

Maximizing HCF **Funding** While Staying **Audit** Ready

A Practical Guide for Healthcare Leaders



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Network Better.



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Agenda

Maximizing HCF Funding While Staying Audit Ready A Practical Guide for Healthcare Leaders

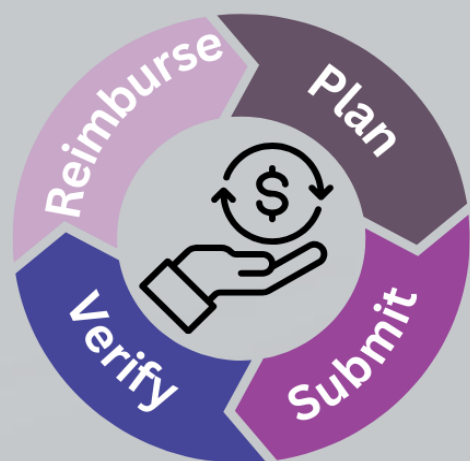
- Why listen to this guy?
- HCF in 10 minutes: what matters to finance
- Building a bulletproof foundation (sites, circuits, forms)
- Documentation and audit reality
- Working as one team: Finance, IT, Procurement
- Strategy framework, scorecard, and real results
- Key takeaways and discussion



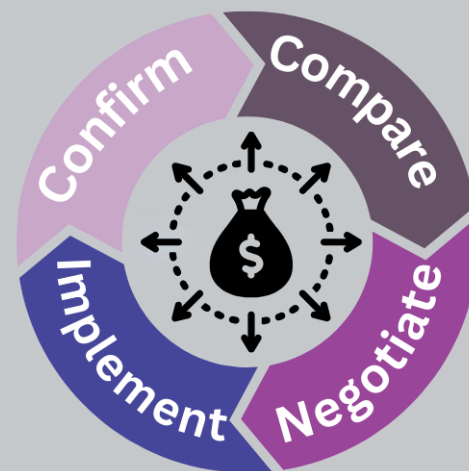
The NETWORK BETTER JOURNEY

A full-circle approach that starts with inventory and delivers strategic, end-to-end network management.

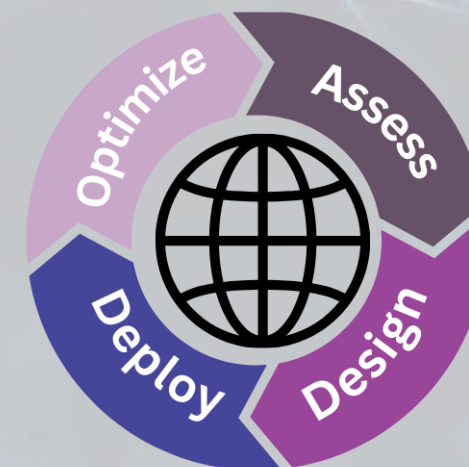
FUND BETTER.



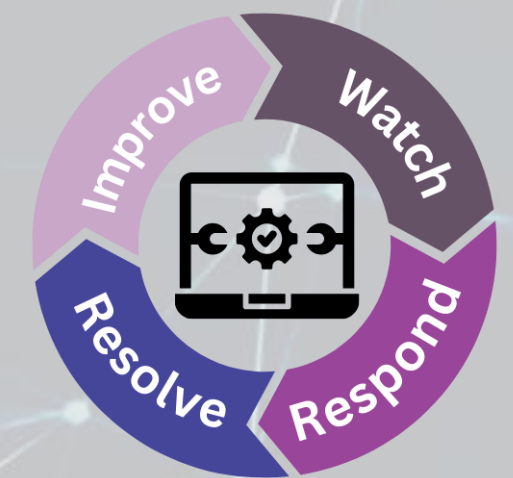
BUY BETTER.



CONNECT BETTER.



MANAGE BETTER.



All services are designed to work together in a continuous, full-circle process—driving ongoing network improvement and long-term value across all the layers of the Healthcare Network Ecosystem.

