

Indian Health Service

Rural Health Care Program

Overview

Universal Service Administrative Company (USAC)

DAKOTA KOONCE

IHS RURAL HEALTH CARE PROGRAM COORDINATOR

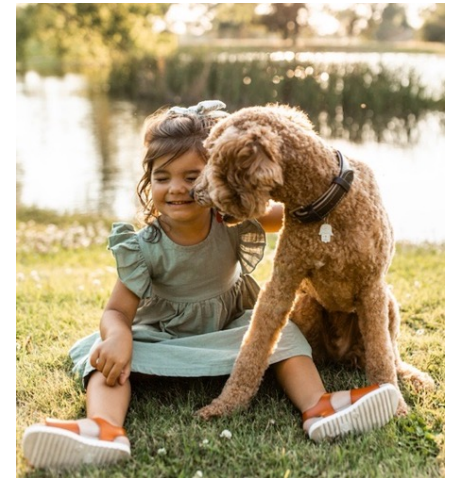
DIANA GATETE - CONTRACT SUPPORT

AUGUST 2024



Dakota Koonce - Biography

- ❖ Born, Raised, and Work around the metro of Oklahoma City, OK
- ❖ 10 years of civilian federal service with experience in budget planning, execution and analysis for the Department of Defense (U.S. Air Force), Department of Veteran Affairs, and Indian Health Service
- ❖ Bachelor of Business Administration, University of Central Oklahoma
- ❖ Master of Business Administration, Oklahoma City University



Diana Gatete - Biography

- ❖ Born in Kenya, raised and work in the state of Maryland.
- ❖ 7 years of experience in healthcare assisting in compliance reporting and account receivables.
- ❖ Documentation Specialist for 3 years with the Indian Health Service, assisting with application filings for the IHS Universal Service Administrative Company (USAC) program.



Agenda

- ❖ What is the Healthcare Connect Fund Rural Health Care Program?
- ❖ Six Steps of the Healthcare Connect Fund Program
- ❖ How Does the Funding Flow to the Customer
- ❖ How Long the Entire Filing Process Takes
- ❖ Important Deadlines to Remember
- ❖ IHS/HQ USAC Dashboard
- ❖ How Many Sites are Participating in the Consortium
- ❖ Upcoming Program Changes
- ❖ Helpful Links and Resources
- ❖ Questions



What Is The Healthcare Connect Fund Rural Health Care Program?

The Rural Health Care Program (RHC) is administered by the Universal Service Administrative Company (USAC) and funded by the Universal Service Fund. The Federal Communications Commission has oversight of USAC, which Congress authorized to provide fiscal support and reduced rates to rural healthcare providers (HCPs).

There are two types of services the RHC Program funds:



Voice and Data

If you need voice and other telecommunication services, you may be eligible for funding through the **Telecommunications Program**.



Broadband

If you need broadband services, network equipment, etc., you may be eligible for funding through the **Healthcare Connect Fund (HCF) Program**.

Both RHC Programs help provide modern healthcare services for patients at rural clinics and hospitals. The Indian Health Service (IHS) and Tribal healthcare providers (eligible clinics, hospitals, and others) can take advantage of these programs to offset the high cost of their rural telecommunication and broadband services.

The RHC program is commonly referred to as "USAC"



Six Steps of the Healthcare Connect Fund Program

Step 1 : Determine Eligibility of Your Site

Step 2 : Develop Evaluation Criteria and Select Services – See Appendix

Step 3 : Evaluate Bids and Select Service Provider – See Appendix

Step 4 : Submit Funding Requests

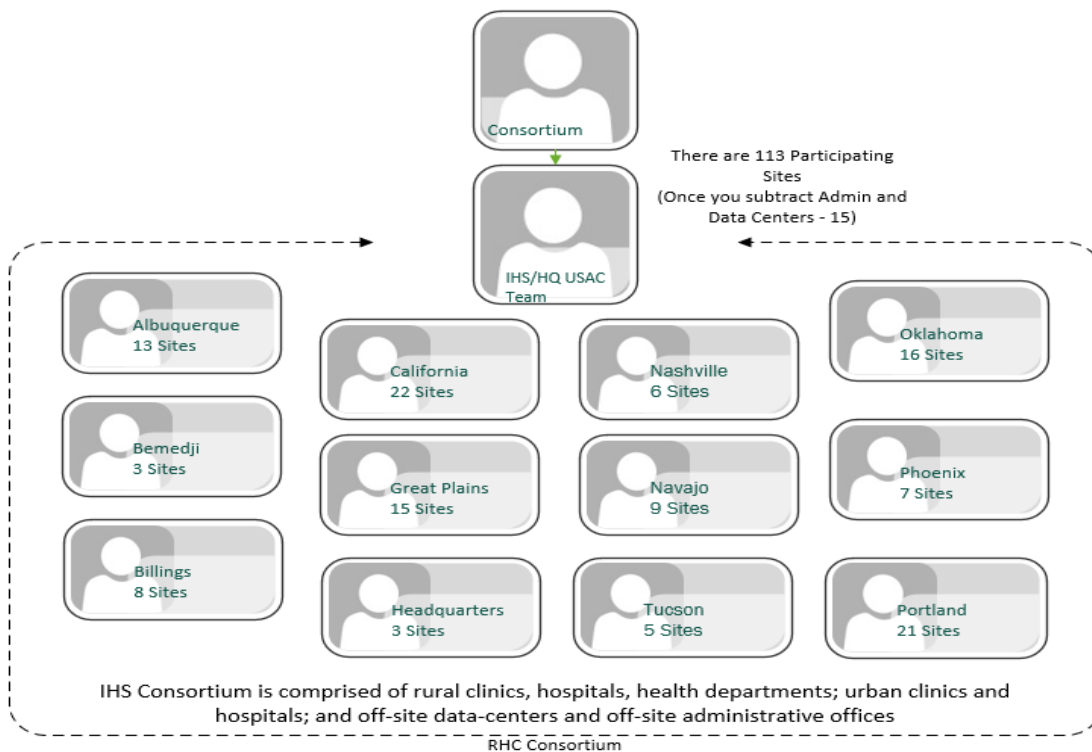
Step 5 : Review Your Funding Commitment Letter (FCL)

- Post-Commitment Actions
 - SPIN Changes – See Appendix
 - Site and Service Substitutions

Step 6 : Invoice USAC



Step 1 : Determine Eligibility of Your Site



Healthcare Connect Fund-Individual:

- Applying as an individual health care provider

Healthcare Connect Fund-Consortium:

