



Rural Health Care Committee

Briefing Book

October 25, 2021

1:15 - 2:15 p.m. Eastern Time

Available for Public Use

Universal Service Administrative Company

700 12th Street NW, Suite 900

Washington, DC, 20005

**Universal Service Administrative Company
Rural Health Care Committee
Quarterly Meeting
Agenda**

**Monday, October 25, 2021
1:15 p.m. – 2:15 p.m. Eastern Time
USAC Offices
700 12th Street, N.W., Suite 900
Washington, D.C. 20005**

<u>OPEN SESSION</u>		<i>Estimated Duration in Minutes</i>
Chair	a1. Consent Items (each available for discussion upon request): A. Approval of Rural Health Care Committee Meeting Minutes of July 26 and September 10, 2021 B. Approval of moving all <i>Executive Session</i> items into <i>Executive Session</i>	5
Mark	i1. Information Regarding Rural Health Care Support Mechanism 1st Quarter 2022 Programmatic Budget and Demand Projection for the November 2, 2021 FCC Filing	5
Mark	i2. Rural Health Care Business Update <ul style="list-style-type: none"> • Accomplishments <ul style="list-style-type: none"> ○ Metrics ○ Appeals ○ Outreach • Plans for Next Quarter <ul style="list-style-type: none"> ○ Funding Year 2022 Preparation ○ Roadmap • Systems Update 	20

<u>EXECUTIVE SESSION</u> Confidential – Executive Session Recommended		<i>Estimated Duration in Minutes</i>
Mark	i1. Information Regarding Rural Health Care Support Mechanism 1st Quarter 2022 Programmatic Budget and Demand Projection for the November 2, 2021 FCC Filing (<i>Continued</i>)	5
Radha/ Mark	i3. Rural Health Care Business Update (<i>Continued</i>) <ul style="list-style-type: none"> • CEO Roundtable Update • Modernization 	30

Next Scheduled USAC Rural Health Care Committee Meeting

**Monday, January 24, 2022
11:30 a.m. – 12:30 p.m. Eastern Time
USAC Offices, Washington, D.C.**

**Universal Service Administrative Company
Rural Health Care Committee Meeting**

ACTION ITEM

Consent Items

Action Requested

The Rural Health Care Committee (Committee) of the USAC Board of Directors (Board) is requested to approve the consent items listed below.

Discussion

The Committee is requested to approve the following items using the consent resolution below:

- A. Committee meeting minutes of July 26 and September 10, 2021 (*see Attachments A-1 and A-2*).

- B. Approval of moving all *Executive Session* items into *Executive Session*:
 - (1) **i1** – Information Regarding Rural Health Care Support Mechanism 1st Quarter 2022 Programmatic Budget and Demand Projection for the November 2, 2021 FCC Filing (*Continued*). USAC management recommends that this item be discussed in *Executive Session* because it relates to discussion of *pre-decisional matters pending before the FCC*.
 - (2) **i3** – Rural Health Care Business Update (*Continued*). USAC management recommends that this item be discussed in *Executive Session* because it involves *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in open session would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.

Upon request of a Committee member, any one or more of the above items are available for discussion by the Committee.

Recommended USAC Rural Health Care Committee Action

APPROVAL OF THE FOLLOWING RESOLUTION:

RESOLVED, that the Rural Health Care Committee of the USAC Board of Directors hereby approves: (1) the Committee meeting minutes of July 26 and September 10, 2021; and (2) discussion in *Executive Session* of the items noted above.

UNIVERSAL SERVICE ADMINISTRATIVE COMPANY
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

RURAL HEALTH CARE COMMITTEE MEETING
Monday, July 26, 2021

(DRAFT) MINUTES¹

The quarterly meeting of the Rural Health Care Committee (Committee) of the USAC Board of Directors (Board) was held at USAC's offices in Washington, D.C. on Monday, July 26, 2021. A virtual meeting platform was available to the general public for ***Open Session*** to accommodate the need for increased physical distancing on site due to the COVID-19 pandemic. Dr. Kathy Wibberly, Committee Chair, called the meeting to order at 1:00 p.m. Eastern Time, with a quorum of all eight Committee members present:

Feiss, Geoff	Wade, Dr. Joan
Fontana, Brent – Vice Chair – <i>by telephone</i>	Waller, Jeff – <i>by telephone</i>
Freeman, Sarah	Wein, Olivia
Sekar, Radha – Chief Executive Officer	Wibberly, Dr. Kathy – Chair