Healthcare Network Experts

FG is a leading network solutions company specializing in federal funding, carrier/vendor management, assessment, design and managed services.

- **Experienced** - 22 Years of putting our clients first
- **Great ROI** - Returned over \$600M in client savings & reimbursements
- **Trust Partner** - 120+ Healthcare systems and organization with 99% retention rate



Not Just a Filer

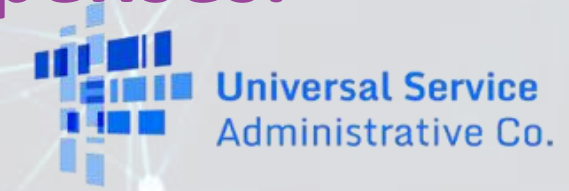
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What is the Healthcare Connect Fund (HCF)?

Eligible healthcare providers can receive up to a 65% discount on all eligible expenses.

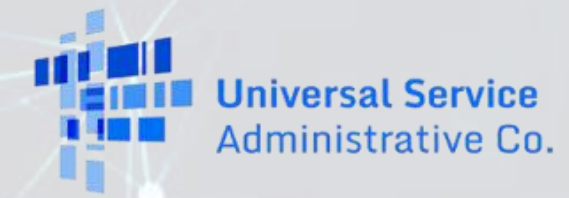


- ✓ **HCF is the “newest” (2013) health care support program** and improves upon many aspects of the older Telecom Program.
- ✓ **FCC funding for the program has increased** each year from \$400 million to > 700M in the last few years. (*\$723,892,841 for FY2025*)
- ✓ **Support can increase significantly** when urban non-profit hospitals, data centers, and administration centers join a rural majority consortium.



What is the Healthcare Connect Fund (HCF)?

Recurring reimbursement opportunity, not one-time grant.



Eligible Healthcare Providers

- ✓ Public or nonprofit
- ✓ **Post-secondary educational institution**
(teaching hospital / medical school)
- ✓ Rural Clinics
- ✓ **Not-for-profit Hospitals**
- ✓ **Data Centers & Administration Offices**
- ✓ Skilled Nursing Facilities
- ✓ Community Health/Mental Centers

<https://www.usac.org/rural-health-care/get-started>

Common Eligible Products/Services

- ✓ Network Special Construction
- ✓ **Data Interconnectivity**
 - Internet Access, Dedicated IA
 - Ethernet, Data Circuits (DS1, DS3, OC-n)
 - MPLS / VPN / ISDN / Leased Fiber / WAN
- ✓ **Equipment** necessary to make broadband functional
- ✓ Installation / Network Management Services