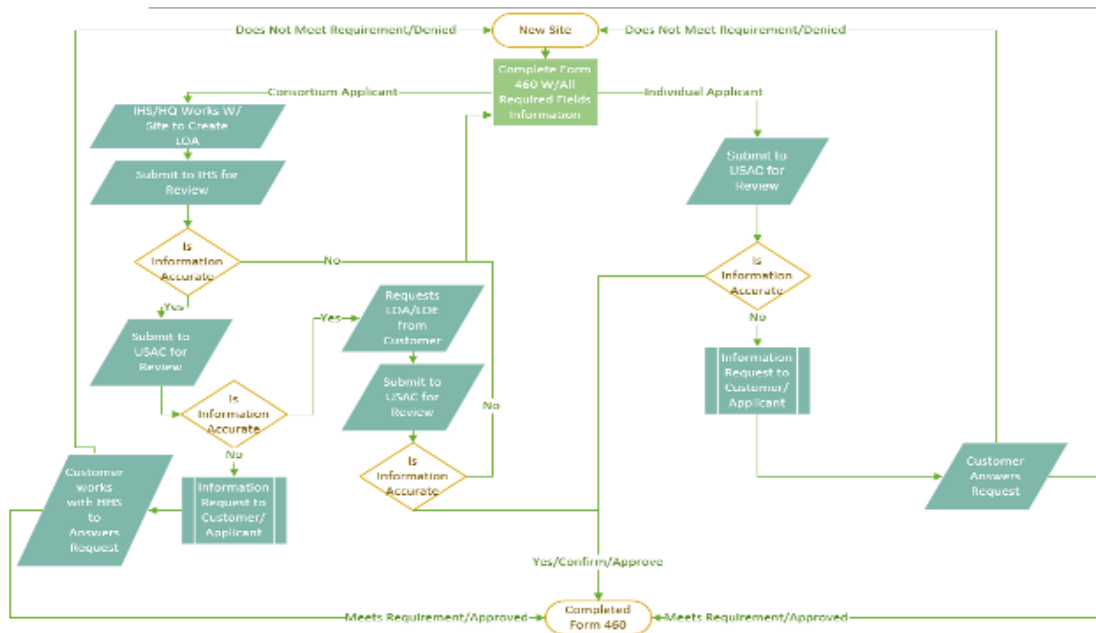
- A consortium is a group of health care sites that apply as one entity, with one consortium leader who files the required forms on behalf of everyone in the group
- A consortium allows non-rural and support sites to participate for funding with a rural majority
- Each facility must meet the first two eligibility criteria:
 - Be public or non-profit
 - As well as one of the eligible facility types
- Provides up to 65% funding for eligible broadband services (or 100% funded)

The FCC considers each health care site or location as an individual health care site for purposes of calculating support under the RHC program. Therefore, each site must demonstrate

that, by itself, it is an eligible entity



Step 1 : Determine Eligibility of Your Site Cont.



FCC Form 460:

This form is for applying to participate in the Rural Health Care Program

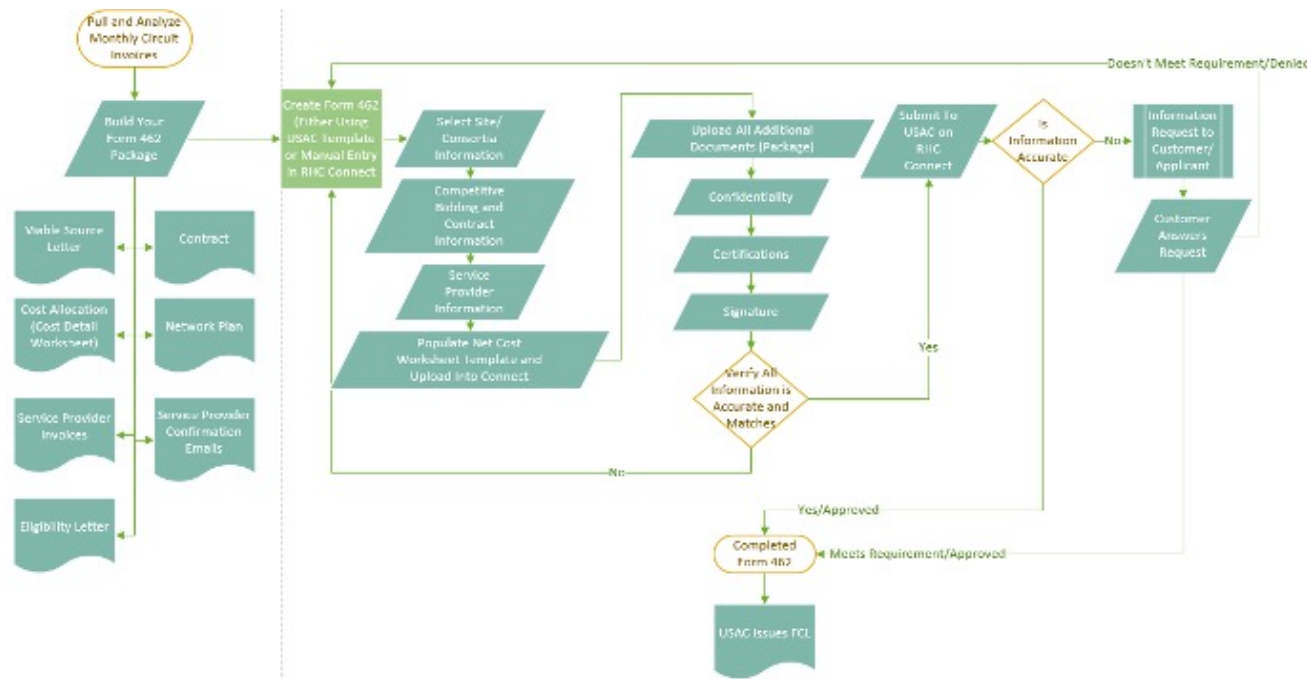
You can submit this form at any time during the year, and you only need to submit it one time, unless your information changes

If any of your information does change, such as your site's physical location or entity type, you must submit a revised FCC Form 460 within 30 days of the change

- For consortium applicants, a Letter Of Agency (LOA) or Letter of Exemption (LOE) is required for each site
- Upon submitting this form, USAC will assign the HCP and HCP number, this is a unique identifier the USAC uses to maintain registration or eligible HCP sites and ineligible sites
- After submission USAC may request additional information for validation purposes



