

# EXPANDING TELEMEDICINE IN RURAL NEVADA

2018 REPORT



Nevada Governor's  
Office of Science,  
Innovation and  
Technology

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## OVERVIEW

The rural and frontier regions of Nevada are medically underserved. According to the University of Nevada School of Medicine, 234,000 residents, or 81 percent of the population living in counties classified as rural or frontier<sup>1</sup>, reside in a Health Professional Shortage Area (HPSA). Residents in the rural and rural remote areas drive or take a bus between two (2) and four (4) hours to visit a medical facility. According to the Nevada State Office of Rural Health, the average distance between acute care hospitals in rural Nevada and the next level of care or tertiary care hospital is 118 miles and the average distance to the nearest incorporated town is 46.3 miles.

Part of the solution to increasing access to high-quality healthcare in rural areas is improving the broadband infrastructure necessary for telehealth. Telehealth can be defined as a means of providing healthcare remotely through the use of telecommunications technology. Telehealth technology will help solve some of the issues through the transmission of electronic health records, telehealth via video conference and telepharmacy. These solutions require increased bandwidth which will allow telehealth services to reach Nevadans living in rural areas.

Currently there are many areas in Rural Nevada where the bandwidth necessary to provide telehealth services is not available, often due to cost. The Nevada Governor's Office of Science Innovation and Technology's (OSIT) goal is to, by 2025, connect all rural hospitals, health clinics, and state correctional facilities to a broadband connection sufficient to provide telehealth services. OSIT provides strategic guidance, implementation strategies, and filing-assistance to Nevada rural healthcare providers and tribal clinics. The services are provided in order to increase broadband connectivity and extend the reach of telehealth services utilizing the federal Rural Healthcare Program for broadband and Internet access.

<sup>1</sup> All of Nevada's counties other than Clark, Washoe, and Carson City are considered rural or frontier.





## RESULTS TO DATE

OSIT began engaging rural HCPs in February 2018 with the goals of increasing the amount of funding received from the federal Rural Healthcare Program and increasing HCPs' bandwidth to support telehealth, telemedicine, and telepharmacy. Meetings were held with the Nevada Hospital Association and Nevada Rural Healthcare Partners. Healthcare providers were engaged during the broadband meetings in White Pine, Elko, and Nye Counties to discuss their current connectivity and challenges.

Nevada's rural hospitals currently participate in the Rural Healthcare Program through applications submitted by the Rural Hospital Association. However, Nevada's rural health clinics were not participating in the Program and OSIT decided to focus its efforts on assisting these clinics in applying for funds. The Rural Healthcare application process for rural clinics began in May 2018 with the creation of a Rural Healthcare Consortium for Nevada Health Centers and its rural clinics resulting in five (5) applications submitted for funding year 2018-19 with a total funding request of \$11,378.09. The Rural Healthcare Program began issuing funding commitments in December 2018. The applications for two (2) clinics; Virginia City Community Health Center and West Wendover Community Health Center were approved on December 20, 2018. The remaining three (3) applications are in-review with the expectation of funding approval.

OSIT met with the Duck Valley Indian Reservation, Duckwater Reservation, Ely Shoshone Indian Reservation, Lovelock Indian Colony, Pyramid Lake Indian Reservation, Reno Sparks Indian Colony, Walker River Indian Reservation, Washoe Tribe of Nevada and California, Winnemucca Indian Colony and the Yomba Reservation concerning the needs of their tribal healthcare clinics. The funding year 2019/20 application process is in progress.



## RESULTS TO DATE

### Funding Years

The Rural Healthcare Program funding year runs from July 1 through June 30. Each year there is a set period of time where applicants file the competitive bid documents and applications. This timeframe is referred to as the filing window.

### Year 1, Funding Year 2018:

The filing window opened on February 1, 2018 and closed on June 30, 2018. The Rural Healthcare Division began issuing funding commitments in December 2018.

During the first several months, OSIT created a list of 120 rural healthcare providers to determine which healthcare providers did not submit applications for RHC Program funding. Because the Rural Healthcare application data is not publicly available, the list was based on previous year's funding commitments and the competitive bid documents submitted for funding year 2018-19. OSIT contacted the rural clinics which were eligible to participate in the RHC Program and in June 2018, applications were submitted for five (5) of Nevada Health Centers' rural clinics.

