



# Rural Health Care Committee

## Audit Report Briefing Book

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Monday, April 29, 2024

Universal Service Administrative Company Offices

700 12th Street, N.W., Suite 900

Washington, D.C. 20005

*Summary of the Rural Health Care Support Mechanism Beneficiary Audit Report Released: February 2024*

Entity Name	Number of Findings	Significant Findings	Amount of Support	Monetary Effect*	USAC Management Recovery Action*	Commitment Adjustment	Entity Disagreement
WCMHS Administration  Attachment A	3	<ul style="list-style-type: none"> <li data-bbox="615 472 968 829"> <p>• <b><u>Healthcare Connect Fund Ineligible for Upfront Payments:</u></b>                              The Beneficiary received funding as an individual entity for an upfront and one-time, which is only available for consortium applicants.</p> </li> <li data-bbox="615 837 968 1341"> <p>• <b><u>Healthcare Connect Fund Inaccurate Payments Process and Over-invoiced of Ineligible Services:</u></b>                              The Service Provider over-invoiced the RHC Program for items billed to the Beneficiary before funding year 2018, thus, not eligible for funding year 2018 support.</p> </li> <li data-bbox="615 1349 968 1414"> <p>• <b><u>Healthcare Connect Fund used for</u></b></p> </li> </ul>	\$480,215	\$1,170,228	\$468,170	\$468,170	Y

Entity Name	Number of Findings	Significant Findings	Amount of Support	Monetary Effect*	USAC Management Recovery Action*	Commitment Adjustment	Entity Disagreement
		<b><u>Ineligible Equipment:</u></b> The Beneficiary did not use the HCF funding for eligible equipment.					
<b>Total</b>	<b>3</b>		<b>\$480,215</b>	<b>\$1,170,228</b>	<b>\$468,170</b>	<b>\$468,170</b>	

\* The Monetary Effect amount may include overlapping amounts; thus, the USAC Management Recovery Action amount may be less than the Monetary Effect to prevent double recovery.

**Attachment A**

**RH2021LR003**

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# WCMHS Administration

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Limited Review Performance Audit on Compliance with the Federal  
Universal Service Fund Rural Health Care Support Mechanism Rules

USAC Audit No. RH2021LR003

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## EXECUTIVE SUMMARY

January 3, 2024

Mary D. Moulton  
Executive Director  
WCMHS Administration  
885 South Barre Road  
Barre, VT 05641

Dear Ms. Moulton:

The Universal Service Administrative Company (USAC or Administrator) Audit and Assurance Division (AAD) audited the compliance of WCMHS Administration (Beneficiary), Health Care Provider (HCP) Number 51069, using the regulations and orders governing the federal Universal Service Rural Health Care Support Mechanism, set forth in 47 C.F.R. Part 54, as well as other program requirements (collectively, the Federal Communications Commission (FCC) Rules). Compliance with the FCC Rules is the responsibility of the Beneficiary. AAD's responsibility is to make a determination regarding the Beneficiary's compliance with the FCC Rules based on the limited review performance audit.

AAD conducted the audit in accordance with Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States (2018 Revision, as amended). Those standards require that AAD plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. The audit included examining, on a test basis, evidence supporting the competitive bidding process undertaken to select service providers, the type and amount of services received, as well as performing other procedures AAD considered necessary to make a determination regarding the Beneficiary's compliance with the FCC Rules. The evidence obtained provides a reasonable basis for AAD's findings and conclusions based on the audit objectives.

Based on the test work performed, our audit disclosed three detailed audit findings (Findings) discussed in the Audit Results and Commitment Adjustment/Recovery Action section. For the purpose of this report, a Finding is a condition that shows evidence of non-compliance with the FCC Rules that were in effect during the audit period.

Certain information may have been omitted from this report concerning communications with USAC management or other officials and/or details about internal operating processes or investigations. This report is intended solely for the use of USAC, the Beneficiary, and the FCC and should not be used by those who have not agreed to the procedures and taken

responsibility for the sufficiency of those procedures for their purposes. This report is not confidential and may be released to a requesting third party.