Step 4 : Submit Funding Requests



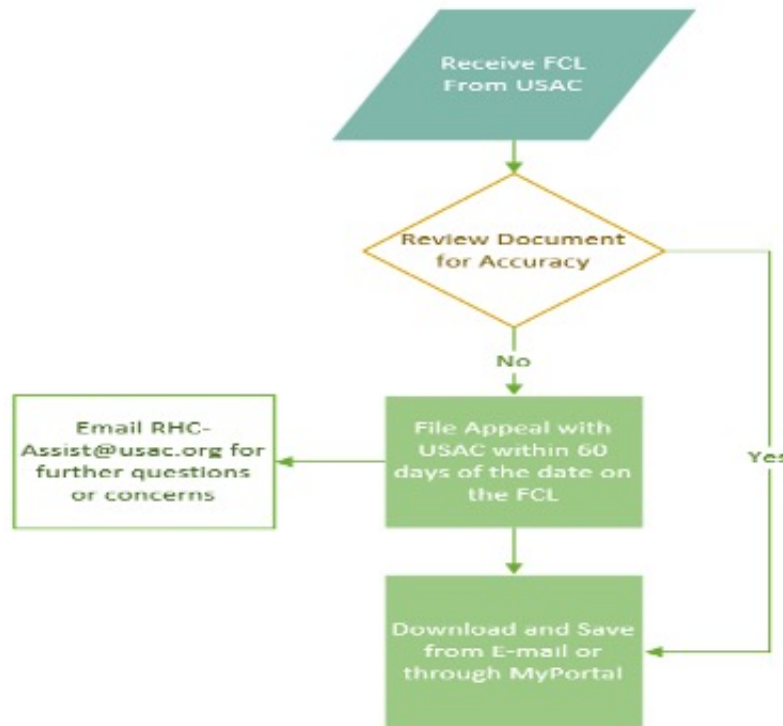
FCC Form 462:

This form is for submitting a funding request

- provides information to USAC about the services, equipment, or facilities selected, as well as how much funding you are requesting
- certifies that the services selected were the most cost-effective of the offers received during competitive bidding



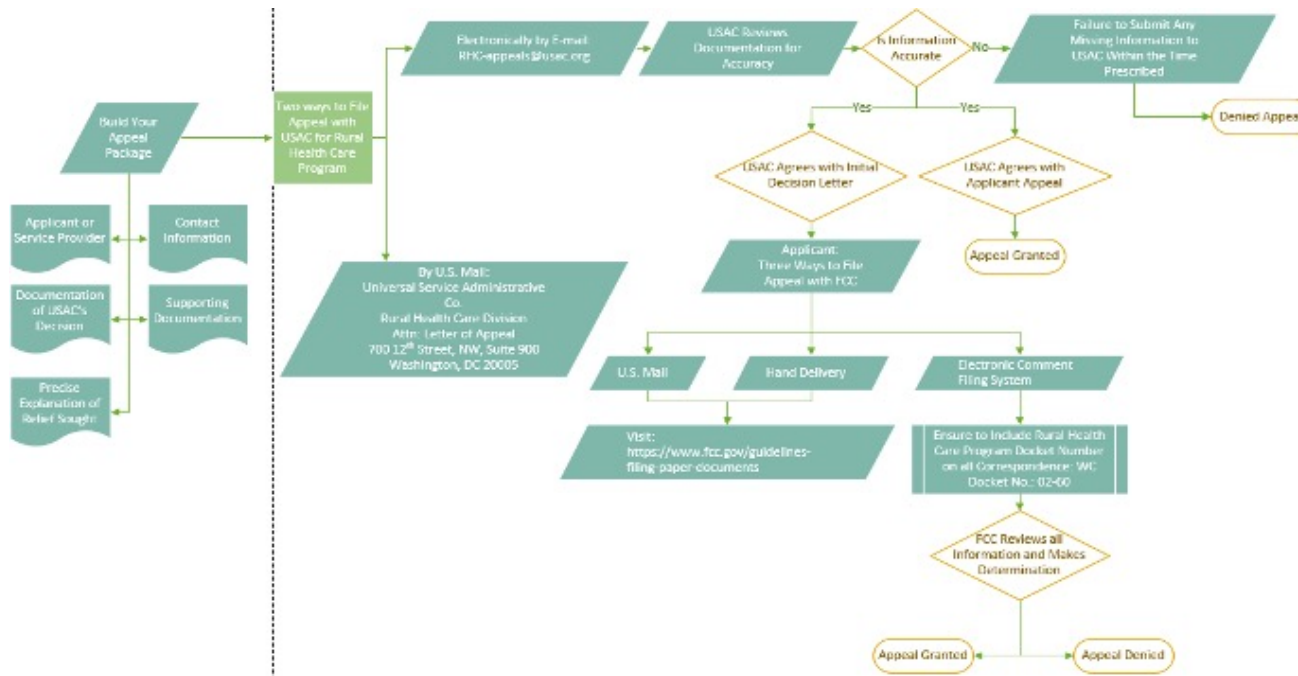
Step 5 : Review Your Funding Commitment Letter (FCL)



Once your funding request is approved, USAC emails a Funding Commitment Letter (FCL) to all account holders and service providers associated with that funding request number (FRN). **You should always review the FCL for accuracy.**



Step 5 Cont. : Filing an Appeal



Filing an Appeal with USAC:

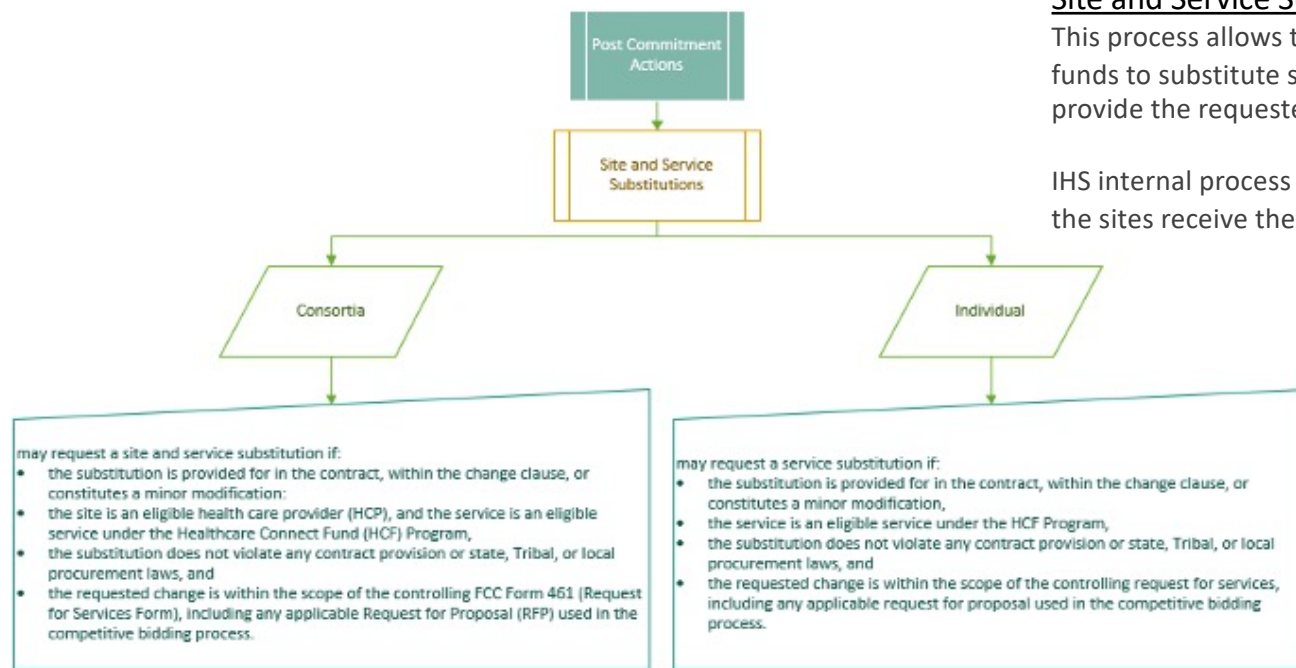
Suppose that day falls on a weekend or federal holiday. In that case, the appeal is also considered on time if you file it electronically (or postmarked) by the first business day following that weekend or federal holiday.

