

SERVICE DATE Jun 07, 2022

PUBLIC SERVICE COMMISSION OF WISCONSIN

FY 2022/2023 Telemedicine Grants

5-TF-2022

ORDER

This is the Order approving the award of \$792,522 in grants for the Medical Telecommunications Equipment Grant (Telemedicine Grant) Program for Fiscal Years (FY) 2022 and 2023. For FY 2022, \$500,000 is approved and for FY 2023, \$292,522 is approved. The purpose of the Telemedicine Grant Program is to encourage the use of telecommunications equipment and services to promote technologically advanced medical services that directly or indirectly enhance access to medical care in rural or underserved areas of the state, by underserved populations or by persons with disabilities.

The Telemedicine Grant Program is authorized by Wis. Stat. § 196.218(4u) and Wis. Admin. Code § PSC 160.115. Under this authority, the Commission may grant up to \$500,000 per state fiscal year, or \$1,000,000 per state biennium for Telemedicine Grants. Beginning in FY 2008, the Commission has combined the consideration and approval of Telemedicine Grant requests, for a two-year period, into a single evaluation. The Commission again combines the funds available to the Telemedicine Grant Program for two fiscal years, FY 2022 and 2023, into a single proceeding. When combined, the total amount available for awards over the two-year period is \$1,000,000.

Telemedicine Grant Applications for FY 2022/2023

Applications for the FY 2022/2023 Telemedicine grant cycle were due to the Commission on February 10, 2022. The Commission received 15 applications that together requested a total of \$1,092,067 in grants. The applications proposed to purchase a variety of medical telecommunications equipment, including telemedicine carts, video conference equipment, tablet computers, home health monitoring units, and digital imaging devices.

The applications were first reviewed by a screening panel consisting of David Mortimer of Hospital Sisters Health Systems (HSHS) and a member of the Universal Service Fund Council, and Laura Fay and Dennis Klaila of the Commission staff. A summary of the applications, panel evaluation and recommendation may be found in a Commission memorandum dated May 10, 2022. ([PSC REF#: 438313.](#))

The Commission discussed this matter at its open meeting of May 18, 2022. ([PSC REF#: 439367.](#))

Conclusions of Law

1. The Commission has jurisdiction under Wis. Stat. §§ 196.02(1), 196.218(4u), 196.395, and other provisions of Wis. Stat. ch. 196, to make the determinations in this Order, and to act or refrain from acting with regard to the administration of the Telemedicine Grant Program under Wis. Stat. § 196.218(4u).

2. The Commission has authority in Wis. Stat. §§ 196.02(1) and 196.395 to impose the conditions on disbursement of grant funds set forth in this Order as necessary and convenient to its award authority in Wis. Stat. § 196.218(4u) in order to evaluate the progress, completion, and results of the grant awards approved in this Order.

3. The applications filed by Edgerton Hospital Capital Foundation, Hearing Milestones, LLC, and Hudson Hospital Foundation, Inc. did not meet the eligibility requirements of the program.

Opinion

Eligibility

The application instructions ([DL: 1836457](#)) released by the Commission on January 8, 2022, stated that the applications were due by 4:00 pm on February 10, 2022. All 15 grant applications were filed on time.

Commission staff identified three applications in this grant cycle that did not appear to comply with the eligibility criteria in the statute. The statute provides that “... the commission may spend up to \$500,000 annually for grants to nonprofit medical clinics and public health agencies for the purchase of telecommunications equipment to be used in providing services to their clients.” Wis. Stat. § 196.504(4u).

1. (#5) Edgerton Hospital Capital Foundation. Edgerton Hospital requests a grant of \$125,462 to purchase eight wireless heart telemetry monitors. The application explains that cardiac telemetry measures a person’s vital signs, including heart rate, rhythm and blood pressure. The device connects to a monitoring station with a wireless connection. The wireless connection permits the device to operate when a patient is up and walking around in the hospital room, participating in rehabilitation exercises, or during transport to another area of the hospital. The telemetry is monitored at two stations within the hospital, and an alarm alerts staff if the data indicates a potential problem.

