



May 6, 2019

The Honorable Ajit Pai, Chairman
The Honorable Michael O'Rielly, Commissioner
The Honorable Brendan Carr, Commissioner
The Honorable Jessica Rosenworcel, Commissioner
The Honorable Geoffrey Starks, Commissioner
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Subject: Rural Health Care Support Mechanism FY2019 Filing Window
WC Docket 02-60

Dear Chairman Pai and FCC Commissioners:

Thank you for your support of the Rural Health Care Program. **Altru Regional Telehealth Network** is writing today to concerning the Funding Year 2019 filing window for the Healthcare Connect Fund, particularly how the same adversely impacts consortium applicants. USAC has announced that the filing window for FY2019 will open on February 1 and close on May 31, 2019. USAC will allow the filing of a FY2019 FCC Form 461 to initiate competitive bidding on January 1, 2019. In effect this means that applicants will only have 150 days to initiate competitive bidding, evaluate bids received, choose the most cost-effective service provider, negotiate contract terms and complete the FCC Form 462. **This is not enough time for consortium applicants to complete the funding request process.**

The FCC has a stated goal of "fostering the development and deployment of broadband healthcare networks, particularly networks that include HCPs that serve rural areas."¹ While specific, detailed information is not available on the USAC website, it has been reported previously that there are several hundred consortium applicants participating in the Healthcare Connect Fund. Many applicants are still waiting on funding commitment decisions for FY2018, including determination of Evergreen Contract² status for contracts negotiated based on FY2018 competitive bidding.

¹ See *Rural Health Care Support Mechanism*, WC Docket No. 02-60, Report and Order, 27 FCC Rcd 16678 (2012) (*Healthcare Connect Fund Order*). ¶ 39

² 47 C.F.R. § 54.642(h)(4)

The issues we face as we approach FY2019 are even more complex than in prior years. USAC notified the FCC on May 6, 2019 via a letter that the funding cap for multi-year and upfront payments was breached in FY2018.³ Per the USAC letter, demand under the sub-cap as of March 31, 2019 is \$237.2 million. USAC cannot issue FY2018 funding commitments without guidance from the FCC. As of May 6, 2019, applicants are still waiting for FCL's for FY2018 that include multi-year and upfront costs. Applicants were regularly told by USAC that it was "processing the request" when applicants inquired as to the status of their funding requests. Twenty-five days prior to the existing FY2019 filing deadline, USAC finally files a letter with the FCC outlining what many applicants already suspected – that the cap was breached once again. It took 10 months after the FY2018 filing window for applicants to be informed. To date, we still do not know what the demand for funding was as of July 1, 2018, which we have reason to believe was significantly higher than the current total demand as of March 31, 2019 of \$648.1 million.

Applicants that filed multi-year and upfront funding requests for FY2018 will now have to prepare brand new filings for FY2019. Which is not as simple as just re-filing what was filed previously. We now have to modify the funding requests and obtain new documentation from service providers, as well as new documentation from within the consortia. There are only 20 business days in which to accomplish this task, which is not sufficient time.

We appreciate your consideration. We ask that the FCC direct USAC to extend the filing deadline of the FCC Form 462 for FY2019 to June 30, 2019 to give consortium applicants a reasonable opportunity to file for funding for FY2019. The FCC has extended the deadline in prior funding years, and we ask that you do the same for FY2019.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew Schumacher".

Matthew Schumacher
Director of Technology
Altru Regional Telehealth Network

³ USAC letter to the FCC dated May 6, 2019, <https://ecfsapi.fcc.gov/file/10503215199921/universal.pdf>