Filing an Appeal with FCC:

The FCC will consider electronic appeals as filed on a business day if they are received before 11:59 p.m. ET. If you have questions or comments about using the ECFS, please get in touch with the FCC directly at (202) 418-0193 or via email (ecfshelp@fcc.gov).



Step 5 Cont. : Post-Commitment Actions



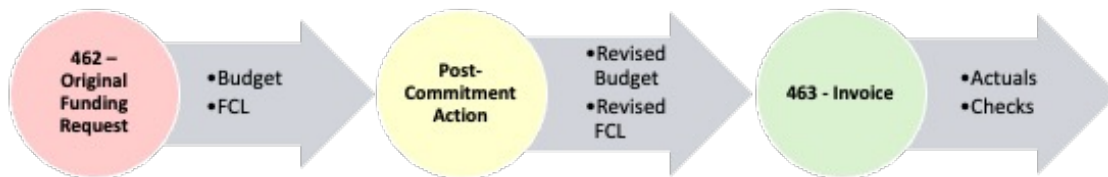
Site and Service Substitutions

This process allows the HCP to reallocate un-invoiced committed funds to substitute services, modify or upgrade services, or provide the requested services to other eligible sites (consortia).

IHS internal process changes were made as of last year to ensure the sites receive the full benefit of the program.



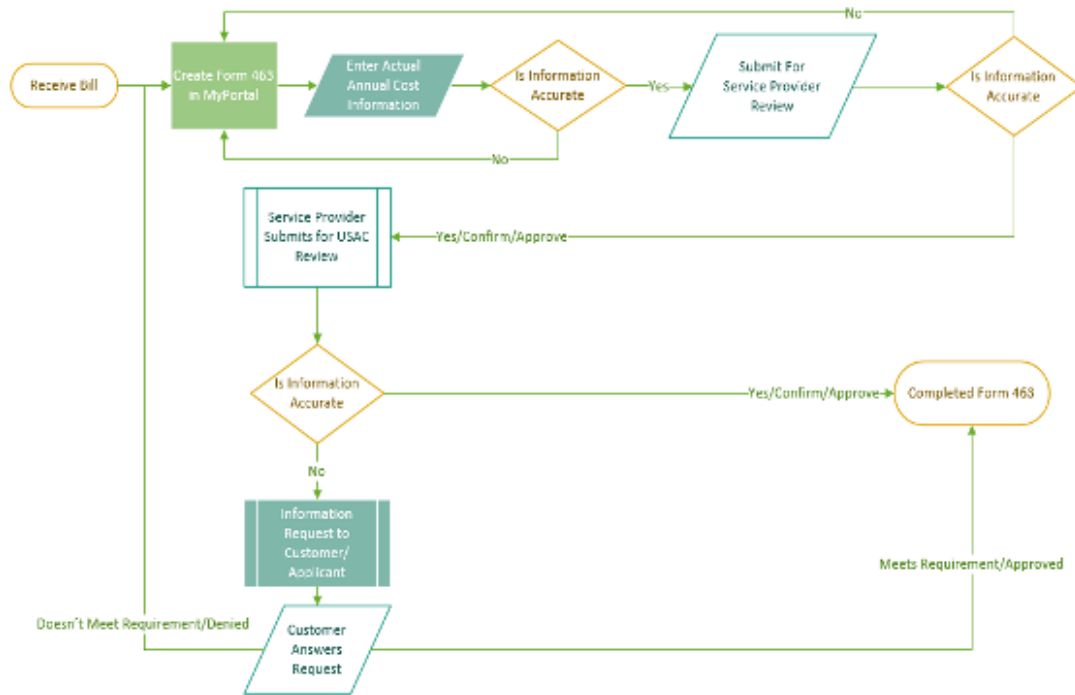
Step 5 Cont. : Post-Commitment Actions Cont.



| Selecting Invoice the Same Invoice Month for All Sites | | | | | | | | | | | | | |
|--|--|------------------------------|--------------------------------------|-------------------|----------------------------------|---|-----------------------------------|------------------------------|----------------------------------|---|-----------------------------------|-----------------------------|----------------------|
| Original Submission (462) | | | Revised Submission (Post-Commitment) | | | | | | Invoice | | | | |
| HCP | Funding Request Total (Annual w/Elig%) Undiscounted Cost | Estimated USAC Funding (FCL) | Total Monthly Cost | Months of Service | Total Annual Cost (Undiscounted) | Annual Cost W/Consortium % Eligibility (Total Undiscounted) | Invoice / Refund Cost (65% = FCL) | Delta Original FCL - S&S FCL | Total Annual Cost (Undiscounted) | Annual Cost W/Consortium % Eligibility (Total Undiscounted) | Invoice / Refund Cost (65% = FCL) | Delta S&S FCL - Invoice FCL | Invoice Month Chosen |
| | \$ 13,000.00 | \$ 7,638.63 | | | \$ 11,406.27 | \$ 11,406.27 | \$ 7,414.08 | \$ (224.55) | \$ 11,332.92 | \$ 11,332.92 | \$ 7,366.40 | \$ (47.68) | |
| 16000 | \$ 9,000.00 | \$ 5,296.65 | \$ 730.00 | 10.9538 | \$ 7,996.27 | \$ 7,996.27 | \$ 5,197.58 | \$ (99.07) | \$ 7,908.87 | \$ 7,908.87 | \$ 5,140.77 | \$ (56.81) | Jan, Feb, Mar |
| 16001 | \$ 4,000.00 | \$ 2,341.98 | \$ 310.00 | 11.00 | \$ 3,410.00 | \$ 3,410.00 | \$ 2,216.50 | \$ (125.48) | \$ 3,424.05 | \$ 3,424.05 | \$ 2,225.63 | \$ 9.13 | Jan, Feb, Mar |
| Selecting Highest Invoice Month for Each Line Item | | | | | | | | | | | | | |
| Original Submission (462) | | | Revised Submission (Post-Commitment) | | | | | | Invoice | | | | |
| HCP | Funding Request Total (Annual w/Elig%) Undiscounted Cost | Estimated USAC Funding (FCL) | Total Monthly Cost | Months of Service | Total Annual Cost (Undiscounted) | Annual Cost W/Consortium % Eligibility (Total Undiscounted) | Invoice / Refund Cost (65% = FCL) | Delta Original FCL - S&S FCL | Total Annual Cost (Undiscounted) | Annual Cost W/Consortium % Eligibility (Total Undiscounted) | Invoice / Refund Cost (65% = FCL) | Delta (AM - AG) | Invoice Month Chosen |
| | \$ 13,000.00 | \$ 7,638.63 | | | \$ 11,516.27 | \$ 11,516.27 | \$ 7,485.58 | \$ (153.05) | \$ 11,332.92 | \$ 11,332.92 | \$ 7,366.40 | \$ (119.18) | |
| 16000 | \$ 9,000.00 | \$ 5,296.65 | \$ 730.00 | 10.9538 | \$ 7,996.27 | \$ 7,996.27 | \$ 5,197.58 | \$ (99.07) | \$ 7,908.87 | \$ 7,908.87 | \$ 5,140.77 | \$ (56.81) | Jan, Feb, Mar |
| 16001 | \$ 4,000.00 | \$ 2,341.98 | \$ 320.00 | 11.00 | \$ 3,520.00 | \$ 3,520.00 | \$ 2,288.00 | \$ (53.98) | \$ 3,424.05 | \$ 3,424.05 | \$ 2,225.63 | \$ (62.37) | Jun, Jul |



