

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Lifeline and Link Up Reform and Modernization)	WC Docket No. 11-42
)	
Telecommunications Carriers Eligible Universal Service Support)	WC Docket No. 09-197
)	
Connect America Fund)	WC Docket No. 10-90
)	
In the Matter of Rural Health Care Support Mechanism)	CC Docket No. 02-60
)	

Reply Comments of Panasonic Corporation of North America

**PANASONIC CORPORATION
OF NORTH AMERICA**

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Contents

I. Introduction And Summary.....	2
II. Panasonic’s Interests	2
III. Public Benefits Of Telehealth For Seniors.....	3
IV. The Need For Broadband Support For Telehealth.....	4
V. Recommendations:.....	5
VI. Other Funding Mechanisms.....	6
VII. Summary:.....	7

I. INTRODUCTION AND SUMMARY

Panasonic Corporation of North America (“Panasonic”) hereby submits reply comments in the above captioned Notice of Proposed Rule-Making (“NPRM”)¹ to reform and modernize the Lifeline and Linkup program to enable low-income consumers to utilize advanced communication networks. Panasonic supports the Commission’s efforts to provide broadband and mobile connectivity to consumers with limited incomes. In particular, Panasonic supports the Commission’s proposal to expand the Lifeline program can provide by enabling Telehealth services to economically disadvantaged citizens.

II. PANASONIC’S INTERESTS

Panasonic provides a broad array of digital and other electronics products and services for consumer, business, and industrial use. Panasonic is the principal North American subsidiary of Osaka, Japan-based Panasonic Corporation and the hub of the Company’s U.S. branding, marketing, sales, service and R&D operations. Paramount in Panasonic’s corporate philosophy is the understanding that the customer comes first, and that a company is indebted to society for its existence. Based on these principles, Panasonic strives to contribute to society, and to develop products and services that meet the needs of all its customers, including the less fortunate.

¹ Panasonic submits these comments in response to the Second Further Notice of Proposed Rulemaking issued by the Federal Communications Commission (“FCC” or “Commission”) in the above-referenced proceeding. Lifeline and Link Up Reform and Modernization; Telecommunications Carriers Eligible for Universal Service Support; Connect America Fund, WC Docket Nos. 11-42, 09-297, and 10-90, Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order, and Memorandum Opinion and Order, FCC 15-71 (rel. June 22, 2015) (“Notice”).

III. PUBLIC BENEFITS OF TELEHEALTH FOR SENIORS

Today, many older Americans overwhelmingly prefer to stay in their homes and communities as they age – a trend called, “aging in place.” As the older population grows, meeting their healthcare needs will become increasingly important. Earlier this year, the White House Conference on Aging² reported that:

- In 2013, there were 44.7 million Americans aged 65 and over and 6 million aged 85 and over.³ Over the next 50 years, the number of people aged 65 and older is expected to more than double to 92 million and the number of people aged 85 and older is expected to triple to 18 million.⁴
- Households containing families headed by persons age 65 and over reported a median household income in 2012 of \$48,957. The median personal income for older men was \$27,612 and for older women it was \$16,040.⁵
- Most older Americans (86%) had at least one chronic condition in 2012, and the majority (61%) had two or more chronic conditions.³⁰ In 2012, among the traditional Medicare population, the majority of whom are older adults, the most commonly occurring conditions were high blood pressure (55%), high cholesterol (45%), ischemic heart disease (29%), arthritis (29%), and diabetes (27%). Just over 15% of older adults have six or more chronic conditions.⁶

In April 2014, the Pew Research Center reported that, despite recent gains, a broadband adoption gap is prevalent in older Americas, noting, “seniors continue to lag behind younger Americans when it comes to tech adoption. And many seniors remain largely unattached from online and mobile

² The The 2015 White House Conference on Aging (WHCOA) took place at the White House on July 13, 2015. For reference statistics see: <http://whitehouseconferenceonaging.gov/about/statistics.html>

³ U.S. Census Bureau, Population Estimates. Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties, and Puerto Rico Commonwealth and Municipios: April 1, 2010 to July 1, 2013, at: http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=PEP_2013_PEPAGESEX&prodType=table

