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FCC Adopts Rules for Round 2 of COVID-19 Telehealth Program Funding

April 8, 2021

The FCC has adopted rules to implement Round 2 of the COVID-19 Telehealth Program, making available almost $250 million in new funding for pandemic-related telehealth initiatives by nonprofit healthcare providers.

Imminent application filing window

To obtain access to this new funding, applicants will be required to submit applications during a seven-day filing window that will open before the end of April 2021. The exact dates for the window will be announced in a separate public notice that will be released at least two weeks before the opening of the window.

Eligibility for Round 2 funding

Only not-for-profit healthcare providers will be eligible, and the FCC will use the same criteria for determining eligibility that it used in the first round of funding in 2020. Applicants may receive program funding to support up to 12 months of eligible recurring services, purchase of necessary devices and the cost of up to one year of related licensing agreements, including retroactive funding for services and devices purchased on or after March 13, 2020 (as long as such services or devices were not funded through a Round 1 grant). The maximum grant for any single provider will be $1 million.

Application requirements

To file an application, eligible healthcare providers must obtain an FCC registration number and file an FCC Form 460 and receive an HCP number from the Universal Service Administrative Company. An HCP number is required to file the application, so any entity filing a new Form 460 should indicate that it is going to be applying for this funding and request expedited review. Applicants also must have an active System for Award Management registration to receive payments from the program.

The application itself will require the following: (1) identifying information, including name and address, for the lead healthcare provider; (2) contact information; (3) a list of the telecommunications services, information services or required connected devices for which funding is sought, the cost of those services and devices and the total amount of funding requested; and (4) supporting documentation for the costs.

Application preferences

Applicants will be evaluated on a points system using specific criteria, with the highest-scoring applications receiving the highest priority. The point system particularly favors providers that (1) sought but did not obtain grants in Round 1; (2) operate in sustained COVID-19 hotspots; (3) operate in counties with low-income and high poverty rates; and/or (4) operate in tribal communities. The point system also provides smaller preferences for Certified Critical Care Hospitals, Federally Qualified Health Centers, Federally Qualified Health Center Look-Alikes and Disproportionate Share Hospitals, as well as applicants operating in Healthcare Provider Shortage Areas and rural areas.

How Cooley can help

We can help you determine whether your organization or the services you offer are eligible for funding, and we

can help guide you through each stage of the application process – from obtaining the necessary pre-filing registrations through getting the applications on file with the FCC in a timely manner. Please do not hesitate to call us with questions about this vital funding program or the procedures for gaining access to funding.

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