

Rural Health Care Pilot Program
Quarterly Report for the Period Ending October 30, 2009
FCC-WC Docket No. 02-60

Prepared by:

Florida Center for health Information and Policy Analysis
Agency for Health Care Administration
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Submitted to:

Commission's Secretary, Office of the Secretary
Federal Communications Commission
9300 East Hampton Drive
Capitol Heights, MD 20743

Courtesy Copy:

Antoinette Stevens
Telecommunications Access Policy Division
Wireline Competition Bureau
445 12th Street, S.W., Room 5B-521
Washington, D.C. 20554

1. Project Contact and Coordination Information

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The original plan for the Florida Rural Health Care Pilot Project was to have Big Bend RHIO construct and maintain the rural health care network in the Florida Panhandle. In late summer of 2009, the Big Bend RHIO notified the Agency for Health Care Administration that it would not undertake construction without an additional \$150,000 for project management. With no recourse to such funding, the Agency is seeking to change the FCC Rural Health Care Pilot Project award from the Big Bend RHIO to itself, to become legally and financially responsible for the project, and to oversee all construction of the broadband network to rural hospitals. The Agency will continue to provide oversight and administrative support for the rural broadband pilot program and has assigned on-going responsibilities to the Florida Center for Health Information and Policy Analysis within the Agency.

The Rural Broadband Pilot Project continues to be coordinated by the Agency for Health Care Administration and a number of public and private stakeholders who make up the governance body for the project. Taking the lead in the governance with the Agency are the Office of Trade and Economic Development in the Governor's Office, Opportunity Florida, Enterprise Florida and the Department of Management Services. The governance group has regular, bi-weekly calls to discuss the status of the program.

The Agency for Health Care Administration has taken the lead in contacting and visiting the health care facilities that will be connected to the broadband network and working with the CEOs of hospitals. We have held several regular conference calls with the CEOs of the hospitals to coordinate the project with them and to explain our status. The Agency has collected Letters of Agency from all of the hospitals that we plan to connect with fiber. We also submitted and won a \$1.123 million grant in April 2009 from the Office to Trade, Tourism and Economic Development as 15% match funding for construction of the network. The Agency held a workshop in May 2009 with all of the rural hospitals in the pilot project to develop a timetable for building the network and to help them coordinate their connections. The workshop was well attended.

2. Health Care Facilities Included in the Network

The following public not-for-profit rural hospitals or hospital-based clinics will be connected with the gigabit optical fiber portion of the network as part of phase 1 of the project.

Calhoun-Liberty Hospital – Calhoun County
20370 Northeast Burns Avenue
Blountstown, FL 32424
(850) 674-5411
Ruca Code: 7.0
Census Tract Code: 9903.00
Public non-profit

George Weems Memorial Hospital – Franklin County
135 Avenue G
Apalachicola, FL 32320
(850) 653-8853
Ruca Code: 7.0
Census Tract Code: 9703.00
Public non-profit

Sacred Heart Hospital – Gulf County
Port St Joe, FL 32456
Ruca Code: 7.3
Public non-profit

Doctor's Memorial Hospital – Holmes County
401 East Byrd
Bonifay, FL 32425
(850) 547-1120
Ruca Code: 9.0
Census Tract Code: 9604.00
Public non-profit

Campbellton-Graceville Hospital – Jackson County
5429 College Drive
Graceville, FL 32440
(850) 263-4431
Ruca Code: 10.6
Census Tract Code: 9803.00
Public non-profit

Jackson Hospital – Jackson County
4250 Hospital Drive
Marianna, FL 32446
(850) 526-2200
Ruca Code: 8.0
Census Tract Code: 9805.00
Public non-profit

Madison County Memorial Hospital – Madison County
309 NE Marion Street
Madison, FL 32340
(850) 973-2271
Ruca Code: 7.0
Public non-profit

Doctor's Memorial, Inc. – Taylor County
333 N. Byron Butler Parkway
Perry, FL 32348
(850) 584-0800
Ruca Code: 7.0
Census Tract Code: 9502.00
Public non-profit

Northwest Florida Community Hospital – Washington County
1360 Brickyard Road
Chipley, FL 32428
(850) 415-8103
Ruca Code: 7.0
Not-for-profit Emergency Department

