

New Collection entitled: Rural Health Care Support Mechanism

SUPPORTING STATEMENT

A. Justification:

1. The Commission seeks Office of Management and Budget (OMB) approval of a new information collection associated with an Order entitled *In the Matter of Rural Health Care Support Mechanism*, which was adopted by the Commission on September 26, 2006.

In this Order, the Commission established a pilot program to assist public and non-profit health care providers to build state and region-wide broadband networks dedicated to the provision of health care services, and connect those networks to a dedicated nationwide backbone, such as Internet2 or National LambdaRail. The construction of such networks will bring the benefits of innovative telehealth, and particularly, telemedicine services to those areas of the country where the need for those benefits is most acute. By connecting to a dedicated national backbone, health care providers at the state and local levels will have the opportunity to benefit from advanced applications in continuing education and research. In addition, a ubiquitous nationwide broadband network dedicated to health care will enhance the health care community's ability to provide a rapid and coordinated response in the event of a national crisis.

The pilot program will fund up to 85% of the costs incurred to deploy state or regional broadband networks dedicated to health care. The pilot program will also fund up to 85% of the costs of connecting the regional and/or statewide network to a dedicated nationwide backbone, such as Internet2 or National LambdaRail.

The pilot program will lay the foundation for a future rulemaking proceeding that will explore permanent rules to enhance access to advanced services for public and non-profit health care providers. In fact, in the Pandemic and All-Hazards Preparedness Act, P.L. 109-417, § 202 (2006), *codified at* 42 U.S.C. § 247d-4(f)(1)(B), Congress recognized the Commission's pilot program as a first step for health care networks that will be expanded in the future. In particular, the goal of the pilot program will be to provide us with useful information as to the feasibility of revising the Commission's current rural health care mechanism rules in a manner that best achieves the objectives set forth by Congress. If successful, increasing broadband connectivity among health care providers at the national, state and local levels would also provide vital links for disaster preparedness and emergency response and would likely facilitate the President's goal of implementing electronic medical records nationwide.

The application to participate in the pilot program, the new information collection for which approval is sought, is necessary so that the Commission will have sufficient information to evaluate applicants for the pilot program, a program which is essential to the Commission's

statutory mission of “enhancing access to advanced telecommunications and information services for ... health care providers.” 47 U.S.C. § 254(h)(2)(A). *See also* 42 U.S.C. § 247d-4(f)(1)(B).

Specifically, the Commission is requesting that applicants seeking to participate in the pilot program submit the following information:

(1) The organization that will be legally and financially responsible for the conduct of activities supported by the fund;

(2) The goals and objectives of the proposed network;

(3) The network’s total estimated costs for each year;

(4) A description of how for-profit network participants will pay their fair share of the network costs;

(5) The source of financial support and anticipated revenues that will pay for costs not covered by the fund;

(6) A list of the health care facilities that will be included in the network;

(7) The address, ZIP code, Rural Urban Commuting Area (RUCA) code and phone number for each health care facility participating in the network;

(8) A description of the applicant’s previous experience in developing and managing telemedicine programs;

(9) A project management plan outlining the project’s leadership and management structure, as well as its work plan, schedule, and budget;

(10) A description of how the telemedicine program will be coordinated throughout the state or region; and

(11) An indication of to what extent the network can be self-sustaining once established.

Statutory authority for this collection is contained in 47 U.S.C. §§ 151, 154(i), 154(j), 201-205, 214, 254, and 403. The Commission has limited the information to be collected from applicants to the minimum amount of information necessary to determine participants in the pilot program.

As noted on OMB Form 83-I, this information collection does not affect individuals or households; thus, there are no impacts under the Privacy Act (see response to Item 11 for additional information).

Optional information - As most medical providers are aware, the Department of Health and Human Services (HHS) is in the process of developing information technology interoperability standards that, when released, will ensure high quality, efficient delivery of

health care services across the United States. In recognition of these forthcoming standards, the Commission offers applicants the opportunity to provide detail as to how they will incorporate and implement current and future HHS information technology standards.

