
**The Federal Communication
Commission's Pilot Program
For Enhanced Access to Advanced
Telecommunications and Information Services**
*Rural Health Care Support Mechanism, WC Docket No. 02-60,
Order (rel. Sep. 29, 2006); Order on Reconsideration (rel. Feb. 6, 2007).*

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FCC Telemedicine Pilot Program

- Goal – To facilitate the creation of a nationwide broadband network dedicated to health care, connecting public and non-profit health care providers in rural and urban locations.
- Telemedicine Pilot Program
 - Provides funding for up to 85 percent of an applicant's costs of deploying a dedicated broadband network connecting health care providers in rural and urban areas within a state or region.
 - Provides funding for up to 85 percent of an applicant's costs of connecting the state or regional networks to Internet2 or National LambdaRail, which are both dedicated nationwide backbones. Applicants may also request connection to the public Internet.
 - Applications are due on May 7, 2007. Applications are considered filed with the Commission upon receipt, not postmark.
- The pilot program will inform the Commission as to the feasibility of revising its current health care rules in a manner that will more effectively use available funding to create a ubiquitous, nationwide broadband network dedicated to health care.
- The existing Rural Health Care program
 - Section 254(h)(1)(A) -- Ensures that rates paid by public and not-for-profit health care providers are "comparable" to rates in urban areas.
 - Expenditure cap of \$400 million / year. Current expenditure of approximately \$40 million/year (10% of cap).
 - Section 254(h)(2)(A) -- Provides funding for Internet access.
- The pilot program operates within the framework of the existing Rural Health Care fund operated by USAC.

Nationwide Backbones

❑ **Internet2**

- ❑ Internet2 is a not-for-profit advanced networking consortium comprising more than 200 U.S. universities in cooperation with 70 leading corporations, 45 government agencies, laboratories and other institutions of higher learning as well as over 50 international partner organizations. The organization is governed by an executive Board of Trustees and strategic councils consisting of leaders who represent a broad membership.
- ❑ www.internet2.edu

❑ **National LambdaRail (NLR)**

- ❑ NLR is a not-for-profit organization that was incorporated to advance and serve the research, clinical, and educational goals of its members and other institutions through its dedicated, nationwide, advanced network infrastructure that is connected to regional optical networks. NLR's network is owned, managed and controlled by its members, who are members of the research and education community.
- ❑ www.nlr.net

Benefits of a Dedicated Health Care Network

- A broadband network that connects multiple health care providers would bring the benefits of innovative telehealth and, in particular, telemedicine services to those areas of the county where the need for those benefits is most acute.
- Telehealth applications allow patients to access critically needed medical specialists in a variety of practices, including cardiology, pediatrics, and radiology, without leaving their homes or their communities.
- Linking statewide and regional networks to a nationwide backbone would connect a number of government research institutions, as well as academic, public, and private health care institutions that are repositories of medical expertise and information.
- Intensive care doctors and nurses can monitor critically ill patients at multiple locations around the clock.
- Health care providers would also benefit from advanced applications in continuing education and research.
- A nationwide network would enhance the health care community's ability to provide a rapid and coordinated response in the event of a national crisis.

Overview of Pilot Program

- The application and selection process is designed to encourage applicants to aggregate needs, include rural health care providers, and select the most efficient technology based on their network needs.
- The pilot program will fund connectivity among rural and urban public and non-profit health care providers. (Non-eligible providers will be permitted to connect to the network, but must pay their direct costs.)
- Eligible health care providers (public and non-profit) may receive support for up to 85 percent of the costs for constructing dedicated broadband networks.
- Funding for the pilot program will not exceed the difference between the amount committed under our existing program for the current year and \$100 million (25% of the overall cap).
- Support will cover costs of broadband facilities, (including infrastructure build-out costs and network design), as well as the advanced telecommunications and information services that ride over those facilities.
- Support will cover the costs of connecting a state or regional network to Internet2 or NLR. Applicants may pre-select Internet2 or NLR, or may seek competitive bids from Internet2 or NLR for nationwide backbone services. Applicants may also request connection to the public Internet.
- Funding through the pilot program will be available for a period of at least two years.
- Selected recipients will be required to reapply in the second year. New participants may also be selected in 2007.

Overview of Pilot Program

- Evaluation of Proposals
 - The pilot program encourages multiple health care providers in a state or region to join together for the purpose of formulating and submitting proposals.
 - Specific consideration of each applicant's strategy for aggregating the specific needs of health care providers, including providers in rural areas, and whether the applicant has a successful track record in developing, coordinating, and implementing a successful telehealth/ telemedicine program within their state or region.
 - Considerable weight will be given to the extent to which rural health care providers are included in the proposed network.
 - A proposal that connects only a *de minimis* number of rural health care providers will not be accepted.

Overview of Pilot Program

Applications must:

- ❑ Identify the organization that will be legally and financially responsible for the conduct of activities supported by the fund;
- ❑ Identify the goals and objectives of the proposed network;
- ❑ Estimate the network's total costs for each year;
- ❑ Describe how for-profit network participants will pay their fair share of the network costs;
- ❑ Identify the source of financial support and anticipated revenues that will pay for costs not covered by the fund;
- ❑ List the health care facilities that will be included in the network;
- ❑ Provide the address, zip code, Rural Urban Commuting Area (RUCA) code and phone number for each health care facility participating in the network;
- ❑ Indicate previous experience in developing and managing telemedicine programs;
- ❑ Provide a project management plan outlining the project's leadership and management structure, as well as its work plan, schedule, and budget;
- ❑ Indicate how the telemedicine program will be coordinated throughout the state or region; and
- ❑ Indicate to what extent the network can be self-sustaining once established.

Resources

FCC Home Page:

www.fcc.gov

FCC Pilot Program Home Page:

www.fcc.gov/cgb/rural/rhcp.html

Universal Service Administrative Company

www.usac.org