Universal Service Administrative Company

Federal Communications Commission's
Rural Health Care Pilot Program

Rural Health Care Information Session

Eastern Training - Miami, FL

May 8, 2008

Program Overview

Rural Health Care Pilot Program (RHCPP) Overview

- The RHCPP was established by the FCC to help public and non-profit health care providers deploy a state or regional dedicated broadband health care network and, at the applicant's discretion, to connect that network to Internet2, National LambdaRail (NLR), or the public Internet

- This cost reimbursement program will support the connection of more than 6,000 public and non-profit health care providers nationwide to broadband telehealth networks

- 69 projects were awarded funding, representing 42 states and 3 territories

- Total three-year award of over $417 Million

- Each project will receive funding for up to 85% of the costs to build and deploy their network

- **FCC**

  - Implement Congress's directive 254(h)(2)(A) of the Communications Act of 1934, as amended, to enhance access to advanced telecommunications and information services for all health care providers

  - Define rules and regulations pertaining to the administration of the USF, including the RHCPP

  - Oversee all aspects of USAC's functions including program administration, financial oversight, and program integrity and audits

- **HHS – *Office of the National Coordinator for Health Information Technology (ONC)***

  - Guide the nationwide implementation of interoperable health IT per the President's 2004 Executive Order (para 81)

  - Coordinate HHS and executive branch agencies' health IT policies and programs

  - Use health IT to improve health care quality, efficiency and emergency response

- **USAC**

  - Administer the RHCPP, and ensure program and fiscal integrity

  - Coordinate with the FCC regarding Program Policies and Procedures

  - Address participant questions and concerns

- **Project Reviewers (PRs) – Coaches!**

  – One PR dedicated to each project; direct point of contact for Project Coordinators (PCs)

  – Guide PCs through the information submission and funding process

  – Review forms and associated documentation submitted by PCs

- **Project Coordinators (PCs) or Associate Project Coordinators (APCs)**

  – Manage the administrative aspects of the build-out of the approved network

  – Complete and submit program forms and supporting documentation; sign off on certifications, invoices, etc.

  – Serve as primary point of contact for the project

  – Communicate any requirements / requests to participating entities

- **Vendors**

  – Traditional telecommunications service providers, Internet service providers, network designers, self-provisioning Participants and other entities providing eligible services to Participants

- **<u>Order Release Date</u>**: November 19, 2007

- **<u>Order Effective Date</u>**: December 19, 2007

- Funding commitments are made by funding year. The RHCPP will begin with <u>Funding Year 2007</u> (7/1/07-6/30/08):

  – 465 Filing deadline: ~May 19, 2008 (must complete USAC review and 28 day posting by June 30, 2008).

  – 466-A Filing deadline: June 30, 2008

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- FCC RHCPP Website
  - http://www.fcc.gov/cgb/rural/rhcp.html
  - Source for official documents and information releases from the FCC

- USAC RHCPP Website
  - http://www.usac.org/rhc-pilot-program/
  - Source for public information and announcements relative to the program

- 465 Posting Website
  - http://www.usac.org/rhc-pilot-program//tools/search-postings.aspx
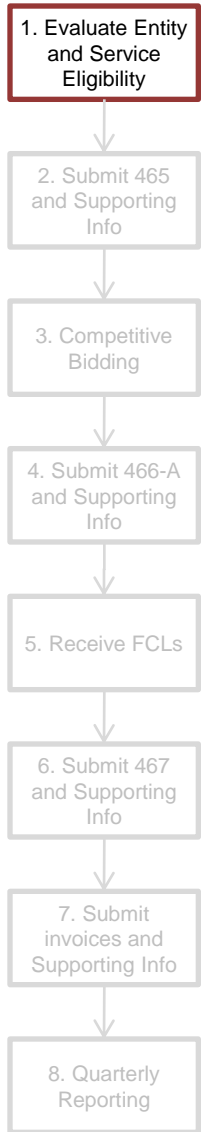 - 465 information will be posted for bidding by Vendors

Administrative Process

A Guide to the Administrative Process

Eight Steps
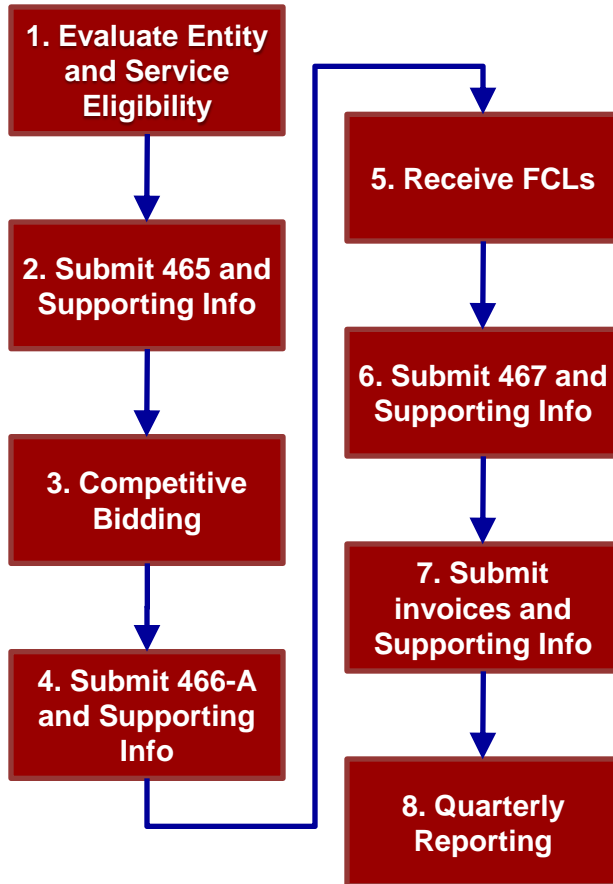
1. Evaluate entity and service eligibility

2. Submit 465 and Supporting Information

3. Competitive Bidding

4. Submit 466-A and Supporting Information

5. Receive FCLs

6. Submit 467 and Supporting Information

7. Submit invoices

8. Quarterly Reporting

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Evaluate Entity and Service Eligibility

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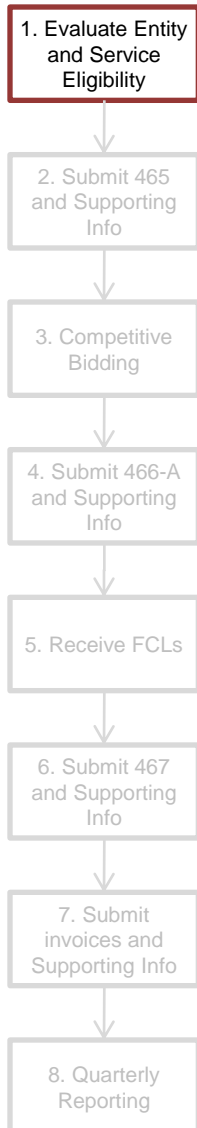## Three eligibility components:

1. Eligible Participants

– Only eligible participants may apply for and receive discounts for eligible services

– Entities are not required to be rural, but must comply with eligibility requirements as set forth in the Order
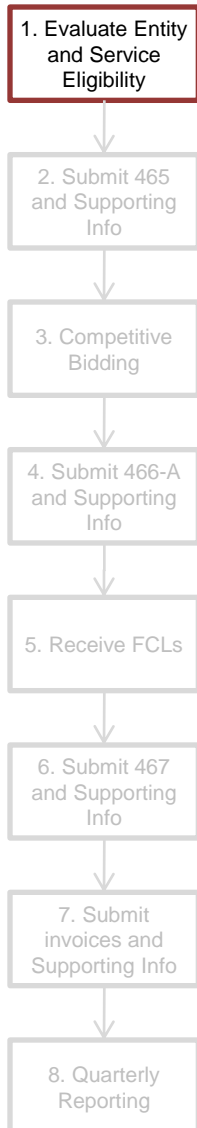
2. Eligible Costs

– USAC will pay 85% of each eligible item (assuming 100% eligible use), as incurred and submitted in invoices

– Participants must fund the remaining 15% of each item, with funding from an eligible source.
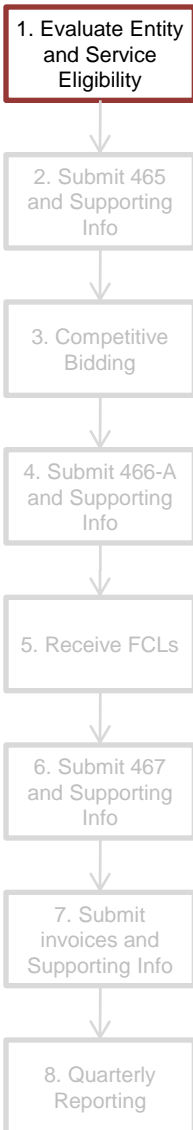
3. Eligible Sources for 15 percent Funding

– Participants' minimum 15 percent contribution of eligible network costs must be funded by an eligible source, as detailed in the Order

