



## COVID-19 Telehealth Program

### *FCC Implements \$200 Million Program to Promote Telehealth*

In response to the coronavirus disease (COVID-19) pandemic that has swept across the United States and caused enormous economic disruption and a severe strain on the U.S. healthcare system, on March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). This act provides numerous funding sources to address the financial needs created by the abrupt shutdown of much of the U.S. economy and the massive increase on the demand for healthcare services.

Sections of the CARES Act address the use of telehealth services that help patients obtain medical treatment while remaining compliant with social distancing policies implemented across the country. Telehealth services also reduce the strain on medical

facilities by keeping patients home and away from the physical location of the facility. As a response to this emergency, healthcare providers are ramping up their use of telehealth by expanding current offerings or adding new ones.

The CARES Act appropriates \$200 million to the Federal Communications Commission (FCC) to support efforts of healthcare providers to address the coronavirus pandemic by ramping up their use of telehealth. This program will provide funding for costs related to telecommunications services, information services, and devices necessary to enable the provision of telehealth services during the emergency period. As a result of this authorization, the FCC has established the *COVID-19 Telehealth Program*.



## **COVID-19 Telehealth Program**

The COVID-19 Telehealth Program (Program) is open to eligible healthcare providers in both rural and non-rural areas. This program will provide support for these providers to purchase telecommunications, information services, and connected devices to provide telehealth services on a temporary basis in response to the coronavirus pandemic, whether directly for treatment of coronavirus or for treatment of other health conditions during the emergency period. Rewards under this program will provide full funding for eligible services and devices, but it is anticipated that awards to any single applicant will not exceed \$1 million. Funding received from this program may be used for any necessary eligible services and connected devices, and additional funding may be requested after initial funds are exhausted.

Funds awarded through the Program may be used for:

- Telecommunications Services and Broadband Connectivity (i.e., voice and internet services);
- Information Services (e.g., remote patient monitoring platforms, patient reported outcome platforms, platforms to provide video consultation, etc.); and/or
- Internet Connected Device/Equipment (e.g., tablets, smart phones, telemedicine kiosks/carts, etc.)

### **Application Process**

Providers interested in participating in the Program should take the following steps to prepare for their application:

1. Obtain an eligibility determination from the Universal Services Administrative Company (USAC);
2. Obtain an FCC Registration Number (FRN), which can be requested online (<http://apps.fcc.gov/cores/userLogin.do>); and
3. Register with the System for Award Management, which is a web-based, government-wide application (<https://www.sam.gov/SAM/>).

These steps can – and should – be done immediately to expedite an entity's ability to submit an application. If an entity is already registered on these platforms, they do not need to re-register.

Applications will be submitted to an online portal and reviewed within the FCC by the Wireline Competition Bureau (Bureau). The electronic application process is currently being developed by the Bureau and it will begin accepting applications soon. The Bureau has been directed to review applications quickly and announce selected participants and reward funds on a rolling basis, and continue to review applications and make awards until all authorized funds have been exhausted or until the current pandemic has ended.



## Eligible Healthcare Providers

The Program will be limited to nonprofit and public health providers that fall into the following categories:

1. Post-secondary educational institutions offering healthcare instruction, teaching hospitals, and medical schools;
2. Community health centers or health centers providing healthcare to migrants;
3. Local health departments or agencies;
4. Community mental health centers;
5. Not-for-profit hospitals;
6. Rural health clinics;
7. Skilled nursing facilities; or
8. A group of healthcare providers consisting of one or more entities falling into the first seven categories.

Providers who are interested in the Program but do not already have an eligibility determination must file a form (FCC Form 460) with the USAC. However, they may still submit applications for the Program while their eligibility form is pending.

## Application Requirements

According to the FCC, eligible healthcare providers must submit applications that contain the following information to be considered for participation in the Program:

- Names, addresses, county, and healthcare provider numbers;
- Contact information for the individual who will be responsible for the application;
- Description of the anticipated connected care services to be provided, the conditions to be treated, and the goals and objectives of the service, as well as information regarding how the service area has been impacted by COVID-19;
- Description of the estimated number of patients to be treated;
- Description of the telecommunications services, information services, or “devices necessary to enable the provision of telehealth services” requested, and both the total and monthly amounts of funding requested for each eligible item;
- Supporting documentation for the costs indicated in the application; and
- A timeline for deployment of the proposed service(s) and a summary of the factors the applicant intends to track that can help measure the real impact of supported services and devices.



