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**For Immediate Release**

**FCC BOOSTS FUNDING FOR RURAL HEALTH CARE PROGRAM**

*Order Addresses Funding Shortfall Driven by Growing Demand  
for Telemedicine in Rural Areas*

WASHINGTON, June 25, 2018—The Federal Communications Commission has provided a significant budgetary boost for its Rural Health Care Program to address immediate and long-term funding shortages driven by growing demand for rural telemedicine services.

The FCC increased the annual cap on program spending by nearly 43 percent, to \$571 million, which will reverse across-the-board spending cuts for the current funding year imposed by the old cap. These “pro-rata” cuts had created uncertainty and turmoil in the program for patients, health care providers, and communications companies alike.

The program’s previous \$400 million cap was set in 1997 and was never indexed for inflation. The \$171 million increase represents what the funding level would be today had the initial cap included an inflation adjustment.

Looking ahead, the FCC will adjust the cap annually for inflation and allow funds unused from prior years to be carried forward. At the same time, the FCC continues its work on enacting reforms proposed last year to guard against program waste, fraud, and abuse.

Technology and telemedicine have assumed an increasingly important role in health care delivery, particularly in rural and remote areas of the country. For Americans living in rural and isolated areas, doctor shortages and hospital closures are endemic, and obtaining access to high-quality health care is a constant challenge. Broadband greatly changes that equation, however, by enabling a wide range of telemedicine services—from specialists providing consultations via video conferencing to radiologists remotely reading X-rays via high-speed connectivity.

The Commission’s Order take the steps required to help ensure that rural patients continue to have access to these and other essential telemedicine services.

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