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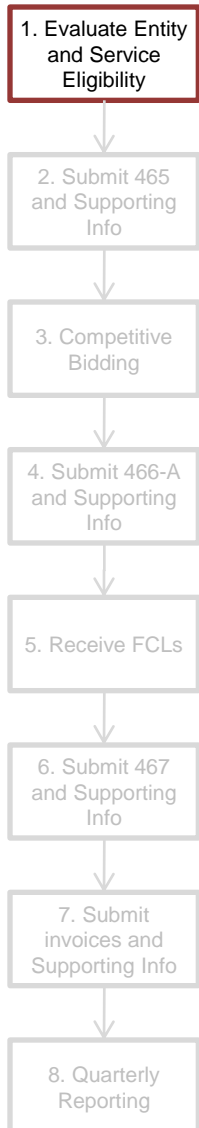7. Submit invoices and Supporting Info

8. Quarterly Reporting

- Only eligible HCPs and consortia that include eligible HCPs may apply for and receive discounts

- Pursuant to section 254 of the 1996 Act, to be considered eligible, an HCP must be one of the following:

  – Post-secondary educational institutions offering health care instruction, teaching hospitals, or medical schools

  – Community health centers or health centers providing health care to migrants

  – Local health departments or agencies, including dedicated emergency departments of rural for-profit hospitals that participate in Medicare

  – Community mental health centers

  – Not-for-profit hospitals

  – Rural health clinics including mobile clinics

  – Consortia of HCPs consisting of one or more of the above entities

  – Part-time eligible entities located in otherwise ineligible facilities

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- State organizations and entities may apply for funding on behalf of consortia members, but cannot themselves receive funding for services under the RHCPP unless they satisfy the statutory definition of health care provider

- Participants must demonstrate that they will connect more than a *de minimis* number of rural health care providers in their networks.

- Consortia may contain ineligible health care providers, but these entities are ineligible to receive any support associated with their portion of the program

- Urban hospitals are eligible to receive Pilot funding, provided they qualify as one of the participant types listed on the previous slide

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- Excluded from the list of eligible participants are:

  – Nursing homes, hospices, or other long-term care facilities

  – Pharmacies

  – Emergency medical service facilities, with the following exceptions:

    • Dedicated emergency departments of rural for-profit hospitals that participate in Medicare constitute rural health care clinics and are therefore eligible for funding

    • Costs of connecting emergency medical service facilities to eligible health care providers to the extent that the emergency medical services facility is part of the eligible health care provider are eligible

- Although state organizations and other not for profit ineligible entities do not constitute eligible health care providers, they may apply on behalf of eligible HCPs as part of a consortium (e.g., as consortia leaders) to function, in an administrative capacity for eligible HCPs within the consortium

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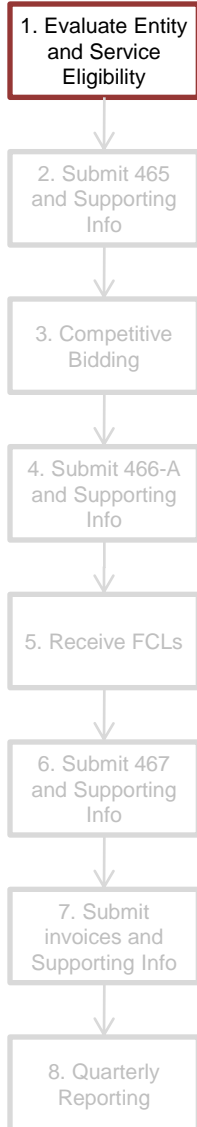4. Submit 466-A and Supporting Info

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- Eligible costs include those for:

  – Initial network design studies

  – Deploying transmission facilities

  – Providing access to advanced telecommunications and information services, including non-recurring and recurring costs

  – Connecting to vendor-provided transmission services (e.g., SONET, DS3s) in lieu of deploying your own broadband network

- Eligible non-recurring costs include those for:

  – Design

  – Engineering

  – Materials and construction of fiber facilities or other broadband infrastructure

  – Costs of engineering, furnishing (i.e., as delivered from the manufacturer), and installing network equipment.

- Recurring and non-recurring costs of operating and maintaining the constructed network are eligible once the network is operational
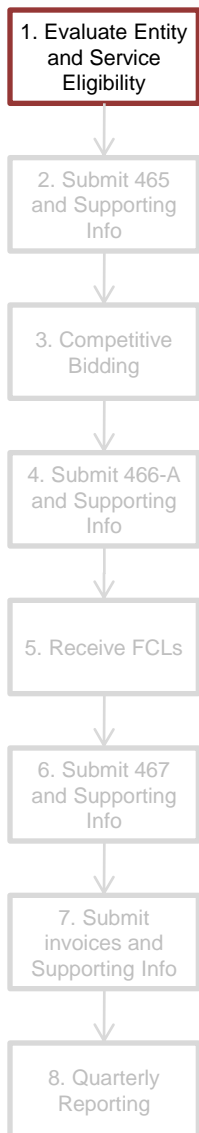
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- Examples of eligible services may include:

1: Antennas / Satellite Equipment	15: Gateway to Public Internet	29: OC-12
2: Asynchronous Transfer Mode (ATM)	16: Integrated Services Digital Network (ISDN, BRI, PRI)	30: OC-3
3: Broadband over Power Lines (BPL)	17: Interface/Edge Device	31: OC-n
4: Cable, copper	18: Jacks, panels, faceplates and wire managers	32: Routers
5: Cable, fiber	19: Microwave service	33: Satellite service
6: Channel Service Unit/Data Service Unit (CSU/DSU) and switches	20: MPLS	34: Switched Multimegabit Data Service (SMDS)
7: Connectors / couplers / amplifiers	21: Multiplexer	35: T-1
8: Copper-to-Fiber (TX-to-FX) converter	22: Network Design	36: T-2
9: Digital Subscriber Line (DSL)	23: Network Hardware on Provider Side of Demarc	37: T-3 / DS-3
10: Ethernet	24: Network Maintenance	38: Uninterruptible Power Supply (UPS)/Battery Backup
11: Fractional T-1	25: Network Management	39: Virtual Private Network (VPN)
12: Frame Relay	26: Network Operations	40: Wireless
13: Gateway to Internet2	27: Network Switches	
14: Gateway to NLR	28: OC-1	

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- Ineligible costs include those costs not directly associated with network design, deployment, operations, and maintenance of the network.

- Ineligible Costs include, but are not limited to:

  1. **Personnel costs** (including salaries and fringe benefits), except for those personnel directly engaged in designing, engineering, installing, constructing, and managing the dedicated broadband network. Ineligible costs of this category include, for example, personnel to perform <u>program management and coordination, program administration, and marketing</u>

  2. **Travel costs**

  3. **Legal costs**

  4. **Training**, except for basic training or instruction directly related to and required for broadband network installation and associated network operations. For example, costs for end-user training, e.g., training of health care provider personnel in the use of telemedicine applications are ineligible

  5. **Program administration** or technical coordination that involves anything other than the design, engineering, operations, installation, or construction of the network

  6. **Inside wiring or networking equipment** (e.g., <u>video/Web conferencing equipment</u> and wireless user devices) on health care provider premises except for equipment that terminates a service provider's or other provider's transmission facility and any router/switch that is directly connected to either the facility or the terminating equipment

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• Ineligible Costs include, but are not limited to (continued):

7. **Computers**, including servers, and related hardware (e.g., printers, scanners, laptops) unless used exclusively for network management

8. **Helpdesk equipment** and related software, or services

9. **Software**, unless used for network management, maintenance, or other network operations; software development (excluding development of software that supports network management, maintenance, and other network operations); Web server hosting; and Website/Portal development

10. **Telemedicine applications and software**; clinical or medical equipment

11. **Electronic Records management** and expenses

12. **Connections to ineligible network participants or sites** (e.g., for-profit health care providers) and network costs apportioned to ineligible network participants

