

18 March 2016

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554 March 11, 2016

Re: Written Ex Parte Communication, WC Docket No. 11-42
Lifeline and Link Up Reform and Modernization

Dear Ms. Dortch:

MHPA is the leading national trade association representing Medicaid managed care plans, ranging from multi-state, for-profit plans to small, non-profit community centered plans. MHPA's 126 health plan members serve the nation's poorest, most vulnerable population across 42 States and D.C. Through the use of robust care coordination and case management and innovative programs that keep individuals and families healthy, manage chronic diseases, and avoid expensive hospital stays, MHPA plans proudly manage care for over 28 million Medicaid enrollees. Through our health plans' partnership with State Medicaid agencies, MHPA health plans provide valuable cost savings and budget predictability to States during a time of sweeping changes to our health care system, uncertainty and tight budgets.

As you may be aware, Medicaid, the shared federal-state program that covers our nation's poorest citizens, has greatly expanded in the last couple of years. The population that Medicaid covers is extensive and touches every segment of healthcare. 72 million Americans – 1 in 5 – rely on Medicaid to provide access to meet their health needs.¹

31 states and the District of Columbia have expanded their coverage of Medicaid to the working poor under the Affordable Care Act.² Millions of low-income working adults now have comprehensive access to care, where once their only choice was traveling to an emergency room. Medicaid pays for nearly half of the births in the United States, more than 56% of long term care services for America's aged and disabled, and those served by Medicaid are more likely to have chronic diseases, mental and behavioral health

¹ *The Still Expanding State of Medicaid 2015*; MHPA and Price WaterhouseCoopers. Available on the web at: http://www.mhpa.org/_upload/PwCStillExpandingStateOfMedicaid2015.pdf

² Kaiser Family Foundation: <http://kff.org/health-reform/state-indicator/state-activity-around-expanding-medicaid-under-the-affordable-care-act/>

issues (including substance abuse), and face challenges because of their socio-economic status.³

It is with this background that I write to you today to comment on the FCC's proposal to modernize the Lifeline program.

As you know, states are responsible for determining Medicaid eligibility, and in the vast majority of cases the enrollees in state Medicaid programs would match to the qualifications for access to the Lifeline program. In fact, most of MHPA's member plans offer the Lifeline service to their members. At no cost to them, plan enrollees receive:

- A handset
- Voice calling
- Unlimited texting
- A suite of interactive digital health services delivered via text that are proven to improve health outcomes.

MHPA member plans rely on this service to communicate with a large cross section of their insured members – indeed, MHPA has several plans that have a large number of enrollees with no fixed address. Mobile communications are becoming more and more important to communicate with these covered individuals because other forms of outreach are challenging at best.

This isn't just voice communications – several of our members are working with innovative new strategies to encourage and maintain the health of the Medicaid participant. One of our plans has provided phones to its diabetic members to take pictures of the food they eat so that care coordinators may work with them to ensure the proper insulin dose and counsel them on better food choices; another uses messaging contact to encourage them to stay adherent to life saving (and very expensive) medication. The use of data transmission by our plans to reduce costs and, more importantly, drive better health outcomes is becoming more important by the day.

With this in mind, MHPA applauds the FCC for moving ahead with proposals to modernize the use of the federal telecommunications subsidy. Allowing the data portion of the fee to be used separately from a device is important, as internal estimates suggests that a large portion of Medicaid enrollees already have a mobile device. The challenge is paying for the data and voice costs.

While we recognize the value of home broadband service in general, it does not help the Medicaid program achieve its goals. For Lifeline to continue to serve as an essential tool for Medicaid, we feel that it is vital for Lifeline to continue to support the possibility of a free mobile offer for our beneficiaries. We are concerned that with minimum requirements for data and unlimited voice, Lifeline carriers will no longer be able to afford to offer a free Lifeline service to our beneficiaries. If there is a required co-payment for Lifeline mobile

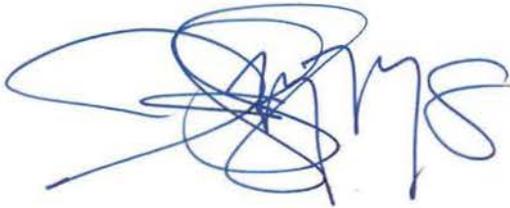
³ KFF: <https://kaiserfamilyfoundation.files.wordpress.com/2013/01/8383.pdf>. MACPAC: <https://www.macpac.gov/publication/characteristics-of-medicaid-managed-care-programs/>

services, many of our most vulnerable members will no longer be able to benefit from the program at all.

Rather than imposing specific minimum requirements for wireless voice and data packages, we encourage the Commission to let market competition work. We feel confident that Lifeline mobile carriers will be very motivated to compete with their most compelling bundled offers in order to reach the millions of enrollees whom MHPA members serve.

Thank you for the opportunity to comment on the proposal. Should you have any questions, or MHPA could provide more information about the impact the federal subsidy is having, and can have in the future, please do not hesitate to contact me directly at jmyers@mhpa.org or 202.875.5725.

Sincerely

A handwritten signature in blue ink, appearing to be "J. Myers", written in a cursive style.