

# FCC Provides Guidance on \$100 Million Connected Care Pilot Program; Application Deadline Remains TBD

October 5, 2020

The Federal Communications Commission (“Commission” or “FCC”) has long been interested in the use of broadband-enabled telehealth services to make healthcare more accessible, particularly for veterans and low-income patients. On September 3, 2020 the Commission released a [Public Notice](#) (“Public Notice”) providing additional information about its Connected Care Pilot Program (“Connected Care Program”). The Connected Care Program will make available up to \$100 million dollars, over a three year period, to defray the costs of broadband connectivity and other connected care information services for eligible health care providers (“HCP”). While the CARES Act allowed the Commission to quickly implement the short-term COVID-19 Telehealth Program supporting eligible HCP telehealth services during the early stages of the COVID-19 pandemic, the Connected Care Program is a longer-term initiative, under Commission consideration since late 2018 and formally established in April 2020. The Connected Care Program is intended to provide much-needed financial support for telehealth services, particularly for veterans and low-income patients, and also to provide the Commission with data regarding how funding can support telehealth services in the future to treat the health needs of individuals that may lack sufficient – or any – mobile or residential broadband internet access services necessary for healthcare needs.

The FCC has not yet set a deadline for Connected Care Program applications but issued the recent Public Notice to enable HCPs to begin preparing to apply once the application filing deadline is established. If the Connected Care Program garners the same level of interest as the COVID-19 Telehealth Program – a \$200 million fund that was depleted within 3 months of the Commission first accepting applications – HCPs seeking to participate in the Connected Care Program may want to consider how to prepare now to submit a timely application once the final application details and filing deadline are established. The Commission will be issuing a subsequent Public Notice identifying the final Connected Care Program application procedures and filing deadline.

Following are a few Connected Care Program highlights. HCPs interested in participating in the Connected Care Program and service providers seeking to supply services or network equipment to HCPs should be sure to read the Commission’s [Connected Care Program Order](#) and [Frequently Asked Questions](#) for more details.

*Who can participate?* Non-profit and public HCPs, including those in rural and non-rural locations, that meet the statutory definition of “health care provider” in the Telecommunications Act of 1996 may apply to participate in the Connected Care Program. The Commission retained its previous conclusion that “dedicated emergency rooms of rural for-profit hospitals” come within the category of rural health clinics and public health care providers and, therefore, qualify for participation in the Connected Care Program.

*How can funds be used?* Connected Care Program funding can be used to cover up to 85% of the costs for eligible equipment and services. HCPs should take note that the Commission is focused on supporting connected care services provided to veterans and low-income patients. Connected Care Program funding can be used for (i) patient broadband internet access, (ii) HCP broadband data connections, (iii) certain network equipment, and (iv) connected care information services. The Connected Care Program funds cannot be used to support end user devices, medical equipment, network deployment, or construction of networks between HCPs, among other things (i.e., this is not an exhaustive list).

*How are services procured?* Subject to some limited exemptions, HCPs must use the FCC's Rural Health Care ("RHC") program's competitive bidding process when identifying providers for eligible services and network equipment. The exemptions cover circumstances such as contracts of less than one year, or voluntary extension of multiyear contracts deemed by USAC to be in "evergreen status". HCPs selected for Connected Care Program support will receive funding commitments and the Commission will issue payments directly to the eligible services and network equipment service providers.

*How can HCPs apply?* The FCC has not yet issued a final version of the Connected Care Program application requirements but the Public Notice identifies information anticipated to be required in applications to assist HCPs "in preparing to apply" for the Connected Care Program. In a process that will be familiar to HCPs that participated in the COVID-19 Telehealth Program, HCPs seeking to participate in the Connected Care Program must complete procedural prerequisites, including obtaining HCP numbers and a Universal Service Administrative Company ("USAC") eligibility determination, in addition to developing a comprehensive pilot program plan. Eligible HCPs that received USAC eligibility determinations to participate in the COVID-19 Telehealth Program or the RHC Program can rely on those existing USAC determinations. The Public Notice identifies several categories of information that applicants must address, including detailed discussions of conditions to be treated, proposed monitoring metrics, the HCP's telehealth experience, and information about the patient population and geographic areas to be served, among other information categories. Several of the information categories appear to be similar to those required for the COVID-19 Telehealth Program such that a HCP's experience with the COVID-19 Telehealth Program application may aid the HCP in crafting a strong application. Although the Commission's Public Notice details information required for the Connected Care Program application, the Commission also notes that the final application may vary such as in terms of wording or formatting so HCPs should be sure to review final application information once issued.

Kelley Dry will continue to monitor the Connected Care Program proceeding so be sure to check back for updates.