Connectivity to health clinics was discussed during meetings with all tribal communities. Rural Healthcare Program application forms are in process for Reno Sparks Hungry Valley Clinic and the Owyhee Shoshoni Paiute Tribe.



**Funding Year 2018 Funding Requests Submitted by OSIT  
Table 2**

Healthcare Provider	Accomplishments to Date	Future Plans
Nevada Health Centers	Created Rural Health Consortium with rural locations	
Nevada Health Centers, Amargosa Valley Medical Clinic	Eligibility approved FY2018 application submitted	Prepare & Submit RFP for increased bandwidth
Nevada Health Centers, Austin Medical Clinic	Eligibility approved FY2018 application submitted	Prepare & Submit RFP for increased bandwidth
Nevada Health Centers, Carlin Community Health Center	Eligibility approved	Prepare & Submit RFP for increased bandwidth
Nevada Health Centers, Henderson Family Health Center	Eligibility not approved	Resubmit as a Federally Qualified Health Center under NVHC Consortia
Nevada Health Centers, Jackpot Community Health Center	Eligibility approved FY2018 application submitted	Prepare & Submit RFP for increased bandwidth
Nevada Health Centers, Virginia City Community Health Center	Eligibility approved FY2018 application submitted	Prepare & Submit RFP for increased bandwidth
Nevada Health Centers, West Wendover Community Health Center	Eligibility approved FY2018 application submitted	Prepare & Submit RFP for increased bandwidth
Nevada Health Centers, Mammovan	Eligibility not approved	Resubmit request for eligibility determination if approved prepare and submit RFP
Nevada Health Centers, Ronald McDonald Care Mobile	Eligibility not approved	Resubmit request for eligibility determination if approved prepare and submit RFP
Reno Sparks Indian Colony, Hungry Valley	Preparation of eligibility determination	Complete eligibility process, prepare and submit RFP for bandwidth to the new clinic
Owyhee Indian Colony	Preparation of eligibility determination	Complete eligibility process, prepare and submit RFP for bandwidth to the new clinic



# RESULTS TO DATE

**Funding Year 2018 Funding Requests Submitted by OSIT  
Table 2**

Healthcare Provider	Annual Cost	Funding Request	Funding Approved
Nevada Health Centers, Amargosa Valley Medical Clinic	\$8,170.08	\$5,310.55	Pending Approval
Nevada Health Centers, Austin Medical Clinic	\$4,293.60	\$2,790.84	Pending Approval
Nevada Health Centers, Jackpot Community Health Center	\$948.00	\$616.20	Pending Approval
Nevada Health Centers, Virginia City Community Health Center	\$2,160.00	\$1,404.00	\$1,404.00
Nevada Health Centers, West Wendover Community Health Center	\$1,933.08	\$1,256.50	\$1,299.01
<b>TOTAL</b>	<b>\$17,504.76</b>	<b>\$11,378.09</b>	<b>\$2,703.01</b>

**Funding Year 2018 Funding Commitments to Date  
Table 3**

Application data is not publicly available. Therefore, a determination of how the funding compares to the request, or if there are pending or unfunded applications is not available.

HCP #	HCP Name	City	County	2018 FUNDING
25805	Carson Tahoe Dayton Medical Center	DAYTON	DAYTON	\$1,013.92
26123	Carson Valley Medical Center	GARDNERVILLE	DOUGLAS	\$11,497.20
Year 33859	Carson Valley Medical Center - Carson Valley Pulmonary and Sleep	GARDNERVILLE	DOUGLAS	\$779.92
52702	Highland Manor of Mesquite	MESQUITE	CLARK	\$112.90
12217	IHS-PHX Elko PHS Indian Health Center	ELKO	ELKO	\$8,893.64
10670	Nevada Health Centers, Inc. - Wendover Community Health Center	WEST WENDOVER	ELKO	\$1,299.01
62295	Virginia City Community Health Center	VIRGINIA CITY	STOREY	\$1,404.00
	<b>TOTAL FUNDING COMMITMENTS</b>			<b>\$25,000.59</b>

