

**Federal Communications Commission
Washington, D.C. 20554**

In the Matter Of	)	
	)	
Promoting Telehealth in Rural America	)	WC Docket No. 17-310
	)	
	)	

**COMMENTS OF THE
SCHOOLS, HEALTH & LIBRARIES BROADBAND (SHLB) COALITION**

The Schools, Health & Libraries Broadband (SHLB) Coalition respectfully submits these recommendations in response to the Federal Communications Commission’s (Commission) Third Further Notice of Proposed Rulemaking and Order (*Third FNPRM*) requesting comment on efforts to streamline and enhance the Rural Health Care (RHC) Program.¹ RHC funding continues to provide essential financial support to connect rural hospitals and healthcare providers to high quality broadband. It goes without saying—but still requires emphasizing—that rural healthcare clinics are vital anchor institutions that provide life-saving services when every minute counts. Clinics in these areas are especially adept at meeting the unique challenges faced by rural populations and are often the primary point of care (and first line of defense) for these communities. Rural clinics can also positively affect the surrounding economy by creating local jobs and investing in healthy residents who are able to work, attend school, and participate in their community.

The goal of the RHC program is to “improve the quality of health care available to patients in rural communities by ensuring that eligible health care providers have access to

¹ *Promoting Telehealth in Rural America*, WC Docket No. 17-310, Third Further Notice of Proposed Rulemaking and Order, FCC 26-54 (rel. Aug. 7, 2026) (*Third FNPRM*).

telecommunications and broadband services,”² and the program has delivered on that promise.

With RHC funding, rural clinics can do more than offer basic care; they are able to adopt and maintain modern technologies, enabling them to deliver high-quality care and telehealth services to patients, regardless of where they live. Sustained support for rural clinics and their connection to high-speed broadband ensures that patients in rural areas have the same access to high-quality care as their urban counterparts, which is a vital effort to improve health outcomes across the country.

² Federal Communications Commission (FCC), Rural Health Care Program, *available at* <https://www.fcc.gov/general/rural-health-care-program> (last visited Sept. 29, 2026).

EXECUTIVE SUMMARY

We appreciate the Commission's efforts to examine current RHC program rules to ensure that applicants maintain access to this critical funding source. We take this opportunity to offer recommendations aimed at streamlining the application process and ensuring that program support continues to best meet the needs of rural healthcare providers (HCPs) nationwide.

Concurrent with this proceeding, the Commission is also seeking comments on ways to streamline administration of the Universal Service Fund.³ Where relevant, we also incorporate some of the comments expressed herein into the comments that SHLB is submitting in that proceeding.⁴ Specifically, we offer the following recommendations:

- HCPs should maintain discretion and flexibility to determine the secondary services they need to ensure that they can maintain the same continuity of care during periods of disruption that is afforded to their patients during normal operations. This includes affording HCPs with the ability to determine secondary services based on various factors such as price, technology, existing infrastructure, contract terms, functionality, and performance. Maintaining such flexibility recognizes the variations in HCPs' operational and patient care needs, as well as the considerations they must give to geographical and service area limitations. It also aligns with the Commission's original goals of remaining technology neutral and placing the decision in the hands of those who best understand their networking requirements.
- An RHC Eligible Services List could better clarify the scope of eligible equipment and services. Its goal should be to increase an applicant's understanding of eligibility through illustrative examples, explanations, notes, and other descriptions, rather than through an exhaustive list of equipment and services. The document should retain flexibility to accommodate advancements in service offerings and variations in the terminology used to describe functionally equivalent technologies.
- The Commission can streamline the application process by considering ways to improve USAC's individual outreach to applicants during the filing process, establishing benchmarks to guide USAC's timeliness of application review, publicly reporting on USAC's benchmarks and responsiveness, enhancing training opportunities for RHC

³ *Maximizing Efficiencies in Universal Service Administration*, WC Docket No. 26-173, Notice of Proposed Rulemaking, FCC 26-52 (rel. Aug. 7, 2026).

⁴ See Comments of the Schools, Health & Libraries Broadband (SHLB) Coalition and the American Library Association, *Maximizing Efficiencies in Universal Service Administration*, WC Docket No. 26-173 (filed Sep. 30, 2026) (*SHLB and ALA USAC NPRM Comments*).

program participants, improving what is reported through USAC's Open Data tool, and clarifying additional ambiguous rules and procedures.

- The Commission can alleviate additional processing delays and burdens by removing the requirement for USAC to approve an applicant's multi-year contract as "evergreen" and removing the obligation for applicants to submit the annual reporting requirement.

