

RURAL HEALTH CARE PROGRAM

WELCOME PACKET

CONTENTS

[Overview and FAQs](#)

[What Health Care Providers Need to Know](#)

[What Service Providers Need to Know](#)

[Guide to Forms](#)

[Where do I ...](#)

[HCP Checklist for Competitive Bidding](#)

[Evergreen Status](#)

Overview and FAQs

The Rural Health Care Program of the Universal Service Fund

The Rural Health Care Program provides reduced rates to rural health care providers (HCPs) for telecommunications and Internet services so they pay no more than their urban counterparts for the same or similar telecommunications services. The program offers discounts on services such as basic telephony, 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 health care providers 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 health care providers' applications for support, ensuring compliance with program rules, and issuing commitments.

What does it mean to health care providers?

- By helping health care providers pay for telecommunications and Internet services, the Rural Health Care Program reduces expenses and travel time for patients, helps decrease medical errors, and enables health care providers to quickly share critical patient-care information electronically.
- 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 health care provider. A health care provider can save on services it already has, upgrade current services, or install new services.

How does the Rural Health Care Program work?

- Eligible rural health care providers must apply for participation in the program by submitting a form requesting services to USAC. 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 telecommunications provider, services may be ordered.
- Using Rural Health Care support, the selected company provides the services to the rural health care provider at discounted prices.

Who pays for the Rural Health Care Program?

- All telecommunications carriers that provide service internationally and between states pay contributions into the USF. USAC makes payments from this central fund to support the Rural Health Care Program, as well as 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 health care providers, located in a rural area, and fit into one of the eligible categories determined by the FCC.
- Service Providers – All eligible telecommunications providers may receive support for providing discounted telecommunications services to eligible rural health care providers.

What Health Care Providers Need to Know

What is the Rural Health Care Program?

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

While HCPs apply for program discounts, the Universal Service Administrative Company (USAC) works with service providers to ensure that these discounts are passed on to program participants.

Why should health care providers participate?

By helping health care providers pay for telecommunications and Internet services, the Rural Health Care Program reduces expenses and travel time for patients, helps decrease medical errors, and enables health care providers to quickly share critical patient-care information electronically.

Support is available for telecommunications services and monthly Internet access charges used for the provision of health care. 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 health care provider. A health care provider can save on services it already has, upgrade current services, or install new services.

How do health care providers participate in the program?

Step 1: Determine Eligibility

Determine if your organization is eligible to participate in the Rural Health Care Program by visiting the Rural Health Care Tool on the Program website. Participants in the program must be rural and public or non-profit health care providers.

Step 2: Submit a Service Request

Complete a Form 465 and submit it to USAC.

All health care providers (HCPs) must complete Form 465 (*Description of Services Requested and Certification Form*). Form 465 is the means by which HCPs request bids from service providers for services to be used for the provision of health care. Applicants indicate on a single Form 465 whether they are applying for support for telecommunications service or Internet access discounts or both. Form 465 also serves as the HCP's certification that it meets program eligibility requirements.

Step 3: Evaluating and Accepting a Bid for Service

Once USAC reviews a Form 465 and determines it is complete, it is posted on the USAC website and a letter is sent to the HCP to confirm the posting. The posting invites service providers to bid to provide services. The posting date starts the 28-day competitive bidding process. All HCPs expecting support must complete the 28-day posting requirement before entering into an agreement to purchase services with a service provider. For further information regarding the guidelines for evaluating a bid for service see 'Step 3' on the Program website.

Step 4: Sign a Contract for Service

After evaluating all bids, the health care provider will sign a contract for the service they requested on Form 465. Guidelines for year to year contracts as well as "evergreen" contracts are discussed further in 'Step 4' on the Program website.

Step 5: Submit a Service Agreement Form

Once the service provider(s) and service(s) are selected, the HCP completes and submits 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, the cost, the service provider(s), the terms of any service agreements, and certifies that the selections were the most cost-effective offers received. HCPs must also submit a bill for this service along with the Form 466. Together, these documents are referred to as a "packet."

Step 6: Receive Funding Commitment Letter

Upon packet approval, USAC mails a Funding Commitment Letter (FCL) and a copy of Form 467 to the HCP. A copy of the FCL is also sent to the service provider.

Step 7: Submit Confirmation of Service

After the HCP begins to receive service from the service provider, the HCP submits Form 467 (Receipt of Service Confirmation Form) to USAC in order to receive discounted services. USAC cannot process Form 467 unless a Funding Commitment Letter has been issued to the HCP. The HCP is able to submit Form 467 through a simple electronic certification system which allows USAC to receive the form immediately.

Step 8: Receive Support Schedule

Once USAC receives, reviews, and approves Form 467, USAC will send the HCP and its service provider(s) an HCP Support Schedule (HSS). At this point, the service provider can begin crediting the HCP's bill with the monthly recurring support amount or issue a check for the discount. As soon as the service provider has issued a credit or check to the HCP, the service provider invoices USAC for that amount.

Step 9: Receive Credit for Service

For telecommunications carriers, USAC will then credit or reimburse the carrier's Universal Service Fund account. For Internet service providers who have a USF account, a credit will be given. Those who do not have an active account and have not been issued a SPIN number must fill out FCC Form 498, at which point USAC will allocate reimbursement via check or direct deposit, as designated.

Where do I go for more information?

To learn more about the Rural Health Care Program, please visit www.usac.org/rhc. For questions related to the Program, please contact USAC's Rural Health Care Division at rhc-admin@universalservice.org.

What Service Providers Need to Know

What is the Rural Health Care Program?

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

Why should service providers participate?