We appreciate the cooperation and assistance extended by you and your staff during the audit.

Sincerely,



Jeanette Santana-Gonzalez  
USAC Senior Director, Audit and Assurance Division

cc: Radha Sekar, USAC Chief Executive Officer  
Mark Sweeney, USAC Vice President, Rural Health Care Division  
Teleshia Delmar, USAC Vice President, Audit and Assurance Division



## AUDIT RESULTS AND COMMITMENT ADJUSTMENT/RECOVERY ACTION

Audit Results	Monetary Effect (A)	Overlapping Recovery <sup>1</sup> (B)	Recommended Recovery (A) - (B)	Commitment Adjustment
<b>Finding #1: 48 C.F.R. § 54.638(b)(2) (2017) – Healthcare Connect Fund Entity Ineligible for Upfront Payments.</b> The beneficiary received funding as an individual entity for an upfront and one-time payment, which is only eligible to consortium applicants.	\$468,170	\$0	\$468,170	\$468,170
<b>Finding #2: 48 C.F.R. § 54.645(a)(b) (2017) – Healthcare Connect Fund Inaccurate Payment Process and Over-Invoice of Ineligible Services.</b> The Service Provider over-invoiced the RHC Program for items billed to the Beneficiary before the funding year 2018 and thus not eligible for the funding year 2018 support.	\$468,170	\$468,170	\$0	\$0
<b>Finding #3: 47 C.F.R. § 54.639(b) (2017) – Healthcare Connect Fund used for Ineligible Equipment.</b> The Beneficiary did not use the HCF funding for eligible equipment.	\$233,888	\$233,888	\$0	\$0
<b>Total Net Monetary Effect</b>	<b>\$1,170,228</b>	<b>\$702,058</b>	<b>\$468,170</b>	<b>\$468,170</b>

## USAC MANAGEMENT RESPONSE

USAC management concurs with the audit results but will not seek recovery for the Rural Health Care (RHC) program support amount due to an AAD Payment Quality Assurance (PQA) finding that fully overlaps with this Audit’s monetary effect. The PQA finding determined that WCMHS received an overpayment due to several factors, and WCMHS appealed the PQA finding, appeal number 18-230.<sup>2</sup> USAC denied the appeal on 11/27/2023, and USAC will continue recovering the portion of funds disbursed to the WCMHS Administration under FRN 18453841.

<sup>1</sup> If a finding is subsequently withdrawn on appeal, any overlapping recovery for that finding will be recommended for recovery for the remaining findings.

<sup>2</sup> Email from Rural Health Care Division, USAC, to WCMHS Administration (Oct. 20, 2020). The appeal number 18-230 is used to reference WCMHS’ appeal regarding USAC’s disbursement denial (Nov. 27, 2023)

## PURPOSE, SCOPE, BACKGROUND AND PROCEDURES

### PURPOSE

The purpose of the audit was to determine whether the Beneficiary complied with the FCC Rules.

### SCOPE

The following chart summarizes the Rural Health Care Healthcare Connect Fund program support amounts committed and disbursed to the Beneficiary for Funding Year 2018 (audit period):

Service Type	Amount Committed	Amount Disbursed
Leased Facilities or Services	\$12,045	\$12,045
Network Equipment	\$468,170	\$468,170
<b>Total</b>	<b>\$480,215</b>	<b>\$480,215</b>

*Note:* The amounts committed and disbursed reflect funding year activity as of the date of the commencement of the audit.

The committed total represents seven FCC Form 462 applications with seven Funding Request Numbers (FRNs). AAD selected two FRNs,<sup>3</sup> which represent \$480,215 of the funds committed and \$480,215 of the funds disbursed during the audit period, to perform the procedures enumerated below with respect to the Funding Year 2018 applications submitted by the Beneficiary.

### BACKGROUND

The Beneficiary provides inpatient and outpatient services, therapy, case management, rehabilitation, special programming and emergency services within Washington County, Vermont.