TABLE OF CONTENTS

I. THE COMMISSION SHOULD ALLOW HCPs FLEXIBILITY TO DETERMINE THE SECONDARY SERVICES THEY NEED BASED ON VARIOUS FACTORS AND RETAIN TECHNOLOGY NEUTRAL RULES FOR SECONDARY SERVICES.	6
A. The Commission Should Allow HCPs Discretion and Flexibility to Choose the Secondary Services that Fit Their Unique Operational and Patient Care Needs.....	8
B. The Commission Should Apply a Technology-Neutral Approach to RHC Program Support for Secondary Services.....	10
C. The Commission Should Allow HCPs to Consider Cost and Other Factors When Choosing the Secondary Services that Best Meet Their Needs.....	12
II. AN RHC ELIGIBLE SERVICES LIST SHOULD BE A COMPREHENSIVE AND FLEXIBLE DOCUMENT WITH THE GOAL OF IMPROVING APPLICANT UNDERSTANDING OF ELIGIBLE EQUIPMENT AND SERVICES.....	13
A. An RHC Program ESL Would Better Clarify the Scope of Eligible Equipment and Services and Increase Understanding of How to Apply the Commission’s Eligibility Rules and Limitations to Specific Funding Requests.	14
B. Any Future ESL Should Retain Flexibility to Accommodate Advancements in Service Offerings and Variations in Technology “Terminology.”	16
III. THE COMMISSION CAN STREAMLINE RHC APPLICATION PROCESSES BY IMPROVING APPLICANT OUTREACH, ESTABLISHING REVIEW BENCHMARKS, PUBLICLY REPORTING USAC PROCESSING INFORMATION, ENHANCING TRAINING OPPORTUNITIES, IMPROVING USAC’S OPEN DATA TOOL, AND CLARIFYING AMBIGUOUS RULES.	19
A. USAC Should Improve Outreach By Increasing Individualized Information Sharing, Actively Engaging Applicants in Changes and Updates, Offering Stakeholders the Opportunity to Publicly Comment on Board Meeting Agenda Items, and Establishing a USAC Ombudsman Position.	20
B. Shot Clocks and Deadlines Should Increase Applicant Understanding of the Process, But Strict Deadlines Shouldn’t Adversely Impact the Decision-Making Process.	22
C. USAC Should Publicly Report Comprehensive Information Concerning the Status of Application, PIA, Invoice, and Information Request Reviews.....	24
D. USAC Should Offer In-Person Training Opportunities for RHC Program Participants and Enhance Virtual Training Processes.	26
E. The RHC Program’s Open Data Tool Should Report Additional Program Information.	26
F. The Commission Should Clarify Ambiguous Filing Rules and Procedures.	27
IV. USAC’S APPROVAL OF EVERGREEN CONTRACT STATUS DOES NOT HAVE ANY BEARING ON ITS SEPARATE REVIEW FOR COMPETITIVE BIDDING VIOLATIONS.....	27
V. USAC’S CURRENT ANNUAL REPORTING REQUIREMENT OFFERS LIMITED VALUE WHILE INCREASING ADMINISTRATIVE BURDEN ON APPLICANTS.	29

I. THE COMMISSION SHOULD ALLOW HCPs FLEXIBILITY TO DETERMINE THE SECONDARY SERVICES THEY NEED BASED ON VARIOUS FACTORS AND RETAIN TECHNOLOGY NEUTRAL RULES FOR SECONDARY SERVICES.

In 2012, the Commission examined how to best define the scope of services that would be eligible for support via the Healthcare Connect Fund (HCF) program in the RHC program (*2012 HCF Order*).⁵ At that time, commenters suggested that the Commission maintain a broad definition of “eligible services” that affords flexibility to HCPs to determine the connectivity solutions that would best meet their needs.⁶ The Commission agreed and established a broad definition for eligible connectivity services and equipment focused primarily on the needs of HCPs.⁷ Notably, it stated that adopting a “broad definition allows HCPs to choose from a wide range of connectivity solutions, all of which enhance their access to advanced services, based on their individual health care broadband needs as available technology evolves over time; decisions will be made in the marketplace without regard to regulatory classification decisions of the connectivity solutions.”⁸

⁵ *Rural Health Care Support Mechanism*, WC Docket No. 02-60, Report and Order, 27 FCC Rcd 16678 (2012) (*2012 HCF Order*). The RHC program consists of the Healthcare Connect Fund (HCF) Program and the Telecommunications Program. The HCF program provides support for high-capacity broadband connectivity to eligible health care providers while the Telecommunications Program allows eligible rural health care providers to obtain rates on telecommunications services in rural areas that are reasonably comparable to rates charged for similar services in corresponding urban areas. *See* FCC, Rural Health Care Program, *available at* <https://www.fcc.gov/general/rural-health-care-program> (last visited Sept. 29, 2026).

⁶ *See, e.g., 2012 HCF Order* at 52-53, para. 111, n. 290 citing VTN reply comments stating that “the Commission should not handcuff HCPs’ decisions by limiting the services that would be eligible for funding since rural HCPs are in the best position to determine the type of services they require.”

⁷ *2012 HCF Order* at 52-53, para. 111.

⁸ *Id.*

Commenters similarly expressed the need for flexibility when it came to making decisions around structuring a network's configuration, specifically expressing that HCPs "need the ability to control the design of their networks . . ."⁹ Here, the Commission concluded that "eligible services" may include last mile, middle mile, or backbone services,¹⁰ and recognized that HCPs might also seek to incorporate redundant services into their networks to create diverse paths in the event of an outage.¹¹ This established additional flexibility for HCPs to request program support for what are known as "secondary services."

Today, the Commission revisits RHC program support for eligible services, focusing particularly on eligibility considerations for secondary services and how HCPs can make cost-effective decisions when choosing them. For example, it asks how an HCP decides between service options, whether it should limit secondary service technologies eligible for support, and how it can lower program costs for secondary services.¹²

At the outset, we agree that HCPs should be good stewards of RHC program dollars. We caution the Commission, however, against establishing overly prescriptive rules that focus an eligibility determination *only* on certain factors like purported cost savings and types of technologies, especially when they come at the risk of jeopardizing an HCP's access to reliable, functional service and the patient safety and wellbeing which depend on that access. Instead, when evaluating the scope of eligible secondary services, we urge the Commission to 1) maintain discretion and flexibility for HCPs to determine what secondary services they need to support their unique operational and patient-care requirements, 2) retain technology neutral rules

⁹ *Id.* at 53-54, para. 113.

¹⁰ *Id.*

¹¹ *Id.* at 53-54, para. 113, n. 295.

¹² *See generally Third FNPRM* at 14-15, paras. 33-35.

that support eligibility for various types of secondary services, and 3) allow HCPs to choose secondary services based not only on cost, but on other factors that best position them to design functional, reliable, and safe networks.

A. The Commission Should Allow HCPs Discretion and Flexibility to Choose the Secondary Services that Fit Their Unique Operational and Patient Care Needs.