Other Board members and officers of the corporation present:

Beyerhelm, Chris – Chief Administrative Officer – *by telephone*
Buzacott, Alan – Member of the Board
Choroser, Beth – Member of the Board – *by telephone*
Davis, Craig – Vice President of Schools and Libraries – *by telephone*
Delmar, Teleshia – Vice President of Audit and Assurance – *by telephone*
Gaither, Victor – Vice President of High Cost – *by telephone*
Garber, Michelle – Vice President of Enterprise Resources Program and Acting Vice President of Shared Services
Gerst, Matthew – Member of the Board
Gillan, Joe – Member of the Board
Gregory, Amber – Member of the Board – *by telephone*
Hutchinson, Kyle – Vice President of IT and Chief Information Officer – *by telephone*
Mason, Ken – Member of the Board
Morning, Kimberly – Acting Vice President and General Counsel, and Assistant Secretary
Salvator, Charles – Vice President, Chief Financial Officer, and Assistant Treasurer – *by telephone*

¹ Draft resolutions were presented to the Committee prior to the Committee meeting. Where appropriate, non-substantive changes have been made to the resolutions set forth herein to clarify language, where necessary, or to correct grammatical or spelling errors.

Skrivan, Michael – Member of the Board
Sweeney, Mark – Vice President of Rural Health Care

Others present:

<u>NAME</u>	<u>COMPANY</u>
Glisson, Connor – <i>by telephone</i>	USAC
Hamm, Aaron – <i>by telephone</i>	USAC
Lee, James – <i>by telephone</i>	USAC
Little, Chris – <i>by telephone</i>	USAC
Nuzzo, Patsy	USAC
Pace, Regina – <i>by telephone</i>	USAC
Phillippi, Megan	USAC
Tiwari, Tanya	USAC

OPEN SESSION

All materials from *Open Session* can be found on the [USAC website](#).

- a1. **Consent Items.** Dr. Wibberly presented this item to the Committee.
- A. Approval of Rural Health Care Committee Meeting Minutes of April 26 and 27; and May 7, 2021.
- B. Approval of moving all *Executive Session* items into *Executive Session*:
- (1) **a3** – Rural Health Care Business Update (*Continued*). USAC management recommended that this matter be discussed in *Executive Session* because it involves *specific internal controls or confidential company data* and *internal rules and procedures* concerning the administration of the universal service support mechanisms; discussion of the matter in *Open Session* would result in *disclosure of confidential techniques and procedures* that would compromise program integrity.
 - (2) **a3** – Consideration of a Contract Modification for 2021 Rural Health Care Business Process Outsourcing Services. USAC management recommended that this matter be discussed in *Executive Session* because it relates to *specific internal controls or confidential company data* that would constitute a discussion of internal rules and procedures. This item also relates to USAC’s *procurement strategy and contract administration*.

On a motion duly made and seconded, and after discussion, the Committee adopted the following resolution:

RESOLVED, that the Rural Health Care Committee of the USAC Board of Directors hereby approves: (1) the Committee meeting minutes of April 26 and 27, and May 7, 2021; and (2) discussion in *Executive Session* of the items noted above.

- a2. Approval of Rural Health Care Support Mechanism 4th Quarter 2021 Programmatic Budget and Demand Projection for August 2, 2021 FCC Filing.** Mr. Sweeney presented this item for consideration. The presentation included a written report on USAC management's recommendations for the Rural Health Care Support Mechanism 4th Quarter 2021 programmatic budget and demand projection for the August 2, 2021 FCC filing.

On a motion duly made and seconded, and after discussion, the Committee adopted the following resolutions:

RESOLVED, that the USAC Rural Health Care Committee approves a 4th Quarter 2021 Rural Health Care Support Mechanism direct program budget of \$3.67 million; and

RESOLVED FURTHER, that the USAC Rural Health Care Committee, having reviewed at its meeting on July 26, 2021 the 4th Quarter 2021 Rural Health Care Support Mechanism demand estimate of \$153.12 million, hereby directs USAC staff to proceed with the required August 2, 2021 filing to the FCC on behalf of the Committee. USAC staff may make adjustments if the total variance for the Rural Health Care Support Mechanism is equal to or less than \$1 million, or may seek approval from the Committee Chair to make adjustments if the total variance is greater than \$1 million, but not more than \$2 million.

