

# RURAL HEALTH CARE PROGRAM

## WELCOME PACKET

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Dear Rural Health Care Program Participant,

As an eligible participant in the Rural Health Care Program (RHC), you are aware that the Universal Service Fund makes discounts on telecommunications and Internet service available to rural health care providers. On behalf of USAC and the RHC program, we are excited that your organization has affordable access to these services to help you provide improved quality health care to your patients.

We have created this Welcome Packet to provide you and all eligible health care providers with an overview of program topics, guides to assist you during the application process, and resources for program success. Please read through all of the documents to become acquainted with program rules, filing information, our online tools, and where to go for help.

In order to receive federal Universal Service support from the Rural Health Care Program, health care providers must also fulfill certain responsibilities such as filing forms in a timely manner, submitting requests for service bids to USAC, and selecting the most cost-effective service provider after a mandatory competitive bidding process has taken place.

We hope this Welcome Packet is helpful and look forward to continuing our working relationship with you in the coming months. Remember to visit us online at <http://www.usac.org/rhc/> for answers to many of your questions and to find our contact information.

Sincerely,



William L. England, Ph.D., J.D.  
Vice President  
Rural Health Care Division

## **Overview and FAQs**

### **The Rural Health Care Program of the Universal Service Fund**

The Rural Health Care (RHC) Program provides reduced rates to eligible rural health care providers (HCPs) for telecommunications and Internet services used for the provision of health care so they pay no more than their urban counterparts for the same or similar services. The program offers discounts on services such as basic telephone service, Internet access, advanced telecom services, and wireless services.

Congress directed the Federal Communications Commission (FCC) to enhance access to advanced telecommunications and information services for HCPs through the Universal Service Fund (USF). The Universal Service Administrative Company (USAC) was designated by the FCC to administer the USF. USAC is responsible for reviewing and processing eligible HCPs' applications for support, ensuring compliance with program rules, and issuing commitments.

### **How does the RHC Program benefit rural health care providers?**

- By helping rural HCPs pay for telecommunications and Internet services, the RHC Program may reduce expenses and travel time for patients, decrease medical errors, enable health care providers to quickly share critical patient-care information in electronic format, and allow rural HCPs to connect to specialists in urban areas.
- Support is available for telecommunications services and monthly Internet access charges used for the provision of health care. Support is also available for limited long-distance charges for accessing the Internet. The level of support depends on the location and type of services chosen, and it is calculated individually for each HCP.

### **How does the Rural Health Care Program work?**

- Eligible rural HCPs must apply for participation in the program by submitting a form to USAC requesting services. USAC will then post that form on its website, seeking carriers to bid on the requested services.
- After the rural health care provider selects a service provider, services may be ordered.
- The selected service provider(s) delivers the services to the HCP at discounted prices and is reimbursed by the RHC Program.

### **Who pays for the Rural Health Care Program?**

- All telecommunications and interconnected Voice-over-Internet Protocol (VoIP) carriers that provide service internationally and between states pay contributions into the USF. USAC makes payments from this central fund to support the RHC Program and three other programs (High Cost, Low Income, and Schools and Libraries).

### **What types of providers are eligible for the program?**

- Rural Health Care Providers – Applicants to the program must be public or non-profit HCPs, located in a rural area, and fit into one of the eligible categories determined by the FCC.
- Service Providers – All telecommunications carriers that provide eligible telecommunications services are permitted to seek universal service support for those services. Service providers must use the Form 498 to obtain a Service Provider Identification Number (SPIN) in order to participate.

## **What Health Care Providers Need to Know**

### **What does the Rural Health Care Program do?**

The Rural Health Care (RHC) Program provides reduced rates to eligible rural health care providers (HCPs) for telecommunications and Internet services used for the provision of health care so they pay no more than their urban counterparts for the same or similar services. The program offers discounts on services such as basic telephone service, Internet access, advanced telecom services, and wireless services. Discounts are also available for limited long-distance charges for accessing the Internet. The level of support depends on the location and type of services chosen, and it is calculated individually for each HCP.

### **Why should health care providers participate?**

By helping HCPs pay for telecommunications and Internet services, the RHC Program may reduce expenses and travel time for patients, decrease medical errors, enable HCPs to quickly share critical patient-care information in electronic format, and allow rural HCPs to connect to specialists in urban areas.