Not-for-profit urban hospitals that will be offered access to the broadband network in phase one include:

Baptist Hospital – Escambia County
1000 West Moreno St.
Pensacola, FL 32501
(850) 434-4011
Not-for-profit

Sacred Heart Hospital– Escambia County
5151 N. 9th Avenue
Pensacola, FL 32504
(850) 416-7000
Not-for-profit

Tallahassee Memorial Hospital – Leon County
1300 Miccosukee Road
Tallahassee, FL 32308
(850) 431-1155
Not-for-profit

Bay Medical - Bay County
615 North Bonita Avenue
Panama City, FL 32401
(850) 769-1511
Not-for-profit

The following public and non-profit clinics will be included in the proposed wireless broadband network in phase two of the pilot project:

Calhoun County Clinic Addresses

TALLAHASSEE MEMORIAL FAMILY MEDICINE

17808 N.E. Charley Johns Street

Blountstown, FL

THE MEDICAL CENTER AT BLOUNTSTOWN

20454 NE Finlay Ave

Blountstown, FL

Franklin County N. FL Medical Center and Clinic Addresses	Zip Code	RUCA Code	Phone Number
NORTH FLORIDA MEDICAL CENTERS			
EASTPOINT MEDICAL CENTER			
35 Island Drive Suite 14 Eastpoint, FL – Not-for-profit	32328	7	(850) 670-8585
BAYLINE MEDICAL CENTER			
102 SE Avenue B Carrabelle, FL – Not-for-profit	32322	10.6	(850) 697-2223
MAGNOLIA MEDICAL CLINIC			
116 Avenue East Apalachicola, FL – Not-for-profit	32320	7	(850) 653-2935

Gadsden County Clinic Addresses	Zip Code	RUCA Code	Phone Number
TALLAHASSEE MEMORIAL FAMILY MEDICINE-QUINCY			
178 Lasalle Leffall Drive Quincy, FL – Not-for-profit	32351	4.1	(850) 875-3600

Gulf County N. FL Medical Center and Clinic Address	Zip Code	RUCA Code	Phone Number
NORTH FLORIDA MEDICAL CENTERS			
WEWAHITCHKA MEDICAL CENTER			
255 West River Road Wewahitchka, FL – Not-for-profit	32465	10.4	(850)639-5828
ST. JOSEPH CARE OF FLORIDA, INC.			
2475 Garrison Avenue Port St. Joe, FL – Not-for-profit	32456	7.3	(850) 227-1276 x 103
CYPRESS MEDICAL CLINIC			
118 North Highway 71 Wewahitchka, FL – Not-for-profit	32465	10.4	(850) 639-2376

GULF PINES MEDICAL

102 20th Street
 Port Saint Joe , FL – Not-for-profit 32456 7.3 (850) 229-8979

SHORELINE MEDICAL GROUP

419 Baltzell Avenue
 Port Saint Joe , FL – Not-for-profit 32456 7.3 (850) 670-8585

Holmes County Clinic Addresses	Zip Code	RUCA Code	Phone Number
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There are no not-for-profit Clinic currently listed.

Jackson County Clinic Addresses	Zip Code	RUCA Code	Phone Number
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There are no not-for-profit Clinic currently listed.

Jefferson County Clinic Addresses	Zip Code	RUCA Code	Phone Number
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**TALLAHASSEE MEMORIAL FAMILY MEDICINE
 MONTICELLO**

S Jefferson St
 Monticello, FL 32344 – Not-for-profit 32344 10.1 (850) 997-0707

Madison County N. FL Medical Center and Clinic Addresses	Zip Code	RUCA Code	Phone Number
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NORTH FLORIDA MEDICAL CENTERS