The Rural Health Care Program has over \$400 million available for eligible telecommunications carriers who offer discounted support to eligible rural health care providers. Both the company and the rural health care providers they serve will benefit from participating in this program.

- *Services eligible for support include Internet Access, Wireless Services, Voice Grade Services, ISDN, DSL, VPN, Frame Relay, Fractional T1 or T3, T1 or DS1, T3 or DS3, and Advanced Telecom Services.*

How do service providers participate in the program?

Step 1: Determine whether your service provider is eligible.

All eligible telecommunications providers—including interexchange carriers, local exchange carriers (LECs), competitive LECs, and all other common carriers—may receive support for providing discounted telecommunications service to eligible rural health care providers.

- *Not sure if your service provider is eligible? Please call USAC's Client Services Bureau at 1-888-641-8722 to find out.*

Step 2: Search HCPs' service requests, participate in open bids, and sign contracts.

Once the service provider (SP) is deemed eligible, it may search for health care provider service requests on USAC's website. SPs then bid on the services during a 28-day open bidding process. HCPs evaluate all bids and select the most cost-effective service. Service providers and health care providers may enter into a contract only after this 28-day posting period is complete.

Step 3: USAC becomes directly involved with SPs and HCPs.

Upon contract signing, the SPs and HCPs send USAC a copy of the contract. USAC approves it and sends the HCP and SP a Funding Commitment Letter (FCL). The FCL says the HCP is eligible for the support specified in the letter. USAC also generates an HCP Support Schedule, which is a detailed report of the approved services and support information. This support schedule is then sent to the HCP and SP.

Step 4: Service Providers provide credit to the HCPs and submit invoices to USAC.

Upon receipt of the HCP Support Schedule, the service provider begins providing credit 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 HCP support schedule. The SP then submits invoices to USAC for the support amounts credited to the billed entity for each health care provider location.

Where do I go for more information?

To learn more about the Rural Health Care Program, please visit www.usac.org/rhc.

Guide to Forms

Welcome to Rural Health Care support!

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

What forms must an HCP submit?

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

FCC 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.

FCC Form 467: The *Connection Certification* confirms whether the service was turned on, and must be submitted to USAC in order to receive the discount.

Who must file?

- All HCPs must complete one FCC 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 telephone support must submit an FCC Form 466 every funding year for each service requested.
- HCPs requesting Internet support must submit an FCC Form 466-A every funding year for each service requested at each location.
- All HCPs must submit an FCC Form 467 every funding year for each service requested.

When do I file?

FCC Form 465: USAC recommends that all applicants submit their FCC Form 465 by June 1st in order to receive a full year of support. Otherwise, funding will be pro-rated. Posting typically opens in March or April before the start of the Funding Year. For example, the FY 2009 posting window opened on April 9, 2009. FY 2009 runs from July 1, 2009 to June 30, 2010.

After posting FCC Form 465, applicants must wait at least 28 days before signing a contract and posting FCC Forms 466/466-A.

FCC Forms 466/466-A: All FCC 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 an FCC Form 466 or 466-A.

FCC Form 467: Applicants should file their FCC Form 467 as soon as their service is turned on during that Funding Year. This form also must be submitted to notify USAC when the 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?

FCC 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 this initial successful submission, the HCP then is eligible for e-certification.

FCC Form 466: A paper copy of Form 466 with an original signature or an e-certified Form 466 must be submitted 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), and
- Copies of bids received (if applicable).

FCC Form 466-A: A paper copy of Form 466-A with an original signature or an e-certified Form 466-A must be submitted 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, and
- Copy of bids received (if applicable).

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

How do I file?

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

Please Note: You can only e-certify once you have successfully submitted a paper FCC Form 465 and enabled e-certification.

Mail: Send completed forms to RHC, 100 South Jefferson Road, Whippany, NJ 07981.

Downloadable forms and instructions are at <http://www.usac.org/rhc/tools/required-forms.aspx>.

Please 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.

For further information, contact the Customer Service Support Center at 1-800-229-5476 or at <http://www.rhc.universalservice.org/contacts.asp>.

To learn more about the Rural Health Care Program, visit www.usac.org/rhc. For questions related to the program, please contact rhc-admin@universalservice.org. To reach the Customer Service Center, call 1-800-229-5476 or visit <http://www.rhc.universalservice.org/contacts.asp>.

Where do I...

...fill out forms on the USAC website?

Go to 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 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. 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.

...check the status of my packet?

Go to 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, 100 South Jefferson Road, Whippany, NJ 07981; e-mail: 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 FCC Form 467 once the service is turned on. For more information on the process for receiving credit, visit 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 FCC 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. For questions related to the program, please contact rhc-admin@universalservice.org.

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 proposal (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 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 date on which you may enter into an agreement to purchase services from the Service Provider.
- Wait 28 days before entering agreements. **Do not** enter agreements before the Allowable Contract Service Date (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 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 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.
- Submit all documentation of the competitive bid process to USAC for compliance review.

Evergreen Status

What is evergreen status?

Evergreen status is when a valid contract between a service provider and a Health Care Provider (HCP) 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 each year, so they do not need to file the FCC 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 USF support of the contracted services by filling out the FCC Forms 466 or 466-A, and 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 in “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, and
- the contract has a specific duration.

When an applicant is evergreen, the Funding Commitment Letter 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 an FCC Form 465 annually, they must file an electronic copy of this form each year that 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 and begins the competitive bidding process instantly. 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 an FCC 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, 2010. Seeking bids for service beginning January 2, 2010.”

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

To learn more about the Rural Health Care Program, visit www.usac.org/rhc. For questions related to the program, please contact rhc-admin@universalservice.org.