### PROCEDURES

AAD performed the following procedures:

#### A. Application Process

AAD obtained an understanding of the Beneficiary's processes relating to the RHC Healthcare Connect Fund (HCF) program. Specifically, AAD examined documentation to support its effective use of funding and that adequate controls exist to determine whether funds were used in accordance with the FCC Rules. AAD conducted inquiries and inspection of documentation to determine whether the Beneficiary used funding as indicated in its Network Cost Worksheets (NCWs).

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<sup>3</sup> The FRNs included in the scope of this audit were: 18369541 and 18453841.

AAD examined the FCC Forms 462 and the FCC Form 462 Attachments to determine whether the Beneficiary identified the participating HCPs and documented the allocation of eligible costs related to the provision of health care services. AAD also examined the Network Cost Worksheets (NCW) to determine whether ineligible costs, if any, were identified and ineligible entities, if any, paid their fair share.

**B. Competitive Bid Process**

AAD examined documentation to determine whether the Beneficiary properly selected a service provider to provide eligible services. AAD conducted inquiries and examined documentation to determine whether the Beneficiary considered price and other non-cost factors and that no evaluation criteria was weighted higher than price but did not assess the reasonableness of the weight assigned to the non-cost factors since the FCC Rules do not define how to value the non-cost factors. AAD examined evidence that the Beneficiary waited the required 28 days from the date the FCC Form 461 was posted on USAC's website before selecting and executing month-to-month agreements with the selected service providers. If a contract was executed for the funding year under audit, AAD reviewed the service provider contracts to determine whether they were properly executed. AAD evaluated the services requested and purchased to determine whether the Beneficiary selected the most cost-effective option.

**C. Eligibility**

AAD conducted inquiries and examined documentation to determine whether the Beneficiary's eligible HCPs were public or non-profit eligible health care providers, and whether the annual limitation on support available to large non-rural hospitals was exceeded. AAD examined documentation to determine whether more than 50 percent of the sites in the consortium were rural HCPs and determined whether the member HCPs' physical addresses were the same as listed on the FCC Form 462 applications and NCWs. AAD conducted inquiries and examined documentation to determine whether the HCPs participating in the consortium received funding in the HCF program for the same services for which they requested support in the RHC Telecommunications program.

**D. Invoicing Process**

AAD examined invoices for which payment was disbursed by the RHC program to determine whether the services identified on the FCC Form 463 service provider invoices submitted to the RHC Program and the corresponding service provider bills submitted to the Beneficiary were consistent with the terms and specifications of the service provider agreements. AAD examined documentation to determine whether the Beneficiary paid its required 35 percent minimum contribution and that the required contribution was from eligible sources. AAD also examined documentation to determine whether the HCF program disbursements did not exceed 65 percent of the total eligible costs.

**E. Reporting Process**

AAD examined documentation to determine whether the Beneficiary timely submitted its annual reports to the RHC program and whether the reports included the required information. AAD examined the Sustainability Plan and Network Plan to determine whether they included the required content. AAD did not assess the reasonableness of the

Sustainability Plan or whether the Beneficiary can meet or maintain the objectives described in that plan since the FCC Rules do not define how to assess the reasonableness of the content included in the Sustainability Plan.

**F. Health Care Provider Location**

AAD determined through inquiry and inspection of documentation whether the services were provided and were functional. AAD also determined through inquiry and inspection of documentation whether the supported services were used for purposes reasonably related to the provision of health care services and in accordance with the FCC Rules.

## DETAILED AUDIT FINDINGS

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### **Finding #1:** 47 C.F.R. § 54.638(b)(2) (2017) – Entity Ineligible for Upfront Payments

#### CONDITION

AAD obtained and examined the FCC Form 462, the HCP's Network Cost Worksheet (NCW), and the service provider's bills to determine whether (1) the entity requesting the service is eligible and (2) the fiber network transport equipment is eligible under HCF Program. Per our review of the Beneficiary's FCC Form 462 for FRN 18453841, the Beneficiary requested funding as an "Individual HCP" with an expense frequency of a "one-time" payment in the amount of \$720,262 for fiber network transport equipment. Per FCC Rules, upfront payments include all non-recurring costs for services, equipment, or facilities, other than reasonable and customary installation charges of up to \$5,000.... only consortium applicants are eligible for support for upfront payments.<sup>4</sup> Because the Beneficiary filed as an individual entity requesting a non-recurring payment for equipment over the \$5,000 threshold, AAD concludes that the Beneficiary is not eligible to receive HCF support.

