April __, 2018

Chairman Ajit V. Pai
Commissioner Clyburn
Commissioner O'Rielly
Commissioner Rosenworcel
Commissioner Carr
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: WC Docket Nos. 17-287, 11-42, 09-197

Dear Chairman Pai, Commissioners Clyburn, O'Rielly, Rosenworcel and Carr:

On behalf of the nation's almost 50 million older adults, we are writing today to urge you to reconsider recent proposals to weaken the essential Lifeline low-income discount program. The FCC's actions will cause irreparable harm to the very consumers this program is intended to help, especially the 9.3 percent of people 65 and older who live in poverty.[1] As AARP explained in its comments, the new proposed rules "will reduce the ability of low-income households to access the critical telecommunications services that are essential to the everyday lives of all Americans."[2]

Lifeline helps older, low-income Americans find and keep a job, get help in the case of an emergency, to access news and information, and to keep in touch with families, educators and health providers. According to one major provider, nearly a third of Lifeline customers are over the age of 55, and 36 percent are disabled.[3] Still another provider shared that 47 percent of its Lifeline customers are over the age of 50.[4]

Lifeline phones can be especially important to improve health outcomes for the elderly. Not only does Lifeline allow them to have access to 911 and emergency services, we know that it connects low-income Americans to their doctors' offices to arrange for appointments and follow-up, to health information and help-lines, and so they can receive preventative care text messages. In fact, one survey found that 54 percent of Lifeline subscribers use the service to connect with doctors and for other health-related issues. [5] Several Medicare managed care organizations emphasized the importance of Lifeline to "help connect Medicaid beneficiaries to critical health services as well as the supports provided by their health plan."[6]

The new FCC proposal that would exclude non-facilities based providers would drastically reduce the number of eligible service providers, cutting off nearly 70 percent of Lifeline households from their current carriers.[7] We are also concerned about the implications of mandatory co-pays and an automatic self-executing budget cap will not be able to take into account an economic downturn or a natural disaster which might increase the number of households who would seek to rely on the program during a crisis. Mandatory co-pays could prove especially troubling for older and rural Americans who are unbanked or underbanked. A 2015 FDIC report found 27 percent of American households—or 33.5 million homes—were either unbanked or underbanked.[8] Senior citizens often live on fixed budgets and could not easily manage unexpected price spikes caused by the self-executing cap proposal. Furthermore, the proposed lifetime benefit limits would particularly impact older people because, over their longer lifespans, they are more likely to reach a lifetime benefit cap.

Rationing Lifeline benefits and limiting service providers will harm older adults in the U.S., who are already struggling. The FCC must keep the Lifeline program's focus on people and maintain affordable voice and broadband service for all. Please reject these harmful proposals.

Sincerely,

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[1] U.S. Census, Income and Poverty in the United States: 2016, Table 3, available at: https://www.census.gov/library/publications/2017/demo/p60-259.html.
[2] AARP Comments, FCC WC Docket No. 17-287 at 2 (Feb. 21, 2018).
[3] Sprint, Ex Parte Presentation, FCC WC Docket No. 11-42 (filed Apr. 10, 2013) ("April Sprint Ex Parte").
[4] TAG Mobile, Ex Parte Presentation, FCC WC Docket No. 11-42 (filed Apr. 17, 2013).
[5] April Sprint ex parte (54% use their Lifeline service to stay in touch with doctors and for other health care related purposes).
[6] Association for Community Affiliated Plans, Blue Cross Blue Shield Association, Medicaid Health Plans of America Comments, FCC WC Docket 17-287 (filed Feb. 21, 2018).
[7] Federal-State Joint Board, 2016 Universal Service Monitoring Report, Table 2.8 Non-Facilities Based Low-Income Subscribers by State in 2015, p.30.
[8] Federal Deposit Insurance Corporation 2015 National Survey of Unbanked and Underbanked Households, available at: https://www.fdic.gov/householdsurvey/.