If a provider intends to use Program funding to treat patients without COVID-19, the applicant should describe how the telehealth service would free up resources that will be used to treat COVID 19 and/or how the service would otherwise prevent, prepare for, or respond to the disease. For example, the provider's telehealth service could facilitate social distancing.

The applicant must also certify that they will comply with applicable privacy and reimbursement laws, including the Health Insurance Portability and Accountability Act (HIPAA), applicable medical licensing laws and regulations, and all Program requirements and procedures, including document retention requirements.

### **Evaluation of Applications and Selection Process**

The Bureau will issue a public notice announcing the date when COVID-19 Telehealth Program applications will be accepted and instructions for filing applications with the FCC. Applications will be evaluated based on the applicant's responses to the criteria listed above. The goal of the FCC is to select applications that target areas hardest hit by COVID-19 and where the Program's support will have the most impact in addressing immediate healthcare needs.

## ***Connected Care Pilot Program***

In addition to the COVID-19 Telehealth Program, the FCC released details for the *Connected Care Pilot Program* (Pilot Program), a longer term solution that will make \$100 million available over three years to examine how the Universal Service Fund can help support the trend toward connected care services to consumers, particularly for low-income Americans and veterans. The goal of the Pilot Program is to obtain a better understanding of the benefits, including cost savings, of utilizing connected care. Furthermore, it seeks to determine whether there are obstacles that could be addressed by the FCC's universal service programs.

A separate application process will be implemented for the Pilot Program, with more guidance expected to be issued in the coming weeks. Entities may apply for funding from both programs, but the requested funding must be used for different items or services.

## ***Conclusion***

The CARES Act represents an unprecedented response to the emergency facing our nation. The team of JTaylor professionals is proactively working to assist our clients in the healthcare industry, both large and small, in receiving the maximum benefit from the operational and financial provisions of the Act. The FCC funding programs for telehealth services provide opportunities for entities to expedite a transition to connected care to meet both the short-term needs during this nationwide emergency, as well as longer term needs for vulnerable populations.

Given the magnitude of the legislation and the evolving nature of the programs introduced under the Act, additional guidance and interpretations are being issued on a daily basis. Be assured that we are closely monitoring such guidance to be able to provide up-to-date advice and insight. If you have questions regarding the application of this legislation to your specific circumstance, please contact us. We stand ready to serve you as together we navigate the COVID-19 crisis.

## ***Additional Resources***

Federal Communications Commission, *Report and Order In the Matter of Promoting Telehealth for Low-Income Consumers COVID-19 Telehealth Program*, April 2, 2020, <https://docs.fcc.gov/public/attachments/FCC-20-44A1.pdf>

Federal Register Volume 85, No. 69, *Promoting Telehealth for Low-Income Consumers; COVID-19 Telehealth Program*, April 9, 2020, <https://www.federalregister.gov/documents/2020/04/09/2020-07587/promoting-telehealth-for-low-income-consumers-covid-19-telehealth-program>

Wireline Competition Bureau, *Public Notice: Wireline Competition Bureau Provides Guidance on the COVID-19 Telehealth Program Application Process*, April 8, 2020, <https://www.fcc.gov/document/guidance-covid-19-telehealth-program-application-process>

## ***Disclaimer***

JTaylor is an accounting and consulting firm. Our professionals are not attorneys, and the information contained herein does not constitute legal advice. Our goal is to provide guidance to our clients as they seek to make decisions with regard to their businesses, using the best information available at this time. This is an area that continues to evolve, and we reserve the right to update any information contained herein as new information or guidance becomes available.

Because the facts and circumstances of each situation can be unique, particularly as applied to these new, complex provisions of federal legislation and associated interpretive guidance, we recommend seeking professional guidance before undertaking actionable steps in regard to the provisions described herein.