- i1. Information on Two USAC Audit and Assurance Division Rural Health Care Support Mechanism Beneficiary Audit Reports.** This item was provided for information purposes only. Dr. Wibberly noted that the Rural Health Care Audit Briefing Book would be made public and posted to the USAC website.
- i2. Rural Health Care Business Update.** Mr. Sweeney presented PowerPoint slides covering the following items to the Committee:
- Accomplishments and Plans
 - Metrics
 - Open Data and Rates Database
 - Outreach
 - Reform Order and Supply Chain Order
 - Roadmap
 - Systems Update

At 1:34 p.m. Eastern Time, on a motion duly made and seconded, the Committee moved into *Executive Session* for the purpose of discussing confidential items. Only members of the Board and USAC staff were present.

EXECUTIVE SESSION

- i3. **Rural Health Care Business Update (*Continued*)**. Mr. Sweeney presented this item for discussion. The presentation included a PowerPoint presentation that included an update on Rural Health Care system modernization and Funding Year 2021 Analysis.
- a3. **Consideration of a Contract Modification for 2021 Rural Health Care Business Processing Outsourcing Services**. Mr. Beyerhelm presented this item to the Committee for consideration. The presentation included a written summary and report detailing USAC management’s recommendation to modify USAC’s contract with MAXIMUS Federal Services, Inc. for Rural Health Care business processing outsourcing Services.

On a motion duly made and seconded, and after discussion, the Committee adopted the following resolution:

RESOLVED, that the Rural Health Care Committee of the USAC Board of Directors, having reviewed the recommendation of USAC management, hereby authorizes USAC management to modify its existing contract with MAXIMUS Federal Services, Inc. by exercising the “Added Services” provision to provide business process outsourcing services in support of the significant volume of applications for the Rural Health Care program, and to perform processing of applications for the Connected Care Pilot program. The modification will have a six (6) month period of performance for the fixed amount of \$900,000.00 (plus applicable taxes), plus a contingency reserve of \$300,000.00 (plus applicable taxes), for a total not-to-exceed amount of \$1.2 million (plus applicable taxes), subject to required Federal Communications Commission approval.

OPEN SESSION

At 2:09 p.m. Eastern Time, the Committee moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Dr. Wibberly reported that, in *Executive Session*, the Committee discussed item i3 and took action on item a3.

On a motion duly made and seconded, the Committee adjourned at 2:10 p.m. Eastern Time.

/s/ Kimberly Morning
Assistant Secretary

UNIVERSAL SERVICE ADMINISTRATIVE COMPANY
700 12th Street, N.W., Suite 900
Washington, D.C. 20005

RURAL HEALTH CARE COMMITTEE MEETING
Friday, September 10, 2021

(DRAFT) MINUTES¹

Due to the temporary closure of USAC's offices in Washington, D.C. in response to the COVID-19 pandemic, the non-quarterly meeting of the of the Rural Health Care Committee (Committee) of the USAC Board of Directors (Board) was conducted by web conference on Friday, September 10, 2021. At the request of Dr. Kathy Wibberly, Committee Chair, Mr. Joe Gillian, Board Chair, facilitated the Committee meeting. Mr. Gillan called the meeting to order at 1:03 p.m. Eastern Time, with a quorum of all eight Committee members present:

Feiss, Geoff	Wade, Dr. Joan
Fontana, Brent – Vice Chair	Waller, Jeff
Freeman, Sarah	Wein, Olivia
Sekar, Radha – Chief Executive Officer	Wibberly, Dr. Kathy – Chair

Other Board members and officers of the corporation present:

Beyerhelm, Chris – Chief Administrative Officer
Buzacott, Alan – Member of the Board
Choroser, Beth – Member of the Board
Garber, Michelle – Vice President of Finance, Chief Financial Officer, and Assistant Treasurer
Gillan, Joe – Member of the Board
Gregory, Amber – Member of the Board
Mason, Ken – Member of the Board
Morning, Kimberly – Acting Vice President and General Counsel, and Assistant Secretary
Schell, Julie Tritt– Member of the Board
Skrivan, Michael – Member of the Board
Sweeney, Mark – Vice President of Rural Health Care

Others present:

<u>NAME</u>	<u>COMPANY</u>
Daniels, Joel	USAC
Mitchell, Tamika	USAC

¹ Draft resolutions were presented to the Committee prior to the Committee meeting. Where appropriate, non-substantive changes have been made to the resolutions set forth herein to clarify language, where necessary, or to correct grammatical or spelling errors.

