

FCC Proposes a Three-Year Pilot Program to Fund “Connected Care” Telehealth Applications

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The Federal Communications Commission (FCC) took another step closer to establishing a three-year, \$100 million Connected Care Pilot program following review of public comments on its prior Notice of Inquiry that previewed this effort. Future funding opportunities are directed toward health care providers serving tribal lands, veterans, and rural, underserved or low-income areas. These health care providers are expected to provide patients with home broadband services that support telehealth technologies or certain mobile wireless applications not previously subsidized under existing FCC Universal Service Fund (USF) programs.

On July 10, 2019, the FCC voted to adopt a [Notice of Proposed Rulemaking](#) (NPRM) that would create a new Pilot program. If a Pilot program is ultimately adopted, which seems likely, action would advance the FCC’s goal to bring “innovative telemedicine technologies to medically underserved populations,” an issue championed by Commissioner Carr [since 2018](#).

The focus of this NPRM is to craft Pilot program rules that “support[] connections directly between health care providers and patients.” [Commissioner Carr](#) also commented that the funding contemplated by the NPRM would “extend treatment beyond the four walls of the hospital” because “technology that’s limited to the confines of a brick-and-mortar hospital does little to help communities or patients that are long miles and many hours away from those facilities.” The Pilot program is intended to “obtain data that will allow policymakers to chip away at some of the broader barriers to telemedicine adoption.”

The parameters of a Pilot program and the scope of supported services are key areas of focus in the NPRM. Specifically, the FCC will seek comments on the following:

1. Subsidizing provision of patient broadband connections. The FCC observes that while health care providers have received USF funding on eligible broadband services under the Rural Health Care (RHC) program since 2012, those connections are between and among clinics and health care providers. Many patients still lack home broadband service to make use of connected care services.
2. Defining what services would qualify as “supported services.” For example, “telehealth”

providers would extend beyond doctors to include nurses, pharmacists, and social workers. “Telemedicine” would mean “using broadband Internet access service-enabled technologies to support the delivery of medical, diagnostic, and treatment-related services, usually by doctors.” “Connected care” would refer to “a subset of telehealth that is focused on delivering remote medical, diagnostic, and treatment-related services directly to patients outside of traditional brick and mortar facilities.”

3. Balancing the need to help low-income or veteran patients overcome barriers to connected care services against the likelihood of fraud, waste, or abuse if certain technologies, such as remote patient monitoring devices, are capable of accessing the public Internet or can be used outside of the health care context.
4. Examining means to support additional packages or suites of services that qualify as “information services” but are currently not funded under the existing RHC program.
5. Adopting program rules to exclude “network equipment necessary to make a broadband service functional” from “supported services” in the Pilot program as the RHC program already provides for this funding for entities that apply for and receive it.
6. Adopting program rules to exclude “administrative and outreach costs associated with participating in the Pilot program” from “supported services” in the Pilot program because “past experience in the RHC support programs ... demonstrates that health care providers will participate even without [this] funding.”
7. Adopting program rules to exclude the funding of end-user devices, medical devices, or mobile applications from “supported services” in the Pilot program. This is consistent with past FCC decisions that concluded that providing USF funding to these “non-communications infrastructure or services” was not an appropriate exercise of its USF authority. Meanwhile, a small subset of mobile applications—those that may be part of an “information service”—would be carved out as eligible for the Pilot program, which reflects the FCC’s view that provision of certain categories of telehealth applications may be eligible for USF support.

Due to the proposed \$100 million funding cap for the Pilot program, the FCC recognized the need to select projects that are representative of and that most align with the Pilot program’s goals. [As Commissioner Michael O’Rielly cautioned](#), the \$100 million funding sourced from USF ratepayers needs to be put to best use. With that in mind, the NPRM proposes a “point” system to rate project proposals at the application stage based on several criteria.

Proposed projects may earn additional points if they would service geographic areas or populations that are subject to well-documented health care disparities (namely, rural areas, Tribal lands, Healthcare Provider Shortage Areas designated by the Department of Health and Human Services, and veterans). The FCC also seeks comments on appropriate factors for evaluating the level of health care needs in each area or among each population as well as whether different weights should be assigned to different criteria.

The Pilot program would also award additional points to proposed projects that treat certain categories of health crises or chronic conditions that most significantly affect Americans (namely, opioid dependency, diabetes, heart disease, mental health conditions, and high-risk pregnancies). Notably, the NPRM was modified from its earlier draft form by including a focus on supporting connected health solutions for mental health conditions, as compared to the [draft NPRM](#) that the FCC circulated a few weeks prior to its July Open Meeting.

The thirty-day comment cycle will begin once the NPRM is published in the Federal Register in the upcoming weeks. Health care providers and other companies interested in shaping the scope of the Pilot program will be well served to focus their review and potential comments on the potential cost

savings and improved patient outcomes of any specific category of service, technology, or application that they seek to qualify for this Pilot program.

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