Step 6 : Invoice USAC



FCC Form 463:

Upon receiving a bill from your service provider, you can create an invoice for the services you received. You would use this form to complete this process.

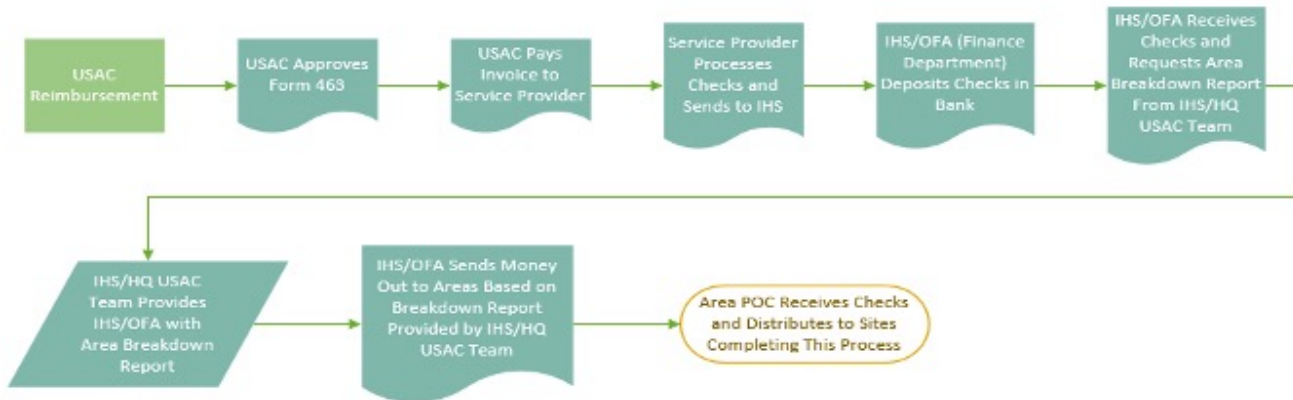
- You're required to certify that all information on this form is accurate and that you or another eligible source has paid the 35% contribution
- You will submit this form through MyPortal for all funding years prior to FY2022 and through RHC Connect for FY2022 and future years

Invoicing Deadline Tool:

<https://opendata.usac.org/stories/s/87wt-ig9g>



How Does the Funding Flow to the Customer



USAC Invoice Payment Cycle for Service Providers

USAC pays invoices to service providers in batches, with payment batch dates being the 6th and the 21st of each month (except weekend and holidays, where the payment batch date would fall on the next business day).

Invoices that USAC approves are typically processed in the upcoming payment batch. Service providers can expect the payment from the approved FCC Form 463 to arrive in their bank accounts three (3) business days after the payment batch date.



How Long The Filing Process Takes (From Start to Finish)

Rural Health Care Program: **Funding Year 2024**



This funding period is different from what IHS-Consortium falls under. For IHS the Funding Year is as follows:

- FY2024 Period of Support
 - Sep 1, 2024 – Aug 31, 2025
- Funding Request Filing Window Period
 - Dec 1, 2023 – Apr 1, 2024
- Invoicing Deadline
 - Oct 28, 2026 unless FCL states otherwise



Important Deadlines To Remember

Invoicing Deadline and Extension

- Per FCC Order 19-78 (§ 54.627 Invoicing process and certification (b)), applicants and service providers may request and automatically receive a **one-time, 120-day extension of the deadline** to file an invoice. The invoice filing deadline is included in the Funding Commitment Letter (FCL).

Appeal Filing Deadline

- The deadline for filing an appeal is **60 days from the date** on the Funding Commitment Letter (FCL).

Decommitment of Funds

- The invoice filing deadline has passed and there are funds remaining due to denied or un-invoiced items. **USAC will decommit any funds remaining 60 days after the invoice filing deadline has passed** to place the funds back into the Universal Service Fund for use towards future fund years.

Form 460 Updates

- HCPs are required to notify the USAC **within 30 days of a change** in the HCP's name, site location, contact information, or eligible entity type. In these cases, an FCC Form 460 revision must be submitted for the HCF Program and an FCC Form 465 revision must be submitted for the Telecom Program.

Filing Window

- A filing window is a **fixed** period of time when all funding requests received during that period are treated as though they were received at the same time. The FCC may direct USAC to open another filing window for that funding year if available funding remains after a filing window closes.

Service Delivery Deadline

- Effective FY2020, the invoice filing deadline will be **four months (120 days)** from the service delivery deadline or the date of a revised FCL approving a post-commitment request or a successful appeal of a previously denied or reduced funding request, whichever comes later.