13. **Administration and marketing costs** (e.g., administrative costs; supplies and materials (except as part of network installation/construction); marketing studies, marketing activities, or outreach efforts; evaluation and feedback studies)
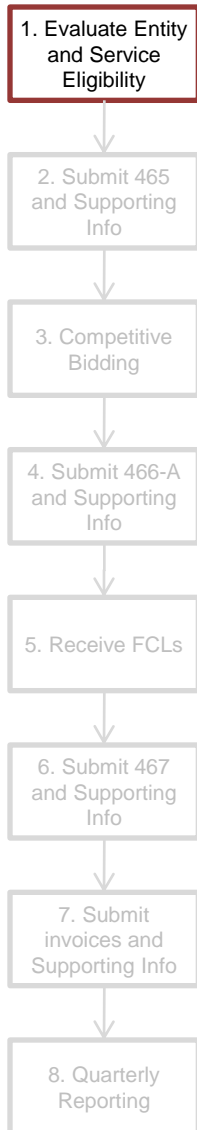
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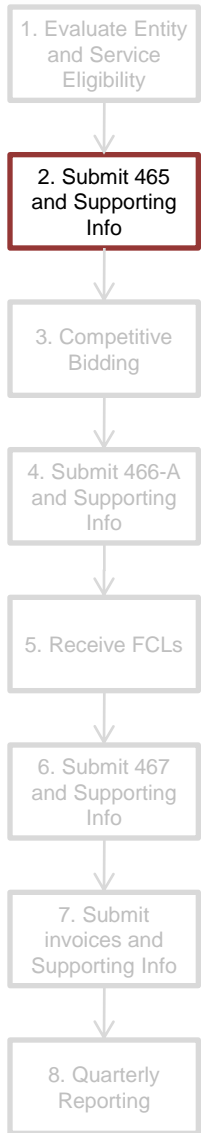# Eligible and Ineligible Sources for 15 Percent Funding
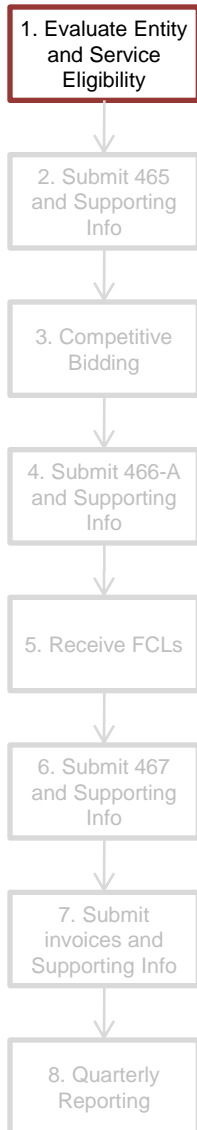
- Participants are required to identify with specificity their source of funding for the minimum 15 percent contribution of eligible network costs <u>by line item on the Network Cost Worksheet</u>

- 15 percent contributions must go toward ***<u>eligible network costs only</u>***

- Eligible sources for 15% contribution include:

  – The participant or eligible health care provider participants

  – State grants, funding, or appropriations

  – Federal funding, grants, loans, or appropriations (except for RHC funding)

  – Other grant funding, including private grants

- Ineligible sources for 15% contribution include :

  – In-kind or implied contributions

  – A local exchange carrier (LEC) or other telecom carrier, utility, contractor, consultant, or other service provider

  – For-profit participants

  – The existing RHC support mechanism

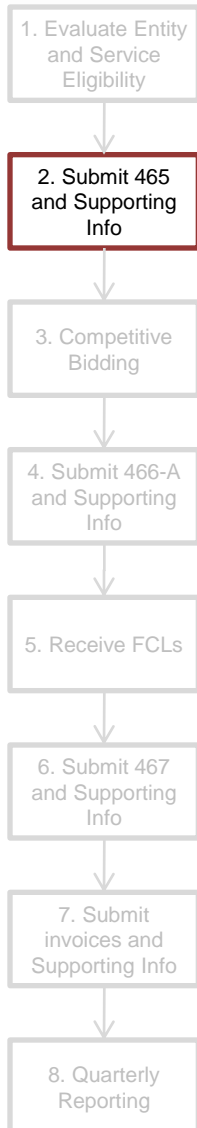www.usac.org

Review Original Project Proposal

- Participants should review their original application to ensure compliance with the Order.

    - Re-evaluate entity and service eligibility

    - Ensure sources for 15% funding, by item, are eligible

    - Ensure application supports more than a *de minimis* number of rural HCPs

- Network modifications may deviate from the initial application

    - To the extent a selected participant wishes to upgrade, replace technology, or add eligible health care providers to its proposed network prior to commencing and completing the competitive bidding process

    - Participants must ensure their projects are consistent with HHS's health IT initiatives. Detail on the coordination process will be provided in a later section

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Submit Form 465 and Supporting Info

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- Participants must file FCC Form 465 with USAC to make a bona fide request for supported services

  – FCC Form 465 is the means by which an participant requests bids for supported services and certifies to USAC that the participant is eligible to benefit from the RHC support mechanism

  – Complete one "paper" form 465 for the project – one per project

  – Form must be signed by the Project Coordinator

  – USAC must receive the **original, signed version** of the Form 465 **by mail**

- Participants must clearly identify, on form ***Line 29*** (description of participant's telecommunications/Internet needs), or by reference to a supplementary attachment, the bids the participant is requesting for the network it intends to construct under the RHCPP

Complete Scope and Cost Information for Competitive Bidding

- Participants must provide sufficient information to define the scope of the project and network costs to enable an effective competitive bidding process

- This information can be submitted in the form of a formal RFP for services requested under the RHCPP to give Vendors a more detailed description of what they're bidding on

- Scope and Cost RFP information will be posted, along with the Form 465, to the RHCPP website to allow Vendors to view the information when participating in the competitive bidding process

- Information to be posted for competitive bidding should include only RHCPP eligible products and services
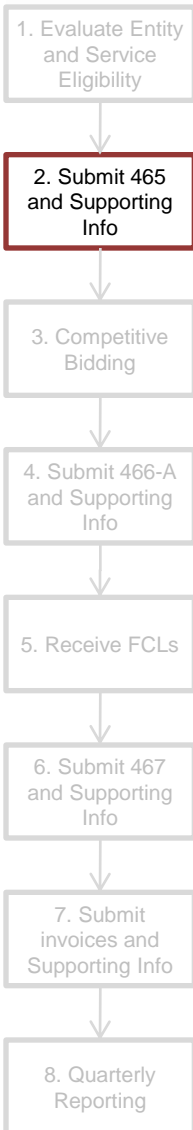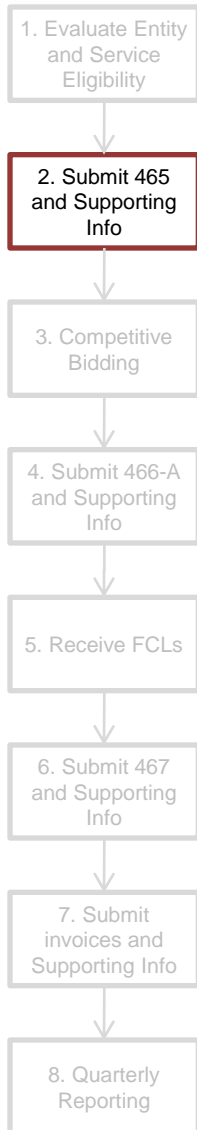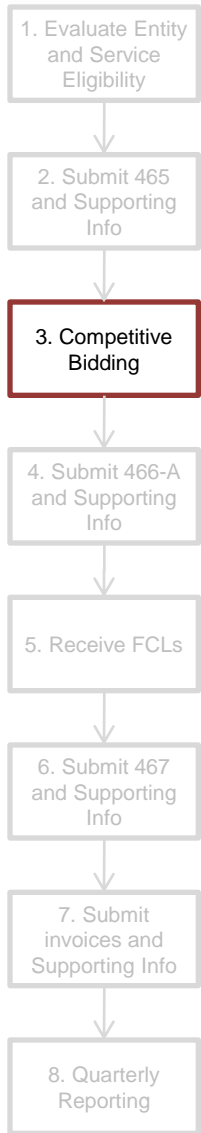
■ Post scope and cost information for competitive bidding to SharePoint

Identify Assistance with Application Preparation

- Finally, if applicable, participants must identify any consultants, Vendors, or any other outside experts, whether paid or unpaid, who aided in the preparation of their RHCPP applications
  - Identify any assistance with the original version submitted to the FCC in May 2007

- This requirement does not preclude the participant from receiving assistance, but simply requires that those who have assisted are identified upon submission of the 465 information

■ Post information on assistance with application preparation to SharePoint
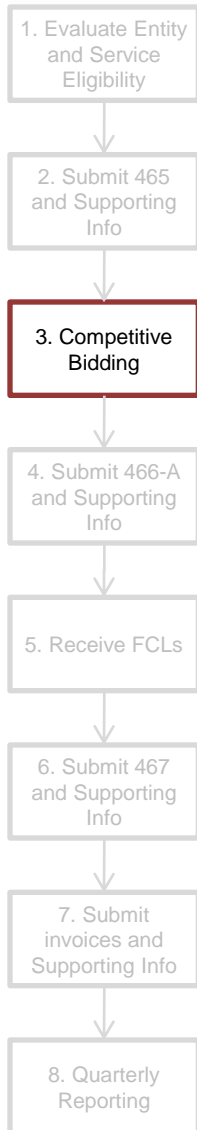
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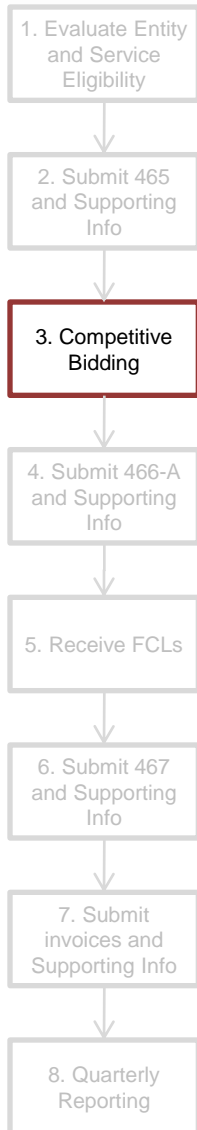8. Quarterly Reporting

