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Telehealth Funding Continued: Connected Care Pilot Program

The Federal Communications Commission ("FCC") recently announced that up to $100 million will be allocated through the Connected Care Pilot Program ("Pilot Program") over a three-year period to promote telehealth initiatives across the country. The Pilot Program puts an emphasis on providing telehealth services to low-income and veteran patients. Non-profit and public health care providers are eligible to apply for this funding. The application window for the Pilot Program opened on November 6, 2020 and will close on December 7, 2020.

The Pilot Program will provide funding for selected pilot projects to cover 85% of the eligible costs of broadband connectivity, network equipment, and information services necessary to provide connected care services. There are four categories of approved uses of awarded funds including funds for (1) patient broadband Internet access services, (2) health care provider broadband data connections, (3) connected care information services, and (4) certain network equipment. It is important to note that all health care providers must seek competitive bids to procure the eligible services they intend to purchase using Pilot Program funding.

Under the first category of approved uses, funds for patient broadband Internet access services, health care providers who receive funding may utilize their award to provide patients with new or upgraded broadband connections necessary for telehealth services. Examples of the types of broadband connections and products that are eligible for funding under the Pilot Program include digital subscriber lines, cable modems, other copper wirelines, optical carrier/fiber to the end-user, terrestrial fixed wireless, mobile wireless, satellite, and broadband over powerline.

Likewise, under the second category of approved uses, health care providers may use funds from the Pilot Program to purchase the same types of broadband connections for their own use. Healthcare providers may also use funds for the costs of internet security firewall services. Firewall security is necessary to protect personally

identifiable information and other sensitive patient information that may be transmitted during a telemedicine visit.

The third category of eligible costs through the Pilot Program, support for connected care information services, is quite broad. Connected care information services includes the purchase by a health care provider of information services with "store-and-forward" technology; patient reported outcome platform software remote patient monitoring platforms, and other telehealth platforms used to provide connected care services. Examples of expenditures that fall under this category include licenses, subscriptions, or recurring charges for eligible software or applications necessary for health care providers to access or use eligible telehealth services that capture, transmit (including video visits), or store health care data for connected care. Another example of an approved expenditure under this third category are the implementation and integration costs necessary to integrate Pilot Program eligible services used to provide connected care services through the Pilot Program.

Under the fourth category of eligible costs, health care providers may use funds from the Pilot Program to purchase network equipment to make a supported broadband service functional. Examples of these types of approved expenditures include but are not limited to the equipment that terminates a carrier's or other provider's transmission facility, servers used exclusively for eligible broadband services, and routers for health care facilities and at a patient's home. In addition to providing equipment, the program will also cover costs related to installation, activation, and initial configuration of eligible broadband services.

While the Pilot Program has many approved uses of funds, it is important to mention what types of expenditures are not eligible for funding. Pilot Program recipients may not use funds to cover personnel, IT, administrative, and training costs associated with eligible services. Health care providers may not use funds from the Pilot Program to purchase end-user connected devices (e.g. tablets and smart phones). Additionally, health care provider cannot use funds for network deployment, the construction of networks between health care providers, or connectivity services between health care provider sites. For more information about the Pilot Program visit the FCC website here.