TRI-COUNTY FAMILY HEALTH CARE

193 NW US 221
 Greenville, FL – Not-for-profit 32331 10 (850)948-2840

FOUR FREEDOMS HEALTH SERVICES

194 NE Hancock Ave
 Madison, FL – Not-for-profit 32340 7 (850) 973-8851

MADISON MEMORIAL HEALTHCARE CENTER

309 NE Marion St
 Madison, FL – Not-for-profit 32340 7 (850) 973-1366

PEDIATRIC AND INTERNAL MEDICINE

104 East Dade Street
 Madison, FL – Not-for-profit 32340 7 (850) 973-4195

MADISON COUNTY MEMORIAL HOSPITAL 32340 7 (850) 973-2271

309 NE Marion Street
 Madison, FL - Public

Taylor County N. FL Medical Center and Clinic Addresses	Zip Code	RUCA Code	Phone Number
NORTH FLORIDA MEDICAL CENTERS			
TAYLOR DENTAL CENTER			
409 East Ash Street Perry, FL – Not-for-profit	32347	7	(850)223-2578
DOCTOR'S MEMORIAL FAMILY PRACTICE			
1701 South Jefferson Street Perry, FL – Not-for-profit	32348	7	(850) 584-0885
DOCTOR'S MEMORIAL HOSPITAL RHC			
1706 South Jefferson Street Perry, FL - Public not-for-profit	32347	7	(850) 498-0822
DOCTOR'S MEMORIAL HOSPITAL-EMERGENCY			
409A East Ash Street Perry, FL – - Public not-for-profit	32347	7	(850) 584-0839
DOCTOR'S MEMORIAL INTERNAL MEDICINE			
402 East Ash Street Perry, FL – Not-for-profit	32347	7	(850) 584-0600
STEINHATCHEE FAMILY CENTER			
1209 1st Avenue South Steinhatchee, FL – Not-for-profit	32359	8	(352) 498-5888
WOMENS HEALTH CTR. OF NORTH FLORIDA			
1702 S. Jefferson Street Perry, FL – Not-for-profit	32348	7	(850) 223-1744

3. Network Narrative

This section does not apply at this time. With the pull out of Big Bend RHIO and the subsequent need to rethink the project, the development of the network has been set back. The narrative below constitutes new planning for the project.

The original Rural Health Care Pilot Project plan in 2006 proposed to connect ten rural hospitals in the Florida Panhandle by constructing a fiber network into the rural areas where no other high speed bandwidth was available. The estimates for the proposal funding were based on the cost of constructing several hundred miles of fiber to connect the hospitals through a high speed fiber backbone that would be leased. Following the Notice of Funding Availability for building broadband infrastructure under the American Recover and Reinvestment Act, an extensive amount of broadband needs assessment occurred in the summer of 2009. The needs assessments showed that the telecommunication company Fairpoint Communications has already built a fiber ring throughout the Panhandle. That bandwidth is available for the project.

Figure 1. Proposed Optical Fiber Network



Given this new availability of bandwidth, The Department of Management Services (DMS) < Division of Telecommunications completed estimates for the cost of connecting the ten rural hospitals in the pilot project using existing fiber availability rather than constructing an entirely new network. DMS estimates that the construction costs would come to about \$1 million, much less than the \$7.5 million available through Rural Infrastructure Grant and FCC funding. The relatively low cost of building connections to the hospitals suggests that if the Agency could work with DMS to connect the rural hospitals, there is reasonable hope that it will be possible to connect all of the rural, not-for-profit hospitals in Florida.

The reduced construction cost is offset somewhat by the cost of delivering robust bandwidth to the rural hospitals through lease agreements. The estimated rate from DMS for 100 Mbps bandwidth to the rural hospitals is \$5,616 per month. The FCC Rural Health Care Pilot Project will support 85% of this monthly rate until 2015, at \$4,774; leaving the hospitals with an \$842 monthly bill, comparable to what they are currently paying for a 1.5 Mbps T1 line.

By taking over the FCC RHCPP award, the Agency can ensure that it succeeds, while continuing to administer the program. DMS will provide project management that is not covered by the award and is already conducting a design study on the availability of broadband connectivity and cost of connectivity for the rural hospitals in the pilot project. MyFloridaNet will ensure that the hospitals are connected and will provide all maintenance of the network once the hospitals are connected. Transferring the network to the Florida Health Information Network moves the ownership of the network to an eligible entity, and it places ongoing management of the network in a setting that will be providing network services as its primary business. MyFloridaNet would act as the Internet Service Provider for the hospitals connected to the network and would carry health care information for the Florida Health Information Network.

Sustainability of the network will be ensured by DMS, but can be guaranteed if the state level Health Information Organization can help the hospitals with Universal Service Fund reimbursements after 2015 while creating a revenue stream from its health information exchange functions. Also, by 2015, the cost of broadband will have fallen to a level that will be much more affordable for the hospitals.

