

FCC RURAL HEALTHCARE PROGRAM

Frequently Asked Questions

FUNDING WINDOW PREPARATION

When should I prepare for the next funding window?

It is highly encouraged that funding window preparation happens between July and September for RFP filing and evaluations between October and December.

How do I prepare for a funding window?

1. Review your current network and determine how future needs might be met through new products and/or services.
2. Broadband Services will then review your inventory, contracts, quotes and invoices to determine the appropriate USAC funding window to file eligible expenses, existing and new.
3. If you have not done so already, sign a Letter of Agency (LOA) with Broadband Services. The LOA allows Broadband Services to file forms, for each eligible location in your organization with USAC.
4. Work with Broadband Services to submit copies of invoices, service provider master service agreements and any additional forms of documentation that you feel would be helpful to Broadband Services staff to prepare a funding request. PLEASE NOTE: documentation is only required for existing services. For services and equipment you are planning on obtaining in the coming funding year, simply providing a list of preferred makes, models, quantities, speeds and, connectivity specifications is all that needed to submit a funding request.

Eligible Services

If I purchase new equipment or services after a funding window, can it be subsidized?

HCP owned equipment: No. Owned equipment must be purchased through a Request for Proposal (RFP) submitted during the 2022 funding window to apply for subsidy.

HCP leased equipment/services: Yes. Broadband Services will request for existing leased equipment/services (put in place after July 1 of the funding year) to be subsidized in the coming Funding Year's application window as a 'standing bid'. Leased equipment will have to go out for (RFP) and must be considered the most cost-effective solution for your organization. Subsidy will cover charges beginning July 1.

Do I have to purchase new equipment or services during a funding window?

Current HCP leased equipment/services: No. Broadband Services can request that existing leased equipment/services to be subsidized in the upcoming funding year as a 'standing bid'. Leased equipment will have to go out for (RFP) and must be considered the most cost-effective solution for your organization. Subsidy will cover charges

beginning July 1 of the current funding year going forward. Please note that Broadband Services cannot apply for funding in arrears so any expenses on existing leased equipment or services not currently funded will have to be paid at full price until subsidy is obtained in the form of a Funding Commitment Letter (FCL).

*HCP owned equipment: **Yes.** Owned equipment must first be requested through a Request for Proposal (RFP) for the coming funding year. Equipment requested via RFP must be installed and operational on or after July 1 funding year in order to apply for subsidy.*

When is the best time to upgrade a circuit if I want to insure it receives subsidy?

We understand that in many cases, broadband and internet circuit upgrades are needed immediately to meet the emerging healthcare needs of the patients and clients your organization serves. For existing services, upgrades may be undertaken at your organization's discretion as needs dictate, however, any increases in monthly recurring costs above the funded amount for the original circuit must be paid in full by the healthcare provider. Any non-recurring costs must be paid in full by the healthcare provider as we cannot retroactively apply for funding once a funding window has closed. If this scenario applies, please contact Broadband Services as soon as possible to discuss the mechanics of handling the upgrade.

If your organization is considering upgrading a circuit but would prefer to wait until the funding window opens so its full cost can be considered for funding, the upgrade must be included in the RFP process and be installed and go live on or after July 1 of the upcoming funding year.

If I have a SAN and two physical hosts managing VM's that support my virtual management of my primary, secondary and remote clinic firewalls, and application filtering but they aren't 100% dedicated to one function, are they eligible?

***Yes.** As long as the function of equipment is "necessary to manage, control, or maintain an eligible service or a dedicated health care broadband network" C.F.R. § 54.613 (b) it is eligible for support as a part of a consortium application (i.e. working with Broadband Services). If the use of network equipment isn't 100% dedicated to the provision of eligible healthcare services it would be required that you demonstrate what percentage of the usage is dedicated to healthcare operations, then we would apply the appropriate percentage to the funding request.*

Request for Proposals (RFPs) and Contracting

When can I sign a new contract with a service provider?

Broadband Services suggests that contracts for new services be signed after the USAC RFP process has been completed. That is AFTER the designated 28-day RFP evaluation period that takes place annually between July and December. During this process, all service provider bids, both new bids and standing bids for existing services, will be reviewed to determine the most cost-effective solution for your organization and Broadband Services will provide recommendations based on the outcome of the competitive bidding period.

USAC adheres to a strict competitive bidding cycle. If a contract is signed during an RFP posting period, USAC will deny the application as a violation of the fair and open bidding process.

USAC Invoicing

When will I receive the awarded subsidy?

After the close of the funding window, April 1, USAC will review all applications submitted. While FY 2023 saw the issuance of funding decisions faster than seen in previous years, it is still not unusual for applicants to wait well into the current funding year (6-10 months) for subsidy to be awarded.

Upon approval of the application from USAC, Broadband Services, as well as the chosen service provider, will receive a Funding Commitment Letter (FCL) indicating the awarded subsidy. Funding commitment letters are issued every Thursday after the close of the funding window. Even denied applications will receive an FCL. If an application is denied in whole or part, Broadband Services will automatically appeal the denial to USAC and the FCC (when applicable).

Broadband Services then will request copies of invoices from your organization for services that were awarded subsidy dating back to July 1. Broadband Services will then process the invoices and submit a reimbursement request to USAC. Once approved, the **subsidy is then paid directly to the corresponding service provider and applied to your account as a credit**. Until an FCL is received, we encourage you to pay the service provider in full to avoid any late penalties.

Every month following the initial reimbursement request, Broadband Services will require copies of invoices to submit for monthly reimbursements for the life of the awarded subsidy.

If subsidy is approved for 3 years, does USAC disperse funding for the whole 3 years?

No. The first disbursement is retroactive to July 1, and then monthly after that for the life of the awarded subsidy. Subsidy is dispersed directly to the service provider.

Can we discontinue our 3-year agreement with Broadband Services, without penalty, if we choose to no longer receive awarded subsidy?

Yes. There is no penalty for discontinuing subsidy. Approved funding will return to USAC as unused.

Important Dates

August 30: All member Service Agreements and USAC Letter of Agency's are to be finalized prior to the following funding window.

September 30: Member inventory lists are to be submitted to Broadband Services. These lists should include all current and new services starting July 1.

September 1 – December 31: RFPs are posted by Broadband Services. On average, USAC will post an RFP in 10-40 days.

October 1 – January 31: RFPs are evaluated with members and contracts are signed with service providers.

December 1 – March 1: Broadband Services begins filing Form 462's (the official application request for funding).

April 1: Last day of the funding window.

July 1 – June 30: USAC funding year.

BROADBAND SERVICES TEAM

Rob Jenkins, Sr. Director: rob.Jenkins@cha.com

Sarah Zielinski, Program Manager: sarah.zielinski@cha.com

Wendy Cann, Sr. Billing and Accounting Specialist: wendy.cann@cha.com

Linda Kuhrt, Program Manager: linda.Kuhrt@cha.com