RHC Program Funding Request Office Hours

April 30, 2021
Housekeeping

- Use the “Audio” section of your control panel to select an audio source and connect to sound
  - Turn on your computer’s speakers, or
  - Use the call-in instructions in your confirmation email

- All participants are on mute

- Use the “Raise Your Hand” button to be unmuted and ask a question to the team!
Agenda

• Introduction – Office Hours
• Program Reminders and Updates
• Telecom Updates – Order DA 21-394
  • Calculating the Rural Rate using Methods 1, 2, or 3
  • Calculating Urban Rates
  • How to Recall an Already-Submitted FCC Form 466
  • Submitting an FCC Form 466 with the Correct Rates
• Resources
Introduction – Office Hours

• Subject matter experts are available to answer live questions from attendees
  • Send FRN or HCP-specific questions to the Help Desk at RHC-Assist@usac.org
  • Raise your hand or ask your question in the questions box
Program Reminders and Updates

RHC Program Funding Request Office Hours
Application Process

1. Determine Eligibility
   - Must meet three eligibility criteria:
     - Not-for-profit/public
     - In a rural area
     - One of the eligibility facility types
   - HCF Program: FCC Form 460
     Telecom Program: FCC Form 465

2. Develop Evaluation Criteria and Request Services
   - Describe the services you need and develop scoring criteria to evaluate bids. Your request for services is posted to the USAC website for a minimum of 28 days.
   - HCF Program: FCC Form 461
     Telecom Program: FCC Form 465

3. Evaluate Bids and Select Service Provider
   - Once competitive bidding has ended, choose the most “cost-effective” service provider.

4. Submit Funding Request
   - Provide information about the services selected: cost, service provider information, and terms of service agreement(s).
   - HCF Program: FCC Form 462
     Telecom Program: FCC Form 466

5. Certify Connection
   - Confirm service start and end dates.

6. Invoice
   - Submit invoice before deadline:
     - HCF Program: Initiate invoicing process by submitting FCC Form 463 to service provider for review and submission to USAC.
     - Telecom Program: Service provider completes invoicing process.
   - HCF Program: FCC Form 463
     Telecom Program: Invoice
FY2021 Filing Window Closes on June 1

- On February 12th, the FCC released Order 21-168 extending the close of the filing window until June 1, 2021.

- You must submit your funding request(s) (FCC Form 462 and/or 466) by 11:59 p.m. June 1, 2021 to be considered for funding.

- Help Desk Hours leading up to June 1:
  - Friday, May 28 8:00 a.m. – 8:00 p.m. ET
  - Monday, May 31 – Closed
  - Tuesday, June 1 – 8:00 a.m. – 11:59 p.m. ET
Order DA 21-394

On April 8, 2021, the FCC released Order DA 21-394, waiving the requirement that health care providers and service providers participating in the Telecommunications (Telecom) Program use the Rates Database to calculate urban and rural rates for funding years 2021 and 2022.

- In addition, the Order waives the following administrative deadlines to provide all RHC Program applicants with additional time to comply with requirements:
  - Service delivery deadline for FY2020 – extended by one year to June 30, 2022.
  - Invoice filing deadline for FY2020 – extended by 120 days.
  - Response times to USAC’s information requests -- extended by an additional 28 days if an applicant requests the extension before the expiration of the initial 14-day deadline. This relief applies to information requests issued from April 8, 2021 through December 31, 2021.
Supply Chain Order

When service providers log in to My Portal today, April 30, 2021, they will see two new supply chain certifications included in the FCC Form 463 and Telecom invoice.

The first certification affirms compliance with the Section 54.9 prohibition on USF support to purchase, obtain, maintain, improve, modify, operate, manage, or otherwise support equipment or services produced or provided by the covered companies deemed to pose a national security threat to the integrity of the communications network or communications supply chain. The second certification affirms compliance with Section 54.10, which prohibits the use of any Federal subsidies on any communications equipment and services on the Covered List, which includes Huawei Technologies Company, ZTE Corporation and their affiliates and subsidiaries.

- **FY2020 Applicants:** If you requested services or equipment provided or that contain components of products produced by any of the listed covered companies, or any of their parents, affiliates and subsidiaries in FY2020, you cannot invoice for these funds. Instead, you should immediately request a service substitution prior to invoicing in order to ensure complete program compliance.