The eligibility issue is that the wireless heart telemetry monitors do not seem to be telecommunications equipment. The wireless monitors send the data to monitoring stations within the hospital. There is no communication with an entity outside the building, nor any transmission using a wireless telecommunications service. The purpose of the telemedicine grant program is to incent a clinic or hospital to buy telecommunications equipment in order to use a telecommunications service to improve the quality and availability of health care. In prior rounds, the Commission has approved grants for purchase of equipment that has a limited or intermittent use of telecommunications service. However, in this case, there does not appear to be any use of telecommunications service.

The Commission finds the grant application of Edgerton Hospital Capital Foundation is not eligible for a telemedicine grant because the application requests funds for equipment that is not Medical Telecommunications Equipment.

2. (#6) Hearing Milestones, LLC. Hearing Milestones requests a grant of \$167,897 to purchase three mobile terminal units that could be delivered to an individual's home by a technician. The audiologist would conduct the session through a virtual connection from the office. This would allow the audiologists to see more clients in a day by reducing the travel time and would still reach clients that are unwilling to travel for an appointment.

The eligibility issue is that Hearing Milestones is a for-profit clinic. Hearing Milestones recognizes that it is neither a non-profit medical clinic nor a public health agency. It requests that the Commission waive the eligibility rule to permit it to apply for a telemedicine grant. Hearing Milestones points out that the service it would offer fills a need that other clinics and agencies with audiology programs do not reach.

The Commission finds the grant application of Hearing Milestones, LLC, is not eligible for a telemedicine grant because the applicant is neither a non-profit medical clinic nor a public health agency.

3. (#7) Hudson Hospital Foundation, Inc. Hudson Hospital requests a grant of \$27,064 to pay for the first year of a neonatal telemedicine service provided by Children's Hospital in Minnesota. Hudson Hospital has a number of births each year that require neonatal specialists to review and monitor the status of the newborn child's health. However, Hudson Hospital does not have enough births to warrant hiring neonatal specialists for its own hospital.

The applicant states that the service that Children's proposed offers would fill this need. Children's maintains a team of neonatal physicians and nurses that can connect by telemedicine device on very short notice. The telemedicine carts and other equipment is purchased and maintained by Children's Hospital. The grant funds would cover one year of the neonatal service and would cover both the cost of the telemedicine equipment and a proportionate share of the salary expense of the specialists providing the consultation.

Wisconsin stat. § 196.218(4u) provides that the Commission may spend \$500,000 annually for...*the purchase of telecommunications equipment*. (Emphasis added.) The Commission finds that "the purchase of telemedicine equipment" is a mandatory requirement that restricts the telemedicine program to the purchase of telemedicine equipment.

The Commission finds the grant application of Hudson Hospital Foundation, Inc. is not eligible for a telemedicine grant because the application requests funds to subscribe to one year of a telemedicine service rather than to purchase telemedicine equipment.

Supplemental Filing

On May 16, 2022, the Bad River Band of Lake Superior Tribe of Chippewa Indians requested that the Commission permit it to supplement its pending grant application to add additional expenses that came to light after it had filed its original application. The additional expense item was a quote from Superior Steel Erectors LLC for \$20,878 to build a support structure for the Digital X-Ray device that Bad River proposed to buy with the grant. If approved, the additional item would raise the total amount of the Bad River telemedicine grant request to \$120,330.

The Commission accepts this supplemental filing.

Commissioner Nowak dissents.