- 2.** The information collected provides the Commission with information about applicants seeking to participate in the pilot program and will be used by the Commission to evaluate these applications to assist public and non-profit health care providers to build state and region-wide broadband networks dedicated to the provision of health care services, and connect those networks to a dedicated nationwide backbone such as Internet2 or National LambdaRail. The construction of such networks will bring the benefits of innovative telehealth, and particularly, telemedicine services to those areas of the country where the need for those benefits is most acute. Because funding decisions will be made on an annual basis, this information will need to be collected on an annual basis.
- 3.** Respondents will be able to send their applications via mail, via electronic mail, or via the Commission's Electronic Comment Filing System (ECFS).
- 4.** The Commission does not impose a similar information collection on the respondents. There are no similar data available.
- 5.** In conformance with the Paperwork Reduction Act of 1995, the Commission is making an effort to minimize burdens on all respondents, regardless of size. The Commission has limited the information requirements to those necessary for the purposes for which the information will be used.
- 6.** If this information is not collected annually, then the Commission will not have a sufficient basis on which to evaluate applications to participate in the pilot program, and as a practical matter, it will be impossible to implement the program.
- 7.** There are no special circumstances involved in this information collection. This collection of information is consistent with the guidelines in 5 C.F.R. § 1320.6.
- 8.** The Commission placed a notice in the Federal Register as required by 5 C.F.R. § 1320.8(d). *See* 71 F.R. 61469, dated October 18, 2006. One comment opposing OMB approval was received and is attached to this submission to OMB. As noted above, the Commission seeks approval for the information to be collected about applicants seeking to participate in the pilot program. The commenting party does not object to the collection of the information in the application as proposed by the Commission. Rather, it opposes inclusion in the pilot program of only Internet2, but that is not an information collection subject to OMB approval. For example, while the commenting party claims that the information collection lacks practical utility and is not necessary to the agency's functions, it does not dispute that the information collection is necessary for the operation of the pilot program, take issue with any specific category of information to be requested in the application, or suggest any modifications to the information that will be collected through the applications. Instead, its objection only runs to the feature of the underlying pilot program that requires participants to connect their networks to Internet2. The commenting party filed a petition for reconsideration or, in the alternative, clarification, of the decision to use only

Internet2 in the pilot program on filed Oct. 30, 2006. The Commission granted the petition through an Order on Reconsideration, released on February 6, 2007, in which it expanded the program to provide funding for connections to National LambdaRail. The commenting party's objections, therefore, are effectively moot. The Commission's disposition of the petition for reconsideration has no impact on this request for OMB approval of the information collection for the application to participate in the pilot program

In addition, in an effort to facilitate inter-agency awareness and to identify areas for possible collaboration and shared expertise, the Commission has conferred with Health and Human Services through: (1) meeting with the Office of the National Coordinator for Health Information Technology on two occasions; and (2) participating in a Joint Working Group on Telehealth chaired by the Health Resources and Service Administration to discuss the Pilot Program. The Commission intends to continue to work with these entities as appropriate.

9. Respondents will not receive any payments other than remuneration of contractors or grantees.
10. There is no need for confidentiality. Respondents may request materials or information submitted to the Commission be withheld from public inspection under 47 C.F.R. § 0.459 of the FCC's rules.
11. This information collection does not address any private matters of a sensitive nature.
12. The Commission estimates that there could be 20 respondents who will apply to the pilot program.

The following is a breakdown of the estimated burden hours along with estimated annual costs to respondents associated with these burden hours.

Number of respondents = 20

Number of responses = 20 (reporting)

Number of hours per response: 25 hours

- Annual cost = professional staff @ \$40/hr. = \$1,000 per respondent

Total hours for the responses: 500

TOTAL ANNUAL BURDEN HOURS (500) (for which the annual cost = \$20,000)

13. The estimated external cost to the respondents is zero.
14. We estimate that the cost to the government of reviewing the applications filed for the pilot program will be \$4,000.

20 applications x 4 hours @ \$50 per hour (GS-14) for an Attorney-Advisor review = \$4,000.

TOTAL = \$4,000.

15. This is a new collection resulting in a program change increase of 500 annual burden hours.

16. The data will not be published for statistical use.

17. The Commission is not seeking approval to not display the OMB expiration date for OMB approval at this time. OMB approval of the expiration of the information collection will be displayed at 47 CFR Section 0.408.

18. There are no exceptions to the Certification Statement in Item 19 of OMB Form 83-I.

B. Collections of Information Employing Statistical Methods:

This information collection does not use any statistical methods.