4. List of Connected Health Care Providers: Provide information below for all eligible and non-eligible health care provider sites that, as of the close of the most recent reporting period, are connected to the network and operational

This section does not apply at this time. No health care providers are currently connected to the network.

5. Identify the following non-recurring and recurring costs, where applicable, shown both as budgeted and actually incurred for the applicable quarter and funding year to-date

There are no non-recurring or recurring costs associated with the project to this date. The project is currently being re-assessed and new cost estimates are being developed. The budget for the construction side of the project will be reduced, and budget for long term leasing will be increased. The cost of long term leases is still being estimated for the original 13 rural and urban hospitals in the proposal and estimates for connecting another 19 rural hospitals is being included.

6. Describe how costs have been apportioned and the sources of the funds to pay them

The Agency for Health Care Administration won a Rural Infrastructure Grant to Enterprise Florida and the Governor’s Office of Tourism, Trade and Economic Development in the amount of \$1.13 million. The funding will be used for the 15% match to leverage \$6.38 million in FCC funds to begin developing the network, as shown in Table 1. The Department of Management Services is working on estimates for the cost of connecting 28 rural hospitals in Florida as well as the four urban hospitals in the original proposal. The ratio of construction costs to long term lease costs will change accordingly. There is some hope that the funding available will allow the Agency to create a health care network that includes all rural and critical access hospitals in Florida and connect them to the urban hospitals to which they refer their patients.

Table 1. Funding for the FCC Rural Health Care Pilot Project

	Total	Phase 1 2009-2010	Phase 2 2010-2011	Broadband Cost 2010-2015
85% USAC Match	\$9,600,000	\$6,400,000	\$3,200,000	85% of Lease
15% Local Match	\$1,694,118	\$1,129,412	\$564,705.88	15% Hospital
Total Funding	\$11,294,118	\$7,529,412	\$3,764,706	100% of Lease

7. Identify any technical or non-technical requirements or procedures necessary for ineligible entities to connect to the participant’s network

Given the cost constraints placed on the project for connecting non-eligible facilities, only not-for-profit hospitals are being considered for connection at this time.

8. Provide an update on the project management plan

The current management plan is changing with the pull out of the Big Bend RHIO. Several new stakeholder groups are being brought into the management team, including Rural Hospital CEO’s and economic development experts.

The Rural Broadband Pilot Project leadership is maintained by the Agency for Health Care Administration. The governance of the project is carried out through a consortium of stakeholders that include the Florida Hospital Association, the Office of Trade and Economic Development in the Governor’s Office, Opportunity Florida, Enterprise Florida and the Department of Management Services. This collaboration is coordinated by the Agency for Health Care Administration through regular, biweekly conference calls.

9. Provide detail on whether network is or will become self sustaining. Selected participants should provide an explanation of how network is self sustaining.

With the pull out of the Big Bend RHIO, the proposed sustainability plan is being changed. The sustainability should be improved by placing the network management under the control of the Department of Management Services, Division of Telecommunications, and by moving ownership of the network to the Florida Health Information Network that will run the statewide health information exchange.

More details on our sustainability plan will be included in the next Quarterly Report.

10. Provide detail on how the supported network has advanced telemedicine benefits:

This section does not apply at this time since the network is not build and health care providers are not connected.

11. Provide detail on how the supported network has complied with HHS health IT initiatives

The Rural Broadband Pilot Project is still in its planning stages, but the standards and policies of the Nationwide Health Information Network are being closely adhered to in developing the network. The Agency for Health Care Administration has managed the Florida Health Information Network Grants Program for three years, leveraging the community-level development of regional health information organizations. The Florida Health Information Network will offer data exchange services to the hospitals that will parallel the NHIN prototypes and will promote the NHIN architecture. When the rural broadband network infrastructure is built, the Agency for Health Care Administration will work with the Department of Health to provide broadband backbone service for the implementation of the Public Health Information Network, and CDC Biosurveillance activities, but it is premature to engage these activities at this time.

12. Explain how the supported network has used resources available through HHS's Centers for Disease Control and Prevention (CDC) Public Health Information Network (PHIN) to facilitate interoperability with public health and emergency organizations.

This section is not applicable at this time.