Evaluation

Wisconsin Admin. Code § PSC 160.115(6) provides the criteria the Commission applies to evaluate telemedicine grant applications:

1. Whether the proposal promotes technologically advanced medical services;
2. Whether the proposal directly or indirectly enhances access to medical care in rural or underserved areas of the state;
3. Whether the proposal directly or indirectly enhances access to medical care to underserved populations or persons with disabilities in the state;
4. Whether the applicant will be able to pay for the portion of the cost of the equipment not funded by a telemedicine grant;
5. Whether the applicant has taken steps to secure the equipment at reasonable prices;
6. For any applicant agency or organization that operates more than one location, which has submitted an application involving an additional location, how much total universal service support has been received by the agency or organization; and
7. Whether the applicant is a new or first-time applicant in the program.

Upon review of the applications submitted and consideration of the screening panel's evaluation, the Commission awards telemedicine grants to 12 grant applicants in the amounts set forth in Attachment 1.

Order

1. The request of Bad River Band of Lake Superior Tribe of Chippewa Indians to supplement its grant application to add an additional expense item from Superior Steel Erectors LLC for \$20,878 to build a support structure for the Digital X-Ray device is approved. The revised amount of the Bad River telemedicine grant request is \$120,330.

2. The grant applications listed in Attachment 1 are approved in the award amounts stated therein. If an approved grant applicant has offered to contribute matching funds toward the total cost of the grant project, that offer of matching funds is accepted in full and incorporated into the grant award.

3. These grant awards are made conditionally. Each grant applicant receiving a grant award may accept the grant award for its respective project by entering into a Grant Agreement prepared by Commission staff. The Grant Agreement will confirm the grant award, including the amount of the award, and will require the grant recipient to agree to abide by terms and conditions governing the administration of the grant project. The grant awards referred to herein are not final until the grant recipient completes and signs the Grant Agreement, and the Commission's duly designated representative signs and delivers the executed Grant Agreement to the grant recipient. In the event that a grant recipient does not agree on the administration of the grant project, including the reporting requirements, other conditions set forth in this Order, or the terms and conditions developed by Commission staff, the grant award shall be deemed

rescinded, and the funds for that grant award shall be reallocated to other grant applications or returned to the Universal Service Fund reserve.

4. Each recipient of an approved telemedicine grant award shall use grant funds for the purchase of equipment and services specifically identified in the budget summary of its grant application. A grant award recipient may request to substitute an equipment item selected from a competing equipment vendor or manufacturer, in lieu of the equipment item specified in the budget summary of its grant application. Any such request shall be made pursuant to the terms and conditions of the Grant Agreement provision regarding amendment of the Agreement.

5. The grant awards approved herein shall expire, without notice or further process, on March 31, 2024, unless extended pursuant to the Grant Agreement, which will include terms and conditions developed by Commission staff. Any unused balance in an expired grant award and shall be returned to the Universal Service Fund reserve.

6. Grant funds will be paid as reimbursement for the purchase of equipment and services specifically identified in the budget summary of the grant application, and upon submission of a paid invoice or other documentation supporting a request for payment, pursuant to the Grant Agreement, and the terms and conditions developed by Commission staff.

7. Pursuant to the Grant Agreement and terms and conditions developed by Commission staff, approved grant applicants shall submit a project report after the telecommunications equipment has been purchased and installed. Commission staff will provide an appropriate form for this purpose.

8. In the event that, after an approved grant project is completed and all expense items identified in the budget summary of the grant application have been paid, there remains a

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balance of funds in the grant award, the grant applicant may request to apply that balance to the purchase of additional item or items of telecommunications equipment consistent with constraints and objectives of the Telemedicine Grant Program. Such a request shall be made pursuant to the Grant Agreement and terms and conditions developed by Commission staff.

9. Jurisdiction is retained.

Dated at Madison, Wisconsin, the 7th day of June, 2022.

By the Commission:

A handwritten signature in black ink, appearing to read 'Cru Stublely', with a long horizontal flourish extending to the right.

