

# California Telemedicine & eHealth Center

## Telecommunications Discount Guide



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# I. INTRODUCTION

Technology is transforming the way healthcare services are provided. For example, technology can bring the benefits of *high-tech* medicine to even the most isolated regions of the state. Through the use of telemedicine, video conferencing, high-speed access to the Internet and broadband data networks, healthcare providers (HCP) no longer need be left out of the technology revolution that is transforming the practice of medicine.

However, in order for healthcare providers and their patients to benefit from technological advances, they must first be connected to them. Whether a high-speed connection to the Internet, an ISDN connection to conduct video conferencing, or a T-1 line to transport large amounts of data at high speed, *connectivity* is the cornerstone allowing HCPs to use technology tools for their patients' benefit. The cost of high-speed connectivity remains challenging for many rural communities in California and throughout the country. Even in urban communities where advanced telecommunications services are more readily available, the high cost of these services may be prohibitive for many.

State and federal policy-makers have recognized the value of ensuring that HCPs have access to affordable, high-speed connectivity, and a variety of discount programs have been created to make the cost of connectivity more affordable. These programs may significantly reduce the cost of installing and operating high-speed connections for HCPs. Cost savings may range from just a few dollars to thousands per month, depending on the number and types of covered telecommunications services.

This guide is designed to assist those applying for telecommunications discount programs and to encourage those eligible to take advantage of programs that may significantly reduce their telecommunications operating costs. In addition to providing step-by-step instructions for completing required program application forms, this guide also identifies strategies for combining state and federal discount programs so that eligible providers may achieve maximum benefit from all.

## II. TELECOMMUNICATIONS BASICS:

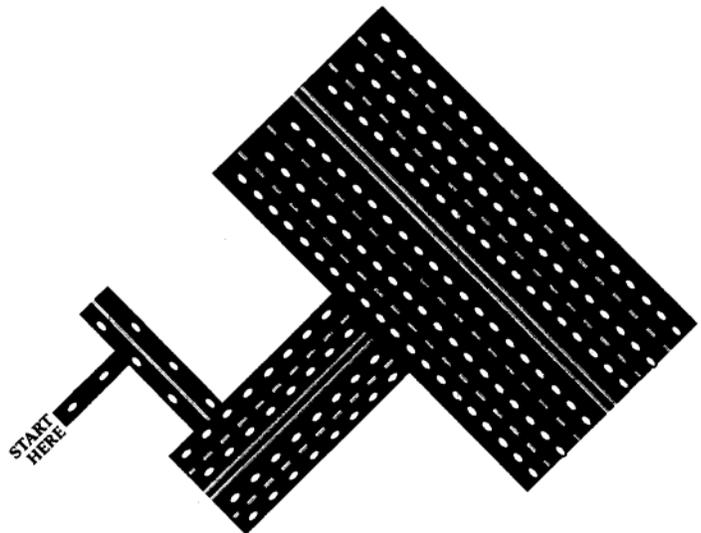
### *Common Terms and Concepts Defined*

To better understand how telecommunications discount programs can benefit healthcare providers and to use this guide most effectively, it is helpful to know some basic terms and definitions. The goal of connectivity is to move as much information (data) as quickly as possible from one place to another. The key to connectivity is *bandwidth*, measured in kilobytes per second (kbps) or megabytes per second (Mbps). As a general rule, as bandwidth increases, both the amount, or *capacity*, and the speed of data it can carry increases. In the telecommunications world, capacity and speed are critically important, so the challenge is to obtain as much bandwidth as possible at the most affordable price.

### **TIP:**

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Think of bandwidth as an information road. A single-lane dirt road that starts from a house and connects to a two-lane county road is similar to the bandwidth used by regular phone service (28 kbps.) Once the single-lane dirt road connects to the two-lane county road, bandwidth increases, since there are two information lanes that can carry data and their “speed limit” also increases. When the two-lane county road connects to a major four-lane highway going out of town, bandwidth (capacity and speed) increases a great deal further. By the time a four-lane highway connects to the interstate, bandwidth is moving information at a very high rate of speed.



Following are some of the most common terms used by the telecommunications industry today:

***Line Charges:***

The monthly, fixed cost of owning a telecommunication line. The cost of this line does not change regardless of how much or how little it is used. Most telecommunications discount programs cover line charges. Line charges are sometimes called “recurring fixed charges.”

***Usage Charges:***

The cost per minute of actively using a telecommunication line. Most telecommunications discount programs do not reduce usage charges.

***Plain Old Telephone Service (POTS):***

The standard telephone service that nearly everyone has. Individuals who use *dial-up modems* are using POTS lines to connect to the Internet at speeds up to 56 kbps.

***Measured Business Service Lines (MBSL):***

POTS lines that are installed for business customers. These generally cost more per month than standard residential phone lines. Monthly costs of MBSL lines may be reduced by some telecommunications discount programs.

***Integrated Services Digital Network (ISDN Lines):***

One of the most common ways to transmit video over telephone lines. Each ISDN line has 128 kbps of bandwidth. As 384 kbps is the most common bandwidth used for video conferencing and telemedicine applications, most organizations purchase 3 ISDN lines to obtain 384 kbps of bandwidth. Similar to POTS, ISDN users can call other ISDN users no matter where they are located.

***Switched 56 Lines:***

The first digital dial-up service ever offered, Switched 56 lines move data at 56 kbps. Switched 56 lines have been replaced by ISDN, which offers a cheaper and faster solution. The only time Switched 56 lines might be used now is in an area where ISDN is not available.

***Digital Subscriber Line (DSL):***

Currently the most common way to achieve faster connections to the Internet.

***Asymmetric Digital Subscriber Line (ADSL):***

The most common type of DSL service. ADSL allows more information to transmit faster *downstream* (that is, down from the Internet) than *upstream* (that is,

up to the Internet). Downstream speeds vary from 128 kbps to 1.5 Mbps and beyond, while upstream speeds vary from 128 kbps to 384 kbps.

***T-1 Line:***

A high-speed telecommunications line that allows large amounts of data to move very quickly between two fixed locations. T-1 lines can be used to connect a facility to the Internet or to connect two facilities to each other for the purpose of data or video transmission. The cost of a T-1 line depends upon how many miles it has to travel. In rural areas, because of potentially long distances between locations, T-1 lines can be very expensive.

***Carrier:***

Another term for telephone company. In this guide, the terms *carrier*, *phone company* and *service provider* are used interchangeably. Depending on geographical location, different telecommunications services may be purchased from a phone service provider other than the local phone company.

***Internet Protocol (IP).***

Internet Protocol is a data communication language that helps bits of data move from place to another. Increasingly, video conferencing is done using video-over-IP, which is a way of moving video images at high-speed over communication lines.

## III. STATE AND FEDERAL PROGRAMS:

### *Eligibility and Covered Services*

Both the State of California and the Federal Communications Commission (FCC) provide discounts designed specifically for health care providers (HCP): the California Teleconnect Fund (CTF) and the federal Universal Service Administrative Company Rural Health Care Division (USAC). Both of these programs are paid for by telephone service consumers. Following is a very brief overview of each program.

#### *California Teleconnect Fund (CTF)*

CTF provides 50% discounts on a variety of telecommunications services for qualified healthcare services providers and other organizations. In January 2005, CTF announced that CTF participants are eligible to receive 40% discount on the one-time installation costs of their advanced services. Installation of the initial advanced service must occur after September 23, 2003 and before March 1, 2006. Funding for this discount is provided on a first come, first served basis until the appropriation is exhausted. For more information about CTF Installation One-Time Discount, please read the CPUC [announcement](#).

For a complete listing of the services and discounted prices available through the program, visit the [California Teleconnect Fund](#) web site.

#### *Universal Service Fund (USAC)*

USAC provides discounts *solely* to HCPs geographically located in rural areas. (To view USAC-defined rural areas, click [here](#).) USAC was set up to ensure that rural HCPs pay *no more* than their urban counterparts for equivalent telecommunications services used for the provision of health care. If a rural telecommunications service costs the same or more in an urban area, then the service will not be discounted. In addition, USAC will also reduce the cost of Internet services for eligible rural healthcare providers by 25%. For a complete listing of the services and discounted prices available through the program, visit the USAC [Rural Health Care Division \(RHCD\) web site](#).

Depending on the type of service applied for, USAC will either cover the difference in the urban/rural costs for the equivalent service, or will cover a certain amount of miles for services that are mileage sensitive. The first type of

support is called “*cost comparison*” and is used when the same service in an urban area costs less than the same service in a rural area.

USAC has determined the urban cost for a variety of telecommunications services. For example, in California, the urban cost of a T-1 line for 2005 is considered to be \$270 per month. If a rural provider is paying more than that, then USAC will reimburse the difference between the rural rate and the urban rate.

## EXAMPLES:

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A non-profit rural hospital installs ISDN service that costs \$150 per month. The same ISDN service in the closest urban area costs \$75 per month. USAC would pay the difference between the urban/rural cost of \$75 per month.

A rural public health department is paying \$2,000 per month for a T-1 line that connects them to the STATE HEALTH department located 250 miles away. USAC will pay the difference between \$2,000 and \$270, for a savings of \$1,730 per month.