<u>NAME</u>	<u>COMPANY</u>
Nuzzo, Patsy	USAC
Pace, Regina	USAC
Phillippi, Megan	USAC
Tiwari, Tanya	USAC

OPEN SESSION

- a1. **Consideration of Contract Modification for Appian Cloud Services and Licenses.** USAC management recommended that discussion of this item be conducted in *Executive Session* because this matter relates to USAC's *procurement strategy and contract administration*.

On a motion duly made and seconded, the Committee adopted the following resolution:

RESOLVED, that the Rural Health Care Committee of the USAC Board of Directors approves discussion of this item in *Executive Session*.

At 1:03 p.m. Eastern Time, on a motion duly made and seconded, the Committee moved into *Executive Session* for the purpose of discussing the confidential item listed above.

EXECUTIVE SESSION

- a1. **Consideration of Contract Modification for Appian Cloud Services and Licenses.** Mr. Beyerhelm presented this item to the Committee for consideration. The presentation included a written summary and report detailing USAC management's recommendation to increase the amount of USAC's fourth one-year contract renewal option for Appian Cloud Services and Licensing to support the design, development, and delivery of a Healthcare Connect Fund Portal.

On a motion duly made and seconded, the Committee adopted the following resolution:

RESOLVED, that the USAC Board of Directors Rural Health Care Committee, having reviewed the recommendation of USAC management, hereby authorizes USAC management to increase the amount of its fourth one-year contract renewal option for Appian Cloud Services and Licensing with Appian Corporation by \$388,294.00 (plus applicable taxes), for a total not-to-exceed price of \$2,888,294.00 (plus applicable taxes).

OPEN SESSION

At 1:06 p.m. Eastern Time, on a motion duly made and seconded, the Committee moved out of *Executive Session* and immediately reconvened in *Open Session*, at which time Mr. Gillan reported that, in *Executive Session*, the Committee discussed and took action on item a1.

On a motion duly made and seconded, the Committee adjourned at 1:07 p.m. Eastern Time.

/s/ Kimberly Morning
Assistant Secretary

**Universal Service Administrative Company
Rural Health Care Committee Meeting**

INFORMATION ITEM

**Information Regarding Rural Health Care Support Mechanism
1st Quarter 2022 Programmatic Budget and
Demand Projection for the November 2, 2021 FCC Filing**

Recommendation and Basis for Addressing this Matter in *Executive Session*

Information Regarding Rural Health Care Support Mechanism 1st Quarter 2022 Programmatic Budget and Demand Projection for the November 2, 2021 FCC Filing is confidential and should not be distributed beyond members of the USAC Board of Directors (Board) and USAC staff. In accordance with the approved criteria and procedures for conducting USAC Board and committee business in *Executive Session*, USAC management recommends that this item be discussed in Executive Session because it relates to discussion of *pre-decisional matters pending before the FCC*.

Background/Discussion

The Rural Health Care Committee (Committee) of the Board will be requested to approve, via unanimous written consent later this week, the 1st Quarter 2022 programmatic budget and demand projection for the Rural Health Care Support Mechanism for submission to the Federal Communications Commission (FCC) in USAC's November 2, 2021 quarterly filing. In the interim, the document will undergo certain revisions in response to FCC direction and will be distributed to Committee members for vote via email. Once approved, the final paper will be posted on the USAC website.



Rural Health Care Committee Meeting

Rural Health Care Business Update

Open Session

October 25, 2021



Agenda

- Accomplishments
 - Metrics
 - Appeals
 - Outreach
- Plans for Next Quarter
 - FY2022 Preparation
 - Roadmap
- Systems Update

Metrics

Rural Health Care

Category	Total # Received	Dollars	Actual Processed	Dollars Processed	Percentage Complete	Aging >90 Day*
Eligibility CY2021:						
HCF	3,101	NA	2,915	NA	94%	58
Telecom	1,015	NA	1,006	NA	99%	0
Funding Requests FY2021:						
HCF	13,311	\$417,976,103	6,035	\$101,104,578	45%	7,276
Telecom	2,508	\$227,356,851	1,065	\$17,734,788	42%	1,443
Funding Requests FY2020:						
HCF	13,358	\$442,128,678	13,348	\$441,948,854	99%	10
Telecom	3,182	\$206,110,697	3,180	\$200,756,922	99%	2