Competitive Bidding

USAC Posts Form 465 and Competitive Bidding Information to Website

- Upon receipt of the "paper" Form 465 and supporting competitive bidding information, USAC will post the completed FCC Form 465 information to its website*, for a minimum period of 28 days

- Upon posting, Vendors may begin to view and provide bids for eligible project products and services

- Form 465 and RFP will be posted for bidding for a minimum of 28 days. You may NOT sign a contract or enter into any agreement with a vendor prior to the completion of the minimum 28-day waiting period (Allowable Contract Date – ACD)
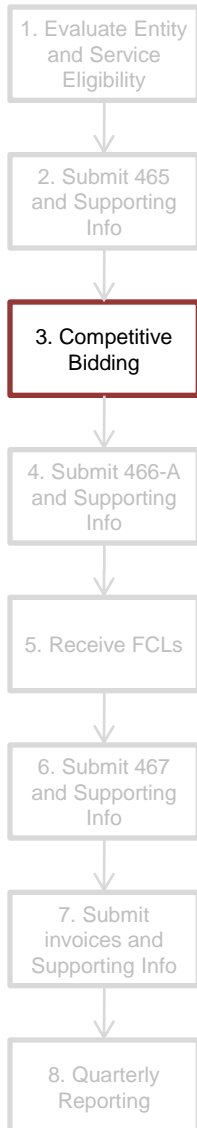
* **http://www.rhc.universalservice.org/serviceproviders/searchpostings/default.asp**

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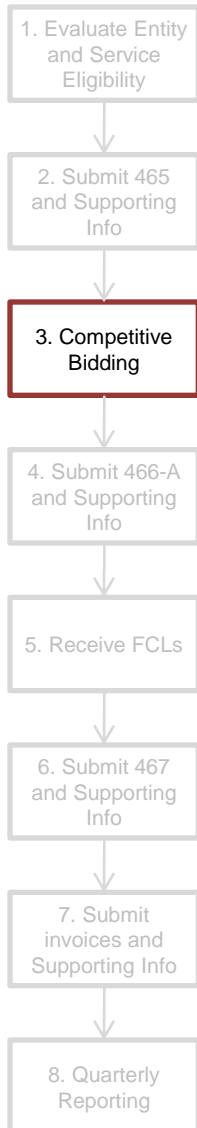7. Submit invoices and Supporting Info

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- Consistent with existing program rules and requirements, selected participants must comply with the competitive bidding process to select a vendor for their proposed network projects

- Competitive Bidding is an important safeguard for ensuring universal service funds are used wisely and efficiently by requiring the most cost-effective Vendors be selected by RHCPP participants

- PCs are encouraged to seek (if they do not receive) multiple bids, in order to ensure a fair competitive bidding process, especially if the organization was the sole bidder

- Where participants had pre-selected Internet2 or National LambdaRail in the *initial application to the FCC in May of 2007*, competitive bidding for Internet2 or NLR has been waived in this situation only

Competitive Bidding Objectives

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- Provide a fair and open competitive bidding process

- Ensure that both the RHCPP funds and the participant 15% contributions are used in the most cost effective manner

- Avoid conflicts of interest
  – Independent consultant who is also a vendor
  – Participant is also a vendor

- Free up additional funds for the project if the bidding results in lower costs

- Open competition and bid evaluation

- Follow the program rules as detailed in the FCC order and state and local procurement guidelines

- Read the contracts

- Document the process

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Sample Selection Criteria

- The PC may wish to include criteria similar to the following examples in their selection criteria matrix:

  – Cost for service (Price)

  – Total cost over 5 to 10 year period (on-going discounts for network costs)

  – Vendor agrees to apply Pilot Support on HCP's account in a timely manner

  – Vendor agrees to invoice on a monthly basis

  – Vendor agrees to utilize the RHCPP invoice format

  – Vendor will provide a single point of contact for PC to work with

  – The consortium will have as few providers as possible for all products and services

  – Other criteria as necessary

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- "Most Cost Effective" is defined as:

  – The method that costs the least after consideration of the features, quality of transmission, reliability, and other factors that the health care provider deems relevant to choosing a method of providing the required health care services

  – Price must be a primary factor, considering only ELIGIBLE goods and services

  – Must consider non-cost evaluation factors that include but are not limited to: ability to bid on entire network; prior experience, including past performance; personnel qualifications, including technical excellence; management capability, including solicitation compliance; responsiveness; and environmental objectives (if appropriate)

- Selected participants are not required to select the lowest bid offered, and **need not consider *Price as the sole primary selection factor***

- Competitive bidding does not require the "low bidder" to win
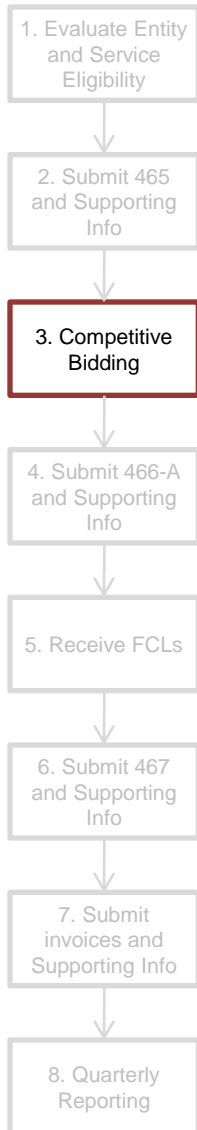
Cost Effectiveness
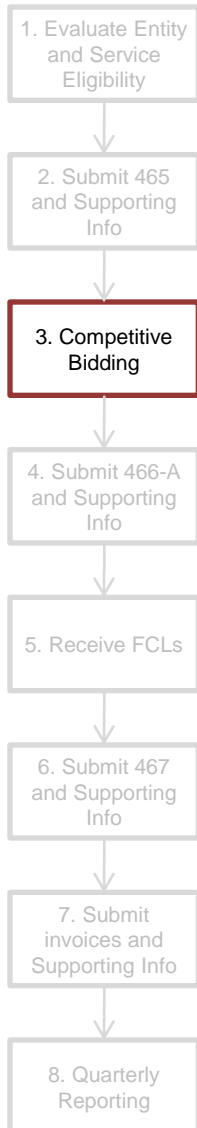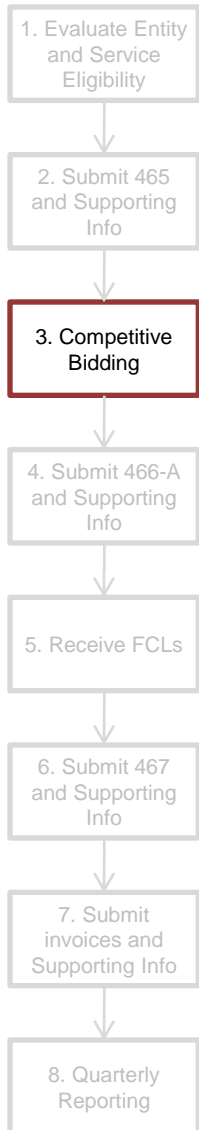
- Participants must retain documentation of this process

- Participants should create a selection matrix and follow it

- Selection matrix must clearly show relative weighting of various factors

- Multi-round selection processes are okay, as long as all participating providers are notified, and price of the eligible products and services is a primary factor in every round
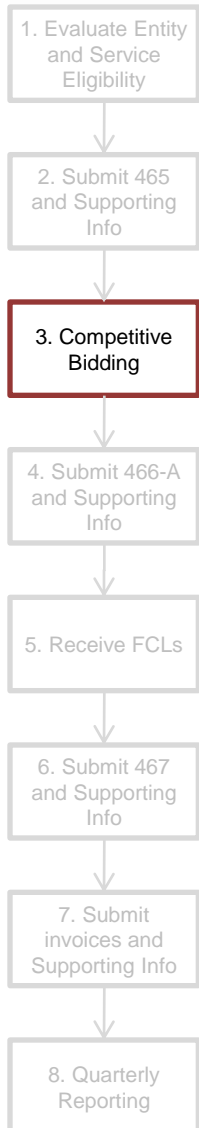
- When in doubt, spell it out

Service Provider Identification Number (SPIN)

- Any entity interested in providing services to program participants in the RHCPP will be required to obtain a SPIN

  - This includes those who will be providing non-traditional services, such as network design and consulting-type work to a program participant

  - SPINs must be assigned before USAC can authorize support payments

- All Vendors submitting bids to provide services to selected participants will need to complete and submit a Form 498 to USAC for review and approval if selected by a participant before funding commitments can be made

- Only Vendors that have not already been assigned a SPIN by USAC will need to complete and submit a Form 498

  - If a vendor already has a SPIN under the regular Rural Health Care program or the E-rate program, they need not re-apply. That SPIN is valid across all USAC funding programs

