

# Rurality Change Tip Sheet – 2020 Census Data

#### Overview

On June 4, 2024, the Federal Communications Commission (FCC) issued FCC Order <u>DA 24-526</u>. In this Order, the Wireline Competition Bureau (WCB) of the FCC updated data Sources used to determine eligibility in the Rural Health Care (RHC) program to reflect results of the 2020 decennial United States census. The <u>Rurality Tier Search tool</u> has been updated to reflect the census data.

This update reflected the latest decennial census and most recent nationwide Core Based Statistical Area designations, as defined by the Office of Management and Budget. This Order did not change the RHC program definition of a rural area, but some program participants that were previously determined to be rural may now considered urban and some previously urban entities may not be rural as a result of the 2020 census update.

Although this change will be effective for FY2025, the FCC granted a waiver to allow HCPs that will transition from rural to urban to continue participation in the RHC program for FY2025 as if they were rural.

### How the Update Affects HCPs

Individual health care providers (HCPs) or consortium members for either of the RHC programs may be affected by the update to the 2020 United States census update as early as July 1, 2025.

HCPs should review the <u>Rurality Tier Search tool</u> to determine their rurality status. If the HCP is currently applying as a new applicant and is identified as rural in the search tool, that HCP is not affected by the update.

• If an HCP was rural prior to the release of the Order and is now shown as non-rural in the search tool, that HCP should refer to the table below to learn how the update affects their funding eligibility for future funding years.

## Eligibility for HCPs Changing from Urban to Rural

HCPs whose status has changed from urban to rural as a result of the update will be eligible to participate in the RHC Program as rural staring in FY2025. The <u>Rurality Tier Search tool</u> now reflects the new rural status of HCPs who previously participated in Healthcare Connect Fund Program as urban members of a majority rural consortium. Newly rural HCPs who have never participated in the RHC Program should file an <u>FCC Form 460</u>.

## Eligibility for HCPs Changing from Rural to Urban

For HCPs whose status has changed from rural to urban as a result of the update, refer to the table below to determine how eligibility for funding will change and when the change will take effect.



The following are the effective dates for rurality changes:

|  | НСР Туре  | Eligibility Information   | Urban Starting:   |
|--|---|---|---|
| Telecom Program                                  | All HCPs transitioning from<br>rural to urban   | Eligible under waiver to<br>receive funding as rural<br>through end of FY2025 (June<br>30, 2026)  | July 1, 2026  |
| <b>HCF Program:</b><br>Individual HCPs           | HCPs transitioning from<br>rural to urban with single-<br>year funding commitments  | Eligible to receive funding<br>under waiver as rural<br>through end of FY2025 (June<br>30, 2026)  | July 1, 2026  |
|  | HCPs transitioning from<br>rural to urban with multi-<br>year funding commitments -<br>Funding request submitted<br>FY2025 and BEFORE | Eligible to receive funding as<br>rural through end of multi-<br>year funding commitment<br>(up to three years), subject<br>to all other requirements for<br>multi-year commitments | See Funding<br>Commitment<br>Letter (FCL)                           |
|  | HCPs with multi-year<br>funding commitments –<br>Funding request submitted<br>FY2026 and AFTER FY2025                                 | Eligible to receive funding as<br>rural through end of FY2025<br>(June 30, 2026). These sites<br>will be urban for FY2026.  | Ineligible unless a<br>member of a<br>majority rural<br>consortium. |
| <b>HCF Program:</b><br>Consortium<br>Member HCPs | HCPs transitioning from<br>rural to urban with single-<br>year funding commitments  | Eligible to receive funding<br>under waiver as rural<br>through end of FY2025 (June<br>30, 2026)  | July 1, 2026  |



| HCPs transitioning from<br>rural to urban with multi-<br>year funding commitments<br>– Funding request<br>submitted FY2025 and<br>BEFORE | Eligible to receive funding<br>under waiver as rural<br>through end of multi-year<br>funding commitment up to<br>three years, subject to all<br>other requirements for<br>multi-year commitments | See FCL             |
|--|--|---------------------|
| HCPs with multi-year   | Eligible to receive funding as   | Ineligible unless a |
| funding commitments –  | rural through end of FY2025.   | member of a         |
| Funding request submitted  | These sites would be urban   | majority rural      |
| FY2026 and AFTER FY2025  | for FY2026.  | consortium.         |