TO DETERMINE THE NUMBER OF MILES USAC WILL PAY FOR:

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$MAD^* - SUD^{**} = \text{MILES ELIGIBLE FOR USAC SUPPORT}$

\* MAXIMUM ALLOWABLE DISTANCE

\*\* STANDARD URBAN DISTANCE

## ***Provider Eligibility and Discount & Subsidy Services At A Glance***

### ***CALIFORNIA TELECONNECT FUND (CTF)***

<b>ELIGIBLE PROVIDERS</b>	<b>DISCOUNT SERVICES</b>
Healthcare institutions, hospitals and health clinics that are owned and operated by a municipal or county government or a hospital district	A <b>50%</b> discount applies to: <ul style="list-style-type: none"> <li>• All MBSL</li> <li>• ISDN</li> <li>• Switched 56 lines</li> <li>• DSL</li> <li>• T-1</li> <li>• DS-3</li> <li>• and up to and including OC-192 services or their functional equivalents.</li> </ul>
Community based, tax-exempt organizations (CBOs) that offer health care, job training, job placement or educational instruction	
Tax-exempt community technology programs/ CBOs that offer access to and training in the Internet and other technologies	
<p><b>CTF Discounts do not apply to the cost of making phone calls, or <i>usage</i>, via MBSL or ISDN lines.</b></p>	

**FEDERAL UNIVERSAL SERVICE FUND (USAC)****ELIGIBLE PROVIDERS - MUST BE GEOGRAPHICALLY LOCATED IN RURAL AREAS.**

Post-secondary educational institutions offering healthcare instruction, such as teaching hospitals and medical schools

Community health centers or health centers providing health care to migrants

Community mental health centers

Local health departments or agencies, not-for-profit hospitals, and rural health clinics including mobile clinics

Dedicated emergency room departments in rural, for-profit hospitals

A consortia of healthcare providers consisting of one or more of the above entities

Part-time eligible entities located in otherwise ineligible facilities

**DISCOUNT SERVICES - (USAC WILL PAY THE DIFFERENCE BETWEEN THE URBAN AND RURAL RATES FOR THESE SERVICES)**

- Mileage Related Charges
- T3 or DS3
- T1
- Fractional T1
- ISDN (BRI and PRI)
- Frame Relay
- ATM
- Off-Premise Extension
- Satellite Service
- Centrex
- Dedicated Private Line
- Foreign Exchange Line
- Network Reconfiguration Service
- Direct Inward Dialing
- One time (Installation) Charges
- Wireless or microwave services
- DSL
- 25% discount for Internet Services

**These services can be provided by a local telephone company, or other type of telecommunications providers determined eligible by the FCC. [Click Here](#) to see the list of eligible telecommunications service providers.**

## IV. STEP – BY – STEP INSTRUCTIONS

### *Completing Program Application Forms*

This section provides the information needed to successfully apply for each program, helpful links to appropriate web sites (noted in **blue text**), and practical tips to simplify and expedite the application process (noted in **red text**). Please note that each program reserves the right to change policies, procedures, and application processes without notice, so it is always a good idea to check each program's general reference web sites (provided below) for the most up-to-date program information.

#### ***CALIFORNIA TELECONNECT FUND (CTF)***

**Web site:** [California Teleconnect Fund](#)

To apply for the California Teleconnect Fund, complete the CTF [application form](#) located on the California Public Utilities Commission (CPUC) web site and mail it, along with the required supporting documentation, to the following address:

California Public Utilities Commission  
Telecommunications Division  
Attention: California Teleconnect Fund  
505 Van Ness Avenue, Third Floor  
San Francisco, CA 94102

The CTF application form is fairly straightforward. The most common mistake made when applying for CTF discount eligibility is not sending in the additional information requested on the form. If the applicant has a 501-c-3 or 501-d tax-exempt status, a copy of the provider's tax-exempt statement from the IRS and most recently issued IRS Form 990 *must be* attached to the application.

Applications must also include a copy of the organization's mission statement and a brochure that describes the organization's activities.

Once the application form, along with all of the required information, has been mailed to the CPUC, it can take up to 120 days to be notified regarding an eligibility determination. The CPUC notifies applicants of their eligibility

determination in writing, and discounts are applied retroactively to the date of application receipt by the CPUC. The CPUC also notifies eligible providers' telephone companies of their eligibility determination as well.

After the healthcare provider receives written notification of eligibility from the CPUC, the provider **MUST** contact its phone company and let them know of the provider's eligibility to receive discounts. It should take the phone company 2-3 months to apply these discounts to the health care provider's bill, but the phone company will also retroactively discount phone service charges back to the date the CPUC received the provider's application.

## HELPFUL TIP:

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If SBC is the healthcare provider's telephone company, complete a [Discounted Advanced Services Form \(DAS\)](#)

## EXAMPLE:

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*Health For All* is a non-profit, tax-exempt organization that provides health services in a poor Los Angeles urban neighborhood. *Health For All* has five business lines that cost a total of \$95 per month. It also has DSL service that costs \$79 per month, and three ISDN lines used for telemedicine that cost \$110 per month. *Health For All* applied for CTF discounts and their application was received on July 1, 2004. *Health For All* was notified by the CPUC on September 1, 2004 that it is eligible for CTF discounts. SBC also was notified on September 1 that *Health For All* became eligible on July 1. *Health For All* sent in the DAS form to SBC and beginning on December 1, 2004, *Health For All* noticed their monthly SBC phone bill for line charges dropped from \$284 to \$142 per month. They also noticed that they received a *credit* on their previous month's bill of \$284 to reflect the fact that they had been eligible for the discounts retroactively back to July 1.

These discounts will remain in place until the CPUC is notified of any changes that negatively impact a provider's eligibility status. **It is the health care provider's responsibility to notify CPUC of any change to a provider's application within 30 days of the date of change.**

### *CTF APPLICATION PROCESS SUMMARY*

- 1) Determine provider eligibility by reviewing the [CTF Website](#).
- 2) Complete the [application form](#) and, if the provider has 501-c-3 or 501-d status, send in the following supporting documentation:
  - a. IRS tax-exempt statement copy
  - b. Most recently issued IRS Form 990
  - c. Organization's mission statement
  - d. Brochure or other printed material describing provider services
- 3) The CPUC will send written notification to the healthcare provider eligibility for CTF discounts. The healthcare provider then notifies the phone company to let it know which services should be discounted. Use the [SBC DAS Form](#) if your phone company is SBC to notify them of which telephone numbers should be discounted. Remember to include ALL of your phone numbers: voice lines, FAX lines, modem lines, DSL, ISDN, T-1, etc and be sure to include all of your facilities.
- 4) Phone bill reductions should occur within 2-3 months after the provider's phone company has been notified regarding its eligibility. A retroactive *credit* will be reflected on the provider's phone bill to show discounts retroactive to the CPUC's application date of receipt.
- 5) Discounts will be received for as long as the eligible provider has these telephone services continues to meet the eligibility criteria established by the CPUC.

## *FEDERAL USAC RURAL HEALTH CARE DIVISION*

**Web site:** [USAC Rural Health Care Division \(RHCD\)](http://www.rhc.universalservice.org)  
([www.rhc.universalservice.org](http://www.rhc.universalservice.org))

There are several steps to applying for USAC. Most of these steps must be completed **annually** in order for an eligible provider to continue receiving discounts. The good news is that once the process has been completed for the first time, much of the reapplication work can be completed online, with most of the forms already filled out. If at any time assistance is needed with the application process, a Help Line is available at 1 (800) 229-5476. The [Rural Healthcare Division \(RHCD\)](http://www.rhc.universalservice.org) web site also provides detailed application instructions.

This guide will not attempt to recreate the detailed instructions for completing the required USAC forms to receive federal universal service since these are available on the RHCD web site and/or by calling the provided Help Line number. Instead, the purpose of this section is to provide a simplified overview of the process to encourage eligible providers to take advantage of this program. In addition, and perhaps of greater value, this guide will provide real world tips and helpful hints to make this process as easy as possible.

Because this is an annual program, program rules and procedures may change. Visit the RHCD web site to get the latest forms and information before proceeding with the application process.

**USAC APPLICATION PROCESS SUMMARY FOR FIRST TIME APPLICANTS**

- 1) Go to the [FCC web site](#) and obtain an FCC Registration Number (FRN)
- 2) Download and fill out [USAC Form 465](#) to become an Eligible Healthcare Provider (HCP). Applicants must sign and mail this form to USAC.
- 3) After being notified of HCP eligibility, go back to the USAC web site to become e-certified. ([Click Here](#) to begin the e-certification process. Once an applicant is e-certified, all forms can be completed on-line and processing time is much faster.
- 4) After being notified by USAC of HCAP eligibility, wait 28 days before selecting a telephone service provider and ordering services.
- 5) After waiting 28 days from the date of eligibility notification, fill out [Form 466](#) to request discounts on specific ordered telephone services and verify that the telecommunications services are operational.
- 6) If desired, fill out [Form 466-A](#) to receive 25% reduction in the cost of Internet Services.
- 7) Receive a [Funding Commitment Letter](#) showing what discounts will be given. Fill out [Form 467](#) to let USAC know that telecommunications services are connected and operating. Checks and/or credits on covered telecommunications services should be receiving within 60 days.

**TIP:**

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Become e-Certified and use the RHCD web site to save time!

Once an HCP receives an HCP number from USAC, the HCP can become [e-certified](#). Complete the e-certification process on-line by [clicking here](#), typing in your HCP number and creating a password. Remember your password for future reference.

Once an HCP has become e-certified, [Form 465](#), [Form 466](#) and [Form 466A](#) can all be completed online. This saves time, as forms are processed more quickly, and because parts of the forms are already completed! To use the RHCD online forms, one must have a healthcare provider number and a password. These will

be provided to an eligible rural healthcare provider after submitting the very first Form 465. Please call the RHCD Help Desk at 1-800-229-5476 with any questions regarding how to access the web site.

