

**State of Utah
Lifeline (UTAP) Program**

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Program Vision

The mission of the Lifeline (UTAP) program is to provide low income consumers with a federal and/or state discount for telecommunication services. Currently, there are 20,000 wire line customers receiving both a \$9.25 federal discount and a \$3.50 state discount for landline phone service. As of July 1, 2012 there are 24,000 residents receiving a \$9.25 federal discount for their cell phone service. The PSC contract with the Department of Workforce Services provides initial eligibility and annual certification for wire line customers. Wireless customers self-certify with their telecommunications provider.

The first objective of this proposal is expanding the contract with DWS to process initial eligibility and annual certification for all telecommunications services (wire line and wireless) offered under the Lifeline Program.

The second objective is to have the contract with DWS meet the requirements of the FCC Lifeline Reform Order issued February 6, 2012.

The third objective is to have the Lifeline program be as efficient and streamlined as possible, eliminating redundancy of information storage, reducing on-going costs and provide maximum protection of confidential consumer information.

The fourth objective is to increase the number of participants by making the program more accessible to those who qualify for the discount.

Requirements of the Proposal

The PSC has approved 19 wire line and 4 wireless telecommunications companies. Many more wireless providers have applied for approval to operate as an ETC for Lifeline customers in the state of Utah. Consumers are only able to receive one federal and/or state discount per household and from only one telecommunications company. In order to meet the new FCC requirement of Title 47, Part 54, Subpart E, the PSC and DWS would like to move the Lifeline application and recertification processes into the DWS eREP system. The requirements will address the current participants' transition into eREP, new applicants, de-enrollment of participants, FCC definitions, telecommunication company communication, annual recertification process and interaction with the National Lifeline Accountability Database.

Transition of Current Lifeline Participants

A requirement of the FCC is that all current participants receiving Lifeline as of June 1, 2012 be recertified for eligibility by December 31, 2012. Verification of continued eligibility

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must be determined by accessing the DWS database. Those recipients that cannot be verified as eligible because they are not in the database must be notified and given an opportunity to re-apply by completing an application and certification form if they believe they are eligible. The Division has received from most providers a file with the information regarding each participant. Some of the information is incomplete. The information must contain the following:

- Participant's full
- Service Address
- Billing Address
- Date of Birth
- Full social security number
- Telecommunications carrier
- Telephone number for discount

Participants with Incomplete Information: For those participants where the information is incomplete, DWS will send a letter with the application and certification form to the participant. The DWS and the participant will then follow the Resolution Process (see below).

Participants with Complete Information: For those where the information is complete, the Division of Public Utilities is formatting files to run against the DWS eligibility information to determine if the participants are participating in a public assistance program. After the match process, a file will be provided by DWS to the telecommunications carrier, DPU and UTAP denoting which participants are eligible or ineligible. The eligible participants will be loaded into the DWS Lifeline file and connected to e-REP. The file will be noted that the participant was enrolled prior to June 1, 2012 and did not require a certification form.

Eligible Participants: For those that are eligible, a letter from DWS will be mailed to the participant and their telecommunications carrier, stating that they continue to meet the eligibility requirement for the Lifeline discount. Additional information will be provided, reminding them that if their current information changes that they must notify DWS immediately to determine continued eligibility or de-enrollment and that they can access the information in their MyCASE account.

Ineligible Participants: For those participants that are ineligible, DWS will send a letter to the participant notifying them that the current information shows they are not eligible for the Lifeline discount, information regarding the Lifeline appeal process, and application and

certification form for them to reapply if the information has changed. The participant will now follow the Resolution Process.

De-enrollment

There are a number of reasons an applicant can be de-enrolled. They include:

- a) an applicant's request to de-enroll from one telecommunications carrier, so they can apply the Lifeline discount to another telecommunications carriers service;
- b) discontinuance of eligibility from a public assistance program or income criteria;
- c) determine duplicative Lifeline benefit from and another carrier or another member of their household is also receive the Lifeline benefit;
- d) discontinuance for non-usage of the telecommunications service;
- e) failure of the participant to re-certify annually, or a temporary address or as required through their public assistance program.

The Resolution Process will be followed by notifying the participant of the situation and allowing the participant to respond within the allowed time frames.

Resolution Process for Lifeline Participants

The FCC Reform has a de-enrollment process under 54.405 (e) which allows the participant 30 days to demonstrate eligibility. The FCC requires that if a state has a dispute resolution process to terminate Lifeline, it must comply with the state requirements. The Utah rule allows for a resolution period with a 60 day notification period and an appeals process where the participant will continue to receive the discount until eligibility or ineligibility is determined.

