

February 21, 2018

Federal Communications Commission
Attn: Marlene H. Dortch, Secretary
445 12th Street, SW
Washington, DC 20554

**Re: [WC Docket Nos. 17–287, 11–42, and 09–197, FCC-17-155]
Bridging the Digital Divide for Low-Income Consumers, Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support**

Dear Chairman Pai and Commissioners,

America’s Health Insurance Plans (AHIP) appreciates the opportunity to comment on the Federal Communications Commission (“Commission” or “FCC”) proposed rule “Bridging the Digital Divide for Low-Income Consumers, Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support” published on January 16, 2018 in the *Federal Register* (83 FR 2104).

AHIP is the national association whose members provide coverage for health care and related services for millions of Americans, including the 52 million people served through Medicaid managed care programs.¹ Through these offerings, we improve and protect the health and financial security of consumers, families, businesses, communities, and the nation. We are committed to market-based solutions and public-private partnerships that improve affordability, value, access, and well-being.

AHIP supports the Lifeline program and commends its role in helping to improve patient engagement and health. **The Lifeline program provides an essential connection to improve patient health and care outcomes.** Not only does Lifeline help people get and stay healthy, it also saves state and federal taxpayer dollars. **We are concerned that changes proposed by the FCC could limit – or even eliminate – Lifeline support for millions of Medicaid enrollees across the nation.** We strongly urge the Commission to continue to allow non-facilities-based carriers to participate in the Lifeline program, and to set a reasonable budget cap in line with current Lifeline use.

Lifeline’s Role in Improving Health for Medicaid Enrollees

Through Lifeline, Medicaid health plans work with service providers to connect Medicaid enrollees to services that are vital to improving their health and managing their chronic health conditions. Enrollees receiving Lifeline support often are also eligible to receive messaging devices at low or no cost. Through those devices, they receive health text messages, preventive care tips, appointment scheduling assistance and reminders, and prescription refill and immunization reminders. Together these services promote good primary care and help avoid costly acute care, hospital, and emergency room services:

¹ Source: Health Management Associates analysis of data from state agencies, NAIC and S&P Global Market Intelligence.

- Studies show that health text messaging can aid smoking cessation efforts and improve diabetes management, medication adherence, and keeping appointments.²
- A recent study of a mobile phone text messaging demonstration program involving diabetes management found net cost savings of 8.8 percent, or \$812 per participant over a six-month period.³
- Connecting pregnant women with the popular Text4baby program has been found to significantly increase maternal influenza immunization rates⁴, reduce rates of alcohol consumption and smoking⁵, and improve glycemic control for those with diabetes⁶, which in turn helps reduce the incidence of perinatal complications.

The Lifeline program also plays a critical role in optimizing care management of some of the sickest and most complex Medicaid enrollees. For enrollees who receive long term services and supports but do not have landline telephones, Lifeline provides a means for electronic visit verification, which ensures that scheduled home services have taken place. And for people who are homeless or living in shelters, Lifeline is a two-way channel for care managers to connect and keep in contact with them on their health conditions and medications, and for the enrollees to connect quickly with care managers in times of crisis.

Affordable mobile devices and services provided through the Lifeline program are essential for Medicaid enrollees with developmental, sensory, or physical disabilities⁷ to communicate with their care managers and providers and maximize their independence. Examples include:

- Allowing an enrollee to alert a care manager that a personal attendant has missed a morning appointment to help the enrollee get out of bed, or that transportation to a doctor appointment is delayed;
- Enabling an enrollee who is deaf to communicate with a provider through remote video interpretation;
- Providing navigation assistance for enrollees who are blind or visually impaired; and
- Providing functional and behavioral supports for people with developmental disabilities who need visual prompting tools to transition between activities, understand upcoming events, make choices, and focus on tasks.

² U.S. Department of Health and Human Services. Health Resources and Services Administration. Using Health Text Messages to Improve Consumer Health Knowledge, Behaviors, and Outcomes: An Environmental Scan. Rockville, Maryland: U.S. Department of Health and Human Services, 2014.
<https://www.hrsa.gov/sites/default/files/archive/healthit/txt4tots/environmentalscan.pdf/>

³ Nundy, S. Dick, J., Chia-Hung, C., Nocon, R., Chin, M., Peek, M. Mobile Phone Diabetes Project Led to Improved Glycemic Control and Net Savings for Chicago Plan Participants. Health Affairs. February 2014 33:2265-272.
<http://content.healthaffairs.org/content/33/2/265.full>

⁴ Jordan, E.T., Bushar, J., Kendrick, J., Johnson, P., Wang, J. (2015). Encouraging Influenza Vaccination Among Text4baby Pregnant Women and Mothers. American Journal of Preventive Medicine. Published online July 29, 2015. [http://www.ajpmonline.org/article/S0749-3797\(15\)00213-5/abstract](http://www.ajpmonline.org/article/S0749-3797(15)00213-5/abstract)