***STEP 1 – Obtain an FCC Registration Number (FRN)***

All organizations that want to participate in the USAC program must first have a FCC registration number. This is a very simple form to fill out – a sample form, along with a link to the FCC website, is on the next page. This form only needs to be completed once – be sure to note down your FCC number and password for future reference.

FCC Registration Number Form

Complete this form and submit electronically. You will receive a FCC Registration Number to use on all future USAC forms. Remember your FCC Number and Password!

Find this form at the [FCC Registration Number site](#)

Business Type:  Subtype:

Business Name:\*

EIN:

**Contact Information**

Organization:  Position:\*

Salutation:  First Name:

Middle Initial:  Last Name:

[Suffix:](#)

Address Line 1:\*  Address Line 2:

City:\*  State:\*

Zip Code:\*   Phone:\*    ext.

Fax:    Email:

**FRN Password**

Enter a 6- to 15-digit case-sensitive password of your choice, or leave both password fields blank if you would like the system to generate a password for you. [For advice on how to choose a secure password, click here.](#)

Password:  Re-enter Password:

Hint:

**SUBMIT**

Asterisks (\*) indicate required fields.

***STEP 2 - Fill out [Form 465](#)***

To become an eligible Health Care Provider (HCP), Form 465 must be filled out and submitted to the RHCD of the Universal Service Administration Corporation (USAC). This form lets the RHCD know who the provider is, where it is located and whether it is eligible to receive telecommunication discounts. If this is the first time the provider is applying for USAC, [Form 465 may be filled out online](#) but a signed copy must also be mailed to RHCD. Following are line-by-line instructions on how to complete a Form 465.

**STEP BY STEP INSTRUCTIONS**

FCC Form  
465

**Health Care Providers Universal Service  
Description of Services Requested & Certification Form**

Approval by OMB  
3060-0804

Estimated time per response: 1 hour

**Read instructions thoroughly before completing this form. Failure to comply may cause delayed or denied funding.**

Form 465 Application Number (assigned by RHCD) <b>LEAVE THIS SPACE BLANK</b>						
<b>Block 1: HCP Location Information</b>						
Information required in this block applies to the <b>physical location</b> of the HCP. Do not enter a "PO Box" or "Rural Route" address.						
1	HCP Number	SEE NOTE BELOW	2	Consortium Name	SEE NOTE BELOW	
3	HCP Name		4	HCP FCC Registration Number (FCC RN)	SEE NOTE BELOW	
5	Contact Name					
6	Address Line 1	SEE NOTE BELOW				
7	Address Line 2		8	County		
9	City		10	State	11 ZIP Code	
12	Phone #		13	Fax #	14 E-mail	
<b>LINE 1 - If this is the first time you have ever applied for USAC support, leave this blank. You will receive your HCP number when you receive notification of your eligibility. If you already have an HCP number, insert it here.</b>						
<b>LINE 2 - If you are part of a larger group that is purchasing telecommunications services on your behalf, put the name of that "Consortium" in this space. Otherwise, just leave it blank.</b>						
<b>LINE 4 - See instructions on how to obtain this number on Page 14 of this guide</b>						
<b>LINE 6 - For organizations with more than one physical location, you must complete a separate Form 465 for each location that wishes to be eligible for USAC discounts. Be sure this location is located in a rural area as defined by the FCC.</b>						
<b>Block 2: HCP Mailing Contact Information</b>						
15	Is the HCP's mailing address (where correspondence should be sent) different from its physical location described in Block 1?			<input type="checkbox"/>	Yes, complete Block 2	
				<input type="checkbox"/>	No, go to Block 3.	
16	Contact Name		17	Organization		
18	Address Line 1					
19	Address Line 2					
20	City		21	State	22 ZIP Code	
23	Phone #		24	Fax #	25 E-mail	
<b>FILL OUT BLOCK 2 ONLY IF SOMEONE OTHER THAN THE CONTACT PERSON LISTED IN BLOCK 1 SHOULD BE GETTING INFORMATION ABOUT THE USAC PROCESS. THIS MIGHT BE THE CASE IF YOU ARE PART OF A CONSORTIUM, OR IF THE RHCD PROCESS IS BEING COORDINATED BY SOMEONE ELSE IN YOUR ORGANIZATION.</b>						
<b>Block 3: Funding Year Information</b>						
26	Funding Year (Check only one box)					
	<input type="checkbox"/>	Year 2005 (7/1/2005-6/30/2006)	<input type="checkbox"/>	Year 2006 (7/1/2006-6/30/2007)	<input type="checkbox"/>	Year 2007 (7/1/2007-6/30/2008)
<b>BE SURE TO SELECT THE CORRECT FUNDING YEAR - THIS IS THE PERIOD FOR WHICH YOU WILL RECEIVE SUPPRT</b>						
<b>Block 4: Eligibility</b>						
27	Only the following types of HCPs are eligible. Indicate which category describes the applicant. (Check only one.)					
	<input type="checkbox"/>	Post-secondary educational institution offering health care instruction, teaching hospital or medical school	<input type="checkbox"/>	Rural health clinic		
	<input type="checkbox"/>	Community health center or health center providing health care to migrants	<input type="checkbox"/>	Consortium of the above		
	<input type="checkbox"/>	Local health department or agency	<input type="checkbox"/>	Dedicated ER of rural, for-profit hospital		
	<input type="checkbox"/>	Community mental health center	<input type="checkbox"/>	Part-time eligible entity		
	<input type="checkbox"/>	Not-for-profit hospital				
28	If consortium, dedicated emergency department, or part-time eligible entity was selected in Line 27, please describe the entity. <b>IF YOU ARE ONE OF THESE TYPES OF ENTITIES, YOU MIGHT WANT TO CALL THE USAC HELP DESK AT 1-800-229-5476 FOR HELP IN COMPLETING THIS SECTION</b>					
29	Please describe the eligible health care provider's telecommunications and/or Internet service needs, so that service providers may bid to provide the services. The description should describe whether video or store and forward consultations will be used, whether large image files or X-rays will be transmitted, the quality of connection needed, or other relevant considerations. <b>BE AS SPECIFIC AS YOU CAN REGARDING BANDWIDTH REQUIREMENTS HERE - FOR EXAMPLE, 1.54 MBPS T-1 LINE NEEDED TO SEND DIGITAL X-RAYS, OR 384KBPS ISDN TO SUPPORT VIDEO CONFERENCING.</b>					
<b>Block 5: Request for Services</b>						
30	Is the HCP requesting reduced rates for:					
	<input type="checkbox"/>	Both Telecommunications & Internet Services	<input type="checkbox"/>	Telecommunications Service ONLY	<input type="checkbox"/>	Internet Service ONLY

**IT IS RECOMMENDED THAT YOU CHECK THE FIRST BOX THAT REQUESTS SUPPORT FOR BOTH TELECOMMUNICATIONS AND INTERNET SERVICES. THIS MAINTAINS YOUR OPTIONS ONCE YOU RECEIVE BIDS FOR SPECIFIC SERVICES**

<b>Block 6: Certification</b>	
31 <input type="checkbox"/> I certify that I am authorized to submit this request on behalf of the above-named entity or entities, that I have examined this request, and that to the best of my knowledge, information, and belief, all statements of fact contained herein are true.	
32 <input type="checkbox"/> I certify that the health care provider has followed any applicable State or local procurement rules.	
33 <input type="checkbox"/> I certify that the telecommunications services that the HCP receives at reduced rates as a result of the HCP's participation in this program, pursuant to 47 U.S.C. Sec. 254 as implemented by the Federal Communications Commission, will be used solely for purposes reasonably related to the provision of health care service or instruction that the HCP is legally authorized to provide under the law of the state in which the services are provided and will not be sold, resold, or transferred in consideration for money or any other thing of value.	
34 <input type="checkbox"/> I certify that the health care provider is a non-profit or public entity.	
35 <input type="checkbox"/> I certify that the health care provider is located in a rural area. Visit the RHCD website: ( <a href="http://www.rhc.universalservice.org/eligibility/ruralareas.asp">www.rhc.universalservice.org/eligibility/ruralareas.asp</a> ) or contact RHCD at 1-800-229-5476 for a listing of rural areas.	
36 <input type="checkbox"/> Pursuant to 47 C.F.R. Secs. 54.601 and 54.603, I certify that the HCP or consortium that I am representing satisfies all of the requirements herein and will abide by all of the relevant requirements, including all applicable FCC rules, with respect to funding provided under 47 U.S.C. Sec. 254.	
37 Signature	38 Date
39 Printed name of authorized person	40 Title or position of authorized person
41 Employer of authorized person	42 Employer's FCC RN

**CHECK ALL OF THE BOXES, SIGN THE FORM, AND INCLUDE THE FCC REGISTRATION NUMBER LISTED ON LINE 4 ON THE FIRST PAGE. IF THIS IS YOUR FIRST APPLICATION, YOU MUST MAIL THIS FORM TO THE ADDRESS BELOW. ALL FUTURE CORRESPONDANCE WITH USAC WILL BE ELECTRONIC.**

**Please remember:**

- ◆ Form 465 is the **first** step a health care provider must take in order to receive the benefit of reduced rates resulting from participation in this universal service support program.
- ◆ After the HCP submits a complete and accurate Form 465, the RHCD will post it on the RHCD web site for 28 days.
- ◆ HCPs may not enter into agreements to purchase eligible services from service providers before the **28 days expire**.
- ◆ After the HCP selects a service provider, the HCP must initiate the **next** step in the application process, the filing of Form 466 and/or 466A.

Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. Secs. 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. Sec. 1001.

**FCC NOTICE FOR INDIVIDUALS REQUIRED BY THE PRIVACY ACT AND THE PAPERWORK REDUCTION ACT**

Part 3 of the Commission's Rules authorize the FCC to request the information on this form. The purpose of the information is to determine your eligibility for certification as a health care provider. The information will be used by the Universal Service Administrative Company and/or the staff of the Federal Communications Commission, to evaluate this form, to provide information for enforcement and rulemaking proceedings and to maintain a current inventory of applicants, health care providers, billed entities, and service providers. No authorization can be granted unless all information requested is provided. Failure to provide all requested information will delay the processing of the application or result in the application being returned without action. Information requested by this form will be available for public inspection. Your response is required to obtain the requested authorization.

The public reporting for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the required data, and completing and reviewing the collection of information. If you have any comments on this burden estimate, or how we can improve the collection and reduce the burden it causes you, please write to the Federal Communications Commission, AMD-PERM, Paperwork Reduction Act Project (3060-0804), Washington, DC 20554. We will also accept your comments regarding the Paperwork Reduction Act aspects of this collection via the Internet if you send them to [jboley@fcc.gov](mailto:jboley@fcc.gov). PLEASE DO NOT SEND YOUR RESPONSE TO THIS ADDRESS.

Remember - You are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid OMB control number or if we fail to provide you with this notice. This collection has been assigned an OMB control number of 3060-0804.

THE FOREGOING NOTICE IS REQUIRED BY THE PRIVACY ACT OF 1974, PUBLIC LAW 93-579, DECEMBER 31, 1974, 5 U.S.C. 552a(e)(3) AND THE PAPERWORK REDUCTION ACT OF 1995, PUBLIC LAW 104-13, OCTOBER 1, 1995, 44 U.S.C. SECTION 3507.

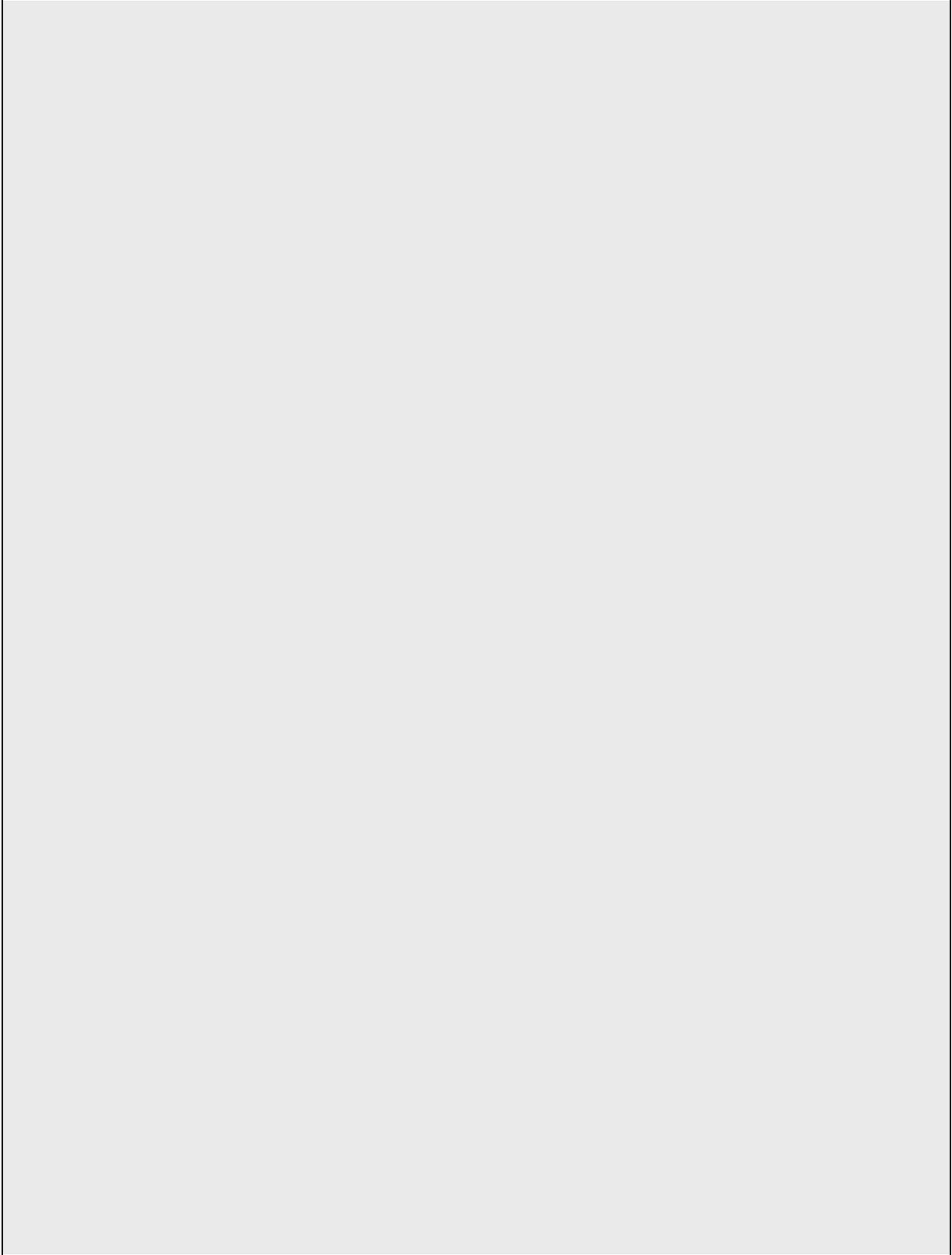
This form should be submitted to:

Rural Health Care Division  
 80 S. Jefferson Rd.  
 Whippany, NJ 07981

***STEP 3 – Wait 28 days before ordering phone service that you wish have discounted through USAC.***

Once an application has been reviewed and approved by RHCD, it will be posted on its web site. [Form 465 postings](#) may be reviewed on the RHCD web site and telephone companies have 28 days to contact a provider to offer requested services. **DO NOT ORDER PHONE SERVICE FROM ANYONE UNTIL THE 28-DAY TIME PERIOD HAS PASSED!**

One of the goals of the USAC is to promote competition between telephone companies to provide services to rural areas. All bids must be considered before selecting the most cost-effective one based upon features offered, quality of transmission, reliability and other factors that impact which service will be best for the provider. After 28 days have passed, selection may be made from received bids. If no bids are received, then services may be ordered directly through the provider's local phone company or any other suitable telephone company.



**TIP:** TIMING IS EVERYTHING!!!!

USAC provides support on an annual basis using a July 1– June 30 Funding Year. If applying for services that are already operational, be sure to file Form 465 **at least 28** days prior to July 1 of every year. The RHCD allows HCPs to begin filing for the upcoming funding year several months before July 1, so it **pays** to file Form 465 no later than May 1 of each year. Make filing for USAC discounts an annual spring “To Do!”

It is also critical to file the Form 466 before June 30 of each Funding Year. Otherwise, you will not receive support for the previous 12-month period.

If services are already being provided through a contractual arrangement, call the RHCD Help Desk at 1-800-229-5476 to find out how to apply for services with a pre-existing contract.

***STEP 4 – Fill out [Form 466](#) to request discounts on specifically ordered telephone services***

Form 466 lets the RHCD know the types of requested services to be discounted, figures out how much of a discount may be received and lets them know which phone companies will be contracted with. If a health care provider is requesting discounts for more than one service (for example, two T-1 lines, then a separate Form 466 must be completed for each service). Form 466 may be completed [online](#), and many of the boxes are already filled out. However, all of the boxes on the form must be completed, even the ones that are blank. In addition, there are several attachments to Form 466 that must also be submitted before an application can be fully processed.

Form 466 is more complicated than the Form 465 but there is help available. The RHCD web site has extensive instructions, a completed sample Form 466, and Help Desk staff to assist with this part of the application process. Phone company representatives may also provide HCPs with the information needed to fill out this form.

***Before filling out the Form 466, organize the following information:***

- a. **What types of telecommunication service discounts are being requested?** Review the list of [telecommunications services](#) that are eligible for discounts and work with the phone service provider that offers the best combination of price and other features. A separate Form 466 must be filled out for each different type of service (e.g. more than one T-1

- line, ISDN, etc) and for each different rural location that is connected to the services.
- b. **Where will these services start and end?** Most services have a beginning point (usually a rural location) and an end-point (some distant location, or perhaps a transfer to another phone company). Work with the selected carrier to design a circuit from the address of where it begins to the address of where it will end and how many miles it is traveling.
  - c. **Determine how the service is priced.** Once again, the phone company can provide this information. Some services are priced based on the length of the circuit. Other services are not mileage-based, but are flat rate services.

## EXAMPLE: FLAT RATE PRICING

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ISDN lines are priced at a flat rate per line. If an ISDN line costs the same in a rural area as it does in the nearest urban area, then there is no urban/rural difference and this service does not qualify for USAC support. However, sometimes needed services are not available in a rural area. To bring these services to the rural area will cost more than the same services in the urban area. In this case, determine all of the cost elements of the needed service to be brought in, subtract it from the cost of the equivalent service in the nearest urban area, or use the [posted urban rates](#) from the USAC web site to determine the difference between the cost of equivalent services between the rural area and the urban area.