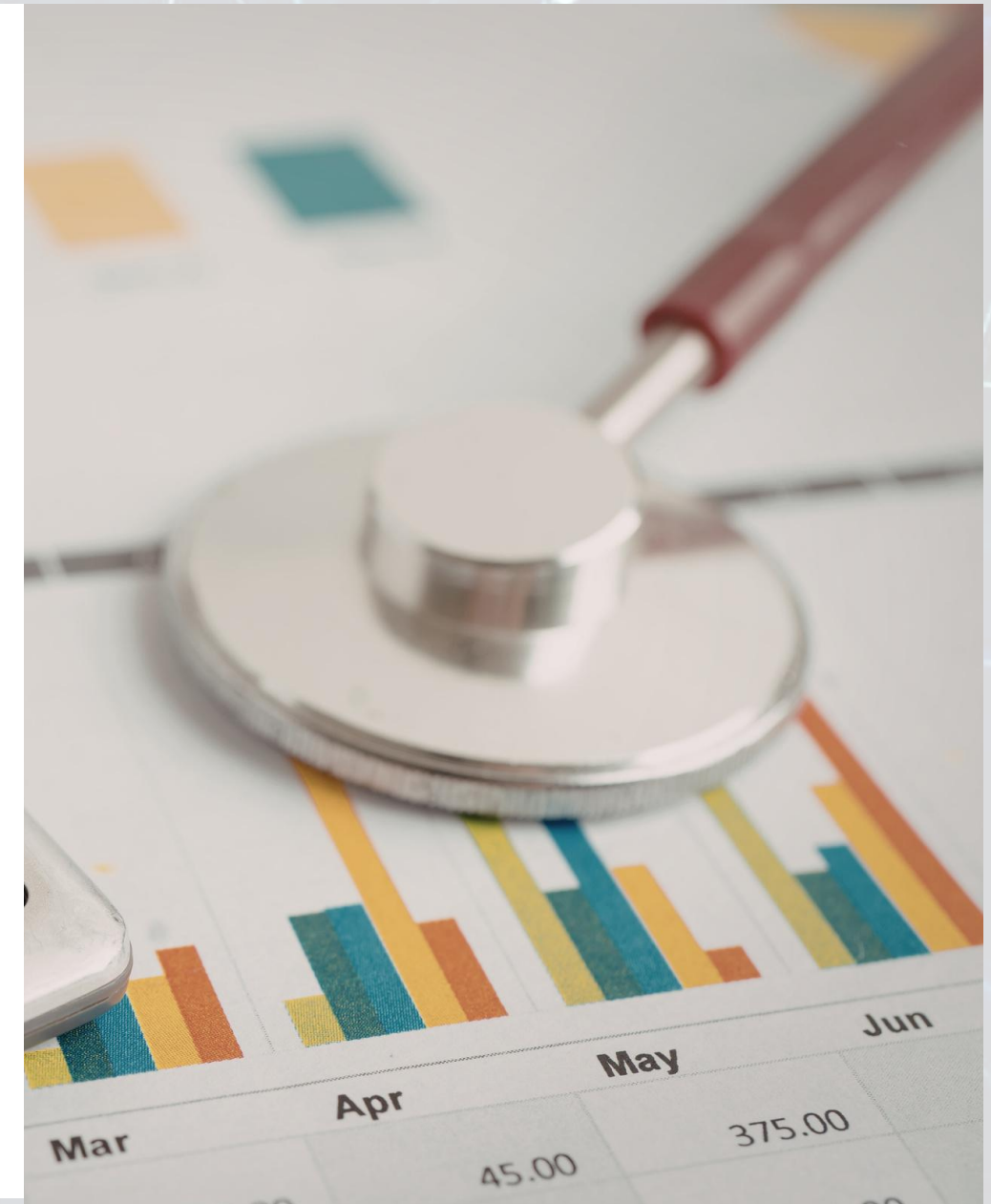
<https://www.usac.org/wp-content/uploads/rural-health-care/documents/handouts/HCF-Program-Examples-of-Common-Products-and-Services.pdf>

Why This Matters Now

The HCF program can unlock new funding with the right strategic approach

- Rising network costs + **increasing infrastructure demands**
- **Growing compliance scrutiny** within federal funding programs
- Healthcare systems expanding → **eligibility and complexity increasing**
- Missed funding = **direct impact to operating margin**

The HCF can be a proactive financial strategy



The True HCF Opportunity

HCF can be a strategic enabler – not just cost recovery.

- **Reduces** telecom and network **operating expenses**
- **Enables modernization** without full capital burden
- **Supports Current and Future Initiatives**
 - AI Development
 - Telehealth Expansion
 - Cloud Adoption
 - Network Resiliency
- Creates long-term **financial flexibility**



Reimbursement program” → “network transformation lever.”

Building the Foundation

Are you ready for it?

- **Step 1:** Get every eligible site on the map
 - Complete and Maintain FCC Form 460 for all sites
 - Common Misses: behavioral health, SNFs, rural satellite locations
- **Step 2:** Make every circuit count
 - Ensure all data and internet circuits that support care are inventoried and tied to eligible sites
 - Under capturing circuits = under-capturing funding

“Love Story” Between Broadband and Budget

Documentation Discipline

Documentation is the backbone of both funding and compliance.

