CenturyLink

INITIAL PROPOSAL AND RECOMMENDATIONS

Docket No. 10-2528-01

April 26, 2011

The process for verification of continuing eligibility (i.e. annual certification) of Lifeline customers.

Response: The existing process has been working fine. It is more efficient for the appropriate state agency to do both the initial and annual eligibility verification, because they have access to the databases necessary to determine whether a customer automatically qualifies for Lifeline service on the basis of their participation in other social programs.

If the existing state agency will not agree to take on the additional work load associated with verifying the eligibility of the Lifeline customers of the wireless Lifeline providers, the PSC will need to consider the following options:

- Find another appropriate state agency that is willing, pursuant to contract with the PSC, to perform the eligibility verification for the customers of all Lifeline providers. (Ultimately it will be more efficient to have one state agency do the verification for all Lifeline providers.)

- Have the existing state agency continue to do the verification for the existing Lifeline providers, and have another appropriate state agency do the verification for the wireless Lifeline providers.

- If the PSC cannot find a state agency willing to do the verification for the wireless Lifeline providers, then seek a legislative change mandating involvement by the appropriate state agency and come up with an interim solution for verifying the eligibility of the customers of wireless Lifeline providers.

    - An interim self-certification approach might include requiring customers to provide adequate eligibility documentation to the wireless Lifeline provider. However, self-certification should only be viewed as a last resort interim solution because it is less efficient; self-certification (1) increase the risk that customers not qualifying for Lifeline would be placed in the program, and (2) makes it more difficult for Lifeline customers to sign up because they have to submit the necessary documentation, which they may need to obtain from a state agency.

The determination of entities that may verify the continuing eligibility of Lifeline customers.

Response: The PSC may need to find another state agency to perform the verification function. It may be necessary to seek a statute change that mandates the proper state agency to continue to do this.

The method of calculation and recovery of costs for verifying continuing eligibility of Lifeline customers, particularly for ETCs not paying to the state USF.

Response: The existing process for Lifeline providers who do pay into the state USF works fine; no changes are necessary. The PSC should require ETCs not paying to the state USF to either (1) start paying into the USF, or (2) pay a per customer fee for both the initial and annual eligibility verification.

Even though wireless Lifeline providers state they will not seek reimbursement from the state USF for revenues forgone by providing Lifeline service to customers, they still are triggering costs to the state USF for the eligibility verifications.

In the long term all Lifeline providers need to pay into the state USF.

The role of the "responsible agency" (R746-341-4.B) in verifying continuing eligibility of Lifeline customers.

Response: The existing process is working. If the PSC does not believe that it can continue the existing process through contracts with the current state agency, then a legislative solution may be necessary in order to determine the agency that will verify Lifeline eligibility.

The determination and implementation of a process to prevent customers from receiving duplicate service from multiple providers (double-dipping);

and

The process for avoiding unauthorized changes of a Lifeline carrier, and preventing slamming.

If the appropriate state agency continues to be involved with both the initial and annual eligibility verification, this will minimize double-dipping and slamming.[1] As is the case today, the customer should be required to contact the state agency to initiate participation in the Lifeline program with the provider of their choice. Slamming only becomes a possibility if providers are

[1] There is no way for individual ETCs to know if a subscriber is receiving benefits from more than one provider.

allowed to enroll customers to Lifeline without first receiving notice from the state agency. Capabilities to the state systems can be developed that will alert the appropriate state agency if a customer requests new Lifeline service, but is already receiving Lifeline service from an existing provider. In these situations the state agency can manage the customer to prevent "double-dipping," while assisting the customer in determining the Lifeline provider they would like to receive service from.

Whether findings, conclusions, and orders made in this proceeding apply equally to all ETCs in the state regardless of technology or business model used.

Response: The goal is to develop standardized rules and requirements applicable to all Lifeline providers. In the short run, it may become necessary to develop interim solutions for wireless Lifeline providers.

Whether additional rulemaking proceedings/and or additional reporting requirements are necessary to implement the determinations made in these proceedings.

Response: Once standardized rules and requirements are developed in this proceeding these should be codified in the PSC rules, which would require a rulemaking process.

FCC Lifeline/Linkup NPRM.

Response: Solutions will come out of the FCC NPRM. It is more efficient for Lifeline providers and less confusing to customers that both the state and federal Lifeline requirements match as close as possible.