#### CAUSE

The Beneficiary did not demonstrate sufficient knowledge of the FCC Rules limiting the upfront payments under the HCF Program.

#### EFFECT

The monetary effect of this finding is \$468,170. This represents the total amount committed and disbursed under the HCF Program for FRN 18453841 for Funding Year 2018.

#### RECOMMENDATION

AAD recommends that USAC Management seek recovery of \$468,170 from the Beneficiary and a downward commitment adjustment for the same amount, to the extent funds are not already recovered or adjusted by USAC Management for this FRN following a PQA review.<sup>5</sup>

The Beneficiary must familiarize itself with FCC Rules and ensure it applies to the type of request it is eligible to receive funding and that only eligible services and equipment are used/provided for HCF purposes. In addition, the Beneficiary may visit USAC's website at <https://www.usac.org/rural-health-care/healthcare-connect-fund-program/step-4-submit-funding-requests/> to learn more about submitting funding requests for support for eligible expenses under the HCF Program.

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<sup>4</sup> 47 C.F.R. § 54.638 (a), (b)(2) (2017).

<sup>5</sup> A PQA review is when USAC assesses specific payments made to select beneficiaries to determine if these payments were made in accordance with FCC Rules.

**BENEFICIARY RESPONSE:**

The applicant compiled a list of equipment that was included on the funding request form, emailed the service provider, and asked them to review the equipment and let us know if all that equipment was necessary to make the broadband connection at this location functional. The service provider confirmed all equipment included on the request form was necessary to make the broadband connection at this location functional, which is why the equipment was included on the request form. Equipment necessary to make broadband service functional is reimbursable for individual applicants in the HCF Program. The HCP did not consider, nor expect this equipment request to be considered an upfront charge for deployment of new or upgraded facilities. If that was the case, the HCP would have submitted the request under a consortium HCP.

**AAD RESPONSE:**

AAD acknowledges that the HCP did not think the equipment was an upfront payment since the Service Provider acknowledged the equipment was necessary to make the services operational. However, the request was a one-time payment of a non-recurring cost for equipment and the FCC Rules state that support for upfront payments is exclusively available to consortium applicants only. Therefore, AAD's finding remains unchanged.

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**Finding #2:** 47 C.F.R. § 54.645 (2017) – Healthcare Connect Fund Inaccurate Payment Process and Over-Invoice of Ineligible Services

**CONDITION**

AAD examined the Service Provider's bills and HCP's Network Cost Worksheet (NCW) to determine whether services are consistent with services requested and approved in the Funding Commitment Letter (FCL) and whether the costs in the invoices were received during the funding year. Per our review, AAD noted that the service provider's bills were outside the Funding Year 2018. Specifically, the service provider bills were for network equipment provided between January 2018 through May 2018 in the amount of \$720,262 for the eligible HCP. Therefore, AAD determined that the service provider bills list charges that do not represent costs eligible for support in Funding Year 2018.<sup>6</sup> Specifically on FCC Form 463 – Invoice and Request for Disbursement Form, the Service Provider indicated that the billing/service/shipping date started 7/1/18 and ended 6/30/19; however, the supporting bills do not demonstrate equipment being delivered during the periods per the form. Thus, the Service Provider over-invoiced the RHC Program for items billed to the HCP before the funding year 2018 and thus not eligible for the funding year 2018 support in the amount of \$468,170 (\$720,262 \* the Beneficiary's 65 percent discount) as bills to the Beneficiary do not agree with the time period requested in the FCC Form 463 invoice to USAC.<sup>7</sup>

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<sup>6</sup> Funding year 2018 started on July 1, 2018 and ended June 30, 2019.