*Workable

Metrics (Continued)

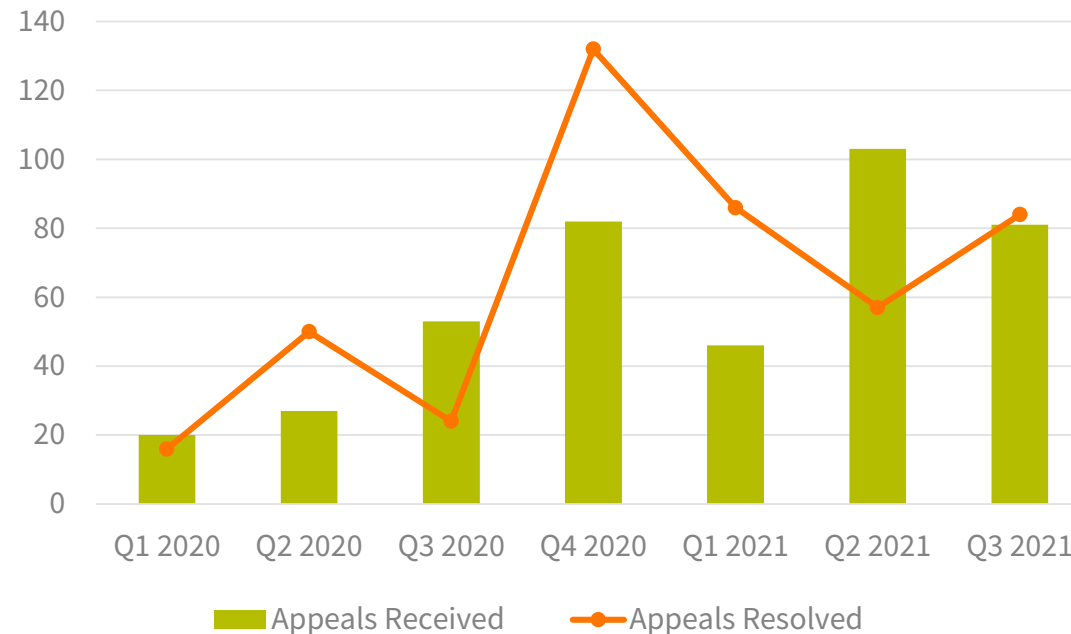
Rural Health Care

Category	Total # Received	Dollars	Actual Processed	Dollars Processed	Percentage Complete	Aging >90 Day*
Prior Years Backlog (FY 2017-19):						
HCF	31,906	\$1,264,750,014	31,900	\$1,264,644,770	99.98%	0 (6)
Telecom	15,100	\$735,420,288	14,946	\$728,124,824	98.98%	0 (154)
Disbursement:						
HCF	94,524	\$1,064,480,831	92,864	\$1,029,879,916	98%	50
Telecom	14,980	\$1,310,274,865	14,927	\$1,289,630,932	99%	6
Appeals (YTD):						
HCF	133	N/A	148	N/A	N/A	39
Telecom	97	N/A	80	N/A	N/A	53 (40*)