In the *Third FNPRM*, the Commission inquires about how HCPs choose one type of secondary service over another, and whether it should establish more specific rules guiding these decisions. For example, it asks whether the price of secondary services should be the overarching factor, expressing concern that potential cost inefficiencies exist when an HCP chooses a more expensive solution for both its primary and secondary service.¹³ On the other hand, it also recognizes that an HCP may consider the potential consequences of selecting lower-cost technologies for its secondary service, such as limitations it might experience in performance, and asks if the focus of both primary and secondary services should be to ensure reliable connectivity *regardless* of factors like price and technology.¹⁴ We suggest that the Commission's considerations here aren't necessarily mutually exclusive; rather, they reflect the range of varying factors that HCPs may reasonably weigh when selecting secondary services. Rather than establishing a blanket rule that determines eligibility solely based on price, the Commission should allow HCPs discretion and flexibility to choose the secondary services that fit their unique operational and patient care needs—decisions that already take into account weighing factors like price, technology, reliability, and functionality.

¹³ *Id.* at 14, para. 34.

¹⁴ *Id.* at 14-15, para. 35.

The RHC program supports varying types of rural HCPs, each of which could have significant differences in their level of operations and patient care. For example, a health clinic operating normal business hours may have substantially different connectivity needs than a 75 bed critical access hospital providing around-the-clock inpatient care. Similarly, a rural HCP that must connect to a larger hospital system to deliver surgical and pre-and postoperative consultation via telehealth may require more robust networking capabilities, such as higher capacity and lower latency services, than those of a single-site general practitioner.

Additionally, service requirements can differ even within *similar* types of HCPs. For example, one behavioral health clinic might only offer limited psychiatric services while another might operate a residential school for patients that need individualized care. In each situation, an HCP must decide what services best meet their individualized levels of connectivity needs, taking into account the nature and scope of the services they provide. Connectivity requirements may also vary over time or may be affected by certain circumstances. For example, certain HCPs (like those who support emergency room services) may also need to seek a certain level of service that can accommodate periods of unexpected high demand or emergency situations.

The differences in healthcare connectivity needs outlined above underscore the importance of preserving HCPs' discretion and flexibility when selecting the primary services to support their unique level of operations and maintain patient safety. Those same considerations also apply to secondary services; HCPs likewise must be able to choose the secondary services that enable them to maintain the same continuity of care during periods of disruption that is afforded to their patients during normal operations. Given that HCPs offer varying levels of patient care, one type of secondary service that is appropriate for one may not provide the same level of capacity, reliability, or performance required by another. For example, one HCP might

be able to operate a less robust or less-costly secondary service that doesn't risk normal operations or patient safety. Others, however, might be significantly challenged to continue operating services needed to ensure patient well-being (such as communicating with other providers digitally during procedures and surgeries, operating life-saving equipment, and conducting urgent telehealth appointments) and/or other essential services needed in real time while caring for patients (such as accessing digital medical records and imaging).

As such, the Commission's analysis regarding eligible services in the *2012 HCF Order* remains equally relevant to its inquiry regarding secondary services today: the HCP is best positioned to determine the network capabilities necessary to meet its unique operational and patient-care needs, and therefore must retain discretion and flexibility to make those determinations. This is especially true for the types of beneficiaries the RHC program is meant to serve, where limiting that flexibility could have consequences that extend well beyond network performance, including, in the most serious circumstances, consequences for patient safety and survival.

B. The Commission Should Apply a Technology-Neutral Approach to RHC Program Support for Secondary Services.

The Commission has historically supported a competitively neutral approach to determining the scope of RHC eligible services. In the *2012 HCF Order*, it concluded that “eligible services may be provided over any available technology, whether wireline (copper, fiber, or any other medium), wireless, or satellite.”¹⁵ In the *Third FNPRM*, the Commission considers whether this same approach should be applied to secondary services or if it should

¹⁵ *2012 HCF Order* at 55, para. 115.

limit the technologies eligible for secondary service support.¹⁶ Just as we cautioned the Commission against treating price as the sole determinant of eligibility for secondary services, we likewise urge the Commission not to treat technology as the sole deciding factor. Instead, we urge the Commission to preserve its technology-neutral approach to eligible services and apply that same principle to the technologies HCPs select for secondary services.

As previously stated, HCPs supported by the RHC program have varying connectivity needs given their unique use of digital operations to conduct business and treat patients. Just as HCPs weigh the benefits and challenges of choosing a more or less costly secondary service when deciding whether it will be able to meet its same level of care in the event of a disruption, so too do HCPs weigh the benefits and challenges of choosing a certain type of technology over another. For example, an HCP utilizing more real time, data-intensive services (such as telemedicine appointments) might require certain secondary service technologies that offer lower latency connections. An HCP may also select a certain secondary service technology over another based on the existing infrastructure at the facility. Additionally, HCPs can also face significant geographic and topographical differences from one another, as well as variations in the type of services and broadband providers available to serve them. For example, a rural HCP located in a mountainous area may have limited access to terrestrial broadband providers and may need to rely on fixed wireless or satellite services for secondary connectivity. By contrast, a rural HCP located in a more populated area or on flatter terrain may have better access to terrestrial providers that offer varying secondary service connectivity options.

Limiting access to certain technologies that could better meet an HCP's needs would not only fail to account for the diverse circumstances in which it operates, but would also deprive it

¹⁶ *Third FNPRM* at 14, para. 35.

of the discretion to weigh their specific needs with the capabilities and limitations of those available technologies. Rather than imposing a one-size-fits-all technology limitation, we recommend that the Commission apply its longstanding technology-neutral approach to the technologies HCPs select for secondary services.

C. The Commission Should Allow HCPs to Consider Cost and Other Factors When Choosing the Secondary Services that Best Meet Their Needs.

Currently, the Commission's guidance concerning secondary services requires an HCP to choose the most cost-effective option available. In the *Third FNPRM*, the Commission seeks comment on whether it should codify that guidance into its rules, asking whether cost should be a primary factor when choosing secondary services, or if it should also take into account other factors.¹⁷ We believe the Commission should allow HCPs the flexibility to weigh various factors, including cost, to determine the secondary services that best meet their needs.