  - The vendor may wish to validate, however, that they have indicated participation in RHC in their SPIN profile
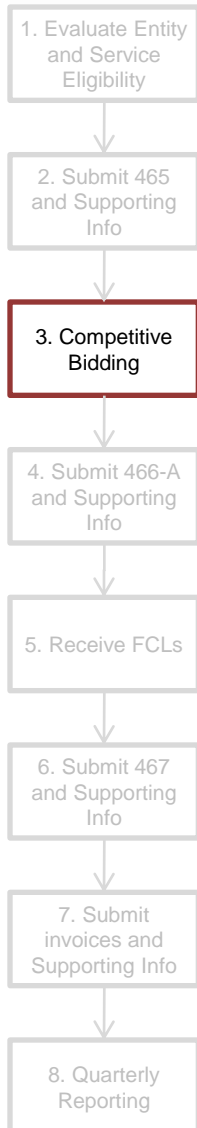
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- Upon expiration of the posting period (minimum of 28 days), and completion of the competitive bidding process, PCs may select the winning vendor(s) and enter into a contract

- Documentation of the competitive bidding process, detailing the process by which the selected vendor(s) were chosen, must be posted to SharePoint during the 466-A process
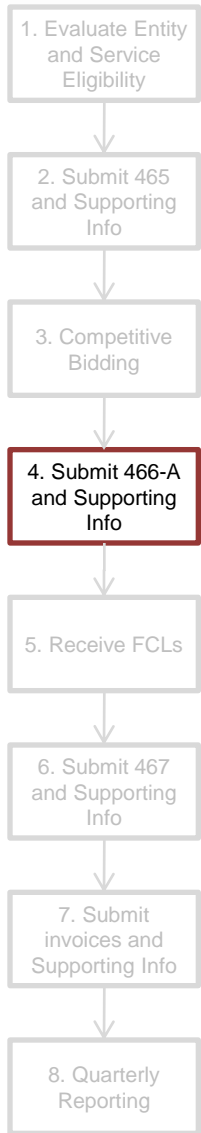
■ Post competitive bidding documentation to SharePoint during the 466-A process

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1. Evaluate Entity and Service Eligibility

2. Submit 465 and Supporting Info

3. Competitive Bidding

4. Submit 466-A and Supporting Info

5. Receive FCLs

6. Submit 467 and Supporting Info

7. Submit invoices and Supporting Info

8. Quarterly Reporting

- Most RHCPP participants will have contracts

- For a participant to be considered under contract, the contract must:
    - Identify both parties to the contract
    - Be signed and dated by both parties
    - Specify the type and terms of service
    - Have a specific duration
    - Be reviewed and verified as to these details by USAC

- Participants who submit contracts meeting these requirements will be considered to have "evergreen status"

- USAC will review all submitted contracts, determine if evergreen status applies, and log the contract end date
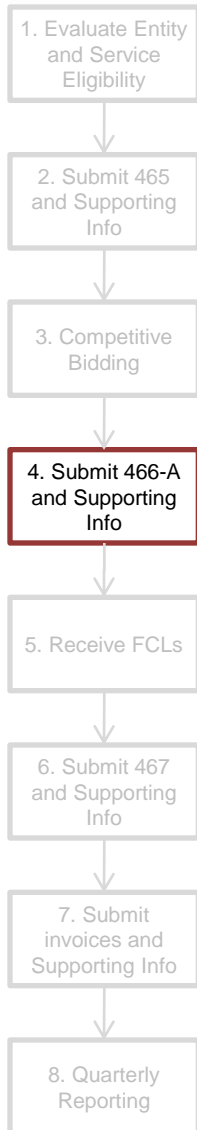
■ Post Contracts or Service agreement documentation to SharePoint during the 466-A process

1. Evaluate Entity and Service Eligibility

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8. Quarterly Reporting

Submit 466-A and Supporting Info

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- PCs must complete and submit <u>one signed "paper" Form 466-A for each vendor</u> that has been selected via Competitive Bidding

  – FCC Form 466-A allows participants to indicate the type(s) of network construction ordered, the cost of the ordered network construction, information about the vendor(s), and the terms of the service agreements.

  – Complete one Form 466-A per vendor for your project (i.e. 3 Vendors, 3 Form 466-As)

- It is not necessary that USAC receive the original signed version of the 466-A; a scanned copy will be sufficient

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8. Quarterly Reporting

- A 466-A Attachment template has been created to facilitate the submission of service information for each participating entity

- It is not necessary to submit a 466-A for each participating health care provider location, although you may choose to do so

- One 466-A Attachment template should be completed for each vendor you have selected, identifying the services and locations to be served by that provider
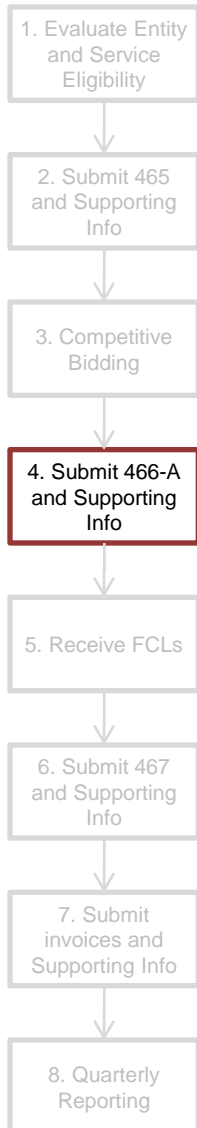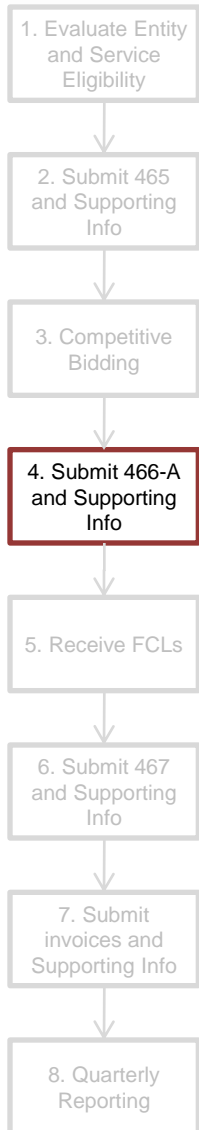
■ Download 466-A Attachment template from SharePoint, complete one for each vendor, and submit

Complete Network Cost Worksheet (NCW) and 15% Minimum Contribution Identification
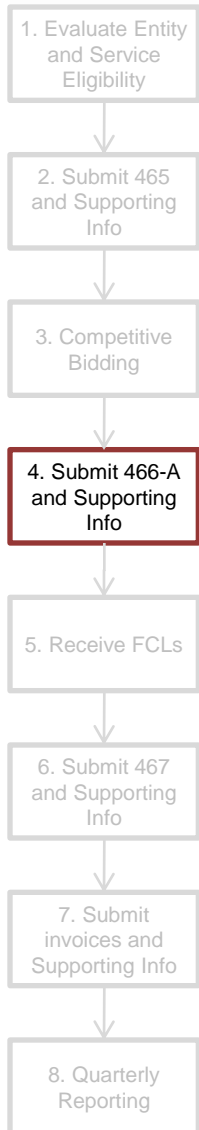
- In addition to the 466-A Attachment, a Network Cost Worksheet (NCW) has been developed to allow for the submission of detailed network cost information.

  - One NCW should be completed and submitted for each vendor you have selected

- The detailed line-item NCW includes a breakdown of total network costs (both eligible and ineligible), and allows the PC to demonstrate how ineligible (e.g., for-profit) participants will pay their fair share of network costs

- Participants must also identify in their NCW the applicable maximum funding amounts pursuant to the Order

- In addition, each selected participant must identify with specificity its source of funding for its 15 percent minimum funding contribution of eligible network costs in its line-item NCW

■ Download NCW template from SharePoint, complete one for each vendor, and submit, ensuring that 15% minimum contributions are included
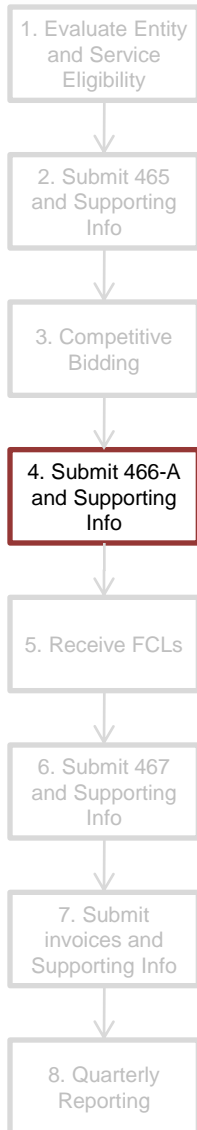
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1. Evaluate Entity and Service Eligibility

