

Focus on Alaska

Rural Health Care Program

June 9, 2011

- Funding for Alaska comprises approximately 53% of all funds disbursed by RHC
- In 2009, RHC committed more than \$38 million to Alaskan Health Care Providers, funding nearly 250 Alaskan Health Care Providers
- Funding is provided to all boroughs and census tracts (except Anchorage)
 - All (except Anchorage and portions of Fairbanks North Star) are considered rural and are therefore eligible for support

Competitive Bidding



Steps to Successful Competitive Bidding

1. Fill out the Form 465 clearly, accurately, and in a timely manner
2. Develop selection criteria to review bids
3. Wait 29 days before submitting a Form 466/466A, indicating bid selection (note the Allowable Contract Selection Date – or ACSD)
4. Optional: Submit contract to USAC for Evergreen review with Form 466/466A

- HCPs should develop a plan to evaluate bids (prior to reviewing submitted proposals) to determine how they will select the most cost-effective service provider
 - Cost-effective is defined by the FCC as “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.”

- USAC strongly encourages the use of an (optional) scoring tool/scoring matrix
 - HCPs should choose the selection criteria most important to them. Some examples include but are not limited to:
 - Technical support
 - Previous experience with service provider
 - Cost for service
 - Rapid response
 - Service provider to provide a single point of contact

- Once RHC posts the completed Form 465 on the RHC website:
 - ➔ Required 28-day posting period begins
- During this time, service providers may contact HCPs and submit proposals
- HCPs must not enter into a contract or service agreement until the Allowable Contract Selection Date (ACSD), or the 29th day after the 465 is posted

- The ACSD is listed under “Posted Services” on the RHC website, under “Rural Health Care Tools” (<http://usac.org/rhc/service-providers/step02/>)

The screenshot shows the 'Rural Health Care' section of the USAC website. At the top, there are two tabs: 'Health Care Providers' and 'Service Providers'. Below the tabs, there are two main columns of links. The left column is titled 'About Rural Health Care:' and lists various program-related links. The right column is titled 'Rural Health Care Search Tools' and lists search-related links. Two links are highlighted with red boxes: 'Search Posted Services' in the search tools list and 'Rural Health Care Search Tools' in the left-hand menu.

Rural Health Care

▶ Health Care Providers ▶ Service Providers

About Rural Health Care:

- Overview of the Program
- Overview of the Process
- Monthly Conference Calls
- Individual Outreach
- Understanding Audits
- Training Events
- Filing Appeals
- FCC Links
- Rural Health Care Pilot Program

Rural Health Care Search Tools

- [Health Care Provider \(HCP\) Login](#)
- [Search Posted Services](#)
- [Packet Status Report](#)
- [Automated Search of Commitments](#)
- [Urban Rate](#)
- [List of Eligible Rural Areas](#)

Rural Health Care Tools:

- Applicant Login
- Latest News
- Required Forms
- Tips and Best Practices
- Frequently Asked Questions
- Glossary of Terms
- [Rural Health Care Search Tools](#)

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- The ACSD is listed in the last column

Count	HCP Number	HCP Name	City	County	State	Posting Date	Allowable Contract Date
1	11537	Davenport Clinic	Davenport	VA-Buchanan	VA	4/5/2011	5/3/2011
2	11540	Eastern Shore Rural Health System, Inc. - Nassawadox	Nassawadox	VA-Northampton	VA	4/7/2011	5/5/2011
3	11543	Haysi Clinic	Haysi	VA-Dickenson	VA	4/5/2011	5/3/2011
4	12798	William A. Davis Clinic	St. Paul	VA-Russell	VA	4/5/2011	5/3/2011

- Submit Form 465 as early as possible after window opens
 - Allow time to review bids
 - Allow time before start of fund year to ensure full year of funding

What is an Evergreen Contract?

