



Updated July 8, 2020

# FCC COVID-19 Telehealth Program and Connected Care Pilot Program: Funding to Assist Health Care Providers and Patients

## Introduction

Health care providers are leveraging *telehealth*, which generally refers to a health care provider's use of information and communication technology to provide a health care service, to meet patients' health care needs during the Coronavirus Disease 2019 (COVID-19) pandemic. However, some providers do not have the infrastructure to offer, nor do some patients have the broadband access or connected devices to access, telehealth services. To address these gaps, the Federal Communications Commission (FCC) is administering the COVID-19 Telehealth Program and the Connected Care Pilot Program. The goal of both programs is to assist health care providers with providing *connected care services*, which the FCC refers to as "a subset of telehealth that uses broadband internet access service-enabled technologies to deliver remote medical, diagnostic, patient-centered, and treatment-related services directly to patients outside of traditional brick and mortar medical facilities—including specifically to patients at their mobile location or residence" (<https://go.usa.gov/xvGG8>).

The FCC is an independent federal regulatory agency charged with regulating interstate and international communications by radio, television, wire, satellite, and cable. On April 2, 2020, the FCC released the Report and Order on both programs (<https://go.usa.gov/xv79v>), which was subsequently published on April 9, 2020, as a final rule in the *Federal Register* (<https://go.usa.gov/xvGGe>). This In Focus provides an overview of both programs.

## Eligible Applicants for the COVID-19 Telehealth Program and the Connected Care Pilot Program

Under both programs, eligible applicants are limited to the nonprofit and public health care providers codified in Section 254(h)(7)(B) of the Communications Act of 1934, as amended: (1) post-secondary educational institutions offering health care instruction, teaching hospitals, and medical schools; (2) community health centers or health centers providing health care to migrants; (3) local health departments or agencies; (4) community mental health centers; (5) not-for-profit hospitals; (6) rural health clinics; (7) skilled nursing facilities; and (8) consortia of health care providers consisting of one or more entities falling into the first seven categories. Eligible health care providers may be located in rural and nonrural areas. Each health care provider must have an eligibility determination from the Universal Service Administration Company (USAC), which is an independent not-for-profit corporation that administers universal service funds, to receive funding.

## Overview of the COVID-19 Telehealth Program

The COVID-19 Telehealth Program is a temporary funding program that supports health care providers with purchasing telecommunication services, information services, and connected devices to combat the pandemic. The overall goal of the program is to help health care providers reach their patients and to complement the Department of Health and Human Services' (HHS's) temporary expansion of telehealth. The Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) authorizes this program.

The CARES Act, among other things, authorized an appropriation of \$200 million for FCC to prevent, prepare for, and respond to coronavirus. Using the appropriation, the FCC established the COVID-19 Telehealth Program. Program funds are to remain available until expended or until the current pandemic ends.

## Program Funds Expended

On April 13, 2020, the Wireline Competition Bureau (the Bureau), the organization responsible for the selection of awardees and distribution of funding, started accepting applications. By June 24, 2020, according to the Bureau, the COVID-19 Telehealth Program had approved over 400 applications, for a total of \$157.64 million in funding (<https://go.usa.gov/xfaca>). On June 25, 2020, the Bureau announced it was no longer accepting applications because the demand for funding exceeded available funds. The maximum award amount was \$1 million (<https://go.usa.gov/xfaxb>). The Bureau will use remaining funds to fund selected qualifying costs in applications submitted before the close date.

## Qualifying Costs

Health care providers requested funding for telecommunication and broadband connectivity services, information services, and connected devices and equipment.

- **Telecommunication and broadband connectivity services** include voice services for health care providers and their patients.
- **Information services** include internet connectivity services for health care providers and their patients, asynchronous store-and-forward and synchronous live video platforms, and patient reported outcome platforms.
- **Connected devices and equipment** include tablets, smartphones, kiosks, and carts at health care provider sites, and broadband-enabled medical devices that

patients can take home, such as blood pressure monitors and pulse oximetry monitors. The medical devices for patients must attach to their bodies and transmit results directly to health care providers.