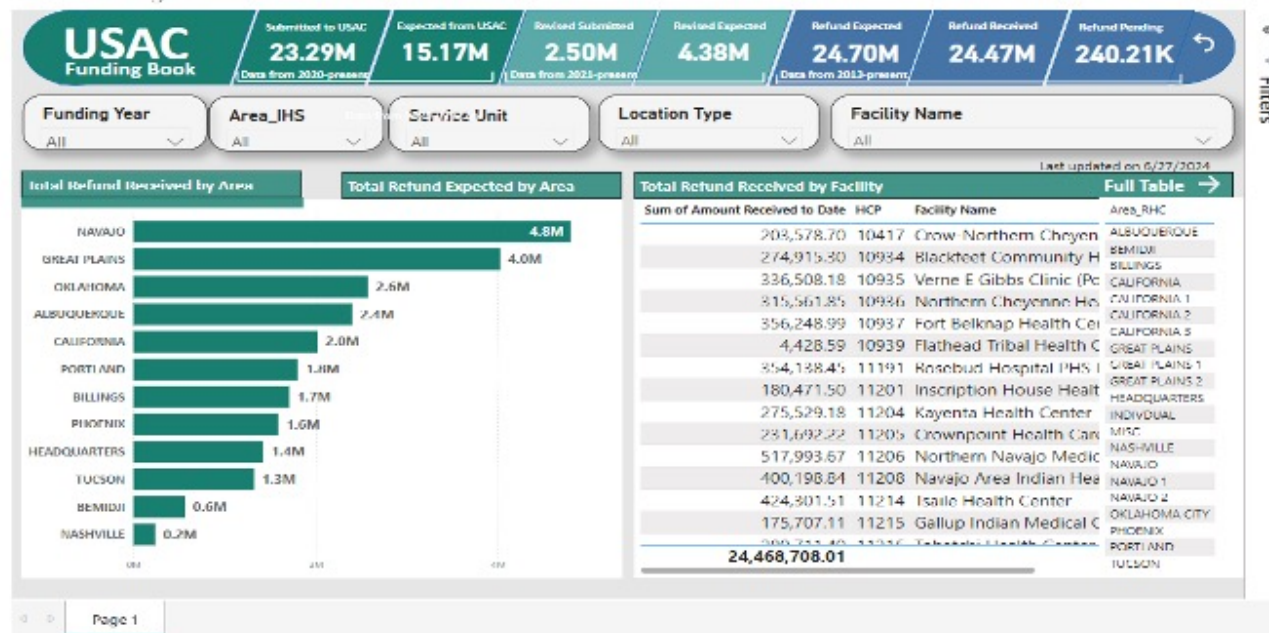
Service Delivery Deadline Extension

- Per FCC Order 19-78 (§ 54.626 Service delivery deadline and extension requests), applicants may request and receive a **one-time, one year extension of the service delivery deadline** for non-recurring services



IHS/HQ USAC Dashboard

USAC Funding Book Main



This Dashboard is located on the IHS/HQ USAC SharePoint site:

<https://collaborate.ihs.gov/sites/oit/DPMB/USAC/SitePages/Home.aspx>



How Many Are Participating In The Consortium

Enrollment:

- All HCPs must be under the same service provider and contract. (ex. Verizon-EIS contract; formerly Networx)
- All IHS/federal eligible Rural and Urban HCPs are currently enrolled into the IHS consortia.
- Both rural and non-rural entities may receive funding in the HCF Program as members of the IHS consortium, provided that the consortium is comprised of a majority rural (more than 50 percent) sites.

Consortia Participation:

There are 247 Sites that are eligible to participate in the consortia

121 – Federal, 112 – Tribal, 12 – Urban, 2 – Vendor

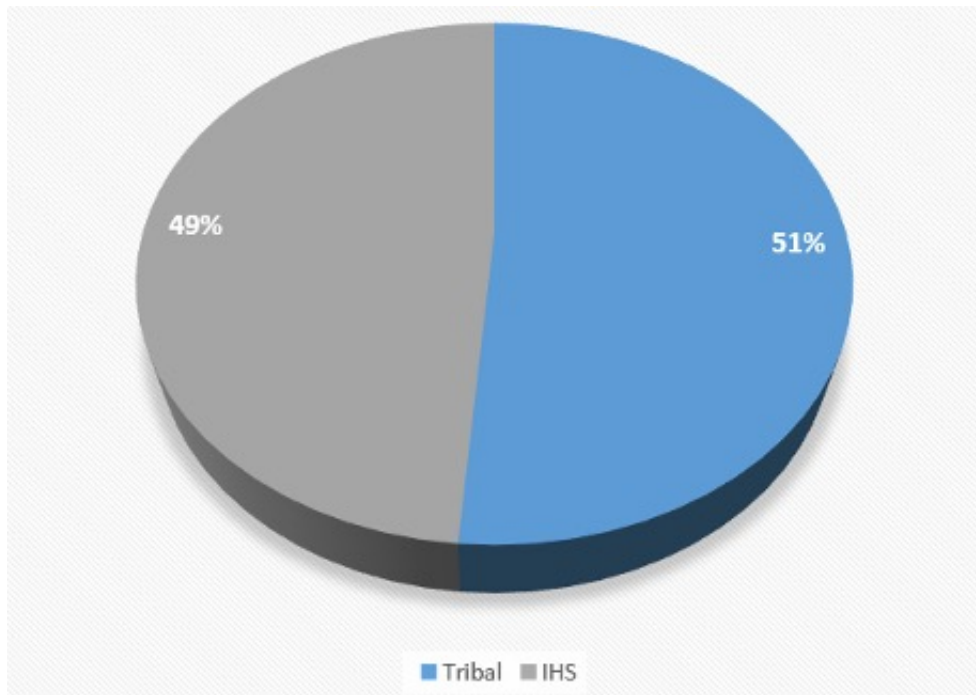
There are 113 Sites that are enrolled in the consortia as of Dec 2023 (eligible clinics, hospitals, admin offices, data centers, etc.)

54 – Federal, 56 – Tribal, 2 – Urban, 1 – Vendor

Consortia maintains the majority rural rule with a rurality percentage of 94.706%



Funding by Participation



Upcoming Program Changes

FCC Releases Order FCC 23-110: Continuing the Improvement Rural Health Care Program Procedures – 12/14/2023 Rule Changes

The Third Report and Order:

- Permits health care providers to be granted conditional eligibility, thus allowing them to initiate competitive bidding and request funding while awaiting a final eligibility determination.
- Provides health care providers more time to complete Service Provider Identification Number (SPIN) changes by moving the SPIN change deadline to align with the invoice filing deadline.
- Simplifies urban rate calculations by eliminating the seldom-used “standard urban distance” component of the RHC Program rule for determining urban rates in the Telecommunications (Telecom) Program.
- Allows health care providers to request changes to the dates covered by an evergreen contract.
- Adopts the FCC Form 460 for eligibility determinations in the Telecom Program, which will eliminate the need for Telecom Program participants to seek an eligibility determination every time they engage in competitive bidding.
- Establishes a deadline of July 1, 2024, for health care providers to claim undisbursed funding commitments that do not currently have an applicable invoice filing deadline, which would free up for other uses up to \$22.2 million in unclaimed RHC Program support from funding year 2019 and prior years.



Upcoming Program Changes Cont.

RHC Program Inflation-Based Cap Announced for FY2024 – 3/8/2024

- The Rural Health Care (RHC) program funding cap for funding year (FY) 2024 is \$706,926,603. The internal cap for upfront payments and multi-year commitments under the Healthcare Connect Fund (HCF) Program is \$178,496,951.
- The internal cap for upfront payments and multi-year commitments will apply only if RHC program demand exceeds available funding. These new caps represent a 3.6 percent inflation-adjusted increase to the \$682,361,586 RHC program funding cap and the \$172,294,354 internal cap on multi-year commitments and upfront payments from FY2023.