- An “evergreen” contract is a valid contract that has been reviewed and endorsed by USAC
- HCPs with evergreen contracts are not required to post a Form 465 or re-bid for those services for the life of the contract

Important Considerations for HCPs:

- Your contract must be reviewed and deemed to be evergreen by USAC; otherwise you **MUST** post a Form 465 each year
- If you receive notification that you have an evergreen contract, you should list the contract end date on Form 465, Line 29 so that service providers know when to contact you to bid on upcoming service needs, whether it is during the current funding year or future fund years
- If services or contract terms change in any way, HCPs must post a new Form 465 and go through the competitive bidding process again; this includes option years

Important Considerations for Service Providers:

- Contracts cannot be deemed evergreen without review and approval by USAC
 - If you are the current service provider and the contract has not been endorsed as evergreen, the HCP must re-bid the following fund year – even if you have a signed contract
 - HCPs must entertain bids from service providers if their contract has not been deemed evergreen by USAC
 - Service providers may seek to confirm that the HCP has an evergreen contract endorsed by USAC

- An HCP may evaluate the terms of existing services as a bid BUT should entertain bids from other service providers. If the existing service provider is selected, the HCP must show that the original service provider is still the most cost effective
- HCPs must grant all service providers access to the same information to determine service needs
- USAC will request and review all bids
- Plan in advance and allow enough time for evaluating bids, especially for multi-year contracts and multiple services
- HCP must accurately certify if they received bids on Line 45 of Form 466

Audits



- USAC is conducting a significantly higher number of audits in the Rural Health Care program in 2011
- Participation in the USAC RHC program requires compliance with all related audits. Failure to comply can result in the requirement to return funds
- It is likely that applicants and Service Providers will receive request(s) for information at some point in the program
- Timely submission of documents is critical
- If unsure about how to comply, contact the point of contact on the audit request

Documentation

- Anything that would help an auditor retracing the application and review process
- Competitive Bidding documentation
 - Scoring tools/matrix
 - E-mails
 - Copy of RFP
 - Phone log
- Other documentation
 - Copies of forms and documents submitted as part of the application packet
 - Bills
 - Proof of credit by service provider

Documentation

- If audited, an HCP must be able to produce decision-making records for up to five years after the end of the funding year
- A service provider must provide documentation for five years after the end of service
- The inability to locate documentation and demonstrate fair and open competitive bidding could result in the requirement to return funds

Terrestrial vs. Satellite Service



Terrestrial vs. Satellite Service

- Substantial new terrestrial telecommunications infrastructure is being built in Alaska, in part due to funds available under the American Recovery and Reinvestment Act
- If a less expensive terrestrial-based alternative service becomes available in Alaska, RHC support for satellite service may be limited
- Connect Alaska Broadband Task Force
http://connectak.org/broadband_task_force/

FCC rule Section 54.609(d)

1. Rural public and non-profit health care providers may receive support for rural satellite services, even when another functionally similar terrestrial-based service is available in that rural area. **Discounts for satellite services shall be capped at the amount the rural health care provider would have received if they purchased a functionally similar terrestrial-based alternative.**
2. Rural health care providers seeking discounts for satellite services shall provide to the Administrator with the Form 466 **documentation of the urban and rural rates for the terrestrial-based alternatives.**
3. Where a rural health care provider seeks a more expensive satellite-based service when a less expensive terrestrial-based alternative is available, **the rural health care provider shall be responsible for the additional cost.**

American Telemedicine Association (ATA) Fall Forum



September 19-21, 2011 in Anchorage

- RHC Program Staff will attend as exhibitors and are available to meet with Health Care Providers and Service Providers
- If you would like one-on-one guidance or training on the program at the conference site or in “close proximity,” e-mail rhcsuggestions@usac.org with your HCP #, location, what type of assistance you are requesting, and whether you are planning to attend the ATA conference

Where to go for Support

- The Rural Health Care Support Center is available to answer any questions you may have about the program
- Rhc-admin@usac.org
- 1.800.229.5476
- We encourage you to contact us before submitting your forms if you have any question

Thank You!

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