As discussed herein, an HCP must evaluate and choose the secondary services that can cover their specific operational and patient care offerings, while taking into account geographical, topographical, or service availability considerations that could affect their decision. HCPs may additionally analyze other circumstances that are unique to them, such as whether they already have some level of carrier or physical network diversity; whether they have worked with a broadband provider previously; whether the broadband provider can accommodate multiple hospital sites;¹⁸ and how a broadband provider's contract treats certain capabilities they deem important (such as latency and jitter).

¹⁷ *Id.* at 14-15, para. 35.

¹⁸ For example, HCPs that operate multiple locations might find it more practical and cost-effective to choose a broadband provider that is able to serve all of its locations, rather than selecting one provider for each location.

Additionally, HCPs are not completely removed from considering the cost of secondary services when determining which connectivity options would best meet their needs. RHC support via the HCF program does not fund 100% of an HCP's request for connectivity services. Rather, it covers only 65% of the cost of eligible services. As such, HCPs remain responsible for a portion of the cost of their connectivity, making price an important factor for HCPs when they evaluate which services they can financially support that will also meet their individualized needs.

We recommend that the Commission preserve HCPs' flexibility to weigh all of these considerations—including factors such as price, technology, existing infrastructure, contract terms, functionality, and performance—so they remain in the best position to select the secondary services that appropriately balance their operational needs with the costs they must also bear.

II. AN RHC ELIGIBLE SERVICES LIST SHOULD BE A COMPREHENSIVE AND FLEXIBLE DOCUMENT WITH THE GOAL OF IMPROVING APPLICANT UNDERSTANDING OF ELIGIBLE EQUIPMENT AND SERVICES.

When the Commission defined eligible services in the *2012 HCF Order* it declined to establish an accompanying eligible services list (ESL) similar to the one it utilizes for the E-Rate Program.¹⁹ In the *Third FNPRM*, the Commission reconsiders this prior decision, and proposes to adopt an RHC-specific ESL. It asks for insight about this proposal, including whether an ESL

¹⁹ *2012 HCF Order* at 52-53, para. 111, n. 290. The E-Rate eligible services list offers E-Rate program applicants guidance about the products and services that are eligible for funding support. See Universal Service Administrative Company (USAC), Eligible Services List available at <https://www.usac.org/e-rate/applicant-process/before-you-begin/eligible-services-list/>.

would better assist HCPs in determining what services and equipment are eligible for program support and how an ESL would work in practice.²⁰

SHLB agrees that establishing an ESL with the goal of better clarifying the scope of eligible services and equipment and promoting transparency of program rules and limitations so that applicants can confidently request funding would be beneficial to RHC program applicants. We strongly recommend that the Commission, however, ensure that any future ESL should act as a starting point rather than as a static or exhaustive catalogue of all eligible equipment and services. This would ensure that it would accommodate variations in technologies and changes or advancements in marketplace offerings. Furthermore, we urge the Commission to offer RHC program stakeholders the opportunity to review and offer feedback on a proposed draft ESL, both prior to its implementation and on a recurring basis.

A. An RHC Program ESL Would Better Clarify the Scope of Eligible Equipment and Services and Increase Understanding of How to Apply the Commission's Eligibility Rules and Limitations to Specific Funding Requests.

SHLB welcomes the Commission's efforts to promote clarity of its eligibility rules. Our members include various stakeholders who have direct experience working with the RHC program application and funding processes. They know firsthand that any ambiguity or confusion around whether certain services are eligible for support not only depletes an HCP's confidence in filing (especially for new entrants in the program), but can also increase administrative burden on applicants and USAC, significantly delay application review, and increase the likelihood of a funding denial.

²⁰ See *Third FNPRM* at 15-16, paras. 37-39.

The Commission asks if program stakeholders are experiencing problems with specific eligibility and whether the creation of an ESL would resolve those challenges.²¹ SHLB members have reported increasing uncertainty about the application of the Commission’s “eligible equipment” rules for HCF-supported technologies. When the Commission defined the scope of eligible equipment in the *2012 HCF Order*, it decided to “provide support for network equipment necessary to make a broadband service functional” and, for consortia HCPs, to additionally “provide support for equipment necessary to manage, control, or maintain a broadband service or a dedicated health care broadband network.”²² Program stakeholders have expressed particular uncertainty about how the Commission’s use of the term “necessary to make a broadband service functional” applies to requests for cybersecurity and network protection equipment and services, particularly given the potential ambiguity in interpreting what equipment is “necessary” to make a broadband service functional. Additional examples of stakeholder feedback include:

- Questions about whether all components of a switching fabric (including the supervisor engine and power supplies), which are required to make the equipment function, are eligible for program support.
- Clarification about whether licenses, warranties, and other related equipment software on previously purchased/owned equipment would qualify.
- Suggestions that the Commission further define “network management” and offer additional guidance about what is specifically eligible under the category of network management professional services.

While USAC offers HCPs a document outlining “examples of products and services that are typically eligible for support in the RHC Healthcare Connect Fund (HCF) Program,”²³ SHLB

²¹ *Id.* at 16, para. 39.

²² *2012 HCF Order* at 74, para. 157.

²³ USAC, Rural Health Care Program Healthcare Connect Fund (HCF) Program Examples of Common Products and Services, available at <https://www.usac.org/wp-content/uploads/rural->

members view the document as a helpful starting point but note that it provides little guidance beyond a simple list of equipment and services, as opposed to the E-Rate ESL which also includes additional notes and explanations addressing eligibility.²⁴ Additionally, applicants note that they have received adverse funding decisions for products and services they believe are covered in this guidance, further exacerbating applicant uncertainty.

Accordingly, we agree that a more in-depth RHC-specific ESL could promote clarity about the equipment and services that are eligible for program support and better explain how the Commission applies its eligibility definitions to specific services and equipment that are not clearly described in existing guidance. Decreasing this ambiguity would help to streamline the funding process for both HCPs and USAC by bolstering an applicant's competence and confidence in requesting funding and resulting in fewer processing delays and denials.