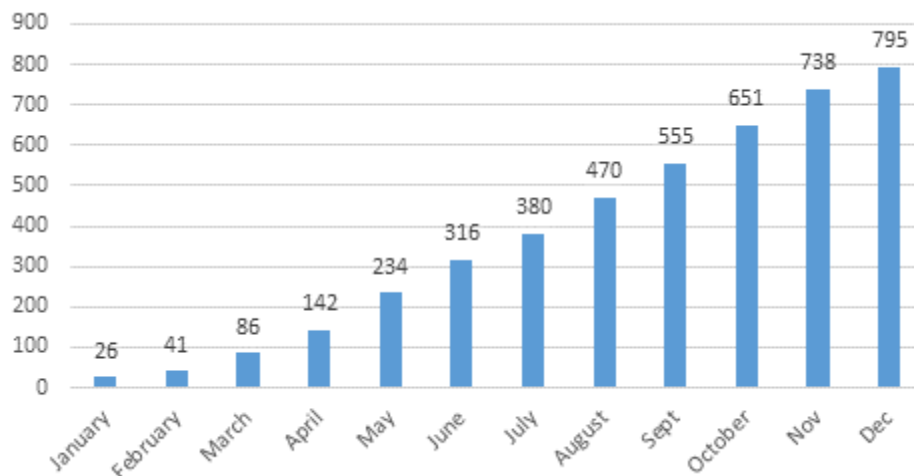


# RESULTS TO DATE

**Funding Year 2018 Funding Requests Submitted by Other State Entities\***  
**Table 4**

HCP #	HCP Name	CITY	COUNT	Total
10036	Nevada Health Centers, Inc. - Amargosa Valley Medical Clinic	Amargosa Valley	Nye	\$5,310.55
10037	Nevada Health Centers, Inc. - Austin Medical Clinic	Austin	Lander	\$2,790.84
10670	Nevada Health Centers, Inc. - Wendover Community Health Center	West Wendover	Elko	\$1,299.01
12217	IHS-PHX Elko PHS Indian Health Center	Elko	Elko	\$8,893.64
25805	Carson Tahoe Dayton Medical Center	Dayton	Lyon	\$2,885.84
26121	Carson Valley Medical Center - Complete Care Urgent Care and Family	Gardnerville	Douglas	\$3,783.00
26123	Carson Valley Medical Center	Gardnerville	Douglas	\$144,334.16
33859	Carson Valley Medical Center - Carson Valley Pulmonary and Sleep	Gardnerville	Douglas	\$779.92
38029	Herbig Family Medicine	Minden	Douglas	\$6,406.92
52642	Highland Manor of Elko	Elko	Elko	\$3,432.00
52702	Highland Manor of Mesquite	Mesquite	Clark	\$1,112.90
62295	Virginia City Community Health Center	Virginia City	Storey	\$1,404.00
<b>TOTAL FUNDING COMMITMENTS</b>				<b>\$182,432.78</b>

**Cumulative Totals All Telehealth Services Delivered\***  
**Table 5**



\*Source: Nevada Health Centers







## YEAR 2 AND BEYOND

The Rural Healthcare Division has announced the FY 2019 Filing Window will run from February 1, through May 31, 2019. OSIT continues to reach out to public and tribal rural healthcare clinics to offer support with applying for the Rural Healthcare Program. Plans include:

- Assist Nevada Health Centers in preparing Requests for Proposals (RFPs) to increase Internet bandwidth, in the evaluation of bids, and submission of applications for the clinics listed below. OSIT is working with the Nevada Health Centers to ensure the consortia is compliant with the requirement of having a maximum number of rural sites.
  - Amargosa Valley Medical Clinic
  - Austin Medical Clinic
  - Bower School Based Health Center (Urban location)
  - Cambridge Family Health Center (Urban location)
  - Carson City School Based Health (Urban location)
  - Carlin Community Health Center
  - CP Squires School Based Health (Urban location)
  - Jackpot Community Health Center
  - Martin Luther King Family Health (Urban location)
  - North Las Vegas Family Health (Urban location)
  - Sierra Nevada Health Center (Urban location)
  - Virginia City Community Health Center
  - West Wendover Community Health Center
  - Ronald McDonald Care Mobile Unit
  - Mammovan