⁴ U.S. Census Bureau, 2012 National Population Projections: Summary Tables. Table 2. Projections of the Population by Selected Age Groups and Sex for the United States: 2015 to 2060, at: <http://www.census.gov/population/projections/data/national/2012/summarytables.html>

⁵ U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement. Table FINC-02. Age of Reference Person, by Total Money Income in 2012, Type of Family, Race and Hispanic Origin of Reference Person, at: http://www.census.gov/hhes/www/cpstables/032013/faminc/finc02_000.htm

⁶ Center for Medicare & Medicaid Services, see: https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Chronic-Conditions/Maps_Charts.html

life—41% do not use the internet at all, 53% do not have broadband access at home, and 23% do not use cell phones.” The Pew report further noted:

- Two different groups of older Americans emerge. The first group (which leans toward younger, more highly educated, or more affluent seniors) has relatively substantial technology assets, and also has a positive view toward the benefits of online platforms. The other (which tends to be older and less affluent, often with significant challenges with health or disability) is largely disconnected from the world of digital tools and services, both physically and psychologically.⁷

IV. THE NEED FOR BROADBAND SUPPORT FOR TELEHEALTH

The focus of Panasonic’s healthcare information technology strategy is to provide an integrated set of innovative "connected health" technologies and solutions – a platform – to meet the challenges of aging and in support of population health. In partnership with Jewish Home Lifecare (JHL), a New York City-based provider of integrated, sub-acute eldercare services, and HealthFirst, a major Medicare Advantage provider in the Metropolitan New York City area, Panasonic conducted a pilot study, called, “Pathways to Health,” utilizing a TV set top box “Home Gateway” to manage remote patient monitoring technologies directly within older patients’ homes. The pilot’s background, objectives, design parameters, and outcomes are fully detailed in a post-pilot White Paper, attached to this filing.

The Panasonic Home Gateway is a small box that interacts with patient televisions as a user-friendly medium to provide monitoring of vital signs, health self- assessment surveys, and educational videos to support disease self-management. Technology-enabled healthcare requires the secure capture, management, and delivery of actionable healthcare information across multiple care settings, and the provisioning of tools that enable patient self-management. This model is being described with terms such as connected care, telemedicine, and eHealth. What all these concepts have in common is the use of networked technologies to provide clinical decision support and proactive care management. Optimization of the user experience - for all user classes in the care ecosystem - is a prerequisite for the rapid adoption and ongoing utilization of these exciting new technologies.

With the Pathways to Health Pilot, Panasonic understood that many elderly patients don't use smart phones, and are in general uncomfortable with contemporary computing technologies. So, for this cohort, Panasonic chose the home TV as the source of remote engagement and interaction: the TV

⁷ Pew Research Center, “Older Adults and Technology Use” available at: <http://www.pewinternet.org/2014/04/03/older-adults-and-technology-use/>

is ubiquitous, familiar, comfortable, and simple to use. Here, Panasonic's expertise with home entertainment technology was key. For many seniors, the TV is their primary window on the "virtual world." For that reason, it's often the best way to reach them – particularly for the less affluent who may be less comfortable with contemporary information technology, as identified in the Pew Research Center study cited above.

The Panasonic "Pathways to Health" study demonstrated impressive results in the reduction of hospital readmissions and Emergency Department visits. Equally exciting were extremely positive outcomes around medication adherence, and glowing patient satisfaction reports. The pilot's test participants were predominantly elderly, poor, and urban; all suffering from multiple chronic conditions. Chronic conditions are common among those over the age of 65 – whether urban, or rural. Furthermore, low income and poverty are increasingly linked to lifestyle choices that lead to the early onset of chronic conditions, well below retirement age. However, Pathways to Health revealed significant challenges as well. ***The most significant technical challenge, by far, was the lack of reliable Internet connectivity within the patient home.***⁸

V. RECOMMENDATIONS:

Panasonic agrees with Microsoft Corporation that the use of broadband in health care applications is *"likely to produce financial savings for other federal and state government programs in amounts that greatly exceed the costs of Lifeline's broadband coverage."*⁹ The Pathways to Health Pilot demonstrated significant reductions in readmissions and high levels of engagement for patients diagnosed with Stage III or IV Heart Failure with high risk for hospitalization. These demographic cohorts – the elderly; the urban and rural poor, and others lacking the social capital to inform healthy lifestyle choices – are the same groups least likely to have broadband connectivity in the home.