<sup>7</sup> See 47 C.F.R. § 54.645(a) (2017).

#### CAUSE

The Service Provider and Beneficiary did not demonstrate sufficient knowledge of FCC rules to ensure that only billing for the services/equipment within the approval funding year.<sup>8</sup> The Beneficiary indicated that the equipment was ordered and billed during the Funding Year 2017 to ensure the best possible pricing. In addition, the Beneficiary stated that the equipment was made operational after July 2018, within the proper funding window (i.e., Funding Year 2018).<sup>9</sup>

#### EFFECT

The monetary effect of this finding is \$468,170. This represents the total amount committed and disbursed under the HCF Program for FRN 18453841 for Funding Year 2018.

#### RECOMMENDATION

AAD recommends that USAC Management seek recovery of \$468,170 from the Service Provider, to the extent funds are not already recovered by USAC Management following the PQA review of this FRN.

The Beneficiaries and Service Provider must familiarize themselves with FCC Rules and ensure that only eligible services and equipment are used/provided for HCF purposes and only charges purchased during the funding year are invoiced for HCF purposes. The Beneficiary must implement policies, controls and procedures to ensure that invoices are reviewed for accuracy before requesting reimbursement and provide awareness of the RHC Program rules and regulations. In addition, the Beneficiary may learn more information about documentation and reporting requirements on USAC's website at <https://www.usac.org/about/appeals-audits/beneficiary-and-contributor-audit-program-bcap/common-audit-findings-rural-health-care-program/>.

#### BENEFICIARY RESPONSE:

The reason most service provider bills were prior to fund year of 2018, despite most of the equipment installation taking place within fund year 2018, had been influenced by specific operational considerations. Primarily, the equipment vendor offered a significant savings if payment was made prior to their year-end, enabling the applicant to maximize scarce funding. In addition, the applicant chose this approach to secure timely funding for the equipment procurement and installation and enabling seamless project execution without delays stemming from financial and supply chain constraints. Given the accrual method of accounting, the expense was not booked until the year the service was made operational, which aligned with the funding year. The applicant made a good faith effort to comply with the commission's rules and regulations.

#### SERVICE PROVIDER RESPONSE:

The Service Provider did not provide a response, as of September 27, 2023.

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<sup>8</sup> *Id.*

<sup>9</sup> Beneficiary response to audit inquiry, received October 27, 2021.

**AAD RESPONSE:**

In its response, the HCP indicated that it made a good faith effort to comply with the FCC Rules. However, the evidence shows that the FCC Rules were in fact violated because the bills submitted were outside the funding year and therefore ineligible for reimbursement. AAD's recommendation remains unchanged.

**Finding #3:** 47 C.F.R. § 54.639(b) (2017) – Healthcare Connect Fund used for Ineligible Equipment

**CONDITION**

AAD obtained and examined the service provider's bills and the HCP's Network Cost Worksheet (NCW) to determine whether fiber network transport equipment is eligible under the HCP Program. Per our review of the service provider's bills and the equipment list, manufacturer product descriptions, and the Beneficiary's response,<sup>10</sup> AAD determined that eleven of 56 equipment items were wireless or other equipment not associated with the fiber network transport equipment or not necessary to make the service functional, in other words, considered internal connections, and therefore, not eligible for HCF support.<sup>11</sup>

Specifically, these eleven equipment items related to Wi-Fi (i.e., wireless access point), licenses, firewall, switch and routers used as internal networks within the HCP and not as equipment that terminates a carrier's or other provider's transmission facility and any router/switch that is directly connected to either the facility or the terminating equipment.<sup>12</sup> In addition, licenses and firewall equipment do not meet the definition of eligible software under HCF rules in the context of this HCP per Beneficiary's response<sup>13</sup> as this equipment is not used for network management, maintenance, or other network operations, in other words, managing the broadband connectivity.<sup>14</sup>

Therefore, AAD determined that the Beneficiary did not use the HCF funding for eligible equipment received for FRN 18453841 in the amount of \$359,828.<sup>15</sup> The pre-discounted cost of the equipment not associated with the fiber network transport equipment is summarized below:

FRN	Equipment Type	Equipment Description	Quantity	Unit Price	Total Price
18453841	Wi-Fi	802.11AC WAVE 2 3X3: 2SS INT ANT B REG DOMAIN	30	\$406	\$12,170

<sup>10</sup> Beneficiary response to audit inquiry, received January 11, 2023.