(continued)

- Submit eligibility determination for Nevada Health Centers' mobile units.
  - NOTE: To-date the Rural Healthcare Program has not approved eligibility of mobile units although they should rightfully be eligible for funding. OSIT and its consultants will work with the RHC Program Administrator in this process of eligibility determination.
- Submit eligibility determination form and prepare RFPs, assist with bid evaluation and application submission for the following Indian Colonies:
  - Reno Sparks Indian Colony Hungry Valley
  - Owyhee Shoshone Paiute Indian Colony
  - Shoshone Tribe in Ely
  - Lovelock Indian Colony
  - Dresslerville Colony (Walker River Paiute Tribe) in Schurz
  - Lovelock Colony/ Yomba Tribe (Sister tribe to Lovelock Indian Colony)
- Explore eligibility of telehealth for Department of Corrections, Ely State Prison
- Explore eligibility of Nevada Department of Health and Human Services rural clinics





## RHC PROGRAM OVERVIEW

The Federal Communication Commission (FCC)'s Universal Service Fund's Rural Healthcare (RHC) Program provides support to eligible rural healthcare providers (defined below) that qualify for reduced rates in telecommunications and broadband services, with the intent of making telehealth services more affordable in rural areas. The RHC Program provides up to \$571 million annually in reduced rates via reimbursements to rural healthcare providers for broadband and telecom services. There are two (2) subprograms in the RHC Program: the Healthcare Connect Fund (HCF) Program and the Telecommunications (Telecom) Program.

### **Healthcare Connect Fund**

The Healthcare Connect Fund (HCF) Program provides a flat 65 percent discount on eligible expenses related to broadband connectivity (defined below) to both individual rural healthcare providers (HCPs) and consortia. This means that if the telecommunications service used by a rural facility costs \$2,000 per month the program will reimburse the HCP \$1,300 a month.

Consortia can include non-rural (urban) HCPs if the consortium has a majority of rural sites. A new consortium has three years to obtain membership consisting of a majority of rural sites. As part of a consortia, both an urban HCP's bandwidth and Internet access expenses are eligible for funding, as well as an offsite data center and/or administration center. However, non-rural hospital sites with 400 or more licensed beds may receive no more than \$30,000 per year in support for recurring charges and no more than \$70,000 in support for non-recurring charges every five (5) years, exclusive of any costs shared by the network.

### **Telecommunications Program**

The Telecommunications Program provides reduced rates to rural HCPs for telecommunications services related to the use of telemedicine and telehealth. The funding is based on the difference between the cost of service in a rural location versus the cost of the same or similar service in an urban location. For example: a circuit may have a monthly cost of \$1,000 in Elko but only \$400 in Reno. Under the Telecommunications Program, the HCP in Elko would receive a reimbursement of \$600 per month, equalizing the costs with the HCP in Reno.



# RHC PROGRAM OVERVIEW

## Healthcare Provider (HCP) Eligibility

There are three (3) initial criteria an HCP must meet to participate in the Rural Healthcare Program:

1. HCP must be a non-profit entity or a public sector/government entity
2. HCP must be located in a rural area as defined by the FCC (to determine if your entity is in an eligible rural location, use the Eligible Rural Areas search tool)
3. HCP must be one of the following types of entities:
  - a. Post-secondary educational institutions offering healthcare instruction, such as teaching hospitals and medical schools,
  - b. Community health centers or health centers providing healthcare to migrants,
  - c. Municipal or County Government health departments or healthcare agencies,
  - d. Community mental health centers,
  - e. Not-for-profit hospitals,
  - f. Rural health clinics,
  - g. Dedicated emergency departments of rural for-profit hospitals,
  - h. Part-time eligible entities located in facilities that are ineligible, or
  - i. Skilled Nursing Facilities (SNFs) (effective January 1, 2017).

## Expense Eligibility

The eligible expenses are dependent on whether the application is submitted under the Healthcare Connect Fund or the Telecommunications Program.