Required documentation areas:

- Competitive bidding records
- Contracts and amendments (expense change history)
- Invoices and payment records
- Network plans
- Eligibility validation

Common Issue: Fragmented or incomplete documentation systems

If it's not documented, it doesn't exist in an audit.



Audit Ready by Design

Audit readiness is a continuous operational process.

Best practices:

- Centralized documentation repository
- Standardized processes across departments
- Ongoing internal reviews
- Clear ownership and accountability

Preparation should happen before filing – not after an audit notice.



Where Organizations Fall Short

Most organizations are leaving money on the table.

- Limited visibility into eligible expenses
- Static vs. evolving funding strategies
- Incomplete or inconsistent documentation
- Reactive vs. proactive audit preparation
- Misalignment between IT, Finance, and Procurement

**These gaps compound over time –
impacting both funding and compliance.**



Audits are Embedded in the Healthcare Connect Fund

Audit readiness must be built from day one.

- USAC audit types:
 - Beneficiary & Contributor Audit Program (BCAP) - comprehensive
 - Program Quality Assurance (PQA) - targeted review
- Validation and verification **checkpoints throughout** the funding process
- **Documentation retention: minimum 5 years**
- Requests for Information (RFI) short response windows (often ~14 days)
- **Increasing** frequency and rigor of **audits**