- **FY2021 Applicants:** As you proceed with competitive bidding and submitting funding requests forms, please ensure you are not requesting funding for services or equipment from any of the above-named companies, or any of their parents, affiliates and subsidiaries, or equipment or services on the Covered List.
Reminder: HCF Program Invoicing Deadlines

Please keep in mind that once you receive an approved funding commitment you should follow the necessary steps to invoice prior to your invoicing deadline(s). As a reminder, the HCF invoicing process is a joint process between the HCP and its service provider.

- **FY2019 applicants**: Last year, the FCC released two invoicing deadline waivers to HCF program applicants, resulting in many FY2019 FRNs having March or June invoicing deadlines (read Order 20-345 and Order 20-1092). To see if your HCP has an upcoming FY2019 invoicing deadline, use the Invoice Deadline Lookup Tool or view your deadline in My Portal.

- **FY2020 applicants**: New invoicing guidelines adopted in FCC Report and Order 19-78 became effective beginning with FY2020 applicants. The invoicing deadline will be four months (120 days) from the service delivery deadline in both the HCF and Telecom programs. Please be sure to respond to any invoicing Information Requests by the 14-calendar day deadline listed in the email. For more information please see the HCF invoice page and Telecom invoice page.

- Invoicing training for both HCF and Telecom programs to be announced soon.
Questions?
Order DA 21-394 for Telecom Applicants

RHC Program Funding Request Office Hours
Order DA 21-394 Summary

- On April 8, 2021, the FCC released Order DA 21-394, waiving the requirement to use the Rates Database for determining rural and urban rates for funding years (FY) 2021 and 2022.

- The Order also waives competitive bidding rules to permit any HCP that has completed the competitive bidding process to re-initiate a new competitive bidding process and waives program rules to permit service providers who submitted bids based on urban and rural rates available in the Rates Database in response to Requests for Services issued by HCPs for FY2021 to submit new bids.
Calculating Rural Rates

• Instead of using the Rates Database, HCPs and their service providers should continue to use rates approved under Method 1, 2, or 3 to calculate rural rates.

• HCPs and service providers must use the most recently-approved rural rate for FY2018, FY2019, or FY2020 for the same service to the same facility or, if there is no approved rate, an approved rural rate for the same or similar services to a facility with the same or similar geographic characteristics.
  
  • **NOTE:** For all previously approved urban and rural rates, you **must** provide USAC with the previous FRN associated with that approved rate and submit **all** documentation associated with that rate.

• HCPs will enter this rural rate on **Line 33** (rural rate per month per service agreement) of the FCC Form 466 and upload supporting documentation, for example, a Funding Commitment Letter or rates approval letter for FY2018, FY2019, or FY2020.

• Documentation provided must show that the rural rate provided is in compliance with the rural rate rule (47 CFR 54.607 (2018)).
Calculating Rural Rates using Method 1, 2, or 3

• **Method 1:** FCC rules state that “[t]he rural rate shall be the average of the rates actually being charged to commercial customers, other than health care providers, for identical or similar services provided by the telecommunications carrier providing the service in the rural area in which the health care provider is located.”
  • Similar services are those that are functionally equivalent from the perspective of the end user with respect to bandwidth and whether the service is symmetrical and asymmetrical.

• **Method 2:** If the telecommunications carrier does not provide similar or identical service in the rural area where the HCP is located, “the rural rate shall be the average of the tariffed and other publicly available rates, not including any rates reduced by universal service programs, charged for the same or similar services in that rural area over the same distance as the eligible service by other carriers . . . .”

• **Method 3:** If there are no such tariffed or publicly available rates, or the carrier “reasonably determines that this method for calculating the rural rate is unfair,” the carrier must submit its rural rates to the state commission (for intrastate rates) or the FCC (for interstate rates) for approval.
Rural Rate Key Points

Please bear in mind that these methods are **sequential**, i.e.-begin with Method 1. If there isn’t a way to confirm the rate using Method 1, move on to Method 2, and then to Method 3.

- **Method 1** – use actual rates charged by the service provider to a commercial customer in the same rural area as the HCP who is NOT a healthcare provider for the same or similar services. For example a bill, invoice, or contract.

- **Method 2** – for use only if the service provider does not provide the same or similar service to a commercial customer who is NOT a healthcare provider. In this case, be sure to use a **tariff or publicly available rate** from another carrier.

