

Expanding Broadband for Healthcare

Presentation to Internet2 Health Meeting

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Discussion Topics

- FCC 101
- National Broadband Map
- Universal Service Fund Reform
 - Rural Health Care Program
 - Connect America Fund

Federal Communications Commission

- Established by Communications Act of 1934
- Charged with regulating interstate and international communications by radio, television, wire, satellite and cable



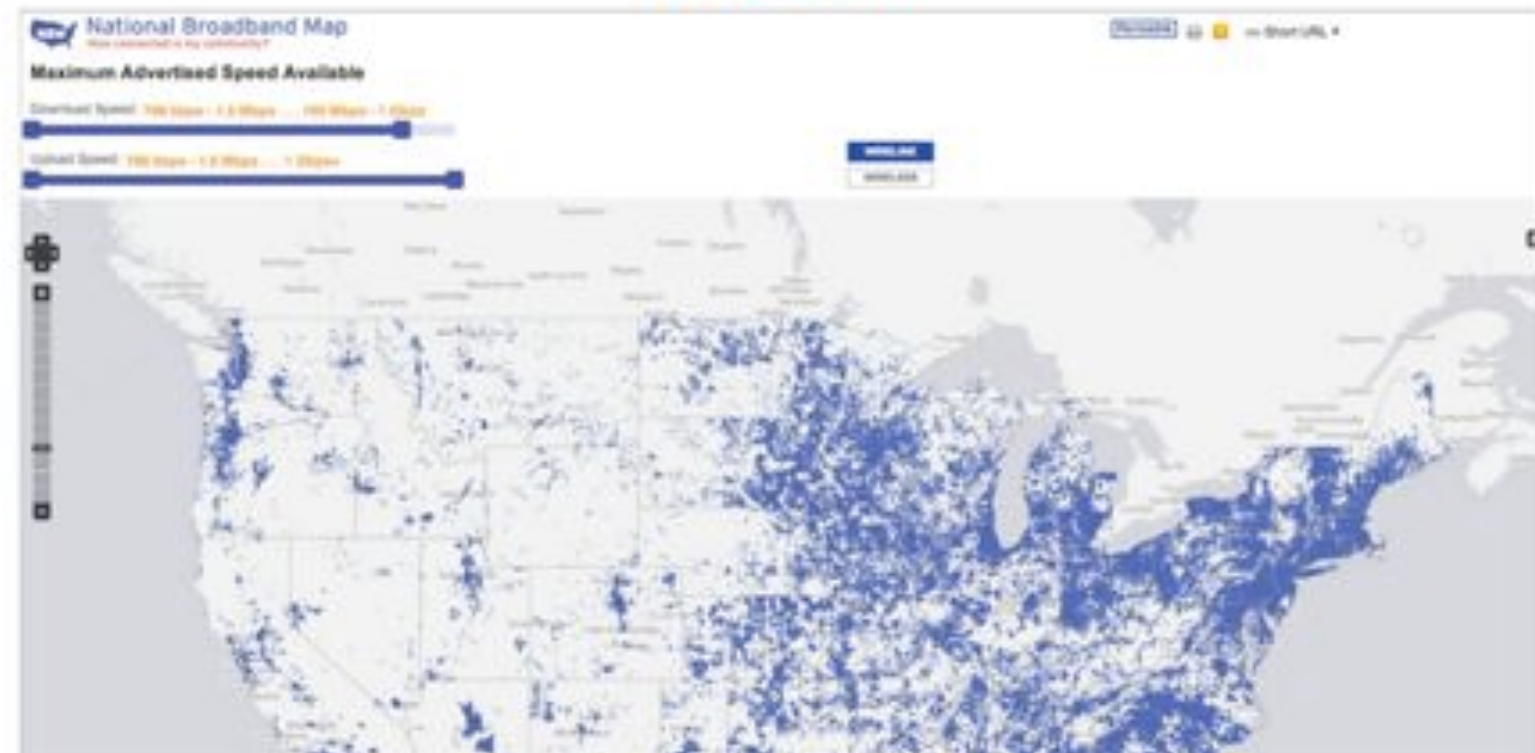
www.fcc.gov

FCC Chairman:
Julius Genachowski

National Broadband Map (www.broadbandmap.gov)



