

California Telehealth Network Update on Broadband Funding

*Eric Brown
President
California Telehealth Network/
OCHIN Broadband Network Services*

WE ARE **OCHIN**



CTN in California

120 Total Unique Customers

- Community Health Centers (36)
- Hospitals (29)
- Health Plans (2)
- Planned Parenthood (5)
- Other Clinical Organizations (48)

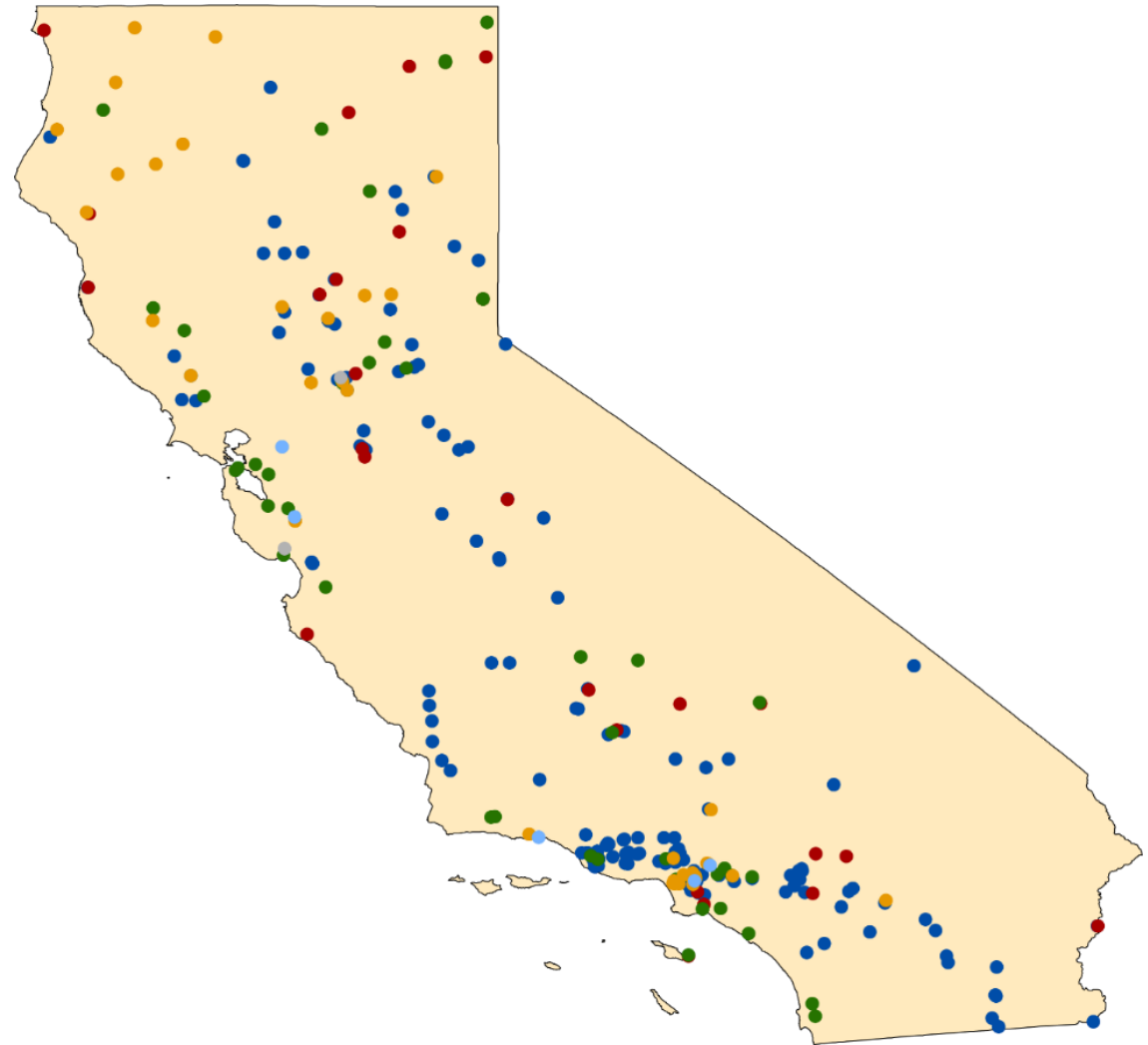
Number of Organizations by Product*

- Broadband: 80 (● 241 Connected Sites)
- Epic: 25
- NextGen: 5
- Analytics: 25

**Some customers have more than one product*

California Telehealth Resource Center

- Funded by HRSA to serve CA health care providers
- Provides telehealth education and training
- Program development and technical assistance



