

30 October 2012

Communications Alliance Ltd
Level 9
32 Walker St
North Sydney NSW 2060

Dear Sir Madam,

Re: Review of the Priority Assistance for Life Threatening Medical Conditions Industry Code (ACIF C609:2007)

Telstra is pleased to provide the following comments to Communications Alliance regarding its review of the *Industry Code ACIF C609:2007 - Priority Assistance for Life Threatening Medical Conditions*.

1. Executive Summary

Broadly speaking, Telstra considers the *Priority Assistance for Life Threatening Medical Conditions* Code is satisfactorily meeting the needs of the industry and the community. However, we do consider that the review should consider the impact of:

- The establishment of NBN Co and its role as an underlying carrier for the supply of priority assistance services;
- The dramatic increase in the availability of mobile phone services since priority assistance was introduced in 2002, which has in turn reduced the reliance of many priority customers on fixed phone services; and
- Changes to legislation that have not been reflected in the Code.

Telstra recommends that the following amendments be made to the Code:

- a) *Insert a new clause in section 4.4:* This new clause should provide that the priority assistance service levels will not be assigned to those fault rectification requests where the customer has an alternative service (such as the customer's existing mobile service), which the customer confirms meets their priority assistance requirements;
- b) *Amend clause 5.8.4 (and Appendix B of the Code):* This clause should be amended to provide greater flexibility to both suppliers and priority customers about how priority assistance status can be re-validated, for example, via online means and through self-attestation;
- c) *Amend subclause 5.8.6(a):* This subclause should be amended to acknowledge that providers also have the option of writing to those priority customers who have failed to re-validate their priority status, to confirm that priority assistance status will be removed by a nominated date;
- d) Review all definitions and terminology to ensure the role of NBN Co is encompassed and acknowledged;

- e) Amend clauses 4.10.6 and 4.10.7 to ensure compliance with the new requirements in Part 6, Schedule 2 of the *Telecommunications Act 1997*. These requirements impose additional obligations on those providers that do not offer priority assistance, and require them to inform prospective customers of the names of one or more providers who do offer priority assistance; and
- f) *Amend subclause 2.2.2(g)*: This subclause should be amended to provide that priority assistance can be supplied to a business customer in certain circumstances, for example, where a customer operates a business from their residence and requests priority assistance at that residential address.

2. Introduction

Telstra's inaugural *Priority Assistance for Individuals Policy* was implemented in June 2002. It gave effect to the new regulatory obligations relating to priority assistance that were placed upon Telstra through an amendment to its carrier licence conditions. The policy sets out the specific levels of service that will be provided to Telstra customers who have a life threatening medical condition and who apply for priority assistance. The underlying policy objective behind the policy was to acknowledge the potential reliance on a fixed phone service of those customers who suffered from a life threatening medical condition.

In recognition that eligible customers of other service providers should also be able to receive priority assistance, the then Australian Communications Industry Forum developed the *Industry Code ACIF C609:2007 - Priority Assistance for Life Threatening Medical Conditions* (the **Code**). The Code put in place industry wide arrangements for the provision of priority assistance to residential customers by those service providers who chose to offer priority assistance. The Code was subject to a minor revision in 2006.

The current review of the Code is being undertaken in an environment where the take-up of mobile phone services has undertaken a dramatic change since priority assistance was introduced in 2002. During the last five years, the number of mobile phone services has increased from 19.3 million in 2006 to 24.5 million in 2011. In contrast, the number of standard telephone services covered by the Customer Service Guarantee has declined from 8.7 million to 7.3 million during the same time period. It is therefore reasonable to conclude that the majority of priority customers will also have a mobile phone service, which in turn reduces their reliance on being able to make an emergency call from a fixed phone service.

In conclusion, we do not consider that priority customers' sole reliance on fixed phone services is as great as it was when priority assistance was introduced in 2002. Accordingly, there is now real scope to review existing processes to ensure that only those people in genuine need are receiving priority assistance. Critical to this outcome is a policy driver that ensures priority assistance status is only given to those members of the community who need it.

Telstra therefore considers that a number of amendments should be made to the Code. Telstra's recommendations are set out in the following sections.

3. Application of Priority Assistance Service Levels

Subclause 4.2.1(b) of the Code (in relation to connections) states that the priority assistance service levels apply where:

"there is no working Alternative Service which the Customer confirms will meet their Priority Assistance requirements."

In other words, where a priority customer requests a new connection and confirms they have an existing mobile phone service, which they agree to use to access any required emergency services or medical assistance, the priority assistance service level will not be assigned to that request.