When information is received from a participant, the telecommunications carrier, DWS or another source that eligibility is in question, DWS will notify through email and letter that the participant has 40 days to demonstrate that the participant is eligible, along with the application and certification form to re-apply. Information regarding the appeals process if also provided.

If an appeal request is not receiving within 10 days of the notification letter date, or a response demonstrating eligibility within 40 days, another letter will be sent notifying the participant of de-enrollment within 20 days of the date of the letter, if the application and certification form and required documentation are not received.

If the applicant appealed within ten days of the first or second letter date, the appeal will be addressed. The Division of Public Utilities reviews the appeal and contacts the participant for resolution. If no resolution is made and it is determined that the participant is not eligible, notification will be made to the participant, DWS and the telecommunications carrier to terminate the discount immediately. It is the experience of the Division of Public Utilities that resolution is made and the applicant qualifies for the discount.

If no appeal is made, the telephone carrier, participant and the National Lifeline Accountability Database shall be notified within one business day of the eligibility determination date to remove the discount immediately for that month and going forward.

New Participants

New applicants can apply through a paper application or on-line through the DWS MyCASE login.

Paper Application: A paper application and certification form can be obtained from the www.publicutilities.utah.gov website link, or by calling the DPU, DWS, or a telephone carrier who will mail a paper application and certification form to the consumer. The applicant must complete the application and certification form and return it to DWS for processing. The application information will be manually entered into the eREP system and scanned as a pdf document for viewing by authorized individuals. Authorized individuals are a telephone company designee, PSC, DPU, DWS, USAC auditors, state auditors, and the applicant.

Approved applications: If the application is approved, notification will be provided to the applicant, the telephone carrier, and the National Lifeline Accountability database within 10 days.

Denied applications: If the application is denied, DWS will send a letter notifying the applicant that the applicant is ineligible, with information regarding the appeal process, and an application and certification form, and follow the Resolution Process.

MyCASE: Consumers who have a MyCASE account with DWS may apply on-line in the same manner provided for in other public assistance programs. Questions asking the information on the application certification form would be prompted to the applicant and an electronic acknowledgement is required for each certification statement. A document similar to the paper application would be generated with all the completed information for storage in the DWS database.

DWS must recertify applicants with a temporary residential address every 90 days.

The system must be capable of allowing participants to qualify if they currently have telecommunications service or not. DWS will maintain copies of completed and verified forms. After the applicant obtains telephone service, the applicant will notify DWS that they have

obtained service, and identify their chosen carrier. DWS will then notify the carrier that the customer qualifies for the Lifeline discount through the normal carrier notification process.

Definitions

The following are definitions issued by the FCC in the Lifeline Reform Order, which apply to the Lifeline program:

(a) Qualifying low-income consumer. A “qualifying low-income consumer” is a consumer, who meets the qualifications for Lifeline,

(1) A consumer's household income, as defined below, must be at or below 135% of the Federal Poverty Guidelines for a household of that size; or

(2) The consumer, one or more of the consumer's dependents, or the consumer's household must receive benefits from one of the following federal assistance programs: Medicaid; Supplemental Nutrition Assistance Program; Supplemental Security Income; Federal Public Housing Assistance (Section 8); Low-Income Home Energy Assistance Program; National School Lunch Program's free lunch program; or Temporary Assistance for Needy Families; or

(3) The consumer meets additional eligibility criteria established by a state for its residents, provided that such-state specific criteria are based solely on income or other factors directly related to income.

(4) A consumer who lives on Tribal lands is eligible for Lifeline service as a “qualifying low-income consumer” as defined below and as an “eligible resident of Tribal lands” as defined by §54.400(e) if that consumer meets the qualifications for Lifeline specified in paragraph (a) of this section or if the consumer, one or more of the consumer's dependents, or the consumer's household participates in one of the following Tribal-specific federal assistance programs: Bureau of Indian Affairs general assistance; Tribally administered Temporary Assistance for Needy Families; Head Start (only those households meeting its income qualifying standard); or the Food Distribution Program on Indian Reservations.

(5) In addition to meeting the qualifications provided in paragraph (1) or (2) of this section, in order to constitute a qualifying low-income consumer, a consumer must not already be receiving a Lifeline service, and there must not be anyone else in the subscriber's household subscribed to a Lifeline service.

(b) Toll blocking service. “Toll blocking service” is a service provided by an eligible telecommunications carrier that lets subscribers elect not to allow the completion of outgoing toll calls from their telecommunications channel.

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(c) *Toll control service.* “Toll control service” is a service provided by an eligible telecommunications carrier that allows subscribers to specify a certain amount of toll usage that may be incurred on their telecommunications channel per month or per billing cycle.

