NATIONAL CONSUMER LAW CENTER[®]

Advancing Fairness in the Marketplace for All Commissioner Geoffrey G. Why Department of Telecommunications and Cable 1000 Washington Street, Suite 820 Boston, MA 02118-6500

April 29, 2013

RE: D.T.C. 13-4 Lifeline Investigation

Dear Commissioner Why:

The National Consumer Law Center (NCLC) is pleased to submit these initial comments regarding implementation of the Federal Communications Commission's *Lifeline Reform Order*.¹ NCLC is a nonprofit organization that works for economic justice for low-income and other disadvantaged people in the U.S. through policy analysis and advocacy, publications, litigation and training. NCLC has long been involved in the policy issues around the design of the Lifeline program as part of its works to ensure affordable, reliable access to essential utility service to consumers with limited means.

The Lifeline program has been in existence since 1985 and evolved to include wireless service in 2005. Lifeline provides modest, affordable, essential phone service to low-income households and is literally a "lifeline" to jobs, emergency service, medical care, childcare, the school system, social services, family and community. The recent *Lifeline Reform Order* dramatically and drastically reformed the program in order to address pre-reform Lifeline program weaknesses. As a result, this vital program is now on more secure footing and more uniform between states.

As noted in the order opening this investigation, the *Lifeline Reform Order* "affirms the Department's authority to impose additional compliance standards, adopt additional eligibility criteria, and supplement recrification requirements... [S]tates are free to implement rules, consistent with those of the FCC, to 'preserve and advance universal service,' as well as to provide 'additional definitions and standards to preserve and advance universal service within that State."" It is with this in mind that NCLC offers these initial comments and suggestions.

¹ In the Matter of Lifeline & Link Up Reform & Modernization, et al., WC Docket No. 11-42, et al., *Rep. & Order & Further Notice of Proposed Rulemaking*, FCC 12-11 (rel. Feb. 6, 2012).

The Department of Telecommunication's (DTC) must play a critical role in complaint resolution

A critical step the DTC can take towards ensuring successful implementation and oversight of the FCC's *Lifeline Reform Order* in Massachusetts is for the DTC is be the go-to for consumers in the event something goes wrong for Lifeline applicants and current Lifeline participants. It is not reasonable to expect the consumers to contact the FCC if they are appealing the denial of their Lifeline benefit or have a problem with their Lifeline service or have been wrongfully de-enrolled from Lifeline service. Along those lines, NCLC urges the DTC to separately identify and track all calls and complaints it receives regarding Lifeline service. This will enable the DTC to track Lifeline specific issues, such as a high de-enrollment rate for a carrier at the time of re-certification. This could indicate a need for additional outreach and education to consumers about the procedures for re-certification and building in additional consumer notice. The DTC would also have insight into whether some eligible telecommunications carriers (ETCs) are doing a better job implementing Lifeline than others. The ETCs should also be required to place the DTC's toll-free number on the advertising and other materials distributed by the ETCs in Massachusetts.

The DTC should take a hard look at Massachusetts ETC's online and printed advertising materials and information for the Lifeline program.

The reason for this is two-fold. First, the DTC should ensure that advertising materials comply with federal rules regarding disclosure that the service is part of the Lifeline program, include the name of the carrier, note the one-per-household limitation, mention the Lifeline service is non-transferable, etc.² Second, it's critical that information about the Lifeline program be readily accessible, clearly written and easily understood. As such, the DTC should undertake a review of all online and written materials and consider whether the information is presented in a format that consumers can access and understand.

Additionally, NCLC urges the DTC to consider whether Lifeline materials should be offered in languages in addition to English and Spanish. Massachusetts is a diverse state. According to the Massachusetts Office of Public Health Strategy and Communications, after English the six top languages spoken in the Commonwealth are Spanish, Portuguese, Chinese, Haitian Creole, Vietnamese and Khmer/Cambodian.³ Expanding the language offerings for Lifeline materials would not only aid consumer comprehension of Lifeline program requirements but increase the chances that eligible consumers, with

² See, 47 C.F.R. § 54.405.

³ See, Office of Public Health Strategy and Communications, Translation Toolkit: Foreign Language Guide. Revised October 2010. Available at: <u>http://www.mass.gov/eohhs/docs/dph/health-equity/appendix-f-language-audience-guides.pdf.</u>

limited English and Spanish language skills, learn about and benefit from this critical utility service.

The DTC should coordinate outreach and education on Lifeline with the programs that qualify households for Lifeline service

The DTC should work closely with agencies that administer SNAP, LIHEAP, Public Housing, SSI, Medicaid, TANF and the National School Free Lunch Program to coordinate outreach and education about the Lifeline program. There is a mutual benefit for the agencies, as Lifeline connectivity helps these agencies administer their programs. Consumers would be reachable by phone for case workers and consumers could use their Lifeline phones for interviews or to resolve questions about their other benefits.