### **How do health care providers participate in the program?**

Visit [www.usac.org/rhc](http://www.usac.org/rhc) and click on the “Health Care Providers” banner for step-by-step instructions on how to apply for support. An outline of the process is:

- **Determine Eligibility**  
Determine if your organization is eligible to participate in the RHC Program by using the tools on the RHC website.
- **Submit a Service Request**  
All HCPs must complete a Form 465 (*Description of Services Requested and Certification Form*). HCPs use the Form 465 to request bids from service providers. Applicants indicate on a single Form 465 what their service needs are and whether they are applying for discounts on telecommunications service, Internet access, or both. The Form 465 also serves as the HCP's certification that it meets program eligibility requirements.
- **Evaluating and Accepting a Bid for Service**  
Once RHC reviews the Form 465 and determines that it is complete and that the HCP is eligible, USAC posts the form on its website. The HCP will receive a letter to confirm the posting and the Allowable Contract Service Date (ACSD), the date on which an HCP may enter into an agreement with a service provider. After waiting the required 28-day posting period, HCPs evaluate bids to provide the requested services and choose the most cost-effective offer available. Once the ACSD has passed, HCPs may enter into an agreement to purchase services from the chosen service provider.
- **Sign a Contract for Service**  
After evaluating all bids and choosing a provider, the HCP may sign a contract for the service(s) requested on the Form 465.

- **Submit a Service Agreement Form**

Once the service provider(s) and service(s) are selected and service has started, the HCP must complete and submit a Form 466 (*Funding Request and Certification Form*) and/or Form 466-A (*Internet Service Funding Request and Certification Form*). The Forms 466 and 466-A specify the type(s) of service ordered, cost, service provider(s), terms of any service agreements, and certify that the HCP selected the most cost-effective service from the offers it received. HCPs must submit a bill for this service with the Form 466 and/or Form 466-A. These documents are referred to as a "packet."
- **Receive Funding Commitment Letter**

Once the HCP's packet is approved, RHC will email a Funding Commitment Letter (FCL) to the HCP with a link to the Form 467. The FCL states that the HCP is eligible for the support specified, and a copy is also sent to the service provider.
- **Submit Confirmation of Service**

After the HCP begins to receive service from the service provider, the HCP submits the Form 467 (*Receipt of Service Confirmation Form*) to RHC in order to receive discounted services. RHC cannot process the Form 467 unless the HCP is in receipt of an FCL.
- **Receive Support Schedule**

Once RHC receives, reviews, and approves the Form 467, RHC will send the HCP and its service provider(s) an HCP Support Schedule (HSS), a detailed report of the approved services and support information.
- **Receive Credit for Service**

When the HSS is received, the service provider can begin crediting the HCP's bill with the monthly recurring support amount or issue a check for the discount. USAC will credit or reimburse the service provider's Universal Service Fund (USF) account.

#### **Where do I go for more information?**

To learn more about the Rural Health Care Program, visit [www.usac.org/rhc](http://www.usac.org/rhc). For questions related to the Program or application process, e-mail USAC's Rural Health Care Division at [rhc-admin@universalservice.org](mailto:rhc-admin@universalservice.org) or call 800-229-5476.

## What Service Providers Need to Know

### What does the Rural Health Care Program do?

The Rural Health Care (RHC) Program provides reduced rates to eligible health care providers (HCPs) for telecommunications and Internet services used for the provision of health care so they pay no more than their urban counterparts for the same or similar services. The program offers discounts on services such as basic telephone service, Internet access, advanced telecom services, and wireless services. The Rural Health Care Program has \$400 million available annually for eligible telecommunications and Internet services for eligible rural health care providers.

### How do service providers participate in the program?

Visit [www.usac.org/rhc](http://www.usac.org/rhc) and click on the “Service Providers” banner to view step-by-step instructions about program participation. An overview of the process is:

- **Determine eligibility**  
All telecommunications carriers that provide eligible telecommunications services are permitted to seek universal service support for those services. Service providers must use the Form 498 to obtain a Service Provider Identification Number (SPIN) in order to participate.
- **Search HCPs’ service requests, participate in open bids, and sign contracts**  
Once the service provider has obtained a SPIN, it may search for HCP service requests on the RHC website. Service providers may bid to provide requested services during a 28-day open bidding process. HCPs evaluate all bids received and select the most cost-effective service after the 28-day posting period is complete.
- **USAC becomes directly involved with service providers and HCPs**  
Once a service is selected and a contract between the service provider and HCP is signed, the HCP sends RHC a copy of the signed contract. Once it is approved, RHC sends both parties a Funding Commitment Letter (FCL). The FCL says the HCP is eligible for the support specified in the letter. RHC also generates an HCP Support Schedule (HSS), a detailed report of the approved services and support information, which is sent to the HCP and service provider.
- **Service providers provide credit to the HCPs and submit invoices to USAC**  
Upon receipt of the HSS, the service provider begins providing credits during the next possible billing cycle—either by sending a check to the billed entity or by providing a credit to the billed entity—based on the Billing Account Number from the HSS. The service provider then submits invoices to RHC for the support amounts credited to the billed entity for each HCP location.