The Population We Serve

6.4 Million Active Patients

56% Female

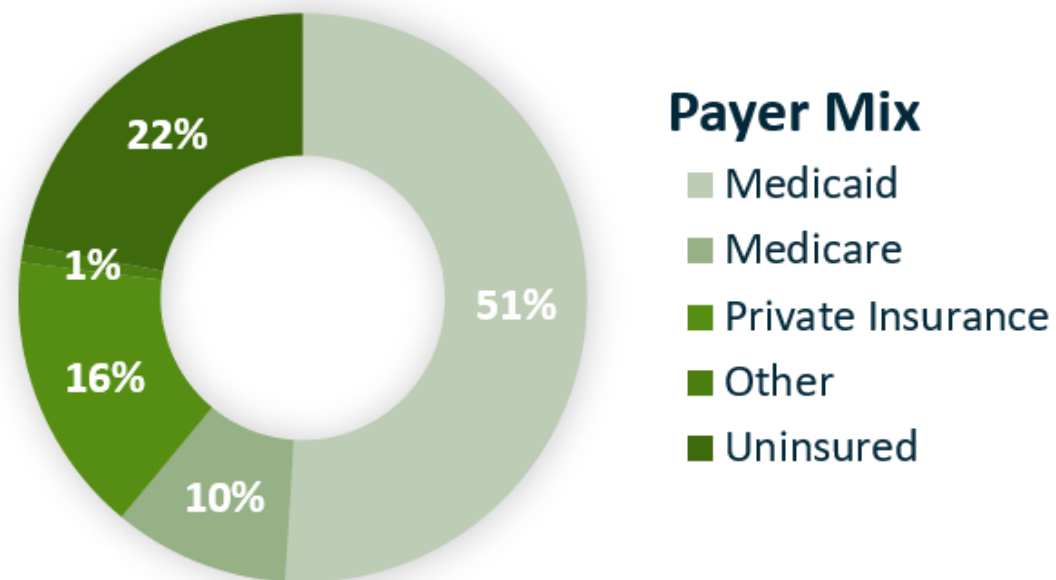
29% Children

30% Hispanic Ethnicity

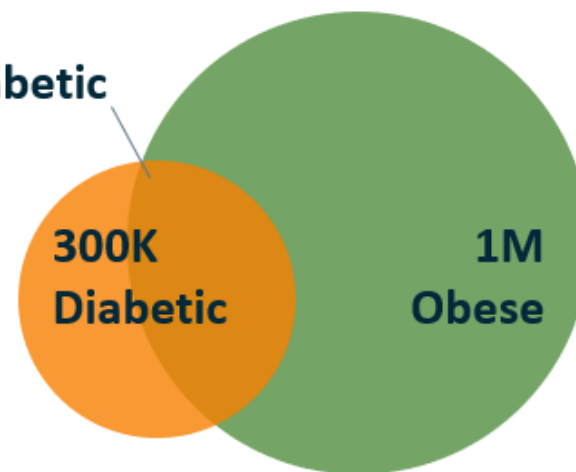
18% Spanish as Primary Language

52% At or Below Federal Poverty Level

5% Homeless



170K Obese & Diabetic



FCC Rural Health Care Program (RHC)

- Part of the Federal Universal Service Fund developed to provide telecommunications funding for rural and underserved communities
- RHC was launched in 1997 initially with “the Telecom Program” that allowed rural safety net hospitals and clinics to take advantage of telecom rates available in the nearest urban community
- In 2007 the Rural Health Care Pilot Program (RHCPP) was launched as a demonstration project to enable consortia of rural and urban safety net clinics and hospitals to engage in competitive bidding for broadband services and receive an 85% subsidy

Healthcare Connect Fund (HCF)

- Launched in 2012 to leverage the learnings from RHCPP
- Provides up to a 65% subsidy on broadband services initially for rural and urban safety net clinics and hospitals. Later urban clinics were ruled ineligible unless part of a consortia.
- Allows individual health care providers to apply for funding
- Consortia (like CTN) must have a majority (50% plus 1) rural sites within 3 years of the first funding date
- “Non rural” clinics no longer eligible unless they participate as part of a consortium

Recent FCC RHC Developments

- FCC Rural Health Care Program/Healthcare Connect Fund (HCF) exceeded \$400 million annual funding cap for first time in 2016
- In March 2018 the FCC announced a reduction in the HCF subsidy rate from 65% to 48% effective retroactively to July 2017
- CTN immediately notified our members of the change and began invoicing them retroactively for the increased match payments
- CTN and Schools Healthcare Libraries (SHLB) Coalition began advocacy efforts at the FCC to increase HCF funding to preserve the 65% discount
- SHLB Coalition filed emergency petition requesting the FCC use underutilization of other Universal Service Fund programs to fully fund HCF until the program can be reformed

FCC RHC Funding Increased!

- On 7/29/18 the FCC approved:
 - Increasing the RHC annual funding from **\$400 million to \$581 million**
 - Future year annual allocations will be indexed to inflation
 - Funds 65% of monthly broadband costs
 - Can be used in addition to California Teleconnect Fund reimbursements for a **total of 82.5% reduction in monthly broadband costs**
 - Can be used for new construction
- CTN is once again enrolling eligible sites for Q1 2019 funding window:
 - Safety net, public and Critical Access Hospitals
 - Federally Qualified Health Centers and rural clinics
 - Tribal health facilities
 - Skilled Nursing Facilities

OCHIN Service Benefits

- Network Operations Center (NOC) 24/7/365
- SharePoint site for automated processing of billing and invoicing
- Relationships with multiple broadband providers
 - AT&T
 - Spectrum
 - Comcast
 - Geolinks
- Cyber security assessments/penetration testing
- Network engineering

FCC Connected Care Pilot

- Notice of Inquiry underway to consider FCC broadband funding for healthcare delivery into the home or for patient monitoring
- Pilot would provide \$100 million in total funding
 - Proposal calls for twenty \$5 million grants
 - Three year terms
- Could fund wireless broadband and edge devices (tablets, iPads, etc.)
- CTN filed comments in support

Thank You!

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