**Organizations should operate under the following assumption:
You will be audited – it's just a matter of when.**

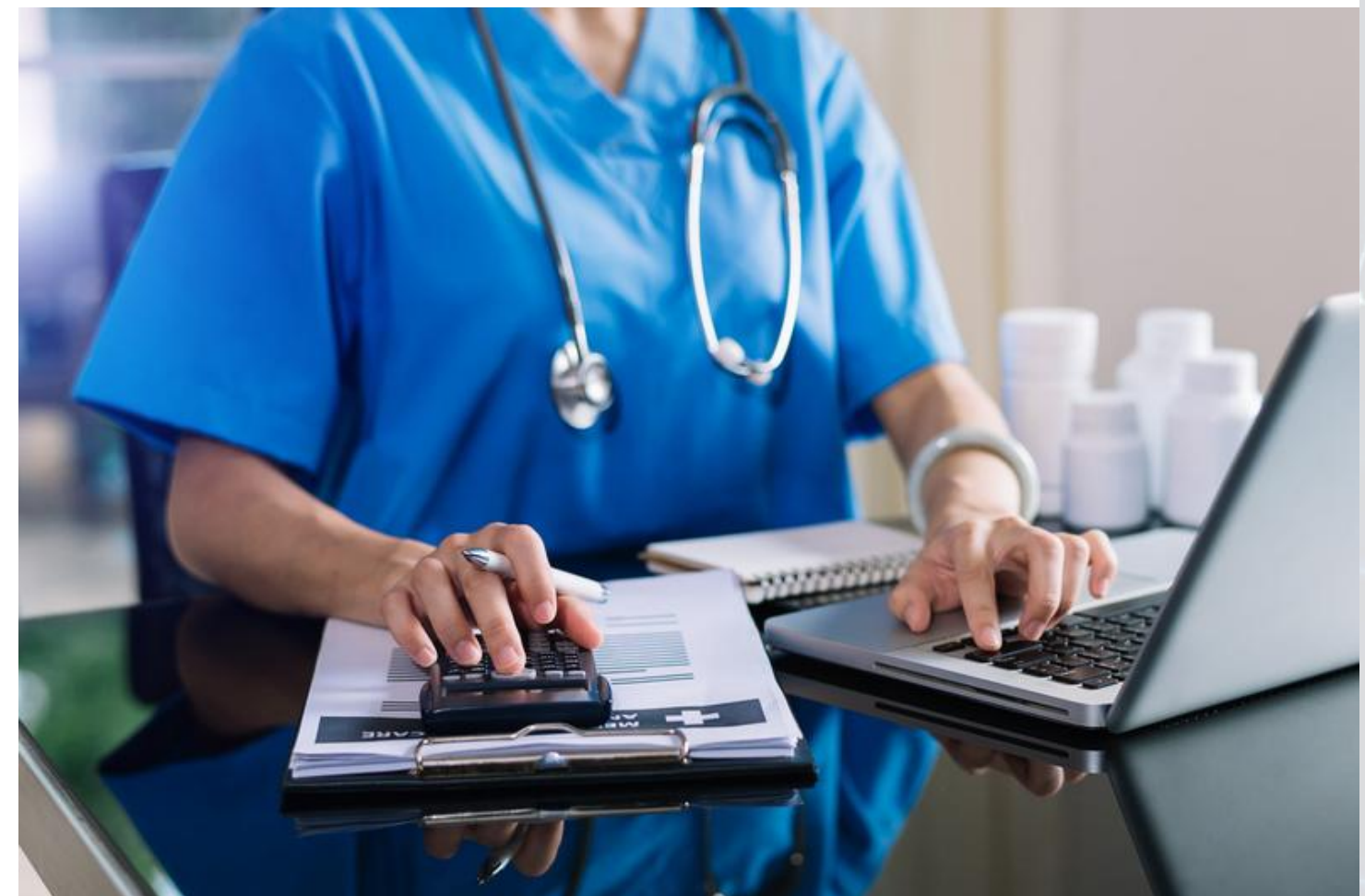


The Cost of Being Unprepared

Audit failures carry **REAL** financial and operational risk.

- Delayed or denied reimbursements
- Potential claw backs of previously funded dollars
- Internal resource strain during audit response
- Reputational risk with federal programs

Audit readiness is not compliance overhead, it's risk mitigation.



Aligning Finance, IT & Procurement

The POWER of working together!

Finance → reimbursement tracking, ROI, accruals

IT → network design, eligible services, and service changes

Procurement → contract compliance and bidding



Alignment drives better funding outcomes, lower audit risk, and stronger long-term strategy.

Moving from Reactive to Proactive

High-performing organizations manage HCF continuously.

● ● Reactive Approach

- File annually
- Prepare for audits when notified
- Minimal communication

● ● Proactive Approach

- Continuous eligibility review
- Ongoing funding analysis
- Real-time documentation management
- Constant communication