### Where do I go for more information?

To learn more about the Rural Health Care Program, visit [www.usac.org/rhc](http://www.usac.org/rhc), e-mail USAC's Rural Health Care Division at [rhc-admin@universalservice.org](mailto:rhc-admin@universalservice.org), or call 800-229-5476.

### **Services Eligible for Discount**

Telecommunications and Internet services used for the provision of health care are eligible for support. These services include but are not limited to:

- ATM
- Centrex
- DSL
- Ethernet
- Fiber
- Fractional T1
- Frame Relay
- Internet Access Charges
- ISDN
- Mileage-related Charges
- MPLS
- NRS – Network Reconfiguration Service
- OC-1
- OC-3
- Redundant Circuits
- Satellite Service
- Telephone Service
- T1
- T3 or DS3

### **Services Not Eligible for Support**

- Special construction and maintenance charges
- Franchises
- Zone charges
- Surcharges

### **Where do I go for more information?**

To learn more about the Rural Health Care Program, visit [www.usac.org/rhc](http://www.usac.org/rhc), e-mail USAC's Rural Health Care Division at [rhc-admin@universalservice.org](mailto:rhc-admin@universalservice.org), or call 800-229-5476.

## Guide to Forms

### What forms must an HCP submit?

**Form 465:** The *Description of Services Requested and Certification Form* is used to request bids for telecommunications services, Internet access, or both. The Form 465 also serves as the HCP's certification that it meets program eligibility requirements.

**Forms 466 and 466-A:** The *Funding Request and Certification Form* (466) and the *Internet Service Funding Request and Certification Form* (466-A) specify the type of service ordered, cost, service provider, and terms of the service agreement. HCPs may file one or both of these forms, depending on their service needs. The forms also certify that the service selected by the HCP is the most cost-effective offer received.

**Form 467:** The *Connection Certification* confirms the start date of an HCP's service and whether the service was turned on. This form must be submitted to USAC in order to receive the discount.

### Who must file?

- All HCPs must complete one Form 465 every funding year unless an HCP has an evergreen contract. *Note: For information on evergreen contracts, please refer to the "RHC Evergreen Status" sheet.*
- HCPs requesting telecommunications support must submit a Form 466 every funding year for each service requested at each location.
- HCPs requesting Internet support must submit a Form 466-A every funding year for each service requested at each location.
- All HCPs must submit a Form 467 every funding year for each service requested.

### When do I file?

**Form 465:** USAC recommends that all applicants submit their Form 465 early, but no later than June 1st of the upcoming funding year in order to receive a full year of support. Otherwise, funding will be prorated. USAC typically opens its filing window in March or April before the start of the funding year (FY). For example:

The FY 2010 filing window will open in March or April, 2010. FY 2010 runs from July 1, 2010 to June 30, 2011. The Form 465 must be submitted by June 1, 2010 to receive a full year of support for FY 2010.

Take care to post the Form 465 for the correct funding year; filing windows for adjacent funding years may overlap. After posting a Form 465, applicants must wait at least 28 days before signing a contract and posting Forms 466/466-A.

**Forms 466/466-A:** All Forms 466/466-A must be submitted to USAC prior to June 30th, the last day of the Funding Year. The HCP must have been invoiced by the service provider during the Funding Year in order to submit a Form 466 or 466-A.

**Form 467:** Applicants should file their Form 467 as soon as they receive a Funding Commitment Letter (FCL) from USAC for that Funding Year. This form also must be submitted to notify USAC

when an HCP has discontinued service, when service was turned off, or if service was not (or will not be) turned on during the Funding Year.

*Note: When a form due date falls on a weekend or holiday, the form is due the following business day.*

### **What must accompany the forms?**

**Form 465:** The HCP's authorized person must sign and date the form. For first-time filers, this original form must be mailed to the Rural Health Care (RHC) Division. After an initial successful submission, the HCP then is eligible for e-certification.