*Note: Workable

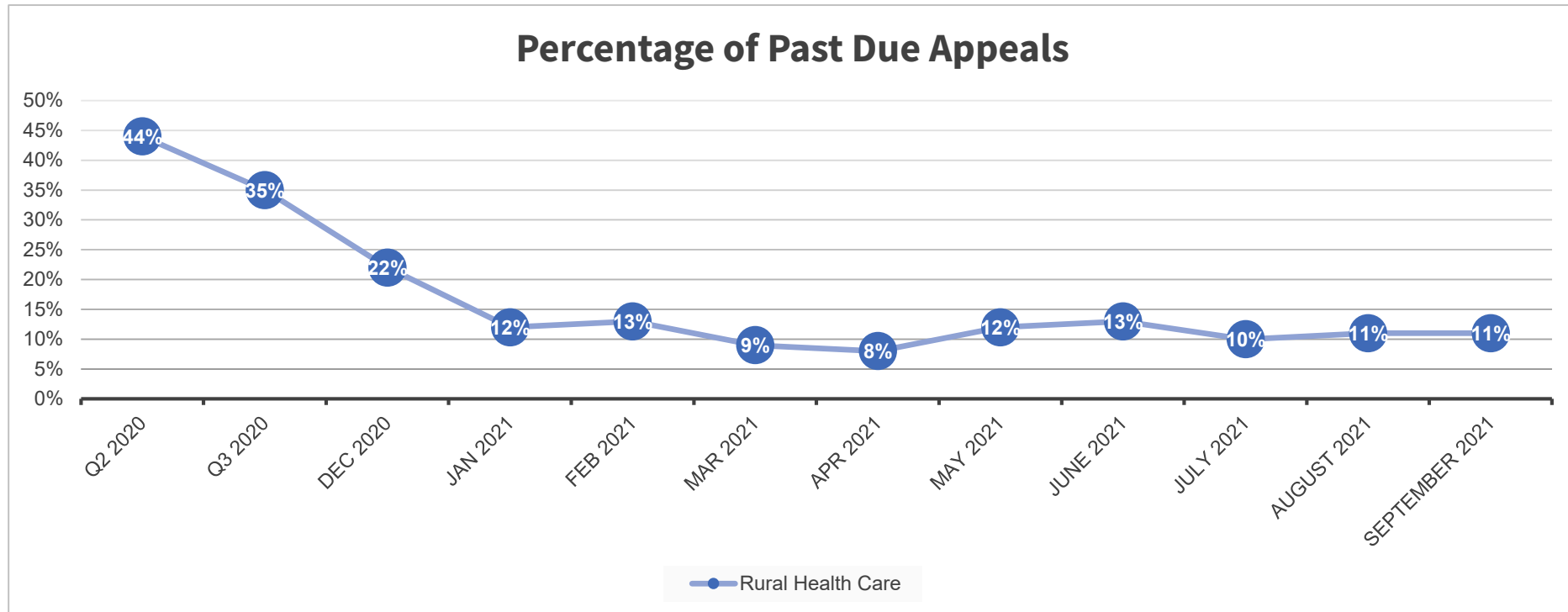
Appeals Status Update

RHC Appeals Intake and Output (data as of September 30, 2021)



- Appeals received increased dramatically in first three quarters CY2021 (230) vs. CY2020 (100) largely due to PQA / BCAP exceptions and alleged processing errors.
- During the same timeframes (first three quarters), we have resolved in CY2021 (228) vs. CY2020 (90) – **150%** increase from last year.
- Pending appeals as of September 30, 2021 – 160

RHC Appeals SLAs



- SLAs are assigned by the complexity of the appeal – Low, Medium, and High.
- RHC appeals team has reduced the number of past due appeals (not meeting SLA) by over 30% compared to CY2020.

Outreach

Outreach Resources

- RHC is being supported by Shared Services while conducting recruitment to fill the Manager and Communications Specialist roles.

Third Virtual Site Visit of 2021 (September 22)

- RHC staff met virtually with the New England Telehealth Consortium (HCP 17234)—over 60 USAC staff attended including IT and OGC teams.
- Another virtual site visit will be planned for Q4 (TBD).

Webinars

- September – Updates Webinar for applicants who submitted funding requests for FY2021.
- October – Connected Care Pilot Program Office Hours and Invoicing Best Practices.

Outreach (Continued)

HCF Invoice Deadline Campaign FY2018 and FY2019

- Targeted reminder emails and website updates for applicants and service providers with multi-year commitments facing a December 30 invoicing deadline.

Q4 - Preparation for FY2022

Program Changes and Updates

- Implement Hurricane Ida Relief Order ([FCC Order DA 21-1107](#))
- Automate changes established in FY2021 for urban and rural rates based on [FCC Order DA 21-394](#) waiving the use of the rates database; Communicate changes to Telecom Application forms for urban and rural rate changes.