B. Any Future ESL Should Retain Flexibility to Accommodate Advancements in Service Offerings and Variations in Technology “Terminology.”

The Commission asks for insight into how an RHC program ESL would work in practice, including whether it should incorporate or modify elements of the E-Rate ESL into its design and how frequently the list would need to be updated.²⁵ Additionally, the Commission states that it would direct the Wireline Competition Bureau to offer stakeholders the opportunity to review and comment on any future draft ESL.²⁶

[health-care/documents/handouts/HCF-Program-Examples-of-Common-Products-and-Services.pdf](#) (last visited September 29, 2026).

²⁴ See, e.g., *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184, Order, DA 25-1069 (rel. Dec. 17, 2025) (*2026 E-Rate ESL Order*).

²⁵ *Third FNPRM* at 16, para. 39.

²⁶ *Id.* at 16, para. 39, n. 78.

At the outset, we thank the Commission for allowing stakeholders the opportunity to review and comment on a future draft RHC ESL. While stakeholders can currently offer general recommendations in this proceeding, the Commission would benefit more substantially from the in-depth insights stakeholders could provide after thoroughly reviewing an actual draft.

When designing the RHC program ESL, we offer the Commission certain general recommendations. First, we caution the Commission against establishing a static or exhaustive list of eligible equipment and services. In doing so, we are concerned that the ESL would not be able to accommodate evolving technology needs or marketplace offerings that an HCP might require to build, upgrade, or properly secure its network. It would also undermine the Commission's original goal of ensuring that eligibility definitions remain broad and flexible so that HCPs are in the best position to determine the services that meet their individual needs.

Second, SHLB members have expressed that requests for services and equipment may be subject to additional scrutiny based on the terminology a broadband provider uses to describe them. Specifically, they report instances in which different broadband providers label or describe functionally equivalent services differently from one another on their invoices or contracts. In those situations, USAC may question the service's eligibility not because of its underlying functionality but on the terminology that broadband provider used. This can result in inconsistent treatment of functionally equivalent services or equipment based solely on differences in nomenclature. Accordingly, the ESL should avoid reinforcing eligibility decisions based solely on how a particular service or piece of equipment is labeled or described by a broadband provider, and clarify that eligibility determinations should be made on functionality rather than on terminology as the Commission's rules allow.

Third, we encourage the Commission to establish the ESL with the overarching goal of improving an HCP's understanding of the scope of eligible equipment and services. To best achieve this objective, we recommend that the Commission structure the ESL as a practical resource that provides applicants with a range of tools to assist them in assessing eligibility. Such tools could include illustrative examples and common scenarios involving eligible equipment and services; examples of items that are specifically not eligible; explanations of why particular services or equipment are eligible or ineligible; descriptions of noteworthy eligibility limitations or conditions; and other explanatory notes that would provide additional context. Providing this additional information would help applicants apply the eligibility criteria more consistently and make more informed decisions when determining if something qualifies for support.

Fourth, the ESL should be an evolving resource. In the E-Rate program, the Commission releases a draft of the ESL each year to allow the public to submit comments. Stakeholders can comment on specific eligibility questions the Commission might be asking for that year or for future funding years,²⁷ in addition to the list of eligible services and equipment. This comment process is beneficial to program stakeholders, as it increases transparency into the Commission's decisions around eligibility and allows stakeholders an opportunity to address ambiguous rules or emerging questions. We suggest that the Commission incorporate a similar comment process for the RHC program ESL, affording HCPs the same opportunity to provide constructive feedback and request clarity. SHLB members note, however, that the comment process should be done in a timely manner so as to not interfere with or delay the start of the filing window each year.

²⁷ For example, in the *2026 E-Rate ESL Order*, the Commission adopted a proposal that modified how eligible software and other remote configuration services are categorized. Program stakeholders were able to file public comment on the Commission's proposal prior to adoption. *2026 E-Rate ESL Order* at 3-5, paras. 6-8.

III. THE COMMISSION CAN STREAMLINE RHC APPLICATION PROCESSES BY IMPROVING APPLICANT OUTREACH, ESTABLISHING REVIEW BENCHMARKS, PUBLICLY REPORTING USAC PROCESSING INFORMATION, ENHANCING TRAINING OPPORTUNITIES, IMPROVING USAC’S OPEN DATA TOOL, AND CLARIFYING AMBIGUOUS RULES.

In the *Third FNPRM*, the Commission asks about ways that it can streamline the RHC program application process and ensure effective and timely communication between USAC and applicants.²⁸ For example, it seeks specific insight into the types of performance metrics, deadlines, data gathering, and other process controls that would make the application process faster, more transparent, and efficient for both USAC and HCPs seeking support.²⁹ We greatly appreciate and support the Commission’s ongoing efforts to streamline RHC program administration and implementation. When the application process is confusing, delayed, or lacks transparency between the reviewer and applicant, it can deter participation and result in elevated requests for deadline waivers and increased risk of funding denials. To ensure that the application process remains efficient and effective, we recommend that the Commission improve USAC’s outreach to applicants; establish benchmarks for USAC to complete various funding request reviews; publicly report comprehensive information about USAC’s turnaround times and responsiveness; enhance training opportunities; report additional information in USAC’s Open Data tool; and clarify ambiguous rules and procedures.³⁰

²⁸ *Third FNPRM* at 17, para. 42.

²⁹ *See generally id.* at 17, paras. 41-42.

³⁰ SHLB previously submitted many of these recommendations to the Commission in response to the Wireline Competition Bureau’s Public Notice seeking comment on USF administration. *See* Comments of the Schools, Health & Libraries Broadband (SHLB) Coalition and the American Library Association (ALA), *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, *Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, CC Docket No. 97-21 (filed May 15, 2026) (*SHLB and ALA USAC PN Comments*). We incorporate them again here and also in our concurrent *SHLB and ALA USAC NPRM Comments*.

