

# PUBLICATION

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## FCC Rolls Out \$200 Million COVID-19 Telehealth Program

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**On April 2, 2020, the Federal Communications Commission released a Report and Order establishing the COVID-19 Telehealth Program (Program). The Program will provide \$200 million in funding made available as part of the CARES Act to help eligible health care providers provide connected care services to patients in their homes or mobile locations in response to the coronavirus pandemic. Funding under the Program can be used to purchase telecommunications services, broadband connectivity services, information services, and devices necessary to provide connected care services, whether for treatment of coronavirus or other health care conditions during the pandemic. The Program is not a grant program. To receive disbursements, eligible health care providers must apply and be approved for participation.**

The FCC began accepting applications on April 13, 2020. Interested parties may apply through a dedicated [online portal](#) available on the FCC website. There is no deadline for the filing of applications. There is also no set limit on the number of eligible health care providers that can receive funding. The FCC will be reviewing applications on a rolling basis and has stated that it does not anticipate awarding more than \$1 million to any single applicant to ensure as many applicants as possible receive funding. Funds will be available until expended or the COVID-19 pandemic has ended.

### Eligible Health Care Providers

The Program is open to eligible health care providers in rural areas, non-rural areas and U.S. Territories. Eligibility to participate in the Program is otherwise limited to nonprofit and public eligible health care providers in the following categories:

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 of agencies;
4. Community mental health centers;
5. Not-for-profit hospitals;
6. Rural health clinics;
7. Skilled nursing facilities; or
8. A consortia of health care providers consisting of one of more entities falling into the first seven categories.

Health care providers must obtain an eligibility determination from the Universal Service Administrative Company (USAC) for each provider site that will be included in an application. Eligibility determinations can be obtained by filing [FCC Form 460](#) (Eligibility and Registration Form) with [USAC](#). Via [Public Notice](#) guidance, the FCC makes clear that health care providers that have not yet received an eligibility determination may still apply for the Program while their Form 460 is pending with USAC.

### Eligible Services and Expenses

Funding under the Program is available for the following eligible services and expenses purchased on or after March 13, 2020:

- **Telecommunications Services and Broadband Connectivity Services:** Voice services, Internet connectivity services for health care providers and patients.
- **Information Services:** Remote patient monitoring platforms and services; patient reported outcomes platforms; store and forward services, such as asynchronous transfer of patient images and data for interpretation by a physician; platforms and services to provide synchronous video consultation.
- **Internet Connected Devices/Equipment:** Tablets, smart phones, or connected devices to receive connected care services at home (e.g., broadband enabled blood pressure monitors; pulse oximetry monitors); telemedicine kiosks/carts for health care provider site.

In addition, support will be available to eligible health care providers through September 30, 2020, for services that require monthly recurring charges, such as broadband connectivity or remote patient monitoring services.

Funding support is **not** available for personnel costs, including IT staff, project managers or medical professionals, marketing costs, administrative expenses, training costs, or costs associated with development of new websites, systems or platforms. Applicants should not seek funding if they have received or expect to receive other funding from any source (private, state, or federal) for the exact same services and devices eligible for support under the Program.

## Application, Selection and Funding

### Application Process and Required Registrations

Health care providers interested in seeking funding under the Program must:

9. Obtain an FCC Registration Number (FRN) by [establishing an account](#) in the Commission Registration System (CORES);
10. Obtain an eligibility determination from [USAC](#) (referenced above);
11. Submit the COVID-19 Telehealth Application through the [online portal](#), which includes signing an certification statements; and
12. Register with the [federal System for Award Management \(SAM\)](#). A SAM registration is not required prior to applying for the Program, but it is required for funds to be disbursed to approved applicants. The SAM registration process may take up to ten business days to become active with additional time before information is available in government systems. Therefore, the FCC strongly encourages early registration with SAM.

Instructions and other information regarding the application and process are available in [FAQ](#) and other guidance posted on the [FCC website](#). Among other details that must be disclosed, applicants will need to identify their intended purposes and uses of the COVID-19 telehealth funding, including:

- The types of medical services to be provided (e.g., patient-based Internet-connected remote monitoring, video consults, voice consults, imaging diagnostics, remote treatment, etc.);
- The conditions to be treated (e.g., COVID-19, non-COVID-19, other infectious disease, emergency/urgent care, routine non-urgent care, mental health, etc.).

The FCC is also requiring applicants to address:

- Goals and objectives for the use of the funding;
- Timeline for deployment of the proposed services or devices for which funding is being sought;

- Factors/metrics that will help the applicant measure the impact of the funded services and devices;
- Intentions to use funding to target high-risk and vulnerable populations.

Information concerning geographic area and population that will be served with the funding is optional. However, details regarding pre-existing strain factors, such as a large underserved or low-income patient population, recent health care provider closures or other deficiencies, or the impact of COVID-19 in the region are likely to weigh favorably in the selection process.

If funding will be used to treat non-COVID-19 patients, applicants must explain how such uses would free up resources that will be used to treat COVID-19.

Applicants must include the total amount of funding being requested and be prepared to submit supporting cost documentation. Supporting documentation can include invoices or quotes from vendors or service providers and should be specific enough to identify line-item expenses. If funding for connected devices is requested, applicants will need to indicate whether the devices are integral to patient care, will be used by patients, and/or by a health care provider.

## **Selection and Funding**

The FCC will be processing applications as they are received, and selection will turn on the strength of the applicant's intended uses and purposes, as well as the impact of COVID-19 on the applicant's service area. According to the FCC, the "Commission's goal is to select applications that target areas that have been hardest hit by COVID-19 and where the support will have the most impact on addressing the health care needs." The FCC will base actual funding amount determinations on the submitted cost information. While there is no set per-unit funding cap or competitive bidding requirements, the FCC is encouraging providers to be cost-effective in their selection of eligible services and devices.

If approved, providers will need to submit invoicing forms and supporting documentation monthly to the Commission. Once reimbursement requests have been approved, payments will be issued electronically.

## **Compliance Requirements**

Participants in the Program will need to comply with all program rules, including being subject to compliance audits and a three-year document retention requirement. Specifically, applicants must certify that they will retain all documents associated with the application for a period of three years after the date of last delivery of supported-services provided through the Program.

As with other funding opportunities made available through the CARES Act, participants in the Program must also comply with applicable CARES Act reporting requirements. These requirements mandate that not later than ten days after the end of each calendar quarter, recipients of Program funds of more than \$150,000, must submit to the FCC and the Pandemic Response Accountability Committee a report that contains:

- The total amount of funds received from the FCC;
- The amount of funds received that were expended or obligated for each project or activity;
- A detailed list of all projects or activities for which covered funds were expended or obligated, including: the name and description of the project or activity, and the estimated number of jobs created or retained by the project or activity, where applicable; and
- Detailed information on any level of sub-contracts or subgrants awarded by the covered recipient or its subcontractors or subgrantees, to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 allowing aggregate reporting on awards below \$50,000, or to individuals, as prescribed by the Director of the Office of Management and Budget.

Baker Donelson continues to monitor coronavirus developments and we will provide information on any further efforts to provide telehealth funding to health care providers. For any questions, please contact [Sheila Burke](#). You may also visit the [Coronavirus \(COVID-19\): What you Need to Know information page](#) on our website.