## EXAMPLE: MILEAGE-BASED PRICING

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T-1 lines have three cost elements. For example, a \$1,200 T-1 line is priced as follows:

- A fixed monthly cost for the line – In this example, the monthly fixed cost is \$120.
- Channel termination charges - In this example, the channel termination charges are \$165 each. Since there are two of them (each end of the circuit), channel termination charges are \$330.
- Mileage charges– this is the cost per mile that the phone company charges for the length of the circuit. In this example, the length of the circuit is 30 miles and the phone company charges \$25/mile. So the monthly charge for mileage is \$750.

Be sure to obtain all of the costs of any lines that will be discounted. This becomes important if you need to request support using a mileage-based formula (see Tips on completing the 466, below)

- d. If the telecommunications services ordered involve more than one phone company, or if the healthcare provider is part of a consortium, sketch out the desired system and make sure all of its components are understood. Phone company account representatives can help with this process. And, if things get complicated, call the RHCD Help Desk at 1-800-229-5476.

### ***WORKING WITH THE PHONE COMPANY***

To make the USAC application process easier and faster, it is important to work with someone at the phone company or telecommunication service reseller who can provide the information needed to complete application forms correctly. Develop a good relationship with someone that can be contacted for, reliable and current information. One of the best ways to do this is to become part of a marketing group or have a dedicated account representative. If a phone company is offering services as a result of a posted application for USAC, inquire who in their company will assist with the application process. Be persistent and keep asking for higher-level supervisors until someone agrees to provide the necessary assistance.

Some phone companies or reseller will offer to bill the HCP at the discounted rate while USAC is completing the review process on a Form 466. Be sure to get this offer in writing as part of a contract for services!

## TIPS ON COMPLETING THE FORM 466

- For most telecommunication services such as T-1 line, the easiest way to complete this form is to use the [Urban Rates Search](#) on the USAC web site to determine the urban cost of the equivalent service. For example, if your rural T-1 line costs \$1,200, the urban cost for a T-1 line in California is \$270. Depending on your location, you will receive a refund or credit of the difference between the urban and rural costs. If you do this, and complete only Block 6 of the Form 466, this will not be a complicated process.
- Line 19 of the Form 466 will indicate the Maximum Allowable Distance (MAD) in miles that will be supported for each HCP. The MAD is used to calculate the maximum number of miles of a circuit that are eligible for support. The MAD is determined by USAC as the distance from the rural location of the HCP to the largest city within each state. For California, this would be Los Angeles. If a rural HCP is only 100 miles from LA, but needs a T-1 line that is 150 miles, then they will not receive support for the *mileage-based charges* for the last 50 miles of that line. HCPs in this situation should call the RHCD Help Desk at 1-800-229-5476 for more information.
- You can complete the Form 466 on-line, but must send in required documentation by mail to ensure that your form is processed. Examples of the kinds of documentation you need to send include:
  - Verification of the bandwidth and type of service you are requesting to be discounted (Line 17). Get this from the telecommunications company who is providing you with the service.
  - If you have a contract for telecommunication services, attach a copy of the contract (Line 29).
  - You will need documentation of the rate that you will be paying from your service (Line 33). Get this from the telecommunications company you are working with.
  - If your services are provided by multiple phone companies OR you are part of a consortium, you need to provide a circuit diagram (Line 34). This need not be fancy, but needs to provide an understanding of how phone companies and/or multiple sites interconnect.

- If you are a mobile health provider, you will need to provide a list of all of the sites to be served by the telecommunications services you are requesting (Line 35).
- If you are requesting reimbursement for the difference between the urban and rural cost of installing a new service, you will need to provide documentation of the urban and rural installation rates (Lines 39 and 40).
- If you choose not to use the Urban Rate provided by USAC on their web site, you must provide documentation of a lower urban rate (Line 41).
- If you received any bids for telecommunication services, you must provide copies of the bids (Line 45).

### ***COMMON MISTAKES MADE IN COMPLETING FORM 466***

- 1) Not including all of the support documentation requested by RHCD.
- 2) Not filling in all of the blank lines.
- 3) Completing BOTH Block 5 and Block 6. Only one of these blocks should be completed for each Form 466, not both.
- 4) Not signing the Form 466 if sending the Form in by mail. If filing the form on-line, the form will be signed via e-certification.
- 5) Be sure to file your Form 466 no later than June 30th of the year for which you want support. For example, if you wait until August 2006 to request support for the Funding Year that ended in June 2006, you will be denied support.

**STEP BY STEP INSTRUCTIONS**

FCC Form  
**466**

**Health Care Providers Universal Service  
Funding Request and Certification Form**

Approval by OMB  
3060-0804

The Deadline to submit this Form is the June 30th End of the Funding Year.

Estimated time per response: 3 hours

**Read instructions thoroughly before completing this form. Failure to comply may cause delayed or denied funding.**

<b>Block 1: HCP Information</b>				
1 HCP Name		2 HCP Number <b>OBTAINED FROM USAC</b>		
3 Form 466 Application # <b>OPTIONAL</b>		4 Consortium Name (If any)		
<b>IF E-CERTIFIED AND COMPLETING THIS FORM ON-LINE, THIS INFORMATION WILL BE FILLED OUT FOR YOU!</b>				
<b>Block 2: Bill Payer Information</b>				
5 Billed Entity Name SEE NOTE BELOW		6 Billed Entity FCC RN SEE NOTE BELOW		
7 Contact Name				
8 Address Line 1				
9 Address Line 2				
10 City		11 State	12 Zip	
13 Contact Phone #		14 Fax #		15 E-Mail
<b>LINE 5 - WHAT'S A BILLED ENTITY? Sometimes, someone other than the HCP actually pays the phone bill. This might be the case if you are part of a multi-site provider organization, and all of the bills are paid from a central office. Or you may be part of a consortium that pays the bill for the services covered by USF. Whoever pays the phone bill will be the entity that receives the USF discounts.</b>				
<b>LINE 6 - Even if the HCP has its own FCC number, the entity that pays the phone bills for the HCP must also have its own FCC Registration Number. See instructions on how to obtain an FCC RN on page 14 of this guide.</b>				
<b>Block 3: Funding Year Information</b>				
16 Funding Year - Check only one box				
<input type="checkbox"/> Year 2005 (7/1/2005-6/30/2006)		<input type="checkbox"/> Year 2006 (7/1/2006-6/30/2007)		<input type="checkbox"/> Year 2007 (7/1/2007-6/30/2008)
<b>Be sure to select the correct funding year. If completing this form on-line, the correct year will be checked for you</b>				
<b>Block 4: Service Information</b>				
17 Type of Service & Circuit Bandwidth (Enclose documentation.) <b>Get this info from phone co. or reseller - also see note below</b>				
18 Total Billed Miles <b>See note below</b>		19 Maximum Allowable Distance (From Form 466) <b>Will be filled out</b>		
20 Percentage of HCP's service used for the provision of health care: <b>100% - see note</b> (If less than 100%, please explain.) If the HCP indicated it is a part-time eligible entity (on Form 466), describe method of allocating prorated support. <b>See note below</b>				
<b>LINE 17 - You must mail in a bill or service order or other document from the phone company or reseller that describes the telecommunications services that will be discounted.</b>				
<b>LINE 18: Charges for some types of services are based on the distance between your facility and a connecting location. You can get this information from the telephone carrier that is providing you with this service. For example, if you have a T-1 line that is 25 miles long, you would put 25 in this line. If you have mileage-based services provided by more than one phone company or reseller, put the total miles of the circuit here.</b>				
<b>LINE 20 - USAC has determined that any use of discounted telecommunication services that supports health care delivery is an appropriate use, including administrative services such as transmitting billing information and obtaining medical education services via videoconferencing. If you are going to allow ineligible organizations to use discounted lines, then the subsidy support from USAC will be reduced by the percentage of time lines used for ineligible purposes</b>				
<b>Connection Information</b>				
		<b>Carrier A</b>	<b>Carrier B</b>	<b>Carrier C</b>
21 Service Provider Name				
22 Service Provider Identification Number (SPIN)				
23 Service Provider Contact Person Name				
24 Service Provider Contact Person's Phone #				
25 Service Provider Contact Person Email				
26 Circuit Start Location				
27 Circuit Termination Location				
<b>LINE 21 - Put the name of the phone company or reseller that you are buying services from here. If you purchase services from more than one company, list each company separately</b>				
<b>LINE 22 - This is a unique ID number for each phone company. Your phone company service representative can give you this information. If you are listing more than one carrier, list the SPIN for each company</b>				
<b>LINE 23 -25 - Identify the name and contact information for each phone company listed in Line 21</b>				
<b>LINE 26 - Put the address of where your service starts. For example, if you are running a T-1 line from your rural clinic to an urban hospital, put the address of the rural clinic here. If you are working with more than one phone company to provide you with services, your circuit may travel from your rural location to a "meet-me" point where the phone companies meet to transfer services between each other. Contact the phone company to help you determine the start location of each phase of the circuit.</b>				
<b>LINE 27 - Put the address of the location where your service ends. For example, if you are running a T-1 line from your rural clinic to an urban hospital, put the address of the urban hospital here.</b>				

Connection Information		Carrier A	Carrier B	Carrier C	Carrier D
28	Billing Account Number				
29	Tariff, Contract, or other document reference number				
30	Date Contract Signed or Date HCP Selected Carrier				
31	Contract Expiration Date (mm/dd/yyyy or "T")				
32	Service Installation Date				
33	Actual Rural Rate per Month (Enclose Documentation)				
34	If you are a consortia member OR have multiple carriers, please attach a Circuit Diagram to show how the sites interconnect and which carrier(s) provide each circuit segment. Circuit Diagram included: Yes No				
35	Are you a mobile rural health care provider? Yes No If yes, see instructions and attach a list of all sites to be served.				