Reimbursement Program → Network Transformation Lever

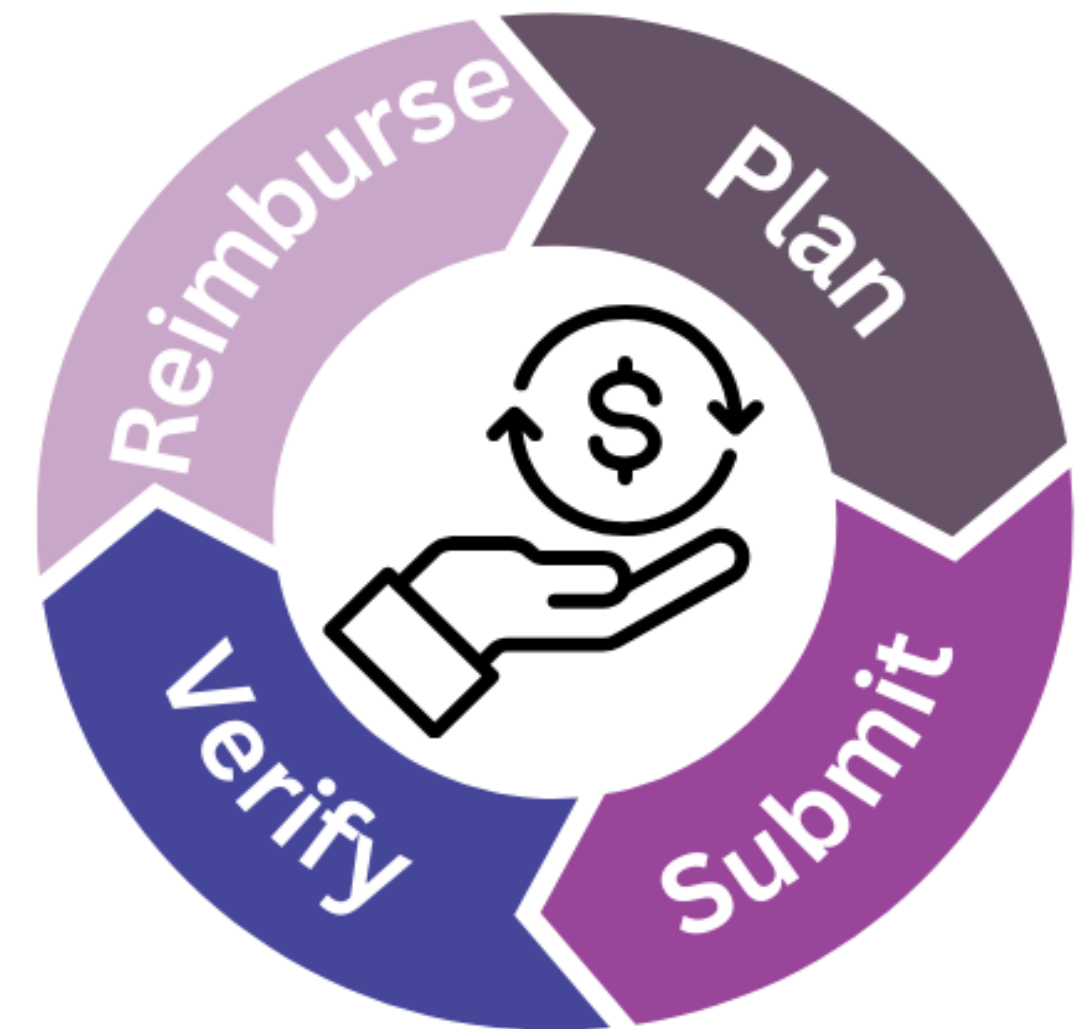
The HCF Strategy Framework

Successful outcomes require a structured, proactive approach.

Successful outcomes require a **structured, proactive approach**.

1. Eligibility Management
2. Funding Optimization Process
3. Documentation Discipline
4. Audit Readiness

All four pillars must work together – weakness in one impacts all.



Funding Optimization

Most organizations under-capture available funding.

Common Misses:

- Limited scope of submitted expenses (circuits only, ignoring eligible equipment and managed services)
- Contracts misaligned with HCF timelines and requirements.
- Tactical, one-year thinking vs long-term network planning.



Optimization requires data visibility
& proactive planning.

HCF Scorecard - your internal report card

A practical way to evaluate
current performance.

Scorecard categories:

- Eligibility Alignment
- Funding Capture Effectiveness
- Documentation Completeness
- Audit Readiness
- Process Consistency

This provides a repeatable, objective framework for
leadership alignment.

Download Here



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Healthcare Connect Fund Audit Readiness & Funding Strategy Scorecard

IS YOUR ORGANIZATION MAXIMIZING HCF FUNDING —
AND PREPARED FOR AN AUDIT?