The DTC should investigate the adequacy of 250 minutes per month for wireless Lifeline

Across the country, Wireless Lifeline is an evolving product in terms of the number of minutes covered by the service. In Massachusetts, the current allowance of 250 minutes per month gives subscribers a little over 4 hours of phone service per month for all incoming and outgoing calls. However, there are reasons to believe that this initial allowance is no longer adequate to cover the basic needs of subscribers and should therefore be increased to ensure consumers have access to stable and reliable phone service.

Expectation of instantaneous connection, for example, has become the societal norm, particularly among those who can readily afford smart phones and broadband connectivity via multiple devices. It is increasingly an expectation of employers, for example, to readily reach employees or prospective employees. In addition, more and more social service programs are accessed electronically, through centralized call centers and internet sites. Given this trend in program delivery, especially where wait times can be long and call backs are common, a 4 hour monthly allowance is likely inadequate for some subscribers.

In light of this, the DTC should track the number and percent of wireless Lifeline customers that add additional minutes, and the amount of minutes that are added. The DTC should also track the disconnection/loss of service data for Lifeline customers per ETC. This will help provide the DTC with information on how Lifeline customers are responding to the different ETC's service and offerings.⁴

⁴ The April 25, 2013 Lifeline oversight hearing in the House Energy and Commerce Communications and Technology subcommittee revealed great interest by members of Congress in this type of data. Testimony delivered at the hearing can be viewed here: <u>http://energycommerce.house.gov/hearing/lifeline-fund-money-well-spent</u>.

The DTC should not approve ETC applications for products where calls to the carrier's customer service and toll free numbers, such as the DTC's complaint line, count against the Lifeline covered minutes. States like Minnesota require ETCs to match the highest level of minutes being offered anywhere in the country to avoid sub-standard wireless Lifeline offerings.

It's also important to remember why access to stable, reliable phone service is necessary and how a wireless phone delivers that. A substantial number of Lifeline participants are unemployed or underemployed. A stable phone number is essential for a low-wage worker to pick up extra shifts or jobs. Phone service is also important to coordinate transportation to and from work and to notify an employer if work will be missed due to an emergency, thus helping to maintain employment. If a worker has young children, the phone is important for coordinating childcare logistics and to remain in contact in case the child is sick or in an emergency.⁵

A stable phone number is also essential for health and safety. Health care providers treating low-income patients can find it difficult to follow-up with their patients without reliable phone service. Dr. Genevieve Preer, a Boston pediatrician whose patients are very young and fragile, views Lifeline as vital. When she treats a 2-year old with a congenital heart condition, developmental delay and a failure to thrive, she needs to be able to reach the parents to arrange for medical transport and delivery of special formula, and ensure that medications are taken as prescribed to avoid serious complications. The ability of parents of medically fragile young children to reach her immediately when there is a problem can mean the difference between treating a developing pneumonia with medication or treating a child in the pediatric intensive care unit with severe respiratory distress.⁶

The portability of Wireless Lifeline service also allows subscribers to be reached at the same number regardless of where they live. A sad reality for households with limited means is an inability to afford housing. The bleak economic effects of the recession resulted in an11.4% increase in the number of people doubling up between 2007 and 2010 (affecting 22 million households).⁷ There are also group housing situations, such as single-room occupancies (SROs), nursing homes, group homes for those with disabilities, and domestic violence shelters, where the dwelling units may not have their own US

⁵ See, David Super, Professor, Georgetown University, FCC Ex Parte in WC Docket No. 11-42; WC Docket No. 03-109; CC Docket No. 96-45 (Nov. 7, 2011).

⁶ See, Health Perspective: Dr. Genevieve Preer, pediatric medical director for the Medical-Legal Partnership – Boston at Boston Medical Center, pp. 18-20 attached to the Reply Comments of Consumer Groups in Response to the Notice of Proposed Rulemaking on the Lifeline and Link-Up Reforms and Modernization, in the FCC WC Docket No. 11-42, CC Docket No. 96-45, and WC Docket No. 03-109 (May 25, 2011).

⁷ Michael Fletcher, *Census Bureau: Millions more Americans shared households in face of recession*, Washington Post (June 20, 2012).

Postal service address although the occupants are separate households. These are amongst the most fragile of low-income households and a group most in need of wireless Lifeline service to achieve self-sufficiency or independence.

The DTC Should Facilitate A Lifeline Consumer's Ability to Shop With Their Feet

In order for consumer choice to drive ETCs to improve their Lifeline service offerings, the DTC should take a look at the processes and timeliness of how ETCs handle Lifeline customer requests to switch to another Lifeline service. If the incumbent provider holds on to the customer wishing to switch service, the customer could look like he or she has duplicate service. This is bad for the consumer, carrier and state. Clear rules of the road regarding switching can facilitate a more competitive marketplace.

NCLC thanks the DTC for the opportunity to submit comments on this matter and for helping that the Lifeline program remains a viable and effective service for Massachusetts' low income consumers.

Respectfully,

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