<sup>11</sup> 47 C.F.R. § 54.639(b) (2017).

<sup>12</sup> 2007 Pilot Program Selection Order, 22 FCC Rcd at 20398, para. 75.

<sup>13</sup> Beneficiary response to audit inquiry, received January 11, 2023.

<sup>14</sup> Rural Health Care Support Mechanism, WC Docket No. 02-60, Order, 27 FCC Rcd 16678 (20), paras. 167 (2012).

<sup>15</sup> See 47 C.F.R. § 54.635(c) (2017).



FRN	Equipment Type	Equipment Description	Quantity	Unit Price	Total Price
18453841	License	CISCO MERAKI Z3 ENTERPRISE LICs AND SUP	11	\$258	\$2,833
18453841	Firewall	ASA 5585-X CHASSIS WITH SSP20 8GE 2SFP 2MGT 1 AC 3DES/AES	2	\$47,597	\$95,193
18453841	Switch	NEXU5 31108 VXLAN 48 X 10GT AND 6C/6Q Q5FP PORTS	4	\$9,495	\$37,979
18453841	License	CRYPTO THROUGHPUT LICs FOR ASR1001-HX 8G	2	\$8,583	\$17,167
18453841	Router	ASR1000-HX SYSTEM 4X10GE+4X1GE 2XP/S OPTIONAL CRYPTO	2	\$54,361	\$108,722
18453841	License	ASR 1000 ADVANCED IP SERVICES DUPLICATE SKU	2	\$7,153	\$14,306
18453841	Firewall	ASA 5555-X WITH SW 8GBE DATA 1 GBE MANAGEMENT AC 3 DES/AES	2	\$16,524	\$33,049
18453841	Firewall	EASY NETSCALER VPX 200 MBPS STD ER + CSS SELECT NETSCALER VPX 200MBP	2	\$6,586	\$13,172
18453841	Router	CISCO ASR1001-X CHASSIS, 6 BUILT-IN GE, DUAL P/S, 8GB DRAM	1	\$7,022	\$7,022
18453841	Switch	CISCO ASR1001-X CHASSIS, 6 BUILT-IN GE, DUAL P/S, 8GB DRAM	2	\$9,108	\$18,215
<b>TOTAL</b>					<b>\$359,827</b>

#### CAUSE

The Beneficiary did not demonstrate sufficient knowledge of the FCC Rules governing the determination of ineligible expenses under the HCF Program.<sup>16</sup>

#### EFFECT

The monetary effect of this finding is \$233,888 (\$359,828 \* the Beneficiary's 65 percent discount). This amount represents the discounted cost of the equipment not associated with the fiber network transport equipment for FRN 18453841 for Funding Year 2018, as summarized below:

Monetary Impact and Recommended Recovery	Recommended Commitment Adjustment
\$233,888	\$233,888

#### RECOMMENDATION

AAD recommends that USAC Management seek recovery of \$233,888 from the Beneficiary and a downward commitment adjustment for the same amount, to the extent funds are not already recovered or adjusted by USAC Management for this FRN following a PQA review.

<sup>16</sup> *Id.*

The Beneficiaries must familiarize themselves with FCC Rules and ensure that only eligible services and equipment are used/provided for HCF purposes. In addition, the Beneficiary may visit USAC's website at <https://www.usac.org/rural-health-care/healthcare-connect-fund-program/step-4-submit-funding-requests/> to learn more about submitting funding requests for support for eligible expenses under the HCF Program.

