care from rural health clinics to urban specialist practices.

As a result, we believe the Commission should clarify as soon as possible that the term “not-for-profit hospital” within the Program would include all health care delivery locations of an entity licensed under state law that directly or indirectly operates one or more hospital facilities. This clarification would provide the certainty necessary to allow health systems in our states and across the country to move forward with the planning and design of their respective broadband networks.

Thank you for your full and fair consideration of this important matter.

Sincerely,



Senator Dan Coats



Senator Rob Portman