A. USAC Should Improve Outreach By Increasing Individualized Information Sharing, Actively Engaging Applicants in Changes and Updates, Offering Stakeholders the Opportunity to Publicly Comment on Board Meeting Agenda Items, and Establishing a USAC Ombudsman Position.

First, RHC program participants frequently express concerns and frustration stemming from limited visibility into the status of pending form, application, and invoice reviews. Currently, USAC does not provide individualized, transparent outreach that would enable filers to anticipate application and invoice review timelines. This leads to a lack of clarity regarding delays when the application remains dormant for a significant period of time with little to no update from the USAC reviewer. When applicants experience such delays, they express that they must reach out to USAC for an informal status update. Applicants may experience further frustration if the application has been assigned to a new reviewer without prior notification.

Accordingly, we support the need for 1) clear status indicators in USAC's filing systems that show the current stage of review; 2) enhanced individual outreach efforts regarding the status and foreseeable delays related to RHC form, application, and invoice reviews; and 3) notifications that inform applicants when their application has been reassigned to a new reviewer. Additional outreach from USAC during the application process would increase administrative transparency so that applicants can anticipate delays, reach out to the correct point of contact if they require further information, and better align USAC's processes with participants' deadlines and future planning.

Second, USAC should actively engage with RHC program stakeholders about system updates to forms and review processes before, after, and during implementation. Changes or enhancements to the RHC filing systems can create unintended user challenges and application processing delays. While traditional training sessions help program participants understand the application process policies and procedures, many users experience form-related issues, filing

and application processing delays, and other system specific challenges that are not typically addressed in these settings. Early stakeholder engagement is thus imperative for USAC to identify potential challenges, improve system functionality, and ensure that updates align with the operational realities applicants and service providers face. Likewise, ongoing stakeholder engagement throughout and after implementation also promotes better transparency and allows USAC to address concerns in a timely manner. Accordingly, we suggest that USAC implement ways to better engage with RHC program stakeholders before, during, and after implementing system updates and changes, including the following recommendations:

- USAC should publish proposed system changes and enhancements for public comment prior to implementation. This would allow program stakeholders an opportunity to provide valuable insight and feedback upfront rather than having to react to changes already in place, which can result in administrative burden and funding delays.
- USAC should allow program participants to beta test system changes or updates in order to quickly identify filing challenges and other issues that USAC can resolve prior to implementation.
- Commission forms and instructions should be available outside of USAC filing systems. We also recommend that those forms and instructions be subject to public comment (as is the case for the FCC Form 499).

Another challenge frequently encountered by program filers during the funding year involves changes or updates to form, application, and invoice review procedures that result in unexpected administrative burden. For example, RHC program participants have experienced:

- Changes affecting FCC Form 463 invoicing reviews, including requests for additional amounts of supporting documentation.
- Requests for new verifications of expense type, even if the service has not changed and is an eligible service.
- Requests for filers to highlight service/circuit charges for every bill (rather than just a sample).

When new requirements are introduced without sufficient advance notice and clear

guidance, program participants may experience confusion, increased administrative time and burdens, and delay in the application review and funding process timeframe. Accordingly, we recommend that USAC communicate form, application, and invoice review changes clearly and proactively through multiple channels, including through its website, newsletters, webinars, and training sessions, and provide participants with adequate time to prepare for implementation. Such communication should also detail the reasons for the change being made.

Third, USAC's board meetings and procedures should remain open and transparent to RHC program stakeholders. We also recommend that the Commission and USAC offer stakeholders the opportunity to publicly comment on board meeting agenda items. This could include the submission of written comments in advance of meetings or participation in public listening sessions. Providing stakeholders with meaningful opportunities for input would not only increase transparency and trust in RHC administration, but help ensure that decisions are informed by the experiences and operational realities of program participants.

Fourth, SHLB recommends that it would be beneficial for the Commission to establish a USAC ombudsman position for the RHC program. The individual in this role could serve as a neutral resource who reviews specific filing and/or application challenges or disputes and presents a recommended path toward resolution to the program participant and USAC staff.

B. Shot Clocks and Deadlines Should Increase Applicant Understanding of the Process, But Strict Deadlines Shouldn't Adversely Impact the Decision-Making Process.

In the E-Rate program, the Commission directed USAC to aim to issue funding commitments or denials for all "workable" funding requests by September 1 of each funding year. In the *Third FNPRM*, the Commission asks whether it should establish a similar

performance metric for the RHC Program.³¹ At the outset, SHLB generally agrees that establishing consistent deadlines and shot clocks could provide applicants with a better understanding about expected USAC processing time. Members share concern, however, about setting strict deadlines that could inadvertently harm applicants if proper application review is not afforded simply because a reviewer is under pressure to meet that deadline. Instead, we suggest that it would be more helpful for USAC to establish benchmarks to complete application, invoice, information request, and appeal review processes, and increase transparency about the status of their review to applicants along the way.

To define these benchmarks, we recommend that the Commission should first review how long it typically takes USAC to review applications and resolve issues in relation to different types of applicants and funding requests. While we understand that processing times can vary depending on these factors, establishing an expectation about average processing times for each type of review would better inform the Commission about what timelines are appropriate. It would also allow the Commission better insight into whether it thinks USAC should aim to resolve certain reviews or functions more timely.

Regarding the various steps of the RHC program's filing process, stakeholders recommend that the Commission consider implementing a deadline (such as 30 days, that can be extended for good cause) for FCC Form 460 review, including Letter of Agency/Third Party Authorization review. For FCC Form 460 revisions, the Commission should direct USAC to review only the modified information rather than treating all revisions as new Form 460 submissions that require a new, comprehensive review. Furthermore, program stakeholders stress the importance for USAC to timely review an applicant's response to an information request.

³¹ *Third FNPRM* at 17, para. 41.

