Qwest/CenturyLink
REPLY RESPONSE AND UPDATED RECOMMENDATIONS
Docket No. 10-2528-01
May 12, 2011

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

Response: During the April 28, 2011 technical conference all parties seemed to agree that the existing Utah process, with state agency verification of eligibility, works well. It makes no sense to take a step backwards in the existing process and establish a self-certification process. A self-certification process and/or asking Lifeline providers to verify eligibility will cause a number of problems that can be avoided by continuing to have the appropriate state agency certify eligibility up front and verify continued eligibility at least annually. Additionally, the FCC is proposing to eliminate self-certification in its recent Notice of Proposed Rulemaking due to fraud and abuse concerns.[1]

However, the current challenge is that the existing appropriate state agency (DCC) is not willing to take on the additional work load triggered by the entrance of the wireless ETCs. Qwest/CenturyLink (CTL) believes this challenge can be resolved. First, as suggested by other parties, the PSC may need to enter into a new contract with DCC that addresses DCC's concerns so that the DCC can continue to perform the certification and verification functions even with the increased workload. There should be minimal concern about increased costs to the agency, as the agency costs for verification are recovered from the state fund. Additionally, the PSC should consider having DCC use contract employees as a way to handle any surge in work load that will subside over time. In the past the appropriate state agency has used contract employees to help with the annual verification process. There is no reason why contract employees cannot also help with the upfront verification process. Other states such as Colorado and Texas have hired contractors to perform functions related to the Lifeline program.

If the PSC is unsuccessful in establishing a new contract with DCC, it should pursue a contract with another state agency, such as the DWS. Only to the extent that the PSC is unsuccessful in finding an agency to perform the verification function in the short term should the other options, as previously listed in CTL's comments filed on April 26, 2011, be considered. These solutions (such as interim self-certification for the customers of the wireless ETCs) should only be used as a temporary solution until appropriate state agency support can be secured.

[1] FCC NPRM "Modifying certification procedures. We propose to amend section 54.409(d)(1) to eliminate the self-certification option…" Website link: http://www.fcc.gov/Daily_Releases/Daily_Business/2011/db0304/FCC-11-32A1.pdf

Working to establish improvements to the existing process:

The process that CTL supports for the upfront certification and the continued eligibility verification is consistent with the comments of other parties. It is centered on the appropriate state agency continuing to be central to the process because they have access to the information and systems necessary to effectively and efficiently manage the Lifeline program. The appropriate state agency should be able to manage the Lifeline program just as the state manages other social programs which have safeguards to minimize fraud.

The process for eligibility verification should include the following:

- A Lifeline provider must receive approval from the appropriate state agency prior to enrolling a customer on the Lifeline program. Customers can either approach a Lifeline provider, who will contact the appropriate state agency to enroll the customer in the Lifeline program, or the customer can work directly with the appropriate state agency.

- The appropriate state agency will develop the systems[2] that will allow it to perform the following functions:

    - Verify whether that customer is already enrolled in the Lifeline program with another provider.[3]

    - Verify whether a customer qualifies for Lifeline based upon participation in other social programs.[4]

    - Provide a timely response to the Lifeline provider so that a customer can be enrolled in the Lifeline program as soon as possible.

- Continued eligibility of Lifeline participants should be verified at least annually by the appropriate state agency. The appropriate state agency notifies Lifeline providers when a customer should be removed from the Lifeline program. Lifeline providers would provide notice to the appropriate state agency when Lifeline customers disconnect their service so that the state data base can be kept up-to-date.[5]

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[2] If DCC does not have the IT capability to do this, perhaps, the PSC could also contract with other state agencies, such as DWS, to help develop the capability and systems necessary for DCC.

[3] A process will need to be established if a customer is already a Lifeline participant and wishes to change to a new Lifeline provider.

[4] There will be a different process for customers seeking enrollment based upon income criteria only, who do not participate in other social programs that would automatically qualify them for Lifeline. They will need to submit documentation to the appropriate state agency before they can be enrolled.

[5] Lifeline providers may need to periodically provide current Lifeline customer enrollment information to the appropriate state agency so that the state data base remains as accurate as possible.

Promotion and outreach:

According to the May 2, 2011 amended interim scheduling order, parties will have the opportunity to provide comments regarding promotion and outreach issues on May 25, 2011. While CTL plans to provide more detailed comments at that time, we provide brief reply comments here, since some of the parties addressed this issue in their comments on April 26, 2011.

CTL agrees that having multiple ETCs serving within the same geographic area changes the dynamics of promotion and outreach activities. In the past, Lifeline providers have been able to obtain reimbursement for the reasonable expenses associated with PSC pre-approved promotion and outreach activities. Because of multiple ETCs within the same geographic area, the PSC may need to increase its involvement in coordinating generic promotion and outreach activities and these should be paid for from the USF. If the PSC requires providers to implement specific promotional activities and outreach materials for their Lifeline services, Lifeline providers should be able to obtain reimbursement for the reasonable expenses incurred.

Customers not using Lifeline service:

Some parties believe customers should be deactivated from the Lifeline program after 60 days of non-usage. However, landline based Lifeline providers who provide unlimited usage Lifeline service do not have a way to measure Lifeline usage outside of an expensive manual process. If any non-usage deactivation requirement is established, it should be technology specific and apply only to the "free" Lifeline service offerings. If a Lifeline provider charges for Lifeline service, especially on a recurring basis, this should help minimize situations where customers are on the Lifeline program, but do not use or need the service. Even though a customer may not use the service for a period of time, they may want it because it gives them access to 911 service.

DPU's recommendation regarding a committee to be established to research, investigate, discuss and recommend a final proposal:

As discussed during the technical conference, many parties had concerns with excluding any party that desires to participate. The DPU is correct in wanting to establish a streamlined process to come up with solutions in a timely fashion, but it should not exclude any party that wishes to participate.