Q4 Webinars

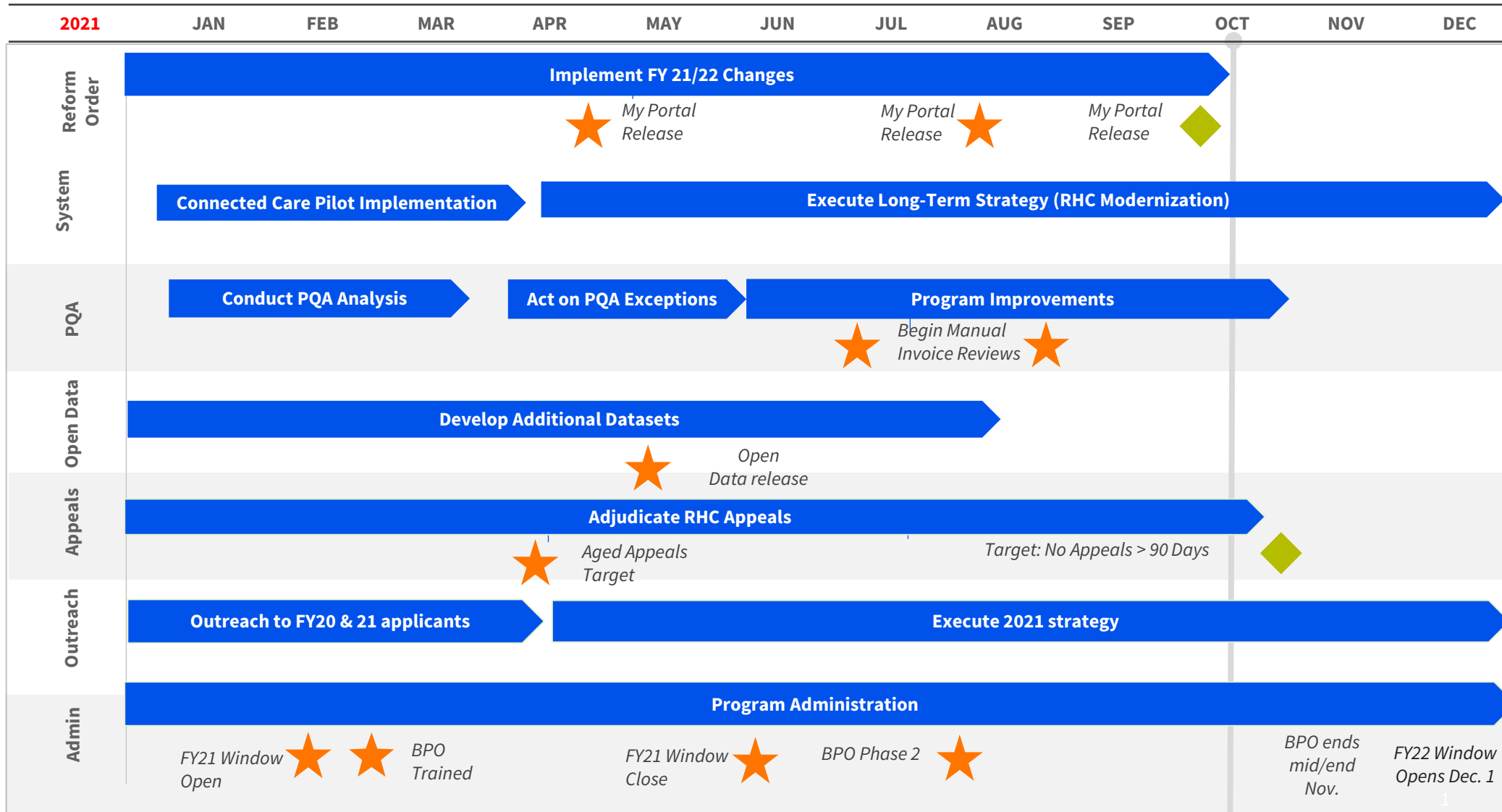
- HCF Funding Request Best Practices Webinar – Wednesday November 10, 2021
- Telecom Funding Request Best Practices Webinar – Wednesday, November 17, 2021
- RHC Stakeholders Group Webinar – Date TBD

Q4 - Preparation for FY2022 (Continued)

CY2022 Planning – Looking Ahead

- Prepare HCF and Telecom Program Office Hours – Dates TBD during window
- Q1 RHC Stakeholders Group Touch Base Webinar – TBD
- Extended Help Desk hours for close of filing window on April 1, 2022

Roadmap



Milestone Legend

- At Risk (Red Triangle)
- On Track (Green Diamond)
- Completed (Orange Star)

Rural Health Care IT High Level Project Status

Active Projects	Project Status	Target Production Date	Project Updates and Risks
Rates Database Waiver Order <ul style="list-style-type: none">System updates to waive/remove the requirement that healthcare providers and service providers participating in the Telecom program use the Rates Database to calculate urban and rural rates for Funding Years 2021 and 2022.	In Progress	Nov. 2021	Testing in progress



**Universal Service
Administrative Co.**