### Report to the FCC

Health care providers are required to submit a report to the FCC on program outcomes six months after the COVID-19 Telehealth Program ends.

## Overview of the Connected Care Pilot Program

The Connected Care Pilot Program is a three-year funding program that supports health care providers with purchasing infrastructure for themselves and their patients, particularly eligible low-income individuals and eligible veterans. The program aims to help health care providers improve health outcomes and reduce health care costs for patients, health care facilities, and health care systems. The goal of the pilot program is to gain data on and examine how the Universal Service Fund (USF) can be useful in supporting the advancement of connected care initiatives through pilot projects. USF provides ongoing subsidies to keep the operation of telecommunications and broadband networks in high-cost areas economically viable for providers. Pilot projects are to primarily focus on public health epidemics, opioid dependency, mental health conditions, high-risk pregnancies, and chronic or reoccurring medical conditions. The Telecommunications Act of 1996 (P.L. 104-104, as amended) authorizes the Connected Care Pilot Program.

### Eligible Low-Income Individuals and Veteran Participants

An *eligible low-income individual*, for the purpose of this program, must either (1) be eligible to receive Medicaid assistance or (2) have a household income that is at or below 135% of the HHS federal poverty guidelines (<https://go.usa.gov/xvG62>). For calendar year 2020, the poverty guideline for an individual is \$12,760 for the 48 contiguous states and the District of Columbia, \$15,950 for Alaska, and \$14,680 for Hawaii. An *eligible veteran*, for the purpose of this program, is a person, regardless of income level, who is eligible to receive health care services through the Department of Veterans Affairs.

### Applications

Preference is given to health care providers that are experienced in providing telehealth services or participate in a network that assists providers with implementing their pilot projects such as a Regional Telehealth Resource Center. Applicants must demonstrate that their proposed projects will address the connected care service needs of a high percentage of low-income individuals and veterans within their participant populations. Health care providers that receive funding must notify the USAC within 30 days of when their participating patient population decreases by 5% or more.

### Qualifying Costs

Health care providers can request funding for patient broadband internet access services, health care provider broadband data connections, other connected care information services, and certain network equipment.

- **Patient broadband internet access services** consist of mobile or fixed broadband internet access services for participants who do not currently have or who lack sufficient broadband internet access.
- **Health care provider broadband data connections** consist of data connections between provider and patient, not from one health care provider to another provider. Broadband data connections currently funded through the Healthcare Connect Fund Program are not qualifying costs.
- **Other connected care information services** consist of services that health care providers use to provide connected care services other than broadband connectivity. Information services are not enumerated because the FCC does not want to unintentionally exclude information services that the FCC has the authority to and may seek to include as an eligible service. However, the program will not fund medical professional review of data and images (transmitted or stored) or services that are not designed to capture, transmit, and store data with the goal of facilitating connected care services.
- **Certain network equipment** consists of network equipment that is necessary to provide connected care services such as routers and servers. Award recipients may not apply for or receive funding for network equipment through any other federal program. Recipients may not use USF funds to purchase end-user devices and medical equipment.

Health care providers have up to six months from the date of their initial funding commitment letter to organize and implement their pilot projects. During the administration of their projects, health care providers must notify FCC within 30 days of any material change such as the closure of a health care provider site or the termination of a pilot project. Health care providers are to have up to six months after the funding end date to close out their pilot projects.

### Funding

The FCC is making available \$100 million over a three-year period from general USF monies to administer and fund the Connected Care Pilot Program. The program provides funding to help subsidize (up to 85% of) qualifying costs of providing connected care services. There is a cost-matching requirement of 15% that must be met with nonfederal funds. There is no set limit on award amounts per pilot project. Health care providers who have exhausted their funds can apply for additional funds.

### Report to the FCC

Health care providers must submit a report to the FCC on program outcomes, within six months of the end dates of their pilot projects.

---

Victoria L. Elliott, Analyst in Health Policy

## Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.