Charles N. Kahn III
President and CEO

February 1, 2018

Electronically Submitted on www.regulations.gov

Federal Communication Commission
445 12th Street SW
Washington, DC 20554

Re: Notice of Proposed Rulemaking on Promoting Telehealth in Rural America [WC Docket 17-310; FCC 17-164]

Dear Commissioners:

The Federation of American Hospitals (FAH) appreciates the opportunity to comment on the Federal Communication Commission's (FCC) Rural Health Care Program (RHC Program), which provides funding to health care providers for broadband and telecommunications services. The FAH is the national representative of more than 1,000 investor-owned or managed community hospitals and health systems throughout the United States. Our members include teaching and non-teaching hospitals across the United States, including in many rural areas of the country, as well as inpatient rehabilitation, psychiatric, long-term acute care, and cancer hospitals.

Health systems serving rural communities face numerous challenges in providing patient-centered, high-quality, efficient care. The FAH appreciates the FCC's recognition of these challenges and the desire to address them through the RHC Program. As the FCC notes in the Proposed Rule, broadband-enabled technology has tremendous potential to improve health care in rural areas – and has already done so in several communities, such as Mississippi and Texas. The Connect2HealthFCC Task Force has recognized "the significant impact communications services can have on addressing the healthcare needs of persons living in rural and underserved areas, and how communities are leveraging broadband-enabled health technologies to improve access to health and care throughout the country."[1]

[1] 83 F.R. 303 (January 3, 2018).

As currently structured, however, the RHC Program leaves out a significant number of facilities serving rural communities, specifically, those that are investor-owned. The patients treated in investor-owned rural facilities are no less sick and no less poor than those treated in other rural facilities, and many rural communities are served only by an investor-owned hospital. Segregating access to the RHC Program based on ownership status unfairly punishes the individuals and communities served by these health systems and hinders the Administration's success in addressing pressing rural health needs. **The FAH urges the FCC to permit all qualified hospitals to participate in the RHC Program, regardless of ownership status.** Alternatively, at a minimum, an existing RHC Program hospital should remain eligible for the Program if it is acquired by an investor-owned hospital.

Rural hospitals, often the only choice of comprehensive care in their communities, face persistent and growing threats to their ability to continue providing access to health services. Their locations create unique challenges, such as limited workforce options, physician shortages, an older, poorer patient mix, and razor tight budgets. In many cases, as identified by researchers at the University of North Carolina's (UNC) North Carolina Rural Health Research and Policy Analysis Center, rural hospitals have found it impossible to remain open, and since 2010 eighty have closed.[2] The UNC research shows that patients in the impacted areas must travel between five and 30 miles (in some cases even more) to access inpatient care.

Hospitals across the country are feeling the negative impacts of unsustainably low Medicare and Medicaid reimbursement rates. For rural hospitals, treating a high proportion of Medicare and Medicaid patients as a proportion of overall patient volume is a leading factor in why rural hospitals have been forced to close. Caring for a large volume of uninsured patients is also a major factor in rural hospital closure. In addition to the financial challenges faced by these hospitals, they are also battling significant and persistent clinician shortages, which further restrict patients' access to care. According to the Health Resources and Services Administration (HRSA), the majority of designated Health Professional Shortage Areas (HPSAs) are rural, meaning access to some health care services in these areas are currently limited due to the lack of available expertise.[3]

Rural hospitals are seeking new models of care and delivery as a means for continuing to provide their patients with access to a full range of needed services while improving their financial health and overcoming significant and persistent clinician shortages. Utilizing broadband-enabled services, such as telehealth, is one of those models of care delivery, including telestroke, telepsychiatry, and faster radiology and other diagnostic results. The FAH was encouraged recently to hear the Administrator of the Centers for Medicare & Medicaid Services (CMS), Seema Verma, highlight telehealth's ability to improve access to and choice of care in rural communities. In light of telehealth's potential, she also noted that CMS is currently closely examining its telehealth payment policies to determine where CMS can improve access to these services. **The FAH similarly urges the FCC to closely examine its policies related to the RHC Program to ensure access to the infrastructure necessary to provide these services. Eligibility in the RHC Program for all qualified hospitals would enable these facilities to**

[2] NC Rural Health Research Program, *Financial Distress and Closure of Rural Hospitals*, September 21, 2017.
[3] Bureau of Health Workforce, Health Resources and Services Administration (HRSA), *Designated Health Professional Shortage Areas*, January 1, 2018.

better serve their patients, such as by providing access to specialty clinicians through telehealth.

The FAH appreciates the opportunity to comment on the Proposed Rule. We look forward to collaborating with the FCC as we strive to improve access to and quality of health care in rural communities. If you have any questions regarding our comments, please do not hesitate to contact me or a member of my staff at (202) 624-1500.

Sincerely,