319-364-3200 | www.networkbetter.com | info@networkbetter.com

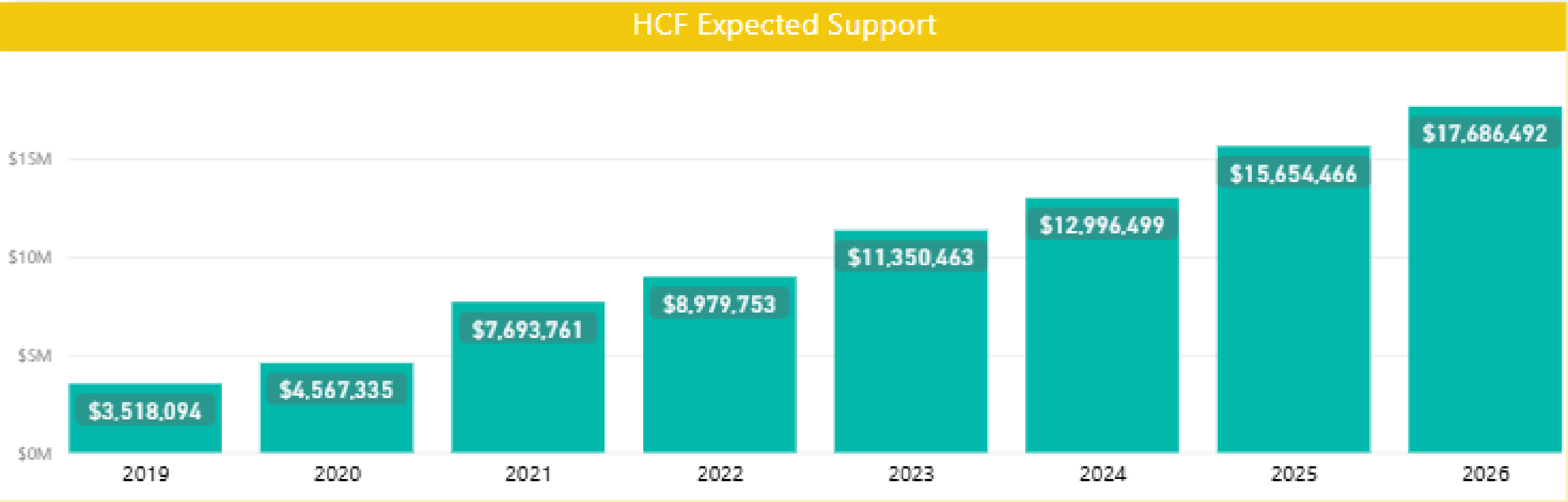
Seamless Audit Readiness & Financial Results

SRHO successfully navigated a complex, multi-year USAC HCF audit with zero findings—demonstrating that audit readiness must be built in from the start, not addressed after the fact.



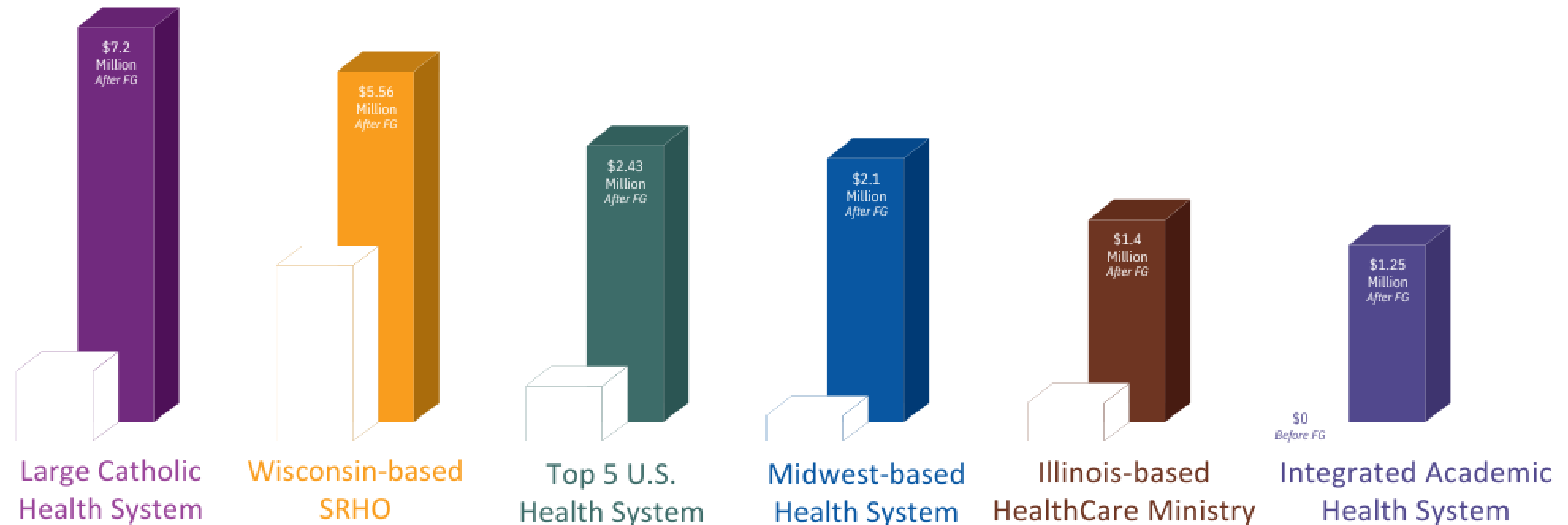
[View Case Study](#)