### ***Healthcare Connect Fund Eligible Expenses***

Eligible Healthcare Connect Fund expenses include, but are not limited to:

- Telecommunications and broadband services/network equipment for fiber and non-fiber based services
- Consortium applicants: Healthcare Provider (HCP) – constructed and owned – network facilities
- Consortium applicants: Upfront payment
- Connections associated with off-site data centers and off-site administrative offices used by eligible HCPS for healthcare purposes

### ***Telecommunications Program Eligible Expenses***

Eligible telecommunications expenses and charges include, but are not limited to:

- ATM (Asynchronous Transfer Mode)
- Centrex
- DSL
- Ethernet
- Fractional T1
- Frame Relay
- ISDN
- Mileage-related charges\*
- MPLS
- NRS – Network Reconfiguration Services
- OC-1
- OC-3
- Redundant circuit
- Satellite service
- Telephone service
- T1
- T3 or DS3



# RHC PROGRAM OVERVIEW

## Telecommunications Program Ineligible Expenses

The following are examples of expenses that do not qualify for support under the Telecommunications Program:

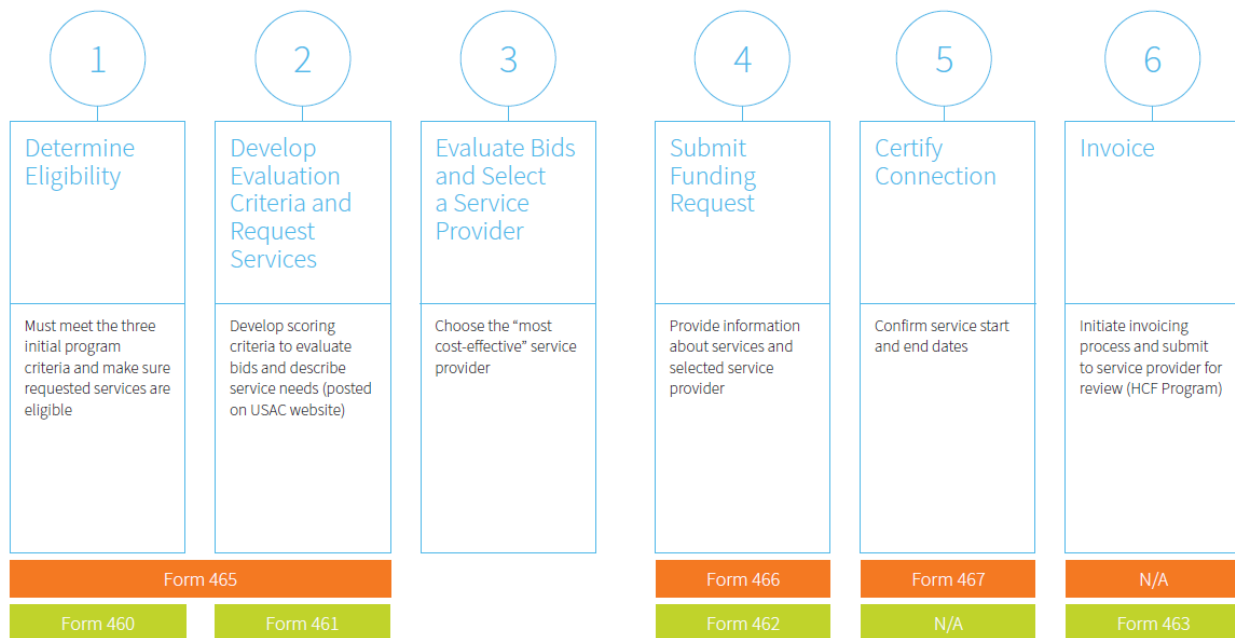
- Special Construction
- Maintenance Charges
- Franchises
- Zone Charges
- Surcharges
- Internet Access

The cost of construction or infrastructure build-out for the installation of telecommunications services is not supported.

## Rural Healthcare Application Process

The Rural Healthcare application process involves six (6) steps as defined by the diagram provided by the Rural Healthcare Division's calendar of events. (<https://www.usac.org/rhc/tools/program-calendar.aspx?pgm=hcc>)

### Rural Healthcare Program Application Process



TELECOMMUNICATIONS PROGRAM  
HEALTHCARE CONNECT FUND





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