**Form 466:** A paper copy with an original signature must be mailed, or an e-certified Form 466 must be submitted online for each service requested. In addition, all of the following documents need to be e-mailed, faxed, or mailed to the RHC Division:

- copy of bill
- copy of the signed contract between the HCP and service provider
- urban rate documentation (unless using rates posted on USAC's website)
- copies of bids received (if applicable)

**Form 466-A:** A paper copy with an original signature must be mailed or an e-certified Form 466-A must be submitted online for each location's Internet service. In addition, all of the following documents need to be e-mailed, faxed or mailed to the RHC Division:

- copy of bill
- copy of the signed contract between the HCP and service provider
- copies of bids received (if applicable)

**FCC Form 467:** A paper copy with an original signature must be mailed or an e-certified Form 467 must be submitted online for each service requested. *Note: USAC cannot process a Form 467 unless a Funding Commitment Letter was issued.*

### **How do I file?**

**Online:** <http://www.rhc.universalservice.org/onlineforms/default.asp>

*Note: You may file your forms online; however, you can only e-certify once you have successfully submitted a paper Form 465 and enabled e-certification. Follow the instructions below to submit a paper form.*

**Mail:** Send completed forms to RHC Division, 30 Lanidex Plaza West, PO Box 685, Parsippany, NJ 07054. Downloadable forms and instructions are at <http://www.usac.org/rhc/tools/required-forms.aspx>.

*Note: Filing on paper can cause delays due to additional processing time and user error. Ensure you use the correct Funding Year form; earlier versions of the form will not be processed.*

**To learn more about the Rural Health Care Program, visit [www.usac.org/rhc](http://www.usac.org/rhc). For questions related to the program and questions on filing your forms, e-mail [rhc-admin@universalservice.org](mailto:rhc-admin@universalservice.org) or call 1-800-229-5476.**

## Where do I...

### ...fill out forms on the USAC website?

Go to [www.usac.org/rhc](http://www.usac.org/rhc). Using the links on the left of the screen, click “Required Forms.”

### ...see which services are eligible?

Go to [www.usac.org/rhc](http://www.usac.org/rhc) and click on the “Health Care Providers” drop-down menu in the top-center of the screen. Choose “Step 1: Determine Eligibility.”

### ...find urban rate documentation?

Go to [www.usac.org/rhc](http://www.usac.org/rhc). Under “Rural Health Care Tools” on the left, click “Rural Health Care Search Tools.” Click “Urban Rate” or “Urban Rates Search.” Urban rates are also available by calling USAC’s Customer Service Support Center at 1-800-229-5476 or emailing [rhc-admin@universalservice.org](mailto:rhc-admin@universalservice.org).

### ...check the status of my packet?

Go to [www.usac.org/rhc](http://www.usac.org/rhc). Under “Rural Health Care Tools” on the left, click “Rural Health Care Search Tools.” Click “Packet Status Report” and download the status report on the right.

### ...submit supporting documentation?

Forms submitted through e-certification require supplemental documentation, which must be sent to USAC. You may submit them by mail: RHC Division, 30 Lanidex Plaza West, P.O. Box 685, Parsippany, NJ 07054; e-mail: [rhc-admin@universalservice.org](mailto:rhc-admin@universalservice.org); or fax: 973-599-6514. E-mail and fax options are for submitting supplemental documents only; FCC forms submitted via e-mail and fax will not be processed. **USAC cannot process your packet if supporting documentation is missing.**

### ...confirm that my credit has been issued?

Credit will automatically appear on your bill as “USF Support” after you receive the support schedule. In order to receive your support schedule, you must have (a) received a Funding Commitment Letter from USAC, and (b) have submitted the Form 467 once the service is turned on. For more information on the process for receiving credit, visit [www.usac.org/rhc](http://www.usac.org/rhc), click on “Health Care Providers,” and select “Step 9.”

### ...report that my service was never turned on, or was disconnected?

If you receive your Funding Commitment Letter and the service has not been turned on, report it on the Form 467. Block 3, Line 5 allows you to confirm that the service was turned on. Place a check in the third box to indicate that the service was not turned on, or will not be turned on during the Funding Year. This section is also used to indicate whether the service was disconnected before the end of the Funding Year.

To access all tools and learn more about the Rural Health Care Program, visit [www.usac.org/rhc](http://www.usac.org/rhc). For questions related to the program, e-mail [rhc-admin@universalservice.org](mailto:rhc-admin@universalservice.org) or call 800-229-5476.

### Service Requests, 28-day Waiting Period, and Competitive Bidding

- Complete Form 465 online (or on paper and mail). It will be posted to the USAC website where service providers (SPs) can view your request and contact you.
- You may issue a request for proposals (RFP) for telecommunications or Internet services in addition to posting your Form 465 on USAC's website if you wish to provide details about your service requirements or evaluation criteria.  
*NOTE: Issuing an RFP does **not** exempt an HCP from posting a Form 465. You must wait 28 days after the Form 465 and RFP are posted before contracting for services.*
- Receive the Receipt Acknowledgement Letter (RAL) when USAC posts your Form 465.  
*NOTE: You will receive the RAL via e-mail if the Form was completed online; it will indicate the Allowable Contract Service Date (ACSD), the date on which you may enter into an agreement to purchase services from a service provider.*
- Wait 28 days before entering agreements. **Do not** enter agreements before the ACSD as indicated on the RAL, or the 29th day after posting.
- During the 28-day waiting day period:
  - SPs may contact HCPs directly to discuss requirements, rates, and conditions.
  - HCPs may contact and seek out service providers to discuss service needs.
  - USAC is not involved in these discussions or negotiations.