SRHO members have received over \$82M in support since 2019



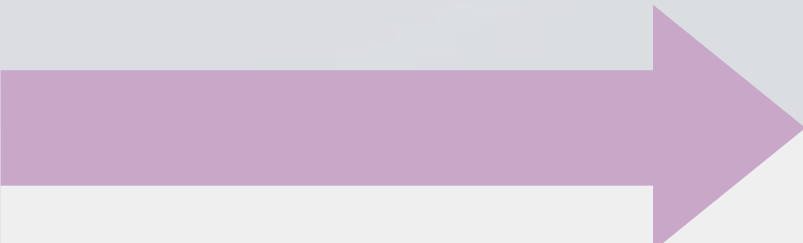
Actual Client Results

Results of proactive funding strategy application.

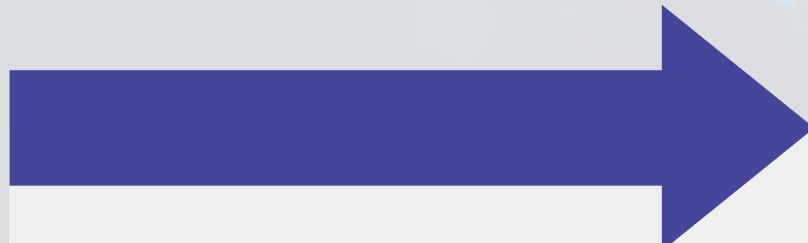


Key Takeaways

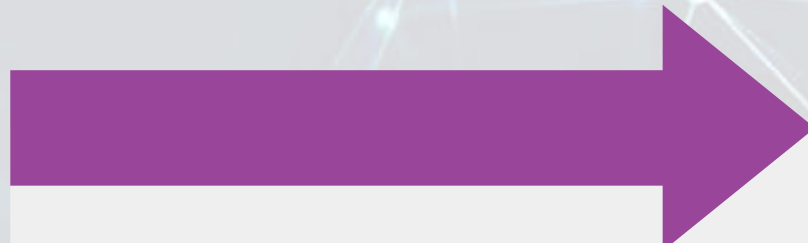
The HCF can be a strategic financial lever



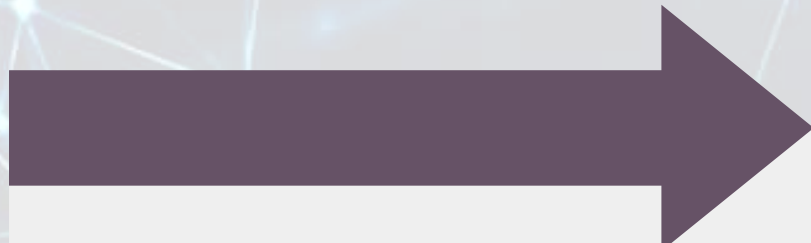
You will be audited; audit readiness must be embedded from day one.



Most organizations are under-utilizing HCF funding because of incomplete sites, circuits, or documentation.



A simple framework and scorecard gives leadership visibility and control.



Finance, IT, and Procurement alignment is not optional—it's how you turn HCF from reimbursement program into strategic network funding lever.

Wrap Up



Thank You



Jason Swain

Director

TM