**LINE 28: Each service that you receive has some type of billing number associated with it. This is sometimes called the BTN: (Billed Telephone Number). Get this number from your phone company. Even if this is a new service, the company should have some type of temporary number it is using to identify this service.**

**LINE 29: Your phone company representative will tell you whether you are ordering services from a tariff or a contract. Your contract will have some kind of identifying number – put it here.**

**IF YOU HAVE A CONTRACT FOR SERVICES, A COPY MUST BE INCLUDED WITH THIS FORM. If you do not have a contract, then you are purchasing services at tariff rates approved by the California Public Utilities Commission. Just put "CPUC" here to let RHCD know that these are CPUC tariff rates.**

**LINE 30: Put the date you selected the service provider who will provide the services you are requesting here. THIS DATE MUST BE AT LEAST 28 DAYS AFTER FORM 465 HAS BEEN POSTED ON THE RHCD WEBSITE!**

**LINE 31: If you have a contract, put the contract expiration date. If you do not have a contract, just insert "T" for tariff.**

**LINE 32: If you are ordering a new service, list the date that you think service will start. If you have existing service, put the date that the service was originally installed here.**

**LINE 33: List the total cost of the service for which you are requesting support. You can get this information from your phone bill (if your service is already turned on), your contract for new or existing services, or some other documentation from the phone company. This total cost of services is called your "Rural Rate."**

**YOU MUST SEND DOCUMENTATION OF YOUR RURAL RATE TO RHCD WHEN YOU SUBMIT FORM 466. USE A RECENT PHONE BILL OR THE BID PROVIDED TO YOU BY THE PHONE COMPANY.**

**LINE 34: If more than one phone company is providing you with requested services, or you are part of a consortium, you must attach a circuit diagram that shows how the phone companies and/or the consortium members are connected.**

**Check "Yes" or "No" to indicate whether or not you have attached a circuit diagram.**

**LINE 35 - If you are mobile health care provider, check yes and either follow the instructions or contact USAC at 1-800-229-5476**

<b>IF YOU ARE REQUESTING SUPPORT FOR MILEAGE-BASED CHARGES, COMPLETE BLOCK 5 ONLY AND SKIP BLOCK 6. (PLEASE SEE INSTRUCTIONS). IF YOU ARE REQUESTING SUPPORT BASED ON URBAN/RURAL RATE COMPARISON, SKIP BLOCK 5 AND COMPLETE ONLY BLOCK 6. YOUR APPLICATION CANNOT BE PROCESSED IF BOTH BLOCKS ARE COMPLETED.</b>				
<b>Block 5: Mileage-based Charge Discount Request</b>				
Complete this block if you are seeking support for mileage (distance-based) charges only. Do not enter any other charges in this block. You may need to ask your service provider representative to provide this information.				
	<b>Carrier A</b>	<b>Carrier B</b>	<b>Carrier C</b>	<b>Carrier D</b>
36 Billed Circuit Miles				
37 Monthly Mileage Charges (Exclude Channel Termination chgs, etc.)				
38 Cost per Mile per Month				
<b>If Line 33 equals Line 37, please ensure that ONLY mileage-related charges are included in Line 37. (See instructions.)</b>				
<b>Most HCPs will NOT complete this section, but will complete Block 6, below, to receive the difference between the urban and rural rate for their service. Complete this block only if it will provide you with a higher reimbursement than Block 6.</b>				
<b>Block 6: Comprehensive Rate Comparison Request</b>				
Complete Block 6 if you have not completed Block 5 and are requesting support for all elements of your telecommunications service necessary for the provision of health care. The information in this block will establish the difference between the urban and rural rates for your requested service. Please call RHCD at 1-800-229-5476 if you need assistance.				
	<b>Carrier A</b>	<b>Carrier B</b>	<b>Carrier C</b>	<b>Carrier D</b>
39 One-time Urban Rate Charge (in selected large city)				
40 One-time Rural Rate Charge (in city where HCP is located)				
<b>USAC will reimburse you for the difference between the One-Time (installation cost) of an equivalent circuit in an urban area compared to the installation cost in a rural area. You will need to provide documentation of the difference in the costs.</b>				
41 Monthly Urban Rate (in selected large city). From RHCD web site: <input type="checkbox"/> or Other rate documentation attached: <input type="checkbox"/>				
<b>Use the Urban Rates provided on the USAC website to determine the urban cost of the service for which you are requesting a discount. If you can document a lower urban rate, you must provide documentation and check the appropriate box.</b>				
If your circuit includes charges for mileage over the Maximum Allowable Dist., (Line 19), please complete Lines 42 to 44. Otherwise, skip to Block 7.				
42 Billed Circuit Miles				
43 Monthly Mileage Based Charges				
44 Cost per Mile per Month				
<b>Only complete lines 42-44 if the Total Billed Miles on Line 18 is GREATER THAN the Maximum Allowable Distance on Line 19.</b>				
<b>Block 7: Bid Documentation</b>				
45 Did you receive any bids in response to the Form 465 Request for Services posted on the RHCD website? <input type="checkbox"/> Yes <input type="checkbox"/> No				
If you checked yes, copies of the bids MUST be mailed to RHCD.				
<b>Keep all copies of e-mails or bids received by mail from competing phone companies and send them to USAC.</b>				
<b>Block 8: Certification</b>				
46 <input type="checkbox"/> I certify that the above named entity has considered all bids received and selected the most cost-effective method of providing the requested service or services. The "most cost-effective service" is defined in the Universal Service Order as the service available at the lowest cost after consideration of the features, quality of transmission, reliability, and other factors that the health care provider deems necessary for the service to adequately transmit the health care services required by the health care provider.				
47 <input type="checkbox"/> Pursuant to 47 C.F.R. Secs. 54.601 and 54.603, I certify that the HCP or consortium that I am representing satisfies all of the requirements herein and will abide by all of the relevant requirements, including all applicable FCC rules, with respect to universal service benefits provided under 47 U.S.C. Sec. 254. I understand that any letter from RHCD that erroneously states that funds will be made available for the benefit of the applicant may be subject to rescission.				
48 <input type="checkbox"/> I hereby certify that the billed entity will maintain complete billing records for the service for five years.				
49 <input type="checkbox"/> I certify that I am authorized to submit this request on behalf of the above-named Billed Entity and HCP, and that I have examined this form and attachments and that to the best of my knowledge, information, and belief, all statements of fact contained herein are true.				
50 Signature				51 Date
52 Printed name of authorized person				53 Title or position of authorized person
54 Employer of authorized person				55 Employer's FCC RN

**Please remember:**

- ◆ You must submit one Form 466 for **each service** (i.e., circuit) for which you request reduced rates. For example:
  - If you are requesting reduced rates for **two** T1 lines, you must submit **two** Forms 466.
  - If you are requesting reduced rates for **two** ISDN lines & **one** Frame Relay line, you must submit **three** Forms 466.
- ◆ **If the service described on this form is subject to the 28-day competitive bidding requirement, do not select a carrier or complete the Form 466 before or during the 28-day posting period.**
- ◆ **You must provide evidence of the urban rate if you have completed Block 6 and have not used the urban rates from the**
- ◆ This form, attachments, and supporting documents should be combined in one envelope and sent to the RHCD.
- ◆ If the service described on this form changes (e.g., rate change) during the funding year, you must notify RHCD immediately and submit a revised Form 466.
- ◆ If you have any questions, call RHCD at 1-800-229-5476.

Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. Secs. 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. Sec. 1001.

**FCC NOTICE FOR INDIVIDUALS REQUIRED BY THE PRIVACY ACT AND THE PAPERWORK REDUCTION ACT**

Part 3 of the Commission's Rules authorize the FCC to request the information on this form. The data reported will be used to ensure that health care providers have selected the most cost-effective method of providing the requested services as set forth in 47 C.F.R. § 54.603(b)(4). The information will be used by the Universal Service Administrative Company and/or the staff of the Federal Communications Commission, to evaluate this form, to provide information for enforcement and rulemaking proceedings and to maintain a current inventory of applicants, health care providers, billed entities, and service providers. No authorization can be granted unless all information requested is provided. Failure to provide all requested information will delay the processing of the application or result in the application being returned without action. Information requested by this form will be available for public inspection. Your response is required to obtain the requested authorization.

The public reporting for this collection of information is estimated to average 3 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the required data, and completing and reviewing the collection of information. If you have any comments on this burden estimate, or how we can improve the collection and reduce the burden it causes you, please write to the Federal Communications Commission, AMD-PERM, Paperwork Reduction Act Project (3060-0804), Washington, DC 20554. We will also accept your comments regarding the Paperwork Reduction Act aspects of this collection via the Internet if you send them to [jboley@fcc.gov](mailto:jboley@fcc.gov). PLEASE DO NOT SEND YOUR RESPONSE TO THIS ADDRESS.

Remember - You are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid OMB control number or if we fail to provide you with this notice. This collection has been assigned an OMB control number of 3060-0804.

THE FOREGOING NOTICE IS REQUIRED BY THE PRIVACY ACT OF 1974, PUBLIC LAW 93-579, DECEMBER 31, 1974, 5 U.S.C. 552a(e)(3) AND THE PAPERWORK REDUCTION ACT OF 1995, PUBLIC LAW 104-13, OCTOBER 1, 1995, 44 U.S.C. SECTION 3507.