Map Gallery



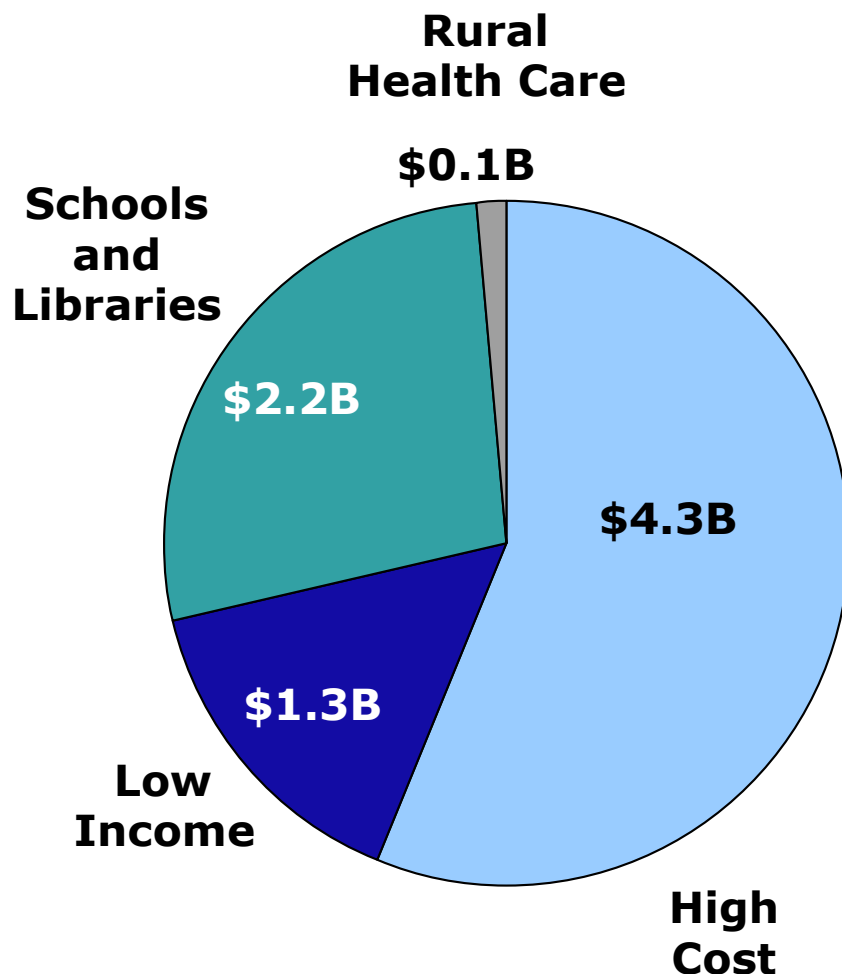
Maximum Advertised Speed Available

Description: This map displays broadband availability by maximum advertised speed tier. The default view shows advertised download speeds of ≥ 3 Mbps and upload speeds of ≥ 1 Mbps.