Upcoming Program Changes Cont.

FCC Released Order DA 24-366 Directing USAC to Accept Late-Filed Funding Requests – 4/18/2024

- The FCC released Order DA 24-366 waiving the application filing deadline and directing USAC to allow health care providers (HCPs) to submit funding requests for the RHC program for 30 days after the close of each application filing window.
- The Order granted a waiver for funding requests filed within 14 days of the close of the application filing deadline. Other FCC precedent allows a waiver of the application filing deadline for funding requests filed more than 14 days application filing deadline only upon a showing of special circumstances meriting a waiver.
- If the FCC grants a waiver of the application for the late-filed funding request, USAC will then process the funding request as if it had been filed prior to the end of the filing window. If the HCP does not request a waiver for a late-filed funding request or if the FCC denies the waiver, USAC will dismiss the funding request.



Upcoming Program Changes Cont.

FCC Announces Availability of Unused Funds to Fully Fund Rural Health Care Program Demand for FY2024 – 6/14/2024

- The FCC Wireline Competition Bureau directed USAC to carry forward up to \$161.57 million in unused funds from prior funding years to satisfy funding year (FY) 2024 demand for the Rural Health Care program. Because of this, all eligible RHC Program funding requests filed during the funding year 2024 application filing window can now be fully funded without prioritization.
- Please read the Public Notice (<https://docs.fcc.gov/public/attachments/DA-24-573A1.pdf>) for more information.



Helpful Links And Resources

What is a Consortium

- <https://www.usac.org/rural-health-care/healthcare-connect-fund-program/what-is-a-consortium/>

Determining Eligibility:

- For More information about the FCC Form 460 process:
<https://www.usac.org/rural-health-care/healthcare-connect-fund-program/step-1-determine-eligibility-of-your-site/>

Developing, Evaluating and Selecting Bids:

- For More information about the FCC Form 461 process:
<https://www.usac.org/rural-health-care/healthcare-connect-fund-program/step-2-develop-evaluation-criteria-select-services/>
- For FCC Form 461 Guides:
<https://www.usac.org/rural-health-care/healthcare-connect-fund-program/step-2-develop-evaluation-criteria-select-services/welcome-to-rhc-connect-fcc-form-461/>
- For More information about Evaluating Bids and Selecting a Service Provider:
<https://www.usac.org/rural-health-care/healthcare-connect-fund-program/step-3-evaluate-bids-select-service-provider/>

Submitting Funding Requests/Applications:

- For More information about Submitting Funding Requests:
<https://www.usac.org/rural-health-care/healthcare-connect-fund-program/step-4-submit-funding-requests/>
- For FCC Form 462 Guides:
<https://www.usac.org/rural-health-care/healthcare-connect-fund-program/step-4-submit-funding-requests/rhc-connect/>



Helpful Links And Resources

Funding Commitment Letter:

- For More information about Reviewing Your Funding Commitment Letter:
<https://www.usac.org/rural-health-care/healthcare-connect-fund-program/step-5-review-your-funding-commitment-letter-fcl/>
- Appeals:
<https://www.usac.org/about/appeals-audits/appeals/>

Post-Commitment Actions:

- For More information about Post-Commitment Actions:
<https://www.usac.org/rural-health-care/healthcare-connect-fund-program/post-commitment-actions/>
- For Post-Commitment Change User Guide:
https://www.usac.org/wp-content/uploads/rural-health-care/documents/forms-guides/RHC-Connect_User-Guide-Post-Commitment-Change-Requests_FINAL.pdf

Invoicing:

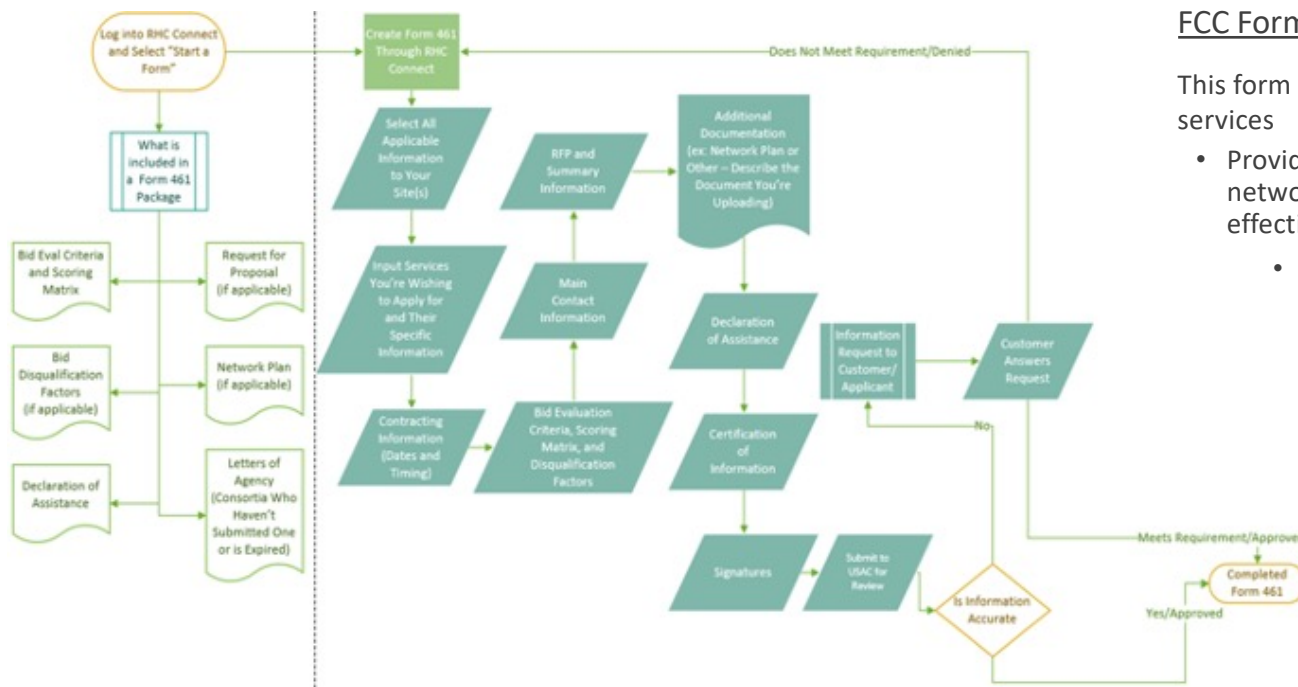
- For More information about Invoicing:
<https://www.usac.org/rural-health-care/healthcare-connect-fund-program/step-6-invoice-usac/>
- For FCC Form 463 Guides:
<https://www.usac.org/rural-health-care/healthcare-connect-fund-program/step-6-invoice-usac/welcome-to-rhc-connect-fcc-form-463/>



Questions?