Panasonic urges the Commission to unlock the tremendous potential of telemedicine to improve healthcare for older Americans with chronic conditions and reduce the cost of healthcare delivery, by providing access to broadband for seniors with limited incomes. Panasonic agrees with the Comments of Public Knowledge that broadband service provides users with remote access to health care resources, which note, "Advances in telemedicine are constantly improving patients' access to health care, even when the patient is far removed from the doctor or hospital. Broadband is helping

⁸ The Panasonic Home Gateway, Pathways to Health White Paper at 14, attached.

⁹ See: Comments of Microsoft Corporation at 3.

older Americans who plan to age in place communicate with doctors and access social support services.”¹⁰

Panasonic also agrees with the California Telehealth Network (“CTN”) on the importance of broadband at home for low-income households for telehealth applications. Panasonic’s experience in Pathways to Health Pilot both confirms and parallels the evidence CTN noted in its Comments:

- “Providing ongoing patient monitoring allows the patient to access their patient record, receive patient education information about their condition or treatment plan, and to interact with their physicians’ offices without having to physically visit the doctor’s offices. There is encouraging evidence that this emerging use of broadband technology has the potential to improve patient adherence to medication and treatment plans, thereby reducing healthcare costs and improving patient outcomes. Thus CTN encourages the FCC to support broadband Lifeline to ensure that access to healthcare continues to increase in low-income households, and that low income communities are able to receive the benefit of these healthcare services by having basic broadband available to them.”¹¹

VI. OTHER FUNDING MECHANISMS

Other funding mechanisms, such as the Healthcare Connect Fund or the Rural Health Care Fund provide support to health care providers directly, and currently do not extend to consumers’ use in the home. For example, healthcare providers can apply for funds from the Healthcare Connect Fund to support high-capacity broadband connectivity. The Healthcare Connect Fund was created to expand health care provider access, or “telehealth,” to broadband, especially in rural areas, and encourage the creation of state and regional broadband health care networks). Panasonic commends the efforts of the Commission to evolve its support of rural healthcare; however, the Commission’s existing programs only permit telecommunication service providers to offer discounted wire-line telecommunication services to eligible healthcare providers. The Commission’s rules do not currently permit health care providers to extend their broadband services to support critical healthcare services - such as remote patient monitoring - that are provided to patients in their homes.

A variety of intriguing proposals to extend healthcare providers’ services to patients’ homes have been submitted by key stakeholders that merit careful consideration. For example, Christus Health has urged the FCC to consider subsidizing, under the RHC program, wireless broadband contracts struck

¹⁰ See: Comments of Public Knowledge, at 10.

¹¹ See: Comments of California Telehealth Network (CTN) at 2.

between the healthcare providers and wireless carriers for the use for remote patient monitoring.¹² This proposal bears serious consideration by the Commission in its efforts to improve rural—and even urban—healthcare. Further, the FCC’s Rural Health Care (RHC) program, now some 15 years old, remains deeply undersubscribed. We encourage the Commission to explore ways to provide healthcare providers new ways to utilize Universal Service funds dedicated to rural healthcare for home-based telehealth and remote patient monitoring.

VII. SUMMARY:

Panasonic encourages the FCC to give appropriate consideration to the opportunities to integrate broadband telecommunications costs with the delivery of public services, such as eHealth and remote patient monitoring, to low-income consumers. We believe there are significant opportunities to utilize the Lifeline fund to support these services for low-income consumers by adding support for broadband connections—both wired and wireless—for the provision of telemedicine and remote patient monitoring.

Panasonic respectfully submits these comments to the Commission and requests consideration thereof.

Respectfully submitted,

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Attachment: The Panasonic Home Gateway, Pathways to Health White Paper (10/31/2014)

¹² See Ex Parte of CHRISTUS Health, CC Docket No. 02-60 (filed Mar. 30, 2015).