This form should be submitted to:

Rural Health Care Division  
80 S. Jefferson Rd.  
Whippany, NJ 07981

**STEP 5: Receive a [Funding Commitment Letter](#) from RHCD**

Once the HCP's Form 466 has been approved, it will receive written notification from RHCD regarding the size of its discount. A copy of the Funding Commitment Letter (FCL) will also be sent to the HCP's telephone company to let them know the discount amount as well. Along with the letter, the HCP will also receive a Form 467 with many of the boxes already filled out. This is another form that should be completed [online](#) if possible.

**STEP 6: Complete [Form 467](#)**

This last form lets the RHCD know that the HCP is actually receiving the service for which discounts were requested. It's a very easy form to complete, and the biggest mistake people make is to forget to send it in! If Form 467 is not completed and submitted, the HCP will not receive its discounts!

**TIP:**

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If the services being discounted are already turned on (connected), send in a completed Form 467 at the same time as submitted a Form 466. This will speed up the processing of the discount payments.

FCC Form  
467

**Health Care Providers Universal Service  
Connection Certification**

Approval by OMB  
3060—0804

Estimated time per response: .5 hour

**Read instructions thoroughly before completing this form. Failure to comply may cause delayed or denied funding.**

The Connection Certification (Form 467) is the means by which an HCP informs RHCD that the service provider(s) has turned on the service(s) for which the HCP is seeking reduced rates under the universal service support mechanism. Form 467 must also be used to notify RHCD that a supported service was disconnected or that the service was not or will not be turned on during the funding year.

An applicant must submit one Form 467 for each Form 466 or Form 466-A that it previously submitted to RHCD.

**Block 1: HCP Information**

1 HCP Name	2 Consortium Name
------------	-------------------

3 HCP Number

**LINE 1 requires providing the HCP's name. This name must be used consistently on all universal service forms (i.e., Form 465, 466, 466-A and 467). The HCP name should match the HCP name supplied in Line 3 of the Form 465.**

**LINE 2 requires providing the name of the consortium, if the HCP is a member of a consortium. If the HCP is not a consortium member, Line 2 should be left blank.**

**LINE 3 requires providing the HCP number. The HCP number is a unique identifier given by RHCD to each HCP applying for benefits. RHCD assigns an HCP number to each new applicant upon receipt of Form 465. This number is in the funding commitment letter that you received from RHCD, and should match the HCP number in Line 1 of Form 465.**

**Block 2: Funding Year Information**

4 Funding Year - Check only one box  
 Year 2005 (7/1/2005-6/30/22006)   
  Year 2006(7/1/2006-6/30/2007)   
  Year 2007 (7/1/2007-6/30/2008)

**LINE 4 requires providing the funding year (July 1 through June 30) for which the HCP is requesting support. Check ONLY one box. This information should match the information in Block 3 of the Form 465 for the same funding year.**

**Block 3: Action Taken**

5 By filing this form, the HCP or its authorized representative is (check one):  
 Confirming the connection of a telecommunications or Internet service for which the HCP has requested a discount and is confirming the accuracy of all information previously filed with RHCD regarding this service; or  
 Notifying RHCD of the disconnection of a discounted service. Date of Disconnection (mm/dd/yyyy) \_\_\_\_\_  
 Informing RHCD that service was not (or will not be) turned on during the funding year

**LINE 5 requires identifying the purpose for which this form is being used. If confirming the connection of a service, check the first box in Line 5. If notifying RHCD of the disconnection of a service, check the second box in Line 5 and enter the effective date of the disconnection. If notifying RHCD that the requested service was never turned on (or will not be turned on) during the funding year, check the third box in Line 5.**

Block 4: Connection Information		Carrier A	Carrier B	Carrier C	Carrier D
6	Funding Request Number				
7	Service Provider Name				
8	Service Provider Identification Number (SPIN)				
9	Billing Account Number				
10	Type of Telecommunications Service & Circuit Bandwidth or "Internet" for Internet service.				
11	Actual Service Start Date (date service began)				
12	End of Service Date (date service was or will be turned off)				
<p><b>LINE 6 requires providing a funding request number. The funding request number is a unique identifier assigned by RHCD for each discounted service requested by the HCP. This number is in the funding commitment letter that RHCD previously sent.</b></p> <p><b>LINE 7 requires providing the full legal name of each service provider for each connection.</b></p> <p><b>LINE 8 requires entering the 9-digit Service Provider Identification Number (SPIN) for the service</b></p> <p><b>LINE 9 requires providing the account number that the service provider has created to bill for the services</b></p> <p><b>LINE 10 requires identifying the services and bandwidths for which the HCP is seeking the benefits of reduced rates. For Internet access enter "Internet".</b></p> <p><b>LINE 11 requires providing the actual start date for each service.</b></p> <p><b>LINE 12 requires the date service was or will be disconnected, if Form 467 is being submitted to notify RHCD that the discounted service has been terminated. If there are no plans to disconnect the service, leave this item blank.</b></p>					
<b>Block 5: Certification</b>					
13	<input type="checkbox"/> I certify that the service identified above has been or is being provided to the above-named health care provider. I certify that the universal service credit will be applied to the telecommunications service or Internet billing account of the HCP or the billed entity as directed by the HCP. I certify that I am authorized to submit this request on behalf of the above-named HCP, and that I have examined this request and that to the best of my knowledge, information and belief, all statements of fact contained herein are true.				
14	<input type="checkbox"/> Pursuant to 47 C.F.R. Secs. 54.601 and 54.603, I certify that the HCP or consortium that I am representing satisfies all of the requirements herein and will abide by all of the relevant requirements, including all applicable FCC rules, with respect to universal service benefits provided under 47 U.S.C. Sec. 254. I understand that any letter from RHCD that erroneously states that funds will be made available for the benefit of the applicant may be subject to rescission.				
15	Signature	16 Date			
17	Printed name of authorized person	18 Title or position of authorized person			
19	Employer of authorized person	20 Employer's FCC RN			
<p><b>LINE 13 requires certification that the service(s) identified above have been or are being provided to the HCP. It also requires certification that the person signing the Form 467 is authorized to submit the information contained in the Form 467 on behalf of the HCP, and that the information contained in the Form 467 is true to the best of his/her knowledge, information, and belief. Persons willfully making false statements on this form may be punished by fine, imprisonment, or forfeiture under federal law.</b></p> <p><b>LINE 14 requires certification that the HCP satisfies each of the specific requirements set forth in the Form 467 and its instructions, and that the HCP will abide by all relevant requirements of 47 U.S.C. Sec. 254</b></p> <p><b>LINE 15 requires the authorized person to sign his/her name to certify all of the information contained in Form 467 and all attachments.</b></p> <p><b>Line 16 requires the authorized person to identify the date that the Form 467 was signed.</b></p> <p><b>LINE 17 requires the printed name of the authorized person signing Form 467.</b></p> <p><b>LINE 18 requires the authorized person signing to identify his/her title or position.</b></p> <p><b>LINE 19 requires the name of the organization employing the signer of Form 467.</b></p> <p><b>LINE 20 requires the FCC RN of the organization employing the signer of Form 467.</b></p>					

**IMPORTANT:** Any disconnection of USAC-supported telecommunications services must be immediately reported to RHCD by completing and submitting Form 467. Otherwise, support is being received for services that no longer exist and that is fraud!

After Form 467 has been sent in and the information has been reviewed and approved by the RHCD, the HCP will receive a Support Schedule from RHCD showing how much money it will save on the services selected for the funding year. Depending on when Forms 465 and 466 were first filed, the HCP will receive these discounts either in the form of phone bill reductions or in the form of a refund check from the phone company.

Refunds should begin within 30-60 days after the HCP receives its support schedule. If a refund check and/or a reduction in phone bill charges are not received after 30 days, take the following action:

- 1) Call the phone company representative and ask for a check on the status of the HCP's discount. If receiving services from SBC, the USAC processing center may be called directly at 415-542-2797.
- 2) Call the RHCD at 1-800-229-5476 to be sure they have sent out all of the necessary paperwork to the telephone company.

## **TIP:**

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When you receive a reimbursement check from the telephone company for payments that have already been made, be sure to have some type of documentation that matches up the dollar amount with a Funding Reference Number (FRN) that will be noted on the Funding Commitment Letter. The HCP is ultimately responsible to be sure that it receives the correct discounts. If it is unclear how the phone company figured out the support amount, call them or the RHCD directly for assistance.

## ***NEW SUPPORT FOR INTERNET SERVICES***

Beginning in 2004, USAC began providing a flat 25% discount to eligible HCPs for the cost of Internet services, regardless of whether they are provided by a telephone company or some other type of Internet Service Provider (ISP). In order to allow the HCP to receive discounts for Internet Services, an ISP must have a Service Provider Identification Number (SPIN), which is provided by USAC. [Click here](#) to learn more about obtaining a SPIN.

To receive these discounts, each HCP must take the following steps:

- 1) When completing the [Form 465](#), check the first box on Line 30 that requests reduced rates for both Telecommunications and Internet services. If the HCP is sure that it only wants reduced rates for Internet, then it should check the last box on Line 30 that requests reduced rates for Internet ONLY.
- 2) Wait 28-days after the Form 465 is posted to see if you receive any bids for Internet services. You are not required to change providers, but you are required to consider any bids received.
- 3) After 28 days, complete [Form 466-A](#) to identify the name of your ISP and the rate that you are paying for Internet Services. Remember that your ISP must have obtained a SPIN from USAC in order to participate in this program. See instructions on how to complete the 466-A, below.
- 4) After submitting the Form 466-A, you will need to mail in documentation of the rate you are paying for Internet services.
- 5) Just like a request for reduced telecommunications services, you will receive a Funding Commitment Letter from USAC. At that time, you must submit a [Form 467](#) to start receiving your reduced rates.