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5. Receive FCLs

6. Submit 467 and Supporting Info

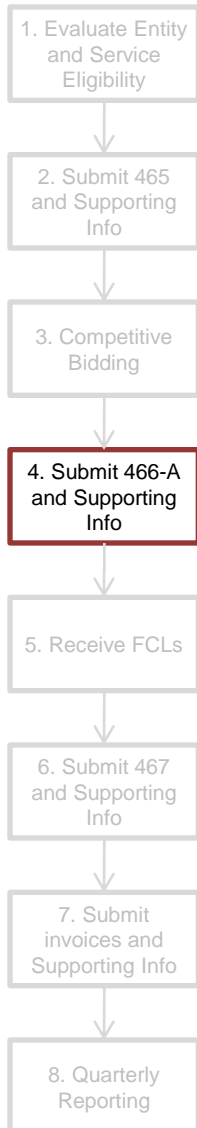7. Submit invoices and Supporting Info

8. Quarterly Reporting

- Participants should identify and detail all eligible and ineligible costs in their 466-A attachments and Network Cost Worksheets

- Participants requesting funds for a multi-year contract (e.g., Year One and Year Two, or Year One, Two, and Three) should indicate this in its initial network costs worksheet submissions

  - Although a participant may utilize a multi-year contract, USAC may commit funding for <u>only a single year</u> in that year's FCL for the participant, i.e., USAC shall issue a separate FCL upon receiving the FCC Form 466-A and related attachments on an annual basis for the applicable funding year

  - A participant using a multi-year contract is not required to re-bid the contract in subsequent RHCPP funding years, but it must submit a NCW and FCC Form 466-A to USAC for commitment approval for each funding year it participates in the RHCPP

  - A participant who seeks funding for a multi-year agreement may only modify its network (including adding, deleting, or substituting health care providers) to the extent that funding does not exceed the funding year amount listed in the selected participant's initial NCW for the applicable funding year

1. Evaluate Entity and Service Eligibility

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4. Submit 466-A and Supporting Info

5. Receive FCLs

6. Submit 467 and Supporting Info

7. Submit invoices and Supporting Info

8. Quarterly Reporting

- Participants alternatively may choose to competitively bid their projects in phases (e.g., Year One – network design study; Year Two – network construction and installation) for each year that they participate in the RHCPP

- In these cases, participants shall submit FCC Forms 465 and 466-A and the requisite attachments, as described in the Order, for each year they participate

- Participants that elect to request funding for a single year (e.g., Year One), but intend to request funding for additional RHCPP Years (e.g., Year Two or Year Three), should submit a detailed line item NCW for the additional RHCPP Years for which it intends to request funding in Year One

1. Evaluate Entity and Service Eligibility

2. Submit 465 and Supporting Info

3. Competitive Bidding

4. Submit 466-A and Supporting Info

5. Receive FCLs

6. Submit 467 and Supporting Info

7. Submit invoices and Supporting Info

8. Quarterly Reporting

- Participants and selected Vendors will be required to file a certification with the FCC and with USAC in the form of a sworn affidavit executed by a corporate officer attesting to the use of the RHCPP support for the approved RHCPP purposes for which support is intended

- Certification will state that all federal RHCPP support provided to participants and Vendors will be used only for the eligible RHCPP purposes

- One certification must be completed for each vendor who will be part of the network, and must be signed both by the PC and the vendor

- Certification shall also be filed by the lead PC, as well as the legally and financially responsible organization, if not the same entity

- A certification template has been developed and is available for download on SharePoint. Participants may, but are not required to utilize this template for their certifications

■ Post Certifications to SharePoint

File Certification with FCC

1. Evaluate Entity and Service Eligibility

2. Submit 465 and Supporting Info

3. Competitive Bidding

4. Submit 466-A and Supporting Info

5. Receive FCLs

6. Submit 467 and Supporting Info

7. Submit invoices and Supporting Info

8. Quarterly Reporting

- The certifications must also be filed with both the Office of the Secretary of the FCC

- Filing shall clearly reference WC Docket No. 02-60

- Send a courtesy copy of the certifications to:

  Antoinette Stevens

  (202) 418-7387

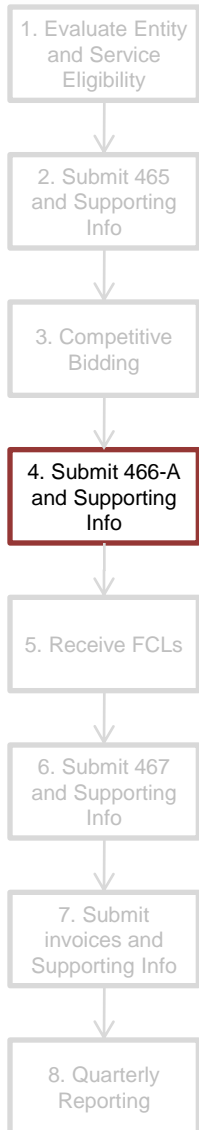 antoinette.stevens@fcc.gov

  Telecommunications Access Policy Division
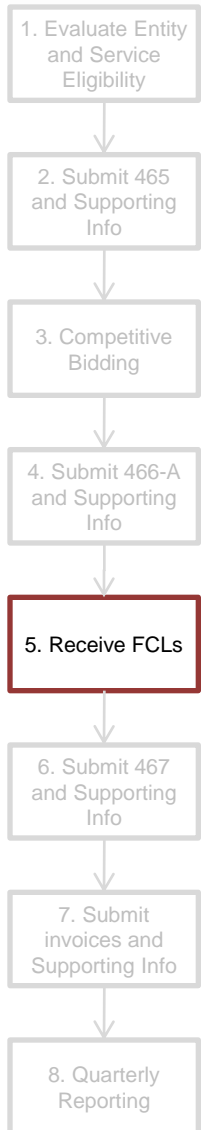
  Wireline Competition Bureau

  Federal Communications Commission

  445 12th Street, S.W.
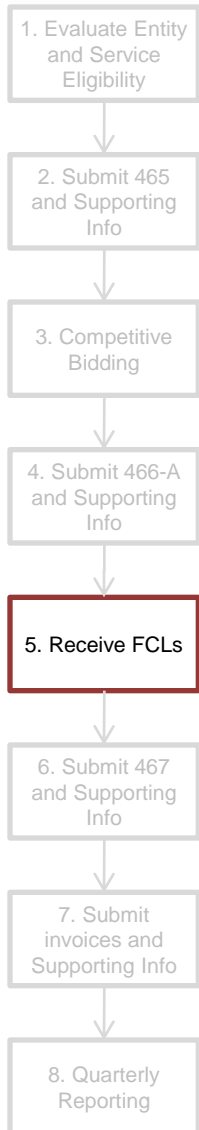
 Washington, D.C. 20554

■ File Certifications with FCC

1. Evaluate Entity and Service Eligibility

2. Submit 465 and Supporting Info

3. Competitive Bidding

4. Submit 466-A and Supporting Info

5. Receive FCLs

6. Submit 467 and Supporting Info

7. Submit invoices and Supporting Info

8. Quarterly Reporting

Receive FCLs

1. Evaluate Entity and Service Eligibility

2. Submit 465 and Supporting Info

3. Competitive Bidding

4. Submit 466-A and Supporting Info

5. Receive FCLs

6. Submit 467 and Supporting Info

7. Submit invoices and Supporting Info

8. Quarterly Reporting

- Upon receipt and approval of a selected participant's Form 466-A and related attachments and supporting information, USAC will issue a FCL for each RHCPP funding year

    – RHCPP support amounts shall only be committed by USAC once certifications have been filed

    – Although a selected participant may utilize a multi-year contract, USAC may commit funding for only a single year in that year's FCL for the participant, *i.e., USAC shall issue a separate FCL* upon receiving the FCC Form 466-A and related attachments on an annual basis for the applicable funding year

- Once a vendor is selected and an FCL is issued by USAC, selected participants' support will be capped at the FCL amount, and the selected participant may only modify the network within that support amount

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1. Evaluate Entity and Service Eligibility

2. Submit 465 and Supporting Info

3. Competitive Bidding

4. Submit 466-A and Supporting Info

5. Receive FCLs

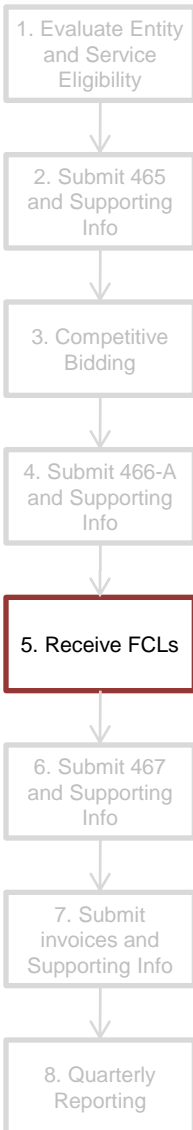6. Submit 467 and Supporting Info

7. Submit invoices and Supporting Info

8. Quarterly Reporting

- Participants must complete build-out of the networks funded by the RHCPP within <u>five years from the date of the initial FCL</u>, after which the funding commitments will no longer be available

  – After the issuance of the FCL, selected participants must complete the project for which funding is awarded

