The FCC’s Rural Health Care Program

Rural Health Information Technology Network Development Program Grantee Meeting
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The Commission’s Rural Health Care Programs

“PRIMARY PROGRAM”

– Eligible health care providers may seek support for their monthly recurring service costs.

– Supported Services:
  
  • **Telecommunications Program**: Difference between rural and urban rates for telecommunications services to rural health care providers.
  
  • **Internet Access Program**: 25% of Internet access cost for rural health care providers.

– **2011 Spending**: $81 million for more than 3,000 health care provider sites
The Commission’s Rural Health Care Programs

“PILOT PROGRAM”

- Supports broadband deployment for health care networks.
  - Funds 85 percent of costs associated with deploying dedicated broadband networks connecting health care providers in rural and urban areas within a state or region.
  - 50 active projects in 39 states and two territories.
  - Over 2,000 individual health care provider sites have received funding commitments to date.
  - Covers both network construction and leased services.

- Total funding amount awarded over three years: $418 million
FCC’s Rural Health Care Programs

Features of Both Programs

– The Rural Health Care Program is one of several FCC programs funded by the Universal Service Fund.

– Administered by USAC (Universal Service Administrative Company).

– Not “grant” programs.

– Goal for both is to improve the quality of health care in rural areas by lowering the cost of telecommunications and advanced services.
Reform of Rural Health Care Program

Importance of Broadband in Health Care

FCC’s National Broadband Plan (March 2010)

• Recognized central role of broadband in both Health IT and Telemedicine.
• Made recommendations regarding broadband and health care.
Reform of Rural Health Care Program

FCC’s Rural Health Care Reform Proceeding

• The FCC issued a *Notice of Proposed Rulemaking* in 2010 proposing to reform its Rural Health Care Program.
• In the *Notice*, the FCC proposed two separate programs: a Health Infrastructure Program and a Broadband Services Program.
• The FCC recognized the value of gaining experience from the Pilot Program in shaping a reformed permanent Rural Health Care Program.
Evaluation of the Pilot Program

– The Commission promised to evaluate its Pilot Program when it launched the program in 2006.
– In its 2010 Reform rulemaking, the Commission also recognized the need to learn from the Pilot Program experience.
– The Commission staff is now evaluating the Pilot Program.
  • The Pilot Program is now far enough along to permit preliminary lessons to be drawn.
  • These lessons will help the Commission design its permanent Rural Health Care Program.
  • In its Pilot evaluation, the Commission will rely heavily on input and data from USAC and from the Pilot projects.
Preliminary Observations About the Pilot Program

- Pilot projects have implemented a wide range of telemedicine and other telehealth applications.
- Rural health care providers benefit from being part of broadband health care networks that include urban providers.
- Consortium applications work.
- Bulk buying, competitive bidding, and term contracts can lower prices.
- Most projects chose to lease broadband services rather than construct and own their own broadband facilities.
- Further simplification and clarification of the application process would be helpful.
FCC Outreach to Other Government Agencies

Department of Health and Human Services

• Office of the National Coordinator for Health Information Technology (ONC)
• Health Resources Services Administration (HRSA)
  – Office of Rural Health Policy (ORHP)
  – Office for the Advancement of Telehealth in ORHP (OAT)
  – Office of Health Information Technology and Quality
• Indian Health Service (IHS)
FCC Outreach to Other Government Agencies

Other Agencies funding rural networks

- National Telecommunications and Information Administration (NTIA) in the Department of Commerce
- Rural Utilities Service (RUS) in Department of Agriculture

Other FedTel Members
FCC Outreach to Rural Health Care Experts

Pilot Projects

• Have talked with almost half of Pilot projects to date
• Have consulted with projects at all stages of implementation
• Recent visit to University of Virginia telemedicine program
FCC Outreach to Rural Health Care Experts

Other rural health care experts, including:

- National Association of Rural Health Clinics
- National Association for Rural Mental Health
- National Association of State Offices of Rural Health
- National Rural Health Association
- National Rural Health Resource Center

And of course:

- American Telemedicine Association
Some Telehealth Examples from the Pilot Projects

Telemedicine

• *Iowa*: The Iowa Health System transmits high resolution images via tele-radiology, which has improved diagnoses and has enabled more patients to stay at local hospitals.

• *South Carolina*: Palmetto State Providers Network uses tele-OB/GYN services to treat high risk expectant mothers, saving both doctors and patients travel time and reducing the patient no-show rate.

• *South Dakota*: Heartland Unified Broadband Network (HUBNet) members use E-emergency, E-ICU, and E-Pharmacy programs to bring specialist care to remote areas.
Some Telehealth Examples from the Pilot Projects

Exchange of electronic health records

- *Pennsylvania*: All of Geisinger Health System’s sites are members of a statewide Health Information Exchange, and all have reached Stage One Meaningful Use adoption of electronic health records.
Some Telehealth Examples from the Pilot Projects

Consultation and medical education

• *New Mexico*: The telemedicine initiative of the Southwest Telehealth Access Grid partners rural primary care physicians with specialists at a state university.
Some Telehealth Examples from the Pilot Projects

Cost Savings

• *South Carolina*: Palmetto State Providers Network saved an estimated $18 million in Medicaid costs over 18 months through tele-psychiatry.

• *South Dakota*: HUBNet estimates saving $1.2 million in transfer costs over 30-months.
Broadband Needs of Rural Health Care Providers

A Broadband Needs Assessment will be an important element of designing a permanent FCC Rural Health Care Program.

• What are the unique bandwidth needs of rural health care providers?
• How do their bandwidth needs relate to telemedicine and other telehealth applications?
• How important are broadband networks connecting rural health care providers with other health care providers?
• What availability and affordability challenges face rural health care providers?
Useful Resources

USAC RHC Web Site: www.usac.org/rhc

USAC RHC Training & Outreach Web Site:
www.universalservice.org/rhc/about/outreach/default.aspx

RHC Brochures & Welcome Packet Available – also in electronic form on USAC RHC Training & Outreach web site

USAC RHC Support:
RHC-admin@usac.org
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We welcome your input and ideas!

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