- **Method 3** – this part of the rule is only to be used if Method 1 or 2 can not be used. When seeking approval, applicant must provide a justification of the proposed rural rate to the state commission (for intrastate rates) or FCC (for interstate rates), including an itemization of the costs of providing the requested service. **Applicant must submit proof that rate was submitted to the state commission or FCC before the FCC Form 466 is filed.**
Rural Rate – Key Points For Service Providers

• Your customer will not have the information needed to document that the rural rate on the FCC Form 466 is compliant with the rule.

• Please be sure that the correct contact person is on the Form 498 so that Information Requests that require the service provider’s input are received in a timely manner.

• Be sure to copy everyone on the email with your response and be mindful of deadlines.

• If you deem the information provided to USAC as confidential, please mark it clearly as confidential in the subject line and take the appropriate measures to protect the email correspondence.

• The process of determining the rural rate should begin when you submit a bid in response to the FCC Form 465 (Request for Services).
  • You should decide at that point which method you will be using to support the rural rate and begin to prepare the necessary information for the HCP.
  • If using Method 3, at that point you should submit your rural rate to the state commission or FCC for approval.
Calculating Urban Rates

• Instead of using the Rates Database, HCPs should use an urban rate that has been previously approved for the same service at the same facility within the past three funding years.

• HCPs should upload to their FCC Form 466 documentation substantiating their urban rate on Line 33, whether it be documentation supporting a previously approved urban rate such as a Funding Commitment Letter (FCL) or documentation substantiating their urban rate under the preexisting rule.
Urban Rate Key Points

• Documentation provided must show that the urban rate provided is in compliance with the urban rate rule (FCC Order DA 21-394 paragraphs 23-25).

• HCPs may use an urban rate that was approved in the last three years for the same service at the same facility
  • If more than one such rate was approved, HCPs must use the most recently approved urban rate.
  • Supporting documentation that shows the rate was approved must be submitted with the funding request

• If there is no approved rate for a specific service delivered to the specific HCP, an urban rate approved for the same or similar services to a facility in a same or similar geographic location may be used.
  • Supporting documentation that shows the rate was approved must be submitted with the funding request

• If an HCP doesn’t upload supporting documentation to its FCC Form 466, an Information Request will be sent to obtain it.
  • If there is a previously-approved urban rate for the site and requested service, USAC is directed to use that rate.

• If there is no previously approved urban rate for the requested service in the same or a similar geographic area, USAC is directed to use the urban rate in the rates database rather than denying the FCC Form 466.
What to do if you already submitted an FY2021 Funding Request

• If you submitted an FY2021 funding request using the Rates Database prior to the FCC release of Order DA 21-394, you must recall your FCC Form 466 and resubmit in My Portal with the correct rate.

• Please be sure to recall your form and resubmit your FCC Form 466 before the close of the filing window at 11:59 p.m. ET June 1, 2021.

• Note: recalling a form completely removes the form from USAC’s queue. You should only recall forms during a filing window, doing so after the close of the filing window removes your FCC Form 466 from funding consideration.
If you have already submitted an FCC Form 466..

- Recall your FCC Form 466 in My Portal to resubmit with the correct rate.
Submitting the Correct Rural and Urban Rates

- Enter in rural rate on **Line 33** of the Service Information Tab
- **Upload both rural and urban rate** documentation using upload button

**NOTE:** For all previously approved urban and rural rates, you must provide USAC with the previous FRN associated with that approved rate and submit all documentation associated with that rate.
Completing Block 6

- You must click “Determine median rural rate” and “Determine monthly urban rate” in Block 6 to submit the form, however, the reviewer will use the rates submitted on Line 33 when completing the review.
Questions?
Resources

Funding Request Office Hour
Online Resources

• Funding Request Best Practices for FY2021 Webinars
• Funding Request Summary
• Information for FY2020 Applicants Applying in FY2021
• Rural and Urban Rate Information for FY2021 and FY2022 (Telecom program only)
• Funding Limitations Tip Sheet (HCF program only)
• Off-site Data Centers and Admin Offices Tip Sheet (HCF program only)
• Equipment Tip Sheet (HCF program only)
• Examples of Eligible Products and Services
  • HCF Program
  • Telecom Program
Help Desk Information

Email: RHC-Assist@usac.org

Phone: (800) 453-1546

- Hours are 8:00 a.m. – 8:00 p.m. ET Monday - Friday

Window close hours:

- Friday, May 28 8:00 a.m. – 10:00 p.m. ET
- Saturday, May 29 – Closed
- Sunday, May 30 – Closed
- Monday, May 31 – Closed
- Tuesday, June 1 – 8:00 a.m. – 11:59 p.m. ET
Thank You!