Given that most residential premises can be expected to have at least one mobile phone service, this same policy principle should be applied to priority assistance fault rectification. The following new clause (4.4.1) should therefore be added at the commencement of section 4.4 (*Priority Assistance – Fault Rectification*)

4.4.1 *Fault Rectification of Priority Assistance service levels apply when a Provisional Priority Customer or a Priority Customer reports a fault with a Priority Assistance service to a Supplier where:*

- (a) there is no other working STS at the location supplied by that or another Supplier to that Provisional Priority Customer or Priority Customer at that location; or*
- (b) there is no working Alternative Service which the Customer confirms will meet their Priority Assistance requirements.*

This change reflects the fact that the customer is the decision maker as to the suitability of the Alternative Service.

4. **Revalidation Processes**

Priority assistance customers who validate their provisional status are provided with priority assistance status for a period of three years. If priority assistance is still required at the end of this period, the customer must reapply for priority assistance by repeating the original application process. That is, they must complete another priority assistance application form (and obtain appropriate medical authorisation).

We consider that suppliers and priority customers should be provided with greater flexibility about how priority assistance status can be revalidated. Clause 5.8.4 of the Code requires suppliers to send a *Request for Continuance of Priority Assistance Form* (the **Form**) to the priority customer, which requires authorisation by a medical practitioner. This clause (and Appendix B of the Code) should be amended to provide:

- Customers with greater flexibility to respond to the Form using methods which are convenient to them (such as online); and
- Suppliers with greater flexibility in how they arrange for a priority customer to revalidate their priority assistance status.

This should include the option of online re-validation and, in certain circumstances, a self-attestation by the priority customer that they still meet the eligibility criteria (thus removing the need to obtain medical authorisation for a second time).

Furthermore, and in accordance with subclause 5.8.6(a) of the Code, if a priority customer does not return the Form by the nominated date, the Code should still provide that the supplier must make a reasonable attempt to contact the customer. However, given it is often difficult to contact priority customers via phone, this subclause should be amended to acknowledge that suppliers have the option of writing to customers in addition to attempting to contact them by phone. The purpose of any such letter would be to confirm that the customer has not returned the Form, and secondly, to confirm that priority assistance status will be removed by a nominated date unless the supplier

receives advice that priority assistance status is still required. This will provide increased flexibility, and certainty, of the process for both suppliers and customers.

5. Acknowledgment of NBN Co's Role as an Underlying Carrier

A key development since the last review of the Code in 2006 has been the government's decision to establish NBN Co with the objective of deploying a broadband network that will be available to all premises in Australia. This is bringing with it a critical change in the way that fixed phone services are provisioned for consumers.

By the end of the NBN rollout - projected to be in 2021, approximately 93% of premises in Australia will have all their fixed phone services delivered over the NBN. Customers who will not receive access to NBN fibre will continue to receive their fixed phone service through Telstra's customer access network, unless they choose to cancel their existing service and replace it with a VoIP service provided over NBN Co's fixed wireless or satellite networks.

The current Code is essentially written on the premise that Telstra is the sole underlying carrier of fixed phone services in Australia. This will increasingly no longer be the case with the introduction of the NBN, which will also support the provision of priority assistance service levels. Telstra therefore considers the Code should be updated to reflect this fundamental shift in the way in which priority assistance services are to be provisioned and maintained in the future.

All definitions and terminology in the Code should therefore be reviewed to ensure they encompass and acknowledge the role of NBN Co as a fixed network provider. For example, the term *Underlying Carrier* is currently defined as:

"means a Carrier who provides STS services to a Supplier and is not in a direct contractual relationship with the Customer"

The definition therefore excludes NBN Co, as it does not provide STS services to suppliers. This gap in the definition should be closed.

6. Recognition of changes to requirements of CSP's other than Telstra.

Clauses 4.10.6 and 4.10.7 of the Code impose obligations on providers who do not offer priority assistance to inform their customers that they do not offer priority assistance. To a certain extent, the new requirements in Part 6, Schedule 2 of the *Telecommunications Act 1997* override these obligations in the Code. Subclause 19(2) of Part 6 imposes the following obligation on those providers who do not offer priority assistance:

"The provider must:

- (a) inform the prospective residential customer that the provider does not offer priority assistance in connection with the service; and*
- (b) inform the prospective residential customer of the names of one or more carriage service providers from whom the prospective residential customer can obtain priority assistance in connection with a standard telephone service."*

The Code should therefore be amended to reflect these new legislative requirements.

7. Scope of the Code

On a minor matter, subclause 2.2.2(g) of the Code states it does not apply to the provision of services to non-residential customers. However, it is possible for a supplier to provide priority assistance to a business customer, for example, where a customer operates a business from their residence. Subclause 2.2.2(g) should therefore be amended to as follows:

(The Code does not apply to:)

- (g) provision of services to non-residential Customers (unless the non-residential Customer is operating a business from their residential premises);

Yours sincerely,



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