April 16, 2018

Marlene H. Dortch, Secretary

Federal Communications Commission

445 12th St, SW

Room TW-A325

Washington, D.C. 20554

Re: Immediate Waiver of the FY2017 RHC Funding Cap

Dear Secretary Dortch:

The North Carolina Telehealth Network (NCTN) supports the Schools, Health & Libraries Coalition (SHLB) Emergency Petition for Waiver of the Rural Health Care Program Funding Caps. This waiver was filed recently and seeks relief during the FCC’s Open Rulemaking process to reform the Rural Healthcare Program.

NCTN is a North Carolina-based consortium under the Federal Communication Commission’s Healthcare Connect Fund program. As is the case with other consortia, its purpose is to provide the highest-quality connectivity for North Carolina’s nonprofit healthcare providers, particularly its rural providers, at an affordable price. Its roughly 300 sites span the state from a community health center on the island of Ocracoke to a mountain health department in Macon County.

As with the large majority of healthcare providers today, NCTN providers rely heavily on digital healthcare solutions to enable and expedite their clinical operations and their administrative activities. They use distributed electronic health records to track patient encounters. They securely share patient information to better understand their patients’ history and reduce duplicative testing and imaging, and our providers confer with one another to leverage their respective expertise. In turn, these digital tools rely on a highly reliable, high performance telecommunications network to function effectively.

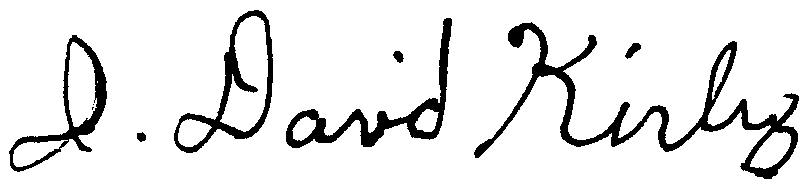
The Healthcare Connect Fund program, with its discounts, has been setup specifically to ensure that this kind of networking is available for nonprofit providers, many of whom could not otherwise afford it. Until recently, the Healthcare Connect Fund program has proven effective enabling a large number of smaller, rural providers to gain access to a high-quality connectivity.

However, the recent, substantial reductions in discounts and the substantial delays in the processing of applications place a considerable strain on the NCTN providers. Forty-four NCTN members will see their broadband subscription rates increase by nearly 50% with this reduction in discounts. Over half of these providers are rural. Of these, almost all are either local health departments, critical access hospitals, or FQHC’s. In other words, those providers which most need and are the highest priority for the Healthcare Connect Fund program are being hit disproportionately by the reduction in discounts.

These providers are very price-conscious, and not infrequently, they will opt for services with poorer performance at a lower price. Compounded by their limited technical support, less reliable services with less consistent performance will negatively affect clinical operations. In other words, cutting the discount rates for the rural NC providers, with related negative impact on operations, will reduce any positive effects of other Federal and North Carolina programs intended to enhance access to and improve the quality of care for rural North Carolinians.

Many of NCTN’s healthcare providers do not have the operating margins or reserves to absorb the discount reductions as the Federal Communications Commission continues with its broader reforms of the Rural Healthcare Program. They need relief from these reductions as soon as possible. As such, NCTN strongly urges the Commission to address this immediate need and respond positively to the SHLB Petition.

Thank you very much for your time and consideration.



J. David Kirby - Director, NCTN