Universal Service Fund Supports Four Programs

Total Disbursements, 2010
100% = \$7.9 Billion

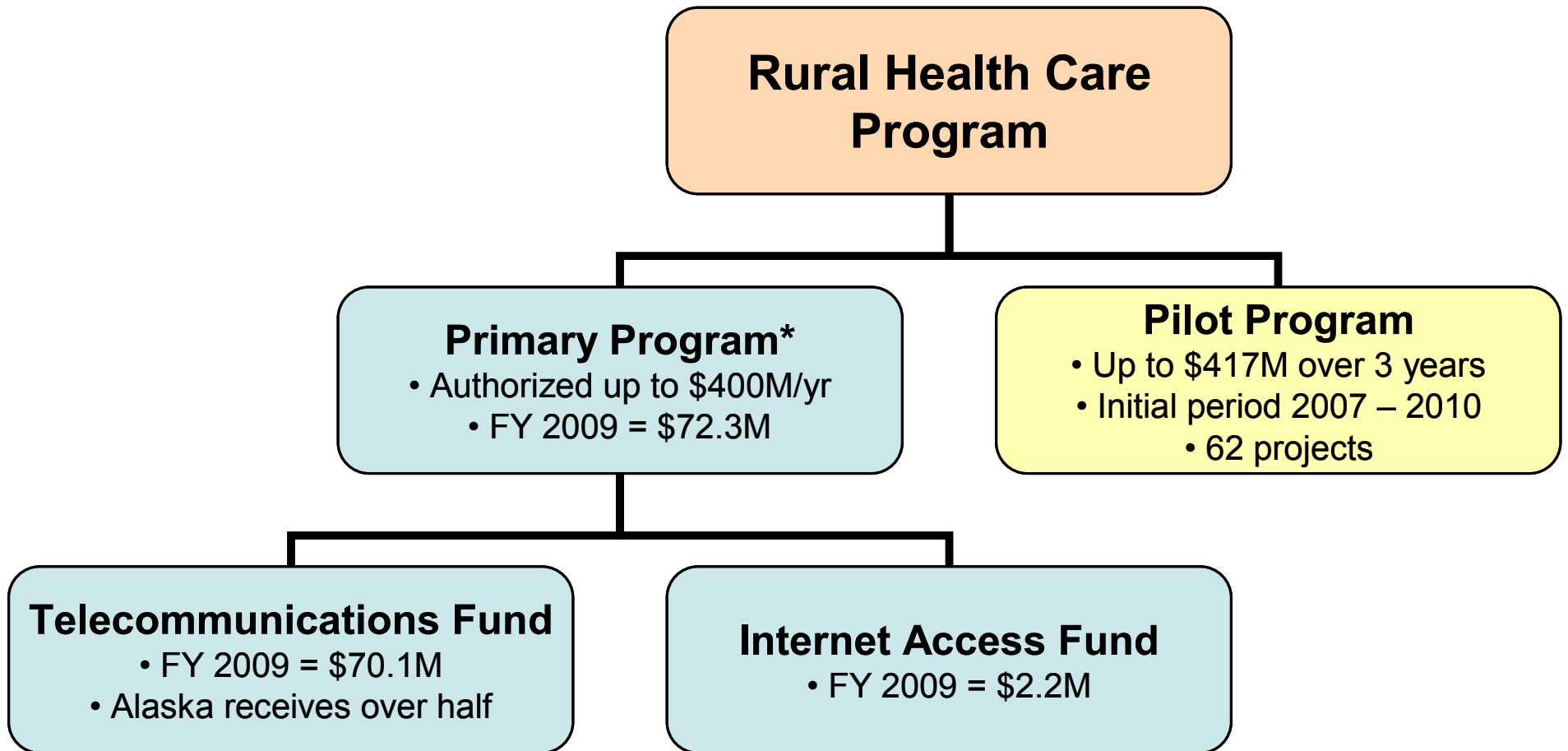


- **High Cost** focuses on service to all consumers (both residential and business) in high cost, rural and insular areas
- **Low Income (Lifeline/Link Up)** makes basic, local telephone service affordable for low-income consumers (vouchers)
- **Schools and Libraries (E-rate)** enables schools and libraries to connect to the Internet (discounts/matching funds)
- **Rural Health Care** provides reduced rates to rural health care providers (discounts/matching funds)

FCC Universal Service Proceedings Since The National Broadband Plan (March 2010)

- Schools and Libraries
 - E-rate Community Use Waiver (February 2010), FY 2011 NPRM (May 2010) and Order (September 2010)
 - EDU2011 Wireless Pilot Selected Applicants (March 2011)
- **Rural Health Care Reform NPRM** (July 2010)
- Low Income
 - USF Joint Board Referral (June 2010), Recommended Decision (November 2010)
 - Lifeline/LinkUp Reform and Modernization NPRM (March 2011)
- **High Cost**
 - Universal Service NOI and NPRM (April 2010)
 - Mobility Fund NPRM (October 2010)
 - Universal Service/Intercarrier Compensation Transformation NPRM (February 2011)
 - Broadband Data NPRM and release of National Broadband Map (February 2011)

Current Rural Health Care Program



**Funding Year (FY) is July 1 – June 30*

Rural Health Care Program: Implementing NBP recommendations

July 15, 2010 NPRM Seeks comment on:

- Pilot Program -> Health Infrastructure Fund
- Internet Access -> Health Broadband Services Fund
- More flexible definition of “health care provider” to expand eligibility
- Telecom fund would continue in current form
- Clear program goals and performance measures

Current High Cost Program

- Provides per-line support to carriers (wireline and wireless) for high-cost areas, mostly rural
- Support is for last mile infrastructure (network and switching), not middle mile infrastructure
- Support provided to Eligible Telecommunications Carriers (ETCs)
- Does not directly support broadband, although current rules have enabled some companies to use high-cost support to extend broadband
- But...existing support is not targeted effectively
- High Cost program must be reformed in order to effectively promote broadband deployment

Pillars of Reform

1. Reform USF and ICC to Focus on Modern Networks

- Explicitly support universal availability of bb and voice service
- Target funds to areas otherwise uneconomic to serve
- Accelerate transition to IP networks

2. Fiscal Responsibility

- Eliminate waste, inefficiency, and redundancy
- Create incentives for efficient operations and prudent investment
- Constrain size of fund

3. Demand Accountability

- Improved performance metrics and obligations

4. Market-driven and Incentive-based Policies

- Facilitate deployment of technologies/services providing maximum value to consumers at lowest possible cost

Predictable transition mechanisms – no flash cuts

Connect America Fund (CAF)

- Transition portions of existing funding to support broadband
 - Phase down outdated programs
 - Modernize rules that lead to waste and inefficiency
 - Use savings to establish CAF Phase 1
 - Identify unserved areas based on National Broadband Map
 - Hold reverse auction
 - Many details to work out – we seek comment
- Long-term CAF options
 - Competitive bidding process in all areas of country
 - Right of first refusal to incumbent, with support level based on model
 - Continue rate of return system in some areas, but with modifications

Healthcare Concerns in Connect America Fund

- Para. 149 – Supporting anchor institutions (including healthcare facilities)
- Para. 291 – Defining “unserved” areas
- Para. 395 – Supporting middle mile networks
- Para. 408 – Potential impact of limiting support to a single provider in a given area
- Para. 416 – Size and role of CAF compared to other USF programs

To continue the dialogue...

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Thank you