

# Healthcare Connect Fund

*On December 12, 2012 the FCC created the Healthcare Connect Fund (HCCF) to expand access by health care providers to robust broadband networks. Building on lessons learned from 50 Pilot projects testing how to most effectively use broadband to improve the quality and reduce costs of health care in rural areas, the HCCF reforms modernize the FCC's existing universal service Rural Health Care Program to expand the benefits of telemedicine nationwide.*

## **Goals of Healthcare Connect Fund**

- Increase access to broadband for eligible health care providers (HCPs), especially those serving rural areas
- Foster development and deployment of broadband health care networks
- Maximize cost-effectiveness of the FCC's universal service health care program

## **Health Care Benefits for Consumers**

- Access by rural HCPs to medical specialists at larger HCPs through telemedicine
- Enhanced exchange of electronic health records and coordination of patient care
- Remote training of medical personnel
- Improved quality and lower cost of health care

## **Key Features of New Healthcare Connect Fund**

- Supports broadband connectivity and broadband networks for HCPs
- Encourages use of consortium to save costs, expand access to health care resources
- Provides 65% discount on broadband services, equipment, connections to research and education networks, HCP-constructed and owned facilities if shown to be the most cost-effective option
- Requires a 35% HCP contribution
- Funding began January 1, 2014 (July 1, 2013, for existing Pilot projects)

## **Who is eligible to participate?**

- Public or not-for-profit hospitals, rural health clinics, community health centers, health centers serving migrants, community mental health centers, local health departments or agencies, post-secondary educational institutions/teaching hospitals/medical schools, or consortia of the above
- Non-rural HCPs may participate in Healthcare Connect Fund if they belong to a consortium that has a majority of rural HCPs, however, only those non-rural HCPs that fit into one of the eligible categories listed above can receive support from the HCCF. Other non-rural HCPs may participate in HCCF-consortia and benefit from consortia rates that offered by service providers or equipment vendors, but such HCPs are not eligible for HCCF support.
- The largest HCPs (400 + patient beds) are eligible, but support is capped if non-rural.

**Funding Caps**

- Cap on total funding for FCC Rural Health Care Programs, including Healthcare Connect Fund, is \$400 million annually.
- Cap for upfront payments in Healthcare Connect Fund is \$150 million annually.

**Links**

- Healthcare Connect Fund order: [www.fcc.gov/document/fcc-releases-healthcare-connect-order](http://www.fcc.gov/document/fcc-releases-healthcare-connect-order)
- FCC website, [www.fcc.gov/health](http://www.fcc.gov/health)
- Universal Service Administrative Co. (USAC) website, [www.usac.org/rhc](http://www.usac.org/rhc)
- FCC RHC Pilot Program Map, <http://www.fcc.gov/maps/rural-health-care-pilot-program>
- FCC RHC Pilot Program – Selected Participants, <http://www.usac.org/rhcp/about/participants.aspx>

**For More Information**

Contact USAC at 1-800-453-1546 or at [rhc-assist@usac.org](mailto:rhc-assist@usac.org).

February 2015