- Work should be initiated within six months of the date on the FCL

  – If the selected participant's network build-out has not been initiated within six months of the FCL, the selected participant must notify USAC and the FCC within 30 days thereafter explaining when it anticipates that the approved network project will be initiated
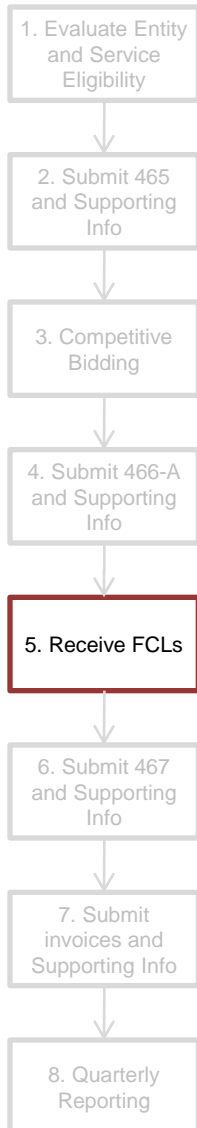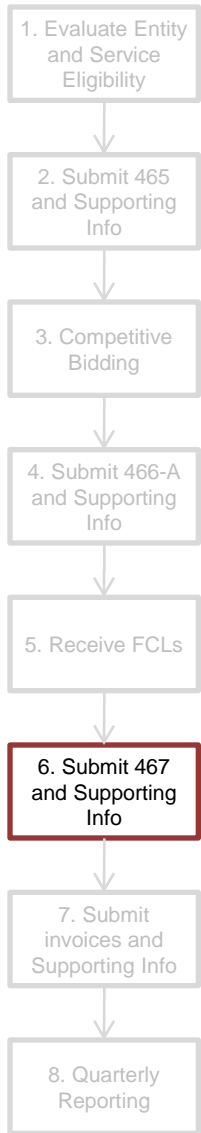
▶ USAC Posts FCL to SharePoint

Approved NCW and Invoice Template

- In addition to the FCL, USAC will also provide an approved version of the Network Cost Worksheets to the participant, indicating breakdown by vendor as submitted by the participant

- The updated version will reflect the final and approved list of items for which the participant will receive funding from each vendor

- Also provided will be the RHCPP Invoice Template. Participants will utilize this template for the submission of Invoices as discussed in section 2.7

▶ USAC Posts Approved NCWs and Invoice Templates to SharePoint

Submit 467 and Supporting Info

1. Evaluate Entity and Service Eligibility

2. Submit 465 and Supporting Info

3. Competitive Bidding

4. Submit 466-A and Supporting Info

5. Receive FCLs

6. Submit 467 and Supporting Info

7. Submit invoices and Supporting Info
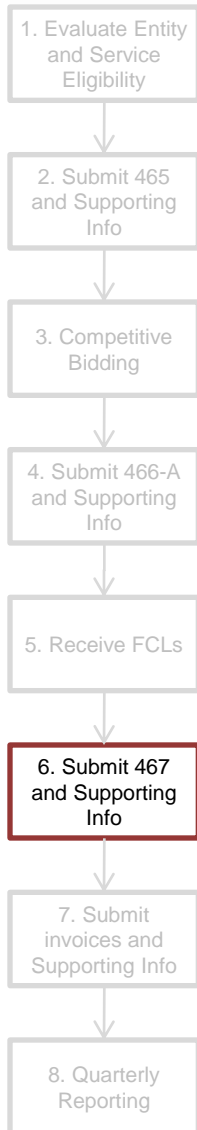
8. Quarterly Reporting

- Once participant begins to receive services from a vendor, they shall complete and submit <u>one FCC Form 467 for each vendor</u>

- Participants should leave the third box of Block 3 blank. Instead, notify USAC and the FCC, in writing, when the approved network project has been initiated within 45 calendar days of initiation

  – If the network build-out has not been initiated within six months of the FCL sent by USAC approving funding, the participant must notify USAC and the FCC within 30 days thereafter explaining when it anticipates that the approved network project will be initiated

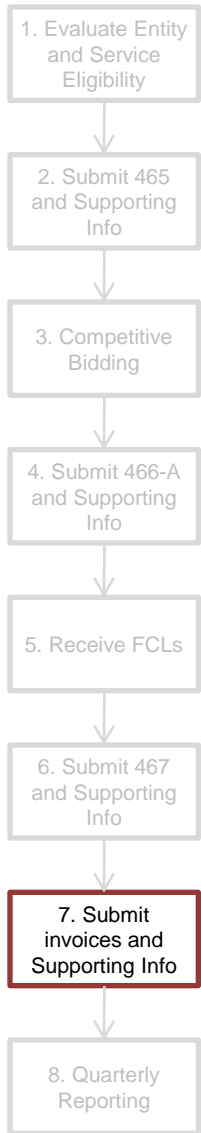 – The PR will notify the participant if either of these dates are approaching
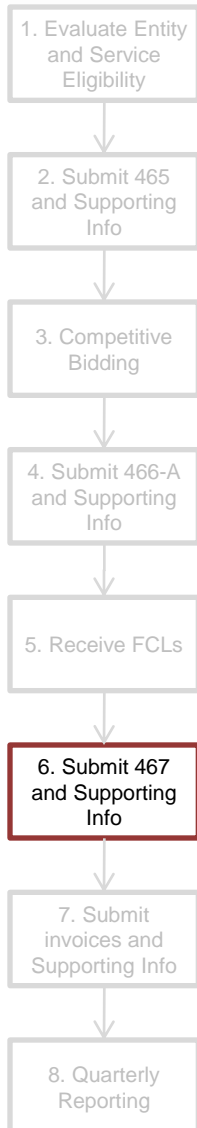
■ Sign the Form 467s, scan, and upload to SharePoint

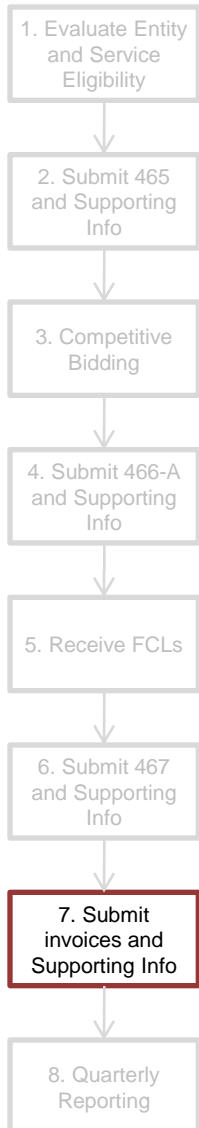# HCP Support Schedule / Acknowledgement

- Upon receipt and approval of a selected participant's FCC Form 467, USAC will then issue a Health Care Provider Support Acknowledgement Letter to the Project Coordinator and the vendor

- The HCP Support Acknowledgement will provide a summary of the funding available to the participant for the selected Fund Year

▶ USAC Posts Support Acknowledgement Letter to SharePoint

1. Evaluate Entity and Service Eligibility

2. Submit 465 and Supporting Info

3. Competitive Bidding

4. Submit 466-A and Supporting Info

5. Receive FCLs

6. Submit 467 and Supporting Info

7. Submit invoices and Supporting Info

8. Quarterly Reporting

Submit Invoices and Supporting Info

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8. Quarterly Reporting
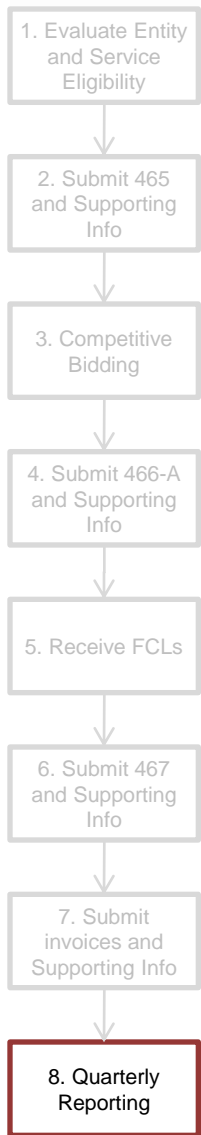
- Once the HCP Support Acknowledgement letter is received and accepted, invoicing may begin

- The PC will complete the invoice based on line items from the approved Network Cost Worksheet (NCW)

- The PC may only invoice for incurred costs and must provide supporting documentation such as a bill or invoice from the vendor

- To submit the invoice:

    – After completing the invoice, the PC will print, sign and date, and send to the Vendor

    – The vendor will review the invoice to ensure it is for costs incurred, sign and send/fax to USAC

    – Your PR will record the invoice information, update invoice tracking, and scan and post the invoice to SharePoint

    – USAC will pay the vendor

2.7.3 Submit Invoice Supporting Information
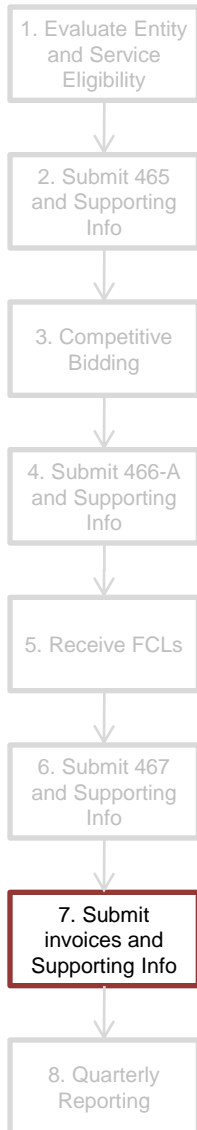
- Along with their Invoice the PC will need to submit documentation showing that these costs have been incurred
  - Bills or invoices from Vendors
    - These should show the detail costs as seen in the contracts or service agreements
    - The Vendor's invoice should clearly detail the eligible costs in the FCL's Approved Network Cost Worksheet.