Applicants are required to respond to a request for information within a strict deadline, but find that USAC reviewers are not held to a similar standard. Forms can thus continue to remain dormant for a significant period of time even though the applicant has responded to the reviewer's request.³²

C. USAC Should Publicly Report Comprehensive Information Concerning the Status of Application, PIA, Invoice, and Information Request Reviews.

RHC program stakeholders would benefit from consistent, comprehensive reporting on USAC's anticipated turnaround times for completing application, PIA, and invoice reviews for a given funding year. Currently, during board meetings USAC publicly reports on generic data points related to its progress in reviewing "workable" applications. For example, it often reports on the percentage of workable applications it has completed to date based on funding request number (FRN) level data, rather than reporting the number of processed versus unprocessed line items and the associated gross funding represented by those line items. SHLB members note that reporting progress solely at the FRN level can be misleading, as individual funding requests may contain numerous line items that remain unprocessed until later in the approval process for a given fund year. For instance, if USAC reports that 75% of requests have been funded at the FRN level, the percentage of funding processed at the line-item level could be substantially lower. This distinction is significant and should be reflected in public reporting to provide stakeholders with a more accurate picture of the funding that has been processed versus the funding that remains pending. In addition, we urge USAC to provide greater transparency and

³² Last year, program stakeholders shared that they saw an uptick in the number of information requests generated from reviewers in the month of March. This resulted in two issues: Applicants were forced to respond to information requests concerning Funding Year 2025 applications while simultaneously working on and finalizing Funding Year 2026 applications before the April 1 deadline; and delays associated with processing a Funding Year 2025 application could potentially affect/delay the Funding Year 2026 application.

reporting regarding what makes a pending application “workable” and, conversely, the circumstances that would cause an application to be considered “unworkable.” This would better assist applicants to understand and anticipate common filing mistakes so they can take steps to resolve those issues in the future.

Second, RHC program stakeholders would benefit from consistent, comprehensive reporting about USAC’s *responsiveness* to items pending review. As we previously stated, many applicants express frustration when their application or response to an information request lingers for a substantial period of time without any movement from USAC. Accordingly, in addition to improving USAC’s individualized outreach to applicants as suggested above, we urge the Commission and USAC to establish public reporting on USAC’s responsiveness to applicants about the status of pending application, PIA, and invoice reviews; responses to information requests; and responses to inquiries made to the helpdesk.

Third, we suggest that USAC also report on particular challenges and trends it has encountered that are impacting the review process for a given funding year. This could include information related to changes in application volume, new program requirements, and issues with system functionalities. Such reporting could help program applicants and other stakeholders anticipate emerging issues and offer them a holistic understanding of the factors affecting application processing and potential sources of delay.

We suggest that it would be helpful for USAC to report such detailed information consistently, including during its quarterly board meetings. Frequent reporting would help program users better understand where their applications stand and when they can reasonably expect action. USAC should also post these trend reports in the Open Data tool for program stakeholders to easily access over time.

D. USAC Should Offer In-Person Training Opportunities for RHC Program Participants and Enhance Virtual Training Processes.

Currently, USAC offers in-person training opportunities annually only for E-Rate program participants. It should likewise offer similar in-person training opportunities for participants in the RHC program.

Regarding virtual training webinars, the training platform should be more interactive. For example, USAC should make attendee questions visible to participants, even if the submissions remain anonymous. Similar to in-person training sessions, attendees can derive benefit from knowing the questions and concerns raised by others. In virtual settings, however, questions submitted are not visible, leaving attendees unaware of what was asked. Attendees should also have the option to submit questions and filing/system challenges beforehand for USAC to answer during the webinar. Questions asked and answers provided should be subsequently published to USAC's website, along with the recording of the webinar, so that stakeholders can easily find them later. Webpages with such guidance should include citations to Commission rules/orders.

E. The RHC Program's Open Data Tool Should Report Additional Program Information.

The RHC program's Open Data tool currently lacks meaningful application status data for funding years after 2021. For example, rather than identifying whether an application is submitted, under review, processed, withdrawn, or otherwise pending, many applications are generically labeled as "submitted" or "processed," requiring stakeholders to infer status information based on commitment amounts. We recommend that the RHC Open Data tool report FCC Form 462 application status (for example, the E-Rate Open Data tool includes application statuses such as initial review, final review, quality assurance, etc.) and decision explanations.

We also suggest that the RHC Open Data tool provide a list of healthcare providers (HCP) and report related HCP/FCC Form 460 information.

F. The Commission Should Clarify Ambiguous Filing Rules and Procedures.

SHLB members have indicated that there are other RHC program rules and filing procedures (outside of the eligibility determinations discussed herein) that could use better clarification. First, the Commission should better clarify the rules around disposal, including the resale and transfer of equipment and services and equipment end of life. While the application of these rules is clear in the E-Rate program, they are not for RHC participants. Second, the Commission should offer guidance regarding ministerial and clerical errors. Stakeholders share that there is often no resolution offered to RHC program applicants who made a ministerial or clerical error (such as choosing the incorrect expense type) after receiving a funding commitment letter. They have found that any appeal to correct this type of error will typically be denied, unless the applicant can point to an error on the part of USAC.

IV. USAC’S APPROVAL OF EVERGREEN CONTRACT STATUS DOES NOT HAVE ANY BEARING ON ITS SEPARATE REVIEW FOR COMPETITIVE BIDDING VIOLATIONS.