### **Instructions for Completing Form 466-A**

Most of the information required on this Form is the same as required on the Form 466. Refer back to the detailed instructions for completing Form 466 starting on page 24 of this guide when instructed to do so on the following sample form.

**STEP BY STEP INSTRUCTIONS**

FCC Form  
**466 - A**

**Health Care Providers Universal Service  
Internet Service Funding Request and Certification Form  
(And Advanced Services Funding Request and Certification for Entirely Rural States)**

Approval by OMB  
3060—0804

The Deadline to submit this Form is the June 30th End of the Funding Year.

Estimated time per response: 1 hour

**Read instructions thoroughly before completing this form. Failure to comply may cause delayed or denied funding.**

<b>Block 1: HCP Information</b>			
1 HCP Name	2 HCP Number	See Form 466 Instructions	
3 Form 465 Application #	4 Consortium Name (if any)	See Form 466 Instructions	
<b>Block 2: Bill Payer Information</b>			
5 Billed Entity Name	6 Billed Entity's FCC RN	See Form 466 Instructions	
7 Contact Name			
8 Address Line 1			
9 Address Line 2			
10 City		11 State	12 Zip
13 Contact Phone #	14 Fax #	15 E-Mail	
<b>Block 3: Funding Year Information</b>			
16 Funding Year - Check only one box			
<input type="checkbox"/> Year 2005 (7/1/2005-6/30/2006)	<input type="checkbox"/> Year 2006 (7/1/2006-6/30/2007)	<input type="checkbox"/> Year 2007 (7/1/2007-6/30/2008)	
<b>Block 4: Service Information</b>			
17 Give a brief description of the service for which support is requested:			
NOTE For purposes of the Rural Health Care program, the Federal Communications Commission (FCC) defines eligible Internet access as "an information service that enables rural health care providers to post their own data, interact with stored data, generate new data, or communicate over the World Wide Web." Transmissions must traverse the Internet in some fashion.			
Internal connections, computer equipment or other telecommunications equipment, even when used to access the Internet, are NOT eligible for support.			
18 Percentage of HCP's service used for the provision of health care. (If less than 100%, please explain.)			
See Form 466 Instructions			
19 Location where service is provided: Rural HCP physical address where Internet service is being provided			
20 Service Provider Name The name of your Internet Service Provider (ISP)			
21 Service Provider Identification Number (SPIN)	ISP gets from USAC	22 Billing Account Number	See Form 466 Instructions
23 Contract Number (NA if no contract)		24 Date contract signed or service selected	28 days after posting 465
25 Contract Expiration Date (NA if no contract)		26 Expected Service Start Date	
27 Were bids received in response to Form 465? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, submit copies.			
<b>Block 5: Cost of Service</b>			
28 Installation Charge (if applicable)		29 Monthly rate charge (Enclose documentation)	
<b>Block 6: Certification</b>			
30 <input type="checkbox"/> I certify that the above named entity has considered all bids received and selected the most cost-effective method of providing the requested service or services. The "most cost-effective service" is defined in the Universal Service Order as the service available at the lowest cost after consideration of the features, quality of transmission, reliability, and other factors that the health care provider deems necessary for the service to adequately transmit the health care services required by the health care provider.			
31 <input type="checkbox"/> Pursuant to 47 C.F.R. Secs. 54.601 and 54.603, I certify that the HCP or consortium that I am representing satisfies all of the requirements herein and will abide by all of the relevant requirements, including all applicable FCC rules, with respect to universal service benefits provided under 47 U.S.C. Sec. 254. I understand that any letter from RHCD that erroneously states that funds will be made available for the benefit of the applicant may be subject to rescission.			
32 <input type="checkbox"/> I hereby certify that the billed entity requesting reduced rates will maintain complete records for the service for five years.			
33 <input type="checkbox"/> I certify that I am authorized to submit this request on behalf of the above-named Billed Entity and HCP, and that I have examined this form and attachments and that to the best of my knowledge, information, and belief, all statements of fact contained herein are true.			
34 Signature		35 Date	
36 Printed name of authorized person		37 Title or position of authorized person	
38 Employer of authorized person		39 Employer's FCC RN	

## V. STRATEGIES FOR MAXIMIZING TELECOMMUNICATIONS DISCOUNT PROGRAM BENEFITS

To maximize the value of various telecommunications discount programs, it is possible to combine programs and save even more money. When used strategically, the two programs discussed in this guide can save HCPs thousands of dollars per year on telecommunication services.

### **EXAMPLE:** BENEFITS OF DISCOUNT PROGRAMS

Telecom Service	Usual Rates (no discount)	With USAC discount	With CTF discount	Total Savings
Regular business, fax, and modem lines	\$250/month	N/A	\$125/month	\$125/month
T-1 Line to Urban Hospital for Telemedicine Srvs.	\$1,200/month	\$270/month	\$135/month	\$1,065/month
Internet Service Provider fee	\$150/month	\$117.50	N/A	\$37.50/month
DSL Charges	\$75/month	N/A	37.50	\$37.50/month

Without using any discount programs, this non-profit rural health clinic pays \$1,675 per month on fixed telecommunications charges (not usage) for an annual total of \$20,100. By maximizing the use of telecommunications discount programs for which it is eligible, the clinic will save \$1,265 per month, for an annual total of \$15,180.

## ***SAVE MONEY ON REGULAR TELEPHONE SERVICES***

In addition to saving money on advanced services like ISDN and T-1 lines, with a little bit of effort, HCPs can save money on everyday phone service. Particularly for larger organizations with multiple sites, this may translate into hundreds or even thousands of dollars per year in savings.

## ***MINIMIZE YOUR LONG DISTANCE CHARGES AND GET RID OF PIC-C CHARGES***

1. SBC customers may use SBC for long distance without having this charge attached. So if an organization has 100 phone lines and can save \$5 a line that is \$500 savings per month!
2. If a HCP doesn't want to change long distance companies and has Centrex lines, ask SBC to waive the PIC-C fee for Centrex lines. Ask for rebate of PIC-C charges for Centrex lines.
3. Healthcare providers should make sure that they are getting the least expensive long-distance service available. Do not pay more than 5 or 6 cents per minute on long-distance phone charges. Shop around, and then compare the rates. Be sure to factor in PIC-C charges when doing the analysis.
4. If a new long distance carrier is selected, be sure to include "local toll calls" in the new long distance service. A provider must specifically ask for them to be included. Local toll calls are those that are outside the local calling area, but often very nearby - say the next town over. These are often the most common calls made and they must be included to maximize the benefits of inexpensive long distance service. Have a designated person review phone bills to be sure that local toll calls are covered under the selected long distance plan.

## ***LOOK FOR UNRELATED CHARGES--"LEECHES"***

The law allows certain companies to use phone bills as a means of billing for their non-phone company services. To complicate matters these companies use a billing service. The billing service name shows up on phone bills, but they don't even know what they are billing for and they can't stop it. The charge "leech" will show up on the phone bill in the Miscellaneous Section, and have some service related name like "ABC billing services" or "ISDS Internet." These

charges can range anywhere from \$15 to \$50. If a health care provider has more than one location, there are probably leeches at these locations as well.

Leeches attach themselves to phone bills through direct marketing calls. They will call front office staff. They sound innocent enough. They explain how they can increase business by posting the name of the practice on their web site. It's a scam. Only one HCP staff person should be authorized to make phone service changes.

Killing leeches is a multi step process. First, call the phone company and get the phone number for the billing service to eliminate. Call this service directly and they will be able to provide the phone number of the "scam artist." Tell the "scam artist" to remove the practice name and number from the billed service and ask for a rebate for previous charges (it can't hurt). They should have on record which employee OK'd the service. It might take more than one call so be persistent.

### ***PAY ONLY FOR WHAT IS NECESSARY***

Not unlike a new car, phone lines can have many added-on features. Chances are, each phone line at a health care provider office may have different options on them. Which of these are really necessary? Sit down with phone system vendor and find out the minimum options needed to use the system. For example, basic phone systems or PBX systems don't need all the options offered for a Centrex line. Eliminating unnecessary features, such as call forwarding, call waiting, on lines that don't need them can really save some money.

## SUMMARY

Despite some effort and a few hours of filling out paperwork, health care providers can see significant savings on their monthly billed telecommunications services. Here, in summary, are the ways that HCPs can save money:

- 1) Appoint a *Phone Czar* who is the only one authorized to order Telecommunications services or make changes. His or her first task is to review existing services to be sure the HCP is paying only for what's needed and that it is saving as much as possible on long-distance charges. Have the Phone Czar be responsible for applying for any and all discount programs for which the HCP is eligible.
- 2) If eligible for CTF, fill out the paperwork and begin to see savings of 50% discounts on services covered by this program.
- 3) If located in a rural area, contact USAC to see if even more money can be saved on at least some lines. Since the RHCD is an annual program, start this process in March or April of every year to be sure to get the maximum discount available.

All of the organizations listed in this guide are available to help HCPs with these application processes. For more information, or to address questions that are not answered in this guide, please call CTEC at 916-552-7679.