

APRIL 02, 2020

FCC UNDERTAKES MEASURES TO ASSIST HEALTH CARE PROVIDERS IN LIGHT OF COVID-19 CRISIS

Over the course of the past two weeks, the Federal Communications Commission (“FCC”) has undertaken several measures in an attempt to assist health care providers in light of the COVID-19 crisis, including by expanding funding opportunities available to eligible health care providers for telecommunications services and equipment and reducing the burden of participation in existing FCC funding programs.

NEW COVID-19 TELEHEALTH PROGRAM ANNOUNCED

On April 2, 2020, the FCC released its [Report and Order](#), establishing the rules for participation in its recently announced COVID-19 Telehealth Program (the “Program”). Through the Program, the FCC will provide eligible health care providers with 100 percent of the costs of the telecommunications, information services and connected devices (i.e. remote monitoring devices, such as pulse-ox, BP monitoring device, but only if they are connected) necessary to provide remote telehealth services, up to \$1 million per applicant. For more information, please see [FCC Announces Details of \\$200 Million COVID-19 Telehealth Program](#).

AVAILABLE FY 2019 RURAL HEALTH CARE PROGRAM FUNDING INCREASED

In an [Order](#) released March 13, 2020, the FCC took measures to increase the amount of funding available to applicants in the Rural Health Care Program for Fund Year 2019. The Rural Health Care Program provides eligible health care providers with funding for telecommunications and broadband services and equipment necessary for the provision of health care. Prior to the FCC taking action the amount of funding available for Fund Year 2019 applications was \$677.29 million. According to the Universal Service Administrative Company (“USAC”), the entity responsible for administration of the Rural Health Care Program, total Rural Health Care Program demand for FY 2019, however, was \$719.48 million, exceeding the funding available by \$42.19 million. Without action by the FCC, the USAC would have been required to pro-rate multi-year applications by a factor of 71.48% to bring demand within the \$150 million cap. In order to increase the funding available to participants, the FCC (1) directed the USAC to carry over unused funds from prior funding years in the amount necessary to cover any overage; and (2) waived the \$150 million cap on multi-year funding commitments and upfront payments. This action will provide the funding necessary to approve all eligible support amounts requested during the FY 2019 application window without any pro-rata reductions.

FY 2020 RURAL HEALTH CARE PROGRAM SUBMISSION DEADLINE EXTENDED

In an [Order](#) dated March 26, 2020, the FCC, among other actions, extended the deadline for submission of Rural Health Care Program applications for Fund Year 2020 from April 30, 2020 to June 30, 2020. This action gives eligible health care providers additional time to seek funding for telecommunications services and equipment. In this Order, the FCC also modified many of the rules applicable to current participants in the Rural Health Care Program, including, but not limited to, extending deadlines related to submission of the necessary Forms 463, responses to USAC information requests, and filing of appeals, and eased competitive bidding requirements for health care providers with expiring evergreen contracts.

GIFT RULES WAIVED

In an [Order](#) dated March 18, 2020, the FCC waived its gift rules under the Rural Health Care Program through September 30, 2020, so as to enable service providers to offer, and program participants to solicit and accept, improved connections or additional equipment at no additional charge. Normally, the FCC’s rules prohibit health care providers from soliciting or accepting anything of value from a service provider participating or seeking to participate in those programs.

If you have any questions, please contact:

- [Mike Batt](#) at (317) 977-1417 or mbatt@hallrender.com;
- [Kiersten Kamman](#) at (317) 977-1481 or kkamman@hallrender.com; or
- Your regular Hall Render attorney.

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