



# PUBLIC NOTICE

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## WIRELINE COMPETITION BUREAU ANNOUNCES THE AVAILABILITY OF UNUSED FUNDS TO INCREASE RURAL HEALTH CARE PROGRAM FUNDING FOR FUNDING YEAR 2020

### WC Docket No. 02-60

In June 2018, the Commission adopted rules to address increasing demand in the Rural Health Care (RHC) Program.<sup>1</sup> Specifically, the Commission: (1) increased the annual RHC Program funding cap;<sup>2</sup> (2) provided for the annual RHC Program funding cap to be adjusted for inflation;<sup>3</sup> and (3) established a process to carry-forward unused funds from past funding years for use in future funding years.<sup>4</sup> The Commission also directed the Wireline Competition Bureau (Bureau) to announce a specific amount of unused funds from prior funding years to be carried forward to increase available funding for future funding years.<sup>5</sup> In August 2019, the Commission clarified that the Bureau must determine the proportion of unused funding available in consultation with the Office of the Managing Director.<sup>6</sup>

USAC projects that, as of the third quarter of this calendar year, \$197.98 million in unused funds is available for use in future funding years beginning in funding year 2020.<sup>7</sup> Pursuant to the Commission's direction and section 54.619(a)(4)-(5) of the Commission's rules, the Bureau, in consultation with the Office of the Managing Director, directs USAC to carry forward up to \$197.98 million in unused funds from prior funding years to the extent necessary to satisfy funding year 2020

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<sup>1</sup> *Promoting Telehealth In Rural America*, WC Docket No. 17-310, Report and Order, 33 FCC Rcd 6574 (2018) (*RHC Program Funding Cap Order*).

<sup>2</sup> *See id.* at 6578-82, paras. 10-19; *see also* 47 CFR § 54.619(a).

<sup>3</sup> *See RHC Program Funding Cap Order*, 33 FCC Rcd at 6582-84, paras. 20-23; *see also* 47 CFR § 54.619(a)(1)-(2).

<sup>4</sup> *See RHC Program Funding Cap Order*, 33 FCC Rcd at 6584-85, paras. 24-28; *see also* 47 CFR § 54.619(a)(4)-(5).

<sup>5</sup> *2018 RHC Program Funding Cap Order*, 33 FCC Rcd at 6584-85, para. 27 (“The Bureau will announce the availability and amount of carryover funds during the second quarter of the calendar year.”); 47 CFR § 54.619(a)(5).

<sup>6</sup> *Promoting Telehealth in Rural America*, WC Docket 17-310, Report and Order, 34 FCC Rcd 7335, 7402, para. 142 (2019); 47 CFR § 54.619(a)(5).

<sup>7</sup> *See* USAC, Federal Universal Service Support Mechanisms Fund Size Projections for Third Quarter 2020 (May 1, 2020), [https://www.usac.org/wp-content/uploads/about/documents/fcc-filings/2020/third-quarter/financials/USAC-3Q2020-Federal-Universal-Service-Mechanism-Quarterly-Demand-Filing\\_Final.pdf](https://www.usac.org/wp-content/uploads/about/documents/fcc-filings/2020/third-quarter/financials/USAC-3Q2020-Federal-Universal-Service-Mechanism-Quarterly-Demand-Filing_Final.pdf) (last visited June 30, 2020), at 25. The amount of unused funding may fluctuate slightly due to the resolution of pending funding requests and appeals. If the actual amount of unused funds is lower than the estimated amount, USAC is directed to carry forward the lower amount.

RHC Program demand as of the close of the funding year 2020 application filing window on June 30, 2020.<sup>8</sup>

The RHC Program funding cap for funding year 2020 is \$604,759,306.<sup>9</sup> The cap for upfront payments and multi-year commitments under the Healthcare Connect Fund Program is \$152,700,000.<sup>10</sup> These funding year 2020 caps represent a 1.8% inflation-adjusted increase to the RHC Program funding cap and the cap on multi-year commitments and upfront payments from funding year 2019.<sup>11</sup>

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<sup>8</sup> 47 CFR § 54.619(a)(4)-(5). The funding year 2020 application filing window was extended to June 30, 2020 to minimize the disruptions caused by the COVID-19 pandemic. *See Rural Health Care Support Mechanism*, WC Docket No. 02-60, Order, 35 FCC Rcd 2922, 2924, para. 6 (2020).

<sup>9</sup> *Wireline Competition Bureau Announces E-Rate and RHC Programs' Inflation-Based Caps for Funding Year 2020*, CC Docket No. 02-6, WC Docket No. 02-60, Public Notice, 35 FCC Rcd 2062, 2063 (WCB 2020). The 2020 funding year runs from July 1, 2020 to June 30, 2021.

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*