Step 2 : Develop Evaluation Criteria and Select Services



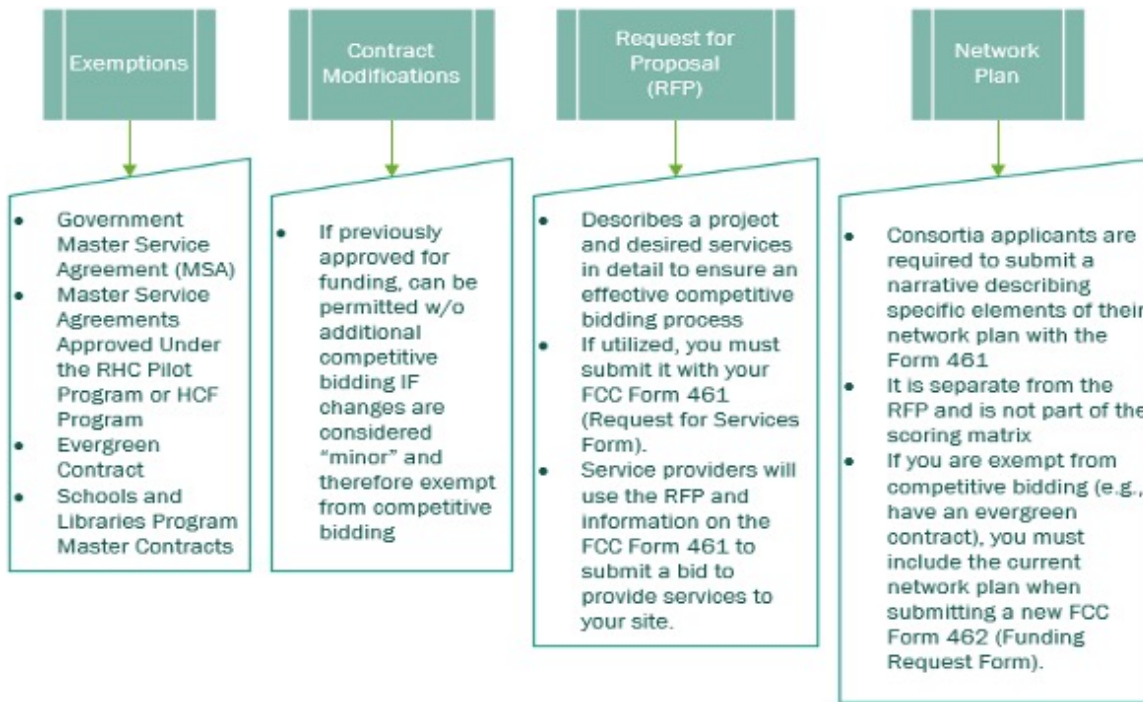
FCC Form 461:

This form is to develop bid evaluation criteria and select services

- Provides information about the requested services, network equipment, and/or facilities to enable an effective competitive bidding process
- Information fields will prepopulate from the FCC Form 460, so please be sure that your site information is correct on the FCC Form 460.
 - If you find any errors, you must complete an FCC Form 460 revision and wait for it to be approved prior to submitting the FCC Form 461



Steps 2-3 : Develop Evaluation Criteria and Select Services Cont. – Selecting Service Provider

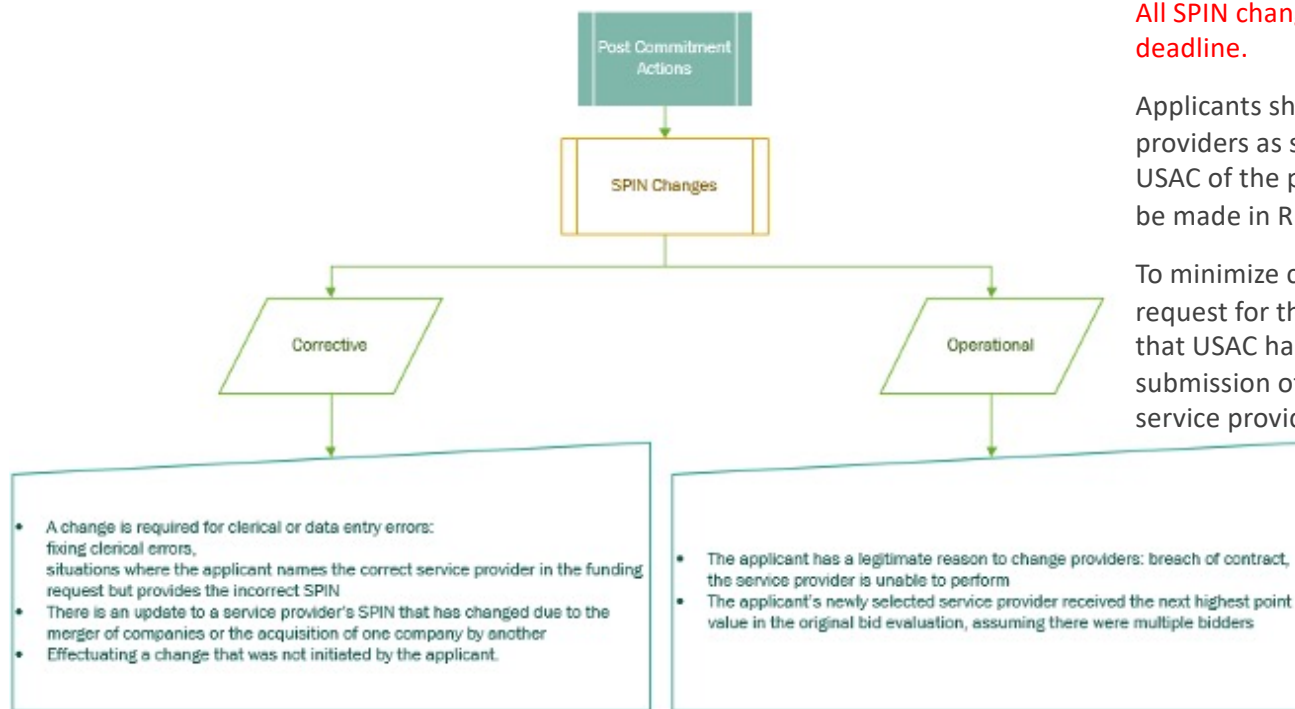


Step 3: Evaluate and Bids & Select Service Provider

- You will then evaluate bids and select the most cost-effective solution.
- Once you select a service provider you will enter into a service agreement or sign a contract with that provider on or after the Allowable Contract Selection Date (ACSD)



Step 5 : Post-Commitment Actions



All SPIN changes must be requested by the service delivery deadline.

Applicants should notify USAC of their intent to change service providers as soon as the decision is made and should advise USAC of the proposed effective date of the change. Changes can be made in RHC Connect for Funding Years 2022 and after.

To minimize confusion and delays, applicants should send the request for the change to USAC **before** the change takes place so that USAC has time to process the request before the submission of any invoices for services rendered by the new service provider.