- The PC may submit invoices monthly
- The PC may aggregate invoices if they wish, but costs must be incurred and represented on the attached documentation
- What will the vendor have to do?
  - After receiving the signed copy from the PC the vendor will sign the invoice certifying to its content and send it to USAC
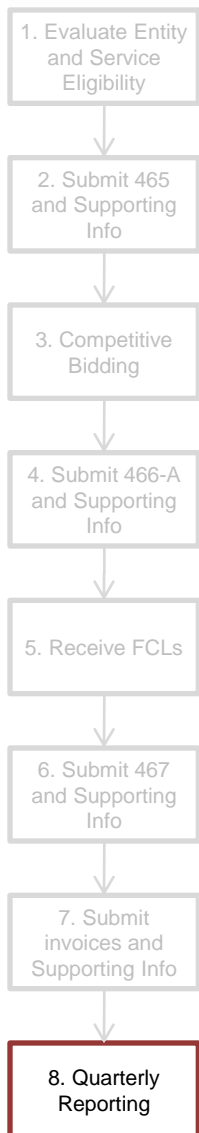   - They may mail it, or fax it to our digital desktop fax

USAC will then pay the vendor

USAC pays invoices twice a month

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8. Quarterly Reporting

Quarterly Reporting

1. Evaluate Entity and Service Eligibility

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3. Competitive Bidding

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5. Receive FCLs

6. Submit 467 and Supporting Info

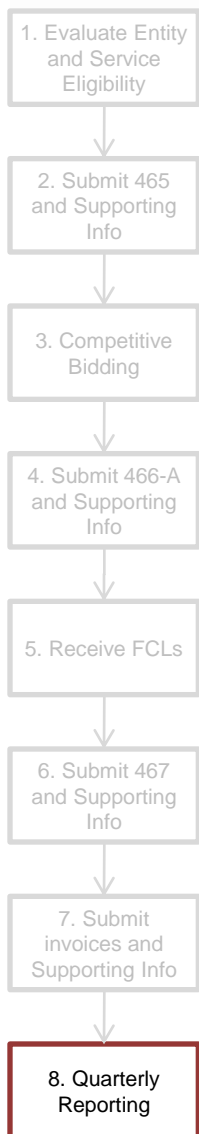7. Submit invoices and Supporting Info

8. Quarterly Reporting

- Participants must submit quarterly reports to inform the Commission of the cost effectiveness and efficacy of the different state and regional networks funded by the RHCPP and of whether support is being used in a manner consistent with section 254 of the 1996 Act, and the Commission's rules and orders

- In particular, collection of this data is critical to the goal of preventing waste, fraud, and abuse by ensuring that funding is flowing through to its intended purpose

- Quarterly Reports shall have responsive data separated by month

- These Quarterly Reports will used to help reevaluate the regular Rural Health Care Program

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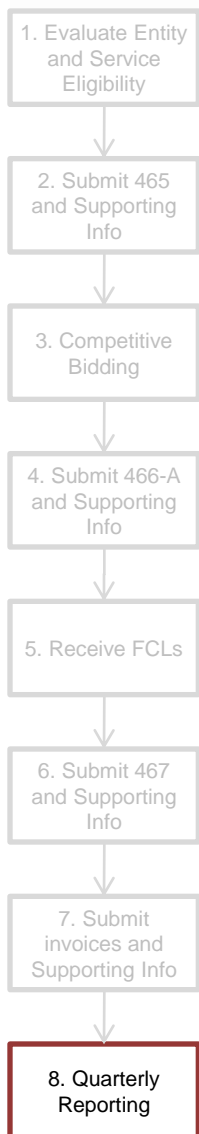7. Submit invoices and Supporting Info

8. Quarterly Reporting

Quarterly reports should include the following detail, as outlined in Appendix D of the Order

1. Project Contact and Coordination Information

2. Identify all health care facilities included in the network

3. Network Narrative: In the first quarterly report following the completion of the competitive bidding process and the selection of vendors, the selected participant must submit an updated technical description of the communications network that it intends to implement, which takes into account the results its network design studies and negotiations with its vendors

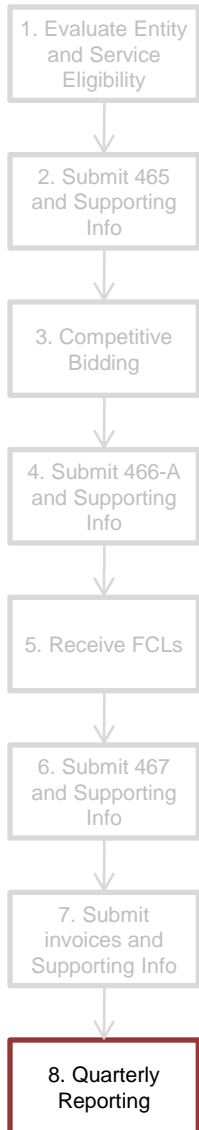4. List of Connected Health Care Providers

1. Evaluate Entity and Service Eligibility

2. Submit 465 and Supporting Info

3. Competitive Bidding

4. Submit 466-A and Supporting Info

5. Receive FCLs

6. Submit 467 and Supporting Info

7. Submit invoices and Supporting Info

8. Quarterly Reporting

5. Provide information below for all eligible and noneligible health care provider sites that, as of the close of the most recent reporting period, are connected to the network and operational

6. Identify non-recurring and recurring costs, where applicable shown both as budgeted and actually incurred for the applicable quarter and funding year to-date

7. Describe how costs have been apportioned and the sources of the funds to pay them Identify any technical or non-technical requirements or procedures necessary for ineligible entities to connect to the participant's network

8. Provide an update on the project management plan

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9. Provide detail on whether network is or will become self sustaining. Selected participants should provide an explanation of how network is self sustaining

10. Provide detail on how the supported network has advanced telemedicine benefits

11. Provide detail on how the supported network has complied with HHS health IT initiatives

12. Explain how the selected participants coordinated in the use of their health care networks with the Department of Health and Human Services (HHS) and, in particular, with its Centers for Disease Control and Prevention (CDC) in instances of national, regional, or local public health emergencies (e.g., pandemics, bioterrorism). In such instances, where feasible, explain how selected participants provided access to their supported networks to HHS, including CDC, and other public health officials

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Project Execution

- USAC will carry over uncommitted funds from one Funding Year to the subsequent year

- Participants must seek commitments by June 30, 2010 (the end of the third Funding Year)

- Unused funds are available for five years from receipt of the initial FCL

- With reasonable planning, participants will not experience a "use or lose" situation

- Participants should be motivated by their communications needs, not the need to request a particular amount of money by a particular deadline

- Each FCL caps the participant's support for the services covered by the FCL and the last FCL issued to the participant in a Funding Year caps the support available for that Funding Year

- The difference between the total amount committed under all FCLs for the Funding Year and the maximum support amount – the "cap carry over" amount – will be applied in addition to the participant's maximum support amount for the next Funding Year

- Participants must still comply with all applicable rules and program requirements

- In particular, neither the June 30 deadline for submitting FCC Form 466-A for each Funding Year or the RHCPP's three-year commitment period has been waived

- We remind selected participants that all health care providers participating in the RHCPP must maintain documentation of their purchases of service for five years from the end of the funding year, which must include, among other things, records of allocations for consortia and entities that engage in eligible and ineligible activities. *See 47 C.F.R. § 54.619. Upon request, beneficiaries must make available all documents and* records that pertain to them, including those of contractors and consultants working on their behalf, to the FCC's Office of Inspector General, to USAC, and to their auditors. *See Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight, WC Docket Nos. 05-195, 02-60, 03-109, CC* Docket Nos. 96-45, 02-6, 97-21, Report and Order, 22 FCC Rcd 16372, 16385, at para. 26 (2007) (*Comprehensive Review Report and Order). This record retention requirement also applies to service providers that receive support* for serving rural health care providers. *Id.*

Compliance

- Each RHCPP participant and service provider shall be subject to audit by the Commission's OIG and, if necessary, investigated by the OIG, to determine compliance with the RHCPP, Commission rules and orders, as well as section 254 of the 1996 Act

- USAC's Internal Audit Division (IAD) will perform audits of RHCPP Participants

- Audits will be performed to determine compliance with FCC Rules and Orders:
  - Eligibility (both entity, vendor and service)
  - Competitive Bidding
  - Use of Funds
  - Invoicing
  - Quarterly Reports

- Being prepared for an audit helps everyone involved in the program

- Site visits

Questions?