Cru Stublely
Secretary to the Commission

CS:KN:TK:AK:LF:DK:kle DL:01870031

Attachment: Attachment 1 - List of Medical Telecommunications Equipment Grants Approved May 18, 2022

See attached Notice of Rights

PUBLIC SERVICE COMMISSION OF WISCONSIN
4822 Madison Yards Way
P.O. Box 7854
Madison, Wisconsin 53707-7854

**NOTICE OF RIGHTS FOR REHEARING OR JUDICIAL REVIEW, THE
TIMES ALLOWED FOR EACH, AND THE IDENTIFICATION OF THE
PARTY TO BE NAMED AS RESPONDENT**

The following notice is served on you as part of the Commission's written decision. This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

PETITION FOR REHEARING

If this decision is an order following a contested case proceeding as defined in Wis. Stat. § 227.01(3), a person aggrieved by the decision has a right to petition the Commission for rehearing within 20 days of the date of service of this decision, as provided in Wis. Stat. § 227.49. The date of service is shown on the first page. If there is no date on the first page, the date of service is shown immediately above the signature line. The petition for rehearing must be filed with the Public Service Commission of Wisconsin and served on the parties. An appeal of this decision may also be taken directly to circuit court through the filing of a petition for judicial review. It is not necessary to first petition for rehearing.

PETITION FOR JUDICIAL REVIEW

A person aggrieved by this decision has a right to petition for judicial review as provided in Wis. Stat. § 227.53. In a contested case, the petition must be filed in circuit court and served upon the Public Service Commission of Wisconsin within 30 days of the date of service of this decision if there has been no petition for rehearing. If a timely petition for rehearing has been filed, the petition for judicial review must be filed within 30 days of the date of service of the order finally disposing of the petition for rehearing, or within 30 days after the final disposition of the petition for rehearing by operation of law pursuant to Wis. Stat. § 227.49(5), whichever is sooner. If an *untimely* petition for rehearing is filed, the 30-day period to petition for judicial review commences the date the Commission serves its original decision.¹ The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

If this decision is an order denying rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not permitted.

Revised: March 27, 2013

¹ See *Currier v. Wisconsin Dep't of Revenue*, 2006 WI App 12, 288 Wis. 2d 693, 709 N.W.2d 520.

Attachment 1

List of Medical Telecommunications Equipment Grants Approved May 18, 2022

Applicant	Project Description	Amount of Grant Award
Access Community Health Centers, Inc.	Purchase two retinal cameras for use in screening of diabetic patients for diabetic retinopathy.	\$ 36,242
Ascension Calumet Hospital, Inc.	Purchase a telemedicine cart and accessories for the Emergency Department of Ascension Calumet Hospital	\$ 8,032
Aurora Health Care, Inc.	Purchase five retinal cameras for use in screening of diabetic patients	\$ 53,757
Bad River Band of Lake Superior Tribe of Chippewa Indians	Purchase a digital x-ray device for the Bad River Health and Wellness Center	\$ 120,330* *Commissioner Nowak dissented and would have authorized an award of \$99,452.
The Human Service Center	Purchase two video conference suites for mental health counseling and therapy at HSC in Rhinelander	\$ 46,023
The Lakes Community Health Center, Inc.	Purchase a digital x-ray device for the NorthLakes Community Clinic in Iron River	\$ 96,245
Mile Bluff Medical Center Inc.	Purchase three camera and monitor stations to support implementation of a tele-ICU	\$ 44,652

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Applicant	Project Description	Amount of Grant Award
Progressive Community Health Centers, Inc.	Purchase 20 tablet computers with installed Interpreter Service	\$ 16,880
Scenic Bluffs Health Center, Inc.	Purchase video conference equipment and five iPads with installed Interpreter Service	\$ 12,795
Sixteenth Street Community Health Centers, Inc.	Purchase computers and video conference equipment for behavioral health therapy and counseling in 22 school campuses	\$ 69,886
SSM Health at Home Foundation of WI	Purchase 70 home health monitoring units and associated clinic terminal equipment	\$ 98,400
UnityPoint Health-Meriter Foundation	Purchase 24 camera and monitor stations to support implementation of a tele-ICU	\$ 189,280
	Total	\$792,522