**BENEFICIARY RESPONSE:**

The HCP relied on the service provider to confirm the accuracy of equipment included on the funding request form. The applicant compiled a list of equipment that was included on the funding request form, emailed the service provider, and asked them to review the equipment and let us know if all that equipment was necessary to make the broadband connection at this location functional. The service provider confirmed all equipment included on the request form was necessary to make the broadband connection at this location functional, which is why the equipment was included on the request form.

**AAD RESPONSE:**

In its response, the Beneficiary indicated that it placed reliance on the Service Provider to give assurance over the eligibility of the equipment for the type of service requested. However, it is ultimately the HCP's responsibility to determine the eligibility of the equipment in accordance with the FCC Rules. As noted in the condition section above, the equipment functions as internal connections within the HCP's premises. Therefore, these expenses are ineligible for support under the Health Care Connect Fund. AAD's recommendation remains unchanged.

## CRITERIA

Finding Number	Criteria	Description
#1	47 C.F.R. § 54.638 (2017)	<p>(a) Upfront payments include all non-recurring costs for services, equipment, or facilities, other than reasonable and customary installation charges of up to \$5,000.</p> <p>(b)(2) Only consortium applicants are eligible for support for upfront payments.</p>
#2	47 C.F.R. § 54.645 (2017)	<p>(a) The Consortium Leader (or health care provider, if participating individually) must certify to the Administrator that it has paid its contribution to the vendor before the invoice can be sent to Administrator and the vendor can be paid.</p> <p>(b) Before the Administrator may process and pay an invoice, both the Consortium Leader (or health care provider, if participating individually) and the vendor must certify that they have reviewed the document and that it is accurate. All invoices must be received by the Administrator within six months of the end date of the funding commitment.</p>
#3	47 C.F.R. § 54.639(b) (2017)	(b) Inside wiring/internal connections. Expenses associated with inside wiring or internal connections are ineligible for support under the Healthcare Connect Fund.
#3	47 C.F.R. § 54.635(c) (2017)	(c) Network equipment eligible for support includes the following: (1) Equipment that terminates a carrier's or other provider's transmission facility and any router/switch that is directly connected to either the facility or the terminating equipment. This includes equipment required to light dark fiber, or equipment necessary to connect dedicated health care broadband networks or individual health care providers to middle mile or backbone networks; (2) Computers, including servers, and related hardware (e.g. printers, scanners, laptops) that are used exclusively for network management; (3) Software used for network management, maintenance, or other network operations, and development of software that supports network management, maintenance, and other network operations; (4) Costs of engineering, furnishing (i.e. as delivered from the manufacturer), and installing network equipment; and (5) Equipment that is a necessary part of health care provider-owned network facilities.
#3	2007 Pilot Program Selection Order, 22 FCC Rcd at 20398, para. 75	75. "inside wiring" is an ineligible cost "except for equipment that terminates a carrier's or other provider's transmission facility and any router/switch that is directly connected to either the facility or the terminating equipment"
#3	Rural Health Care Support Mechanism, WC Docket No. 02-60,	167. In particular, costs associated with general computing, software, applications, and Internet content development are not supported, including the following:



Finding Number	Criteria	Description
	Order, 27 FCC Rcd 16678 (20), paras. 167 (2012)	<ul style="list-style-type: none"><li>· Computers, including servers, and related hardware (e.g., printers, scanners, laptops), (unless used exclusively for network management, maintenance, or other network operations);</li><li>· End user wireless devices, such as smartphones and tablets;</li><li>· Software (unless used for network management, maintenance, or other network operations);</li><li>· Software development (excluding development of software that supports network management, maintenance, and other network operations);</li><li>· Helpdesk equipment and related software, or services (unless used exclusively in support of eligible services or equipment);456</li><li>· Web hosting;</li><li>· Website portal development;</li><li>· Video/audio/web conferencing equipment or services; and</li><li>· Continuous power source.</li></ul>

\*\*This concludes the report.\*\*