SHLB appreciates that the Commission is seeking comment on the “evergreen” contract approval process for the RHC program about which SHLB has previously raised concerns. As the Commission is aware, if an applicant signs a multi-year contract, it may request “evergreen” status for its contract. Rule 54.622(i)(3) requires USAC to approve the applicant’s request by approving a multi-year contract status as “evergreen.”³³ To do this, USAC must review the contract to confirm that it meets certain necessary requirements and contains certain terms, and

³³ 47 C.F.R. § 54.622(i)(3).

will then notify the applicant (via its Funding Commitment Letter) if it has been granted evergreen designation. If the contract's "evergreen" status is approved, the HCP does not have to annually re-bid for the contracted services for the life of the contract and up to five years of voluntary extensions.³⁴

In its previous comments, SHLB expressed concern that requiring USAC to review an applicant's contract simply to confirm its evergreen status was not only unnecessary but potentially harmful to HCPs if USAC does not issue its evergreen approval in a timely manner.³⁵ We also compared this process to the E-Rate program, noting that no USAC "evergreen" approval is required for school or library requests that include multi-year contracts.³⁶ The Commission seeks comment on our recommendation in the *Third FNPRM*.³⁷ While it acknowledges that the E-Rate program does not require evergreen or multi-year contract status approval, it suggests that E-Rate competitive bidding violations can be discovered after a number of years, resulting in a larger recovery.³⁸ Accordingly, the Commission asks whether the burdens

³⁴ USAC, Evergreen Contracts, available at <https://www.usac.org/rural-health-care/additional-program-guidance/exemptions/evergreen-contracts/> (last visited Sept. 29, 2026).

³⁵ Comments of the Schools, Health & Libraries Broadband Coalition (SHLB), *Delete, Delete, Delete*, GN Docket No. 25-133, *Schools and Libraries Universal Service Support Mechanism, Federal-State Joint Board on Universal Service, Changes to the Board of Directors of the Board of Directors of the National Exchange Carrier Association, Inc.*, CC Docket Nos. 02-6, 96-45, 97-21, *Modernizing the E-rate Program for Schools and Libraries*, WC Docket No. 13-184, *Promoting Telehealth in Rural America*, WC Docket No. 17-310, *Rural Health Care Support Mechanism*, WC Docket No. 02-60, p. 6 (filed Apr. 11, 2025) (*SHLB Delete Comments*). Specifically, if USAC does not issue evergreen approvals in a timely manner, we noted that applicants must initiate new competitive bidding processes for years that are already covered by an existing contract, because USAC has not yet approved the existing contract's evergreen status.

³⁶ *Id.* at 6-7.

³⁷ *Third FNPRM* at 18, paras. 43-44.

³⁸ *Third FNPRM* at 18, para. 44.

of evergreen contract review outweigh the benefits of ensuring that the contract is approved for its duration.³⁹

With regard to the Commission's concern that competitive bidding violations can be discovered after a number of years, we note that rule 54.622(i)(3) only requires USAC to approve evergreen contract *status*. This specific approval process does not have any bearing on USAC's separate review for competitive bidding violations, which it can still conduct. The current approval process does not prohibit USAC from reviewing the procurement process in any given past year so there is no guarantee that any competitive bidding issues will be identified in the first year of the contract, thereby precluding recovery of funding in later years. As such, that concern should not stop the Commission from eliminating this requirement that results in administrative expenses without any significant benefit to the program.

SHLB supports the Commission directing USAC to conduct any competitive bidding reviews that will occur in the first year of a contract in both the E-Rate and RHC programs and then using its initial review to support commitment requests in subsequent years, absent some new information USAC receives regarding a particular competitive bidding process.

V. USAC'S CURRENT ANNUAL REPORTING REQUIREMENT OFFERS LIMITED VALUE WHILE INCREASING ADMINISTRATIVE BURDEN ON APPLICANTS.

The Commission requests insight concerning the value of continuing its annual reporting requirement, whereby HCP's must submit a report to USAC on or before September 30 for the preceding funding year. Specifically, it asks if the reporting requirement constitutes a burden on

³⁹ *Id.*

participating HCPs (outweighing the benefits of the information collected),⁴⁰ and tentatively concludes that the information gathered by the annual report is no longer needed to measure the progress of HCF Program goals.⁴¹

SHLB generally supports the notion that information gathering and reporting can offer beneficial insight to RHC participants, USAC, and the Commission around program trends, participant needs, and connectivity outcomes. We also previously suggested to the Commission that data reporting practices can ensure that program participants remain transparent, efficient, and responsive to the communities they serve.⁴² However, members agree with the Commission's conclusion in the *Third FNPRM* that the annual reporting requirement is no longer needed, given that the data currently collected remains largely static from year to year and offers limited value at present. They also express concern that this mandatory data collection often creates administrative burden for HCPs, as it adds an additional step to an already comprehensive application process.

If the Commission is considering alternative reporting practices that would better assess progress towards RHC program performance goals and measures, we take this opportunity to reiterate recommendations we previously submitted. First, the Commission and USAC could report on data that is already submitted with program forms to identify the types of broadband infrastructure HCPs are requesting.⁴³ Second, the Commission could also conduct voluntary periodic, targeted surveys of program users to determine whether health clinics' current

⁴⁰ *Third FNPRM* at 19, para. 47.

⁴¹ *Id.* at 19, para. 46.

⁴² *SHLB and ALA PN Comments* at 8.

⁴³ *Id.* at 9. Outside of the annual reporting requirement at issue in the *Third FNPRM*, applicants already submit various forms to USAC that contain multiple data points. The Commission could review this data to determine future broadband-related benchmarks and goals for the program.

broadband services are meeting their needs; understand how HCP needs are changing over time; and to gain information about future broadband requirements so that the Commission can shape effective policies that ensure the programs evolve accordingly.⁴⁴ We urge the Commission that any data collection should not burden program participants during the funding application process, but should be conducted in a limited manner through data already collected or via voluntary, succinct and easily answerable surveys.⁴⁵

VI. CONCLUSION

SHLB appreciates this opportunity to offer recommendations to streamline RHC program administration and implementation.

Respectfully submitted,

/s/ Kristen Corra
Kristen Corra
Policy Counsel
Schools, Health & Libraries Broadband Coalition
1250 Connecticut Ave. NW, Suite 700
Washington, DC 20036
kcorra@shlb.org
571-306-3757

September 30, 2026

⁴⁴ *Id.* at 9-10.

⁴⁵ *Id.* at 10.