### Selecting the Most Cost-Effective Service Provider

- Consider all bids received and select the most "cost-effective" method.
  - The most "cost-effective" method is: "the method of least cost after consideration of the features, quality of transmission, reliability, and other factors relevant to choosing a method of providing the required services."
- Optional: Create and follow a "Selection Criteria Matrix" for use in your bid evaluation process based on the criteria most applicable to your HCP or consortium.
  - Matrix must clearly show the relative weighting of the various factors under evaluation.
  - Price must be a primary factor, considering only eligible goods and services. However, you are not required to select the lowest bid offered.
  - You may consider evaluation factors including (but not limited to): ability to bid on entire network, personnel and management qualifications, responsiveness, agreement to apply discounts in a timely manner, and/or a single point of contact for the HCP to work with.
- Make sure that the service provider you select is a "common carrier" as defined by the FCC.  
*NOTE: To verify, call USAC's Client Service Bureau at 1-888-641-8722.*

### Vendor Selection

- Select the winning vendor(s) and sign a contract.
- Ensure your contract meets the requirements necessary to be considered "evergreen" in that it:
  - Identifies both the HCP and service provider
  - Is signed and dated by both the service provider and the HCP
  - Identifies specifically the types and terms of service
  - Has a specific duration
  - Has had all of the above reviewed and verified by USAC

### Reminder

- Complete a Form 466/466-A no later than June 30th, the last day of the Funding Year.
- Retain ALL documentation including all bids received, matrix, correspondence, and RFP for a minimum of five years.
- Submit all documentation from the competitive bid process to USAC for compliance review.

## Evergreen Status

### What is evergreen status?

A contract is considered “evergreen” when it is a valid agreement between a service provider and a Health Care Provider (HCP) and is in effect for longer than a one-year period. The benefit of having evergreen status is that HCPs do not need to re-compete for service for the life of the contract, so they do not need to file the Form 465 annually. The HCP does not need to re-bid the services as long as the evergreen contract is valid, or until the contract is modified in any way. HCPs that have evergreen status must still apply for Universal Service Fund (USF) support of the contracted services by filling out a Form 466 or 466-A and a Form 467.

### How can I become evergreen?

To attain evergreen status, applicants must submit a valid contract to USAC. USAC considers a contract valid and will deem it evergreen when it meets all of the following criteria:

- both parties in the contract are identified
- both parties sign and date the contract
- the contract specifies the type and terms of service
- the contract has a specific duration

When an applicant is evergreen, the contract status on the Funding Commitment Letter (FCL) issued by USAC will show “contract.” If the applicant is not evergreen, the contract status will show “month to month.”

### If I have evergreen status, can I use e-certification to submit my forms?

Yes. USAC recommends using electronic certification (e-certification) to submit all forms, and applicants can still do so if they have evergreen status. While evergreen status contract holders are not required to file a Form 465 annually, they must file an electronic copy of this form each year in which they want to use e-certification to file their other forms. Luckily, most fields on the electronic Form 465 are automatically populated, and HCPs do not need to re-compete the contract – they simply indicate on Line 29: “Under contract until [End Date].”

### Why e-certify?

It eliminates the need for printing and mailing. E-certification also pre-populates most required information and transfers that information to all forms, saving the HCP time with each filing.

### What do I do if my evergreen contract is modified or ends during a Funding Year?

At the start of the Funding Year that will be affected, applicants must post a Form 465 to seek new bids on the desired services. Use Line 29 to specify which services your HCP will be seeking and when the services should begin (i.e., after the evergreen contract changes or expires). For example, Form 465’s Line 29 description could read, “Transmission of data to central hospital along with video conferencing capabilities. Please note that this circuit is under contract until January 1, 2011. Seeking bids for service beginning January 2, 2011.”

**If a contract ends during the Funding Year, applicants must submit a new Form 466 to cover the remainder of that Funding Year.**

To learn more about the Rural Health Care Program, visit [www.usac.org/rhc](http://www.usac.org/rhc). For questions related to the program, e-mail [rhc-admin@universalservice.org](mailto:rhc-admin@universalservice.org) or call 800-229-5476.