⁵ Evans, W. D., Wallace, J. L., & Snider, J. (2012). Pilot Evaluation of the Text4baby Mobile Health Program. BMC Public Health, 12(1), 1031. <http://www.biomedcentral.com/1471-2458/12/1031>

⁶ Grabosch, S., Gavard, J. A., & Mostello, D. (2014). 151: Text4baby Improves Glycemic Control in Pregnant Women with Diabetes. American Journal of Obstetrics and Gynecology, (210)1:88.
[http://www.ajog.org/article/S0002-9378\(13\)01249-0/pdf](http://www.ajog.org/article/S0002-9378(13)01249-0/pdf)

⁷ Bryen DN, Carey A, Friedman M. (2007) Cell phone use by adults with intellectual disabilities. [Intellect Dev Disabilities](http://www.ncbi.nlm.nih.gov/pubmed/17428123). 2007 Feb;45(1):1-9. <https://www.ncbi.nlm.nih.gov/pubmed/17428123>

For many Medicaid recipients unable to afford cell phones, the Lifeline program is the only means of accessing these important care management and supplemental health services. And with these kinds of positive health outcomes in Medicaid, Lifeline's federal subsidies are a worthwhile investment.

Limiting Lifeline Providers May Harm Competition and Access for Patients

We are concerned that several of the FCC's proposed changes would severely impair health plans' ability to communicate with Medicaid enrollees. The proposal to limit the Lifeline program to facilities-based network providers (83 FR at 2106, ¶ 16) raises concerns regarding the competitive impact of excluding re-sellers and could limit access to important health care programs and services for vulnerable individuals and families, including low-income seniors, those with disabilities and chronic illnesses, pregnant women, and children.

Specifically, the proposed rule could eliminate (or at least significantly reduce) the ability for resellers (*i.e.*, entities that lease and then resell network capacity from the owners of those networks) to participate in the Lifeline program. Wireless resellers currently serve over 70 percent of all Lifeline enrollees.⁸ Many resellers specialize in working with the Lifeline program, devoting much-needed resources to reach and engage Medicaid enrollees to ensure the success of the program. If resellers are excluded from participation in the program as proposed, we are concerned that the resulting gap may go unfilled by larger facility-based providers, which could undermine the viability of the program.

Additionally, state Medicaid programs and Medicaid health plans work together to provide care while making the best use of state and federal taxpayer dollars. Excluding non-facilities-based providers from the Lifeline program could seriously limit competition and access to preventive and other services, which would increase Medicaid program costs. At a time when Congress is looking for ways to reduce federal expenditures on public programs, decreasing the effectiveness and viability of the Lifeline program seems counterintuitive.

Budget Caps May Also Decrease Access to Care

We are also concerned that the proposed budget caps for the Lifeline program could keep essential programs and services out of reach for millions of enrollees. The current annual budget of \$2.25 billion provides flexibility for the FCC to look at costs and solutions, but still continue funding, when 90 percent of that dollar figure is reached. The proposed self-enforcing budget mechanism (83 FR at 2112, ¶ 55) would require that funding be cut off as soon as the cap is reached. The proposed rule also suggests beginning to limit spending at the six-month mark if it appears the cap may be exceeded.

We are concerned that this approach would result in a far smaller number of Americans having access to Lifeline. As noted, studies show that innovative programs made possible by Lifeline, such as those aimed at smoking cessation, diabetes management, and prenatal care, are an

⁸ Dissenting Statement of FCC Commissioner Mignon L. Clyburn, Re: *Bridging the Digital Divide for Low-Income Consumers*, WC Docket No. 17-287; *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42; *Telecommunications Carriers Eligible for Universal Service Support*, WC Docket No. 09-197 (November 16, 2017).

important part of improving health and reducing federal and state Medicaid expenditures. The FCC should implement policies that allow states and Medicaid health plans to build on these programs and thereby realize greater returns for state and federal payers, rather than implement policies that might have limited short-term federal savings but much more significant long-term costs.

Additional Comments on the Proposed Rule

In the Notice of Proposed Rulemaking, the Commission also seeks comment on proposals designed to root out waste, fraud, and abuse in the program (83 FR at 2112, ¶ 53). We note in this context that Lifeline enrollees who qualify for the program based on Medicaid eligibility represent perhaps the lowest risks to the Lifeline program in terms of fraud potential because their low-income status and eligibility is confirmed by the state's Medicaid agency. The state transmits that eligibility to Medicaid health plans through enrollment files, who then pass the information on to Lifeline service providers.

For the reasons discussed above, we strongly urge the Commission to continue allowing non-facilities-based carriers to participate in the Lifeline program and to set a reasonable budget cap in line with current Lifeline utilization.

We appreciate the opportunity to provide feedback. If additional information would be helpful or if you have questions about the issues we have raised, please feel free to contact me at (202) 778-3256 or mhamelburg@ahip.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'mhamelburg', written in a cursive style.

Mark Hamelburg
Senior Vice President, Federal Programs

cc: National Association of Medicaid Directors