



Date: March 11, 2014
To: CTN Partner Organization
From: Eric Brown
Subject: FCC Funding Opportunities

After discussions with many of our stakeholder partners, there appears to be some confusion about the various potential Federal Communications Commission (FCC) funding opportunities currently in play for rural health care provider organizations and consortia. Accordingly, what follows is a brief explanation of the four (4) major FCC funding programs currently in place that could apply for rural health care providers:

- 1. Rural Health Care Pilot Program:** Initiated in 2007, this program provides broadband subsidies to non-profit health care providers in rural and medically underserved communities. This is the program that CTN currently utilizes to support roughly 300 CTN sites in rural and medically underserved urban areas of California. The RHCPP provides an 85% subsidy to eligible sites. CTN serves as California's healthcare broadband consortia and received a \$22.1 million award which has been fully encumbered. The program is now closed to further enrollment other than site substitutions for sites that are currently participating that elect to stop service. RHCPP sites are grandfathered for participation in the successor program called the Healthcare Connect Fund (HCF).
- 2. Healthcare Connect Fund:** Released in December 2012 and launched in July 2013, this broadband subsidy program provides a 65% subsidy to eligible health care providers. Eligibility is very similar to RHCPP with the addition of data centers and administrative office buildings. As California's RHCPP consortia, CTN received priority status for enrollment of eligible health care providers although any eligible group of health care providers can now apply to form a HCF consortia. Unlike RHCPP, there are no HCF consortia budgets, eligible sites are awarded on a first come first served basis. HCF funds can be used to fund broadband construction to eligible health care providers in areas commercial providers decline to serve. Funding for broadband construction to unserved areas may be used in conjunction with state or other funding sources to satisfy the 35% match requirement. CTN is currently processing over 300 Letters of Agency (LOA) from health care sites interested in participating in HCF. Please contact us if your health care organization or consortia is interested in HCF participation as CTN staff are available to file all required paperwork for eligible sites.
- 3. Rural Health Care Broadband Experiments – Expressions of Interest:** During the last week of January 2014 the FCC announced it would invite Expressions of Interest from telecommunications providers, health care organizations and consortia regarding how Rural Health Care broadband funding could be used to serve unserved or underserved communities more efficiently or by utilizing emerging technologies such as fixed wireless or wireless broadband. These experiments will likely be funded with \$50 million the FCC previously designated for a pilot program to explore funding broadband connections to

skilled nursing facilities. Expressions of Interest were due to the FCC on March 7, 2014 with comments on how the FCC should structure these healthcare broadband experiments due March 31st. The FCC plans to finalize a funding application process by this summer, with funding awards expected by the end of calendar year 2014. CTN did submit a proposal focused on using FCC funding to support wireless usage charges for patient monitoring particularly for elderly care and palliative care patients in rural and inner city communities (see attached). CTN welcomes supporting comments from California health care stakeholders.

4. **Connect America Fund (CAF):** The FCC also announced opportunities for broadband experiments directed at rural areas generally that lack broadband. These experiments will be funded through the Connect America Fund (CAF) with funding available to telecommunications providers or potentially other broadband providers interested in extending or upgrading broadband infrastructure into certain rural communities. Entities that can demonstrate efficiencies in expanding broadband access in these communities can receive funding awards for up to 10 years.

I hope this clarifies some of the confusion about the various FCC programs. CTN invites discussion with all parties interested in collaborating on any or all of these FCC funding opportunities to ensure California maximizes its opportunity to leverage these resources. If you or your organization are interested in further discussions, please contact me at ebrown@caltelehealth.org.

Sincerely,



Eric Brown
President & EO