

**STATEMENT OF
FCC COMMISSIONER MIGNON L. CLYBURN**

Re: *Rural Health Care Support Mechanism*, WC Docket No. 02-60, Report and Order

Today's Order to create the Healthcare Connect Fund is a momentous event—one in the making since the Commission voted a Further Notice just over two years ago. Before I discuss its importance for consumers, I must first acknowledge the significance of the vote itself: this marks the fourth time, under the leadership of Chairman Genachowski that the FCC has voted to reform a Universal Service Fund program, as recommended by the National Broadband Plan. We have now implemented significant reforms for every program in the Fund, and what this means for us all, is that now each program is better equipped, to serve Americans in today's broadband world. Mr. Chairman, congratulations. Well done. And I am proud to support your Order.

The Chairman assembled an incredible team in this reform effort, so I must also acknowledge Zac Katz, Michael Steffen, and the rest of the team including Julie Veach, who became Bureau Chief this summer and hit the ground running, and Carol Matthey, her Deputy, who has been intimately involved with reforming each USF program since the drafting phase of the National Broadband Plan. Carol's dedication to the universal service principles espoused by the Act, is second to none. Of course, she has a team of people in the Telecommunications Access Policy Division, led by Trent Harkrader and assisted by Linda Oliver, who have been diligently assessing and improving upon the Rural Healthcare Pilot Program. The Rural Healthcare team prepared a well written report this summer on the Pilot Program, then applied the lessons learned from it, as reflected in today's Order. Implementing the USF reforms we already have undertaken is a significant task, so I am especially grateful that you continued to work on this program as well. That commitment will help ensure that rural Americans have better access to healthcare, through the Fund, which is an important goal for our nation.

Many of you know that I am from South Carolina, and in addition, I have had the privilege to visit other rural states since joining this Commission. I've seen first-hand how rural healthcare networks can make a difference in our citizens' lives. Through the Palmetto State Providers Network back home, an at-risk expectant mother can now receive quality prenatal care, without having to travel a long distance, at great expense, missing work and pay. A head injury patient in rural Montana, can now have his CT scan read in minutes, averting a several hundred mile trip to Kalispell in an ambulance, saving time, money and more importantly his life. And in Barrow, Alaska, that person needing psychiatric care, will be in a better position to have her needs met, without leaving familiar surroundings. Our record is full of examples of the important benefits rural healthcare networks provide, the lives that have been saved, and the significant out of pocket and Medicaid and health insurance costs that have been avoided.

So yes, I say momentous. Today's Order *is* momentous. We are moving forward in supporting new broadband networks and services, recognizing that we should build on the successes of the consortia formed in the Pilot Program. We are avoiding wasteful spending, by requiring that competitive bids be solicited for both broadband services and infrastructure, and that participants must choose the most cost effective option. Moreover, through the provisioning of a 65 percent discount for both services and infrastructure, the program will not advantage one type of support over the other. This reformed framework encourages consortia to realize the many benefits they offer, such as faster broadband speeds at lower costs, but it will not punish single site needs. We are permitting both consortia and single site entities to apply, and we have

struck the right balance of encouraging consortia with a mix of rural and urban, by requiring that more than 50 percent of the consortia must be rural.

Our staff has taken great care, to make the Rural Healthcare Connect Fund simple for participants as well as for USAC, the Fund's administrator. Clear rules have been put forth to advance our objectives, of increasing health care providers access to broadband in rural areas, and fostering the development of health care broadband networks, while increasing program efficiency. But the good news does not stop there.

Because they always are planning ahead, staff is proposing a skilled nursing facilities pilot program, to determine whether such facilities, should be eligible under the permanent program. It is believed that if supported, this type of program will afford optimal care for patients, who are too sick to stay at home, but not ill enough for a hospital admission. Broadband is especially useful for these facilities, as it permits a doctor to be virtually present, and offers patients and their families' increased peace of mind. As we have seen from the Commission's earlier Pilot Program, we learn a great deal from those pilots, before implementing changes to our programs. Thus, I fully support the Chairman's plan, to implement a time-limited pilot, for skilled nursing facilities.

Finally, staff has put together a thoughtful outreach plan, to inform healthcare facilities, of the Healthcare Connect Fund in order to help promote the benefits this new program. It is important, as we implement modifications to our programs and offer new opportunities, that we do our part, to inform the public, about these modifications. We've seen success in other recently reformed programs, such as Lifeline, when we put great care in providing information to the public, working with our sister agencies in the federal government, and with other state and local government entities, in addition to distributing details of the changes to affected industries and those who represent them.

We are living longer, playing harder; working, residing and vacationing in places that, not so long ago, seemed out of reach. On top of and as a result of these trends, with our healthcare bills rising, and the demand of electronic health records becoming the norm, broadband has the greatest potential to aid us in realizing the optimal efficiencies in healthcare service delivery in even the most remote areas of this nation. With the implementation of the Healthcare Connect Fund, facilities in rural, currently underserved communities will now have opportunities to obtain desired broadband services, allowing for better healthcare to their areas. I am pleased to support this Order which gives expanded and deserved critical services to rural America.