

**STATEMENT OF  
COMMISSIONER BRENDAN CARR**

Re: *DataConnex, LLC*, File No. EB-IHD-15-00020296.

Last month, the Commission proposed several changes to the Rural Health Care Program. We sought to incentivize prudent spending so that more Americans, regardless of where they live, have access to telemedicine and other advanced healthcare services. As we noted back then, the Rural Health Care Program serves important purposes, but for a number of reasons, the demand for Program dollars is now outpacing available funds.

As such, the conduct that DataConnex apparently engaged in strikes me as particularly egregious. It appears that the company acted to defraud the Rural Health Care Program by relying on forged documents, misrepresenting pricing information, and colluding to undermine the competitive bidding process. Over the past two years, DataConnex received about \$12 million in support from the Program. This made it one of the top five funding recipients over that period of time. And recall that demand for Program dollars exceeded the cap for the first time last year. This means that DataConnex's apparently fraudulent scheme might have resulted in providers that are playing by the rules—and the potentially millions of consumers they serve—losing out on the valuable healthcare services made possible by the Program. Needless to say, we are not taking this conduct lightly.

So I support the \$18 million proposed fine, and I want to thank the Enforcement Bureau for its diligent work in investigating and now prosecuting this case. This item has my support.