(d) *Toll limitation service.* “Toll limitation service” denotes either toll blocking service or toll control service for eligible telecommunications carriers that are incapable of providing both services. For eligible telecommunications carriers that are capable of providing both services, “toll limitation service” denotes both toll blocking service and toll control service.

(e) *Eligible resident of Tribal lands.* An “eligible resident of Tribal lands” is a “qualifying low-income consumer,” as defined in paragraph (a) of this section, living on Tribal lands. For purposes of this subpart, “Tribal lands” include any federally recognized Indian tribe's reservation, pueblo, or colony, including former reservations in Oklahoma; Alaska Native regions established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688); Indian allotments; Hawaiian Home Lands—areas held in trust for Native Hawaiians by the state of Hawaii, pursuant to the Hawaiian Homes Commission Act, 1920 July 9, 1921, 42 Stat. 108, *et. seq.*, as amended; and any land designated as such by the Commission for purposes of this subpart pursuant to the designation process in §54.412.

(f) *Income.* “Income” is all income actually received by all members of a household. This includes salary before deductions for taxes, public assistance benefits, social security payments, pensions, unemployment compensation, veteran's benefits, inheritances, alimony, child support payments, worker's compensation benefits, gifts, lottery winnings, and the like. The only exceptions are student financial aid, military housing and cost-of-living allowances, irregular income from occasional small jobs such as baby-sitting or lawn mowing, and the like.

(g) *Duplicative support.* “Duplicative support” exists when a Lifeline subscriber is receiving two or more Lifeline services concurrently or two or more subscribers in a household are receiving Lifeline services or Tribal Link Up support concurrently.

(h) *Household.* A “household” is any individual or group of individuals who are living together at the same address as one economic unit. A household may include related and unrelated persons. An “economic unit” consists of all adult individuals contributing to and sharing in the income and expenses of a household. An adult is any person eighteen years or older. If an adult has no or minimal income, and lives with someone who provides financial support to him/her, both people shall be considered part of the same household. Children under the age of eighteen living with their parents or guardians are considered to be part of the same household as their parents or guardians.

(i) *National Lifeline Accountability Database or Database.* The “National Lifeline Accountability Database” or “Database” is an electronic system, with associated functions, processes, policies and procedures, to facilitate the detection and elimination of duplicative support, as directed by the Commission.

(j) *Qualifying assistance program.* A “qualifying assistance program” means any of the federal, state, or Tribal assistance programs participation in which, pursuant to §54.409(a) or (b), qualifies a consumer for Lifeline service, including Medicaid; Supplemental Nutrition Assistance Program; Supplemental Security Income; Federal Public Housing Assistance (Section 8); Low-Income Home Energy Assistance Program; National School Lunch Program's free lunch program; Temporary Assistance for Needy Families; Bureau of Indian Affairs general assistance; Tribally administered Temporary Assistance for Needy Families (Tribal TANF); Head Start (only those households meeting its income qualifying standard); or the Food Distribution Program on Indian Reservations (FDPIR), and with respect to the residents of any particular state, any other program so designated by that state pursuant to §54.409(a).

Communication with Telecommunications Companies

The PSC will need to receive a waiver of the requirement to provide a hard copy of the application and certification forms from the FCC with the understanding that the information will be safeguarded and maintained on behalf of the telecommunication carriers.

In order to provide the telecommunication companies with access to applicants' and participants' information, a portal, with an agreement between DWS and the telecommunications company, will be established. This will provide the telecommunications companies with access to their applicant's or participant's information and enable the companies to view the applications and certification forms for reimbursement and audit purposes. This would be provided through the eSHARE program with DWS.

Once an applicant's application and certification form is approved, notification via email will be provided to the telecommunication company, the applicant, and the National Lifeline Accountability Database within 10 days. This will allow the telecommunications company to apply the full amount of the discount to the applicant's account for the month the applicant is approved. If the applicant is determined to be ineligible, DWS would provide notification to the applicant, the telecommunications company, and the National Lifeline Accountability Database within one business day to remove and terminate the discount. Discontinuance of benefits of ineligible applicants should also be effective the entire month in which the applicant is de-enrolled.

On the first day of the month, DWS will provide a report to the telecommunications companies, and the DPU, identifying their participants who are eligible for the discount for the previous month. The information will include full name, telephone number, telephone carrier, street address, city, state, and zip code. It will also provide the total number of participants for whom the telecommunications company is eligible to request reimbursement for the federal and state discount. DWS will also be a report with the same information for added and de-enrolled participants for the previous month with participant counts. The telecommunication company will use this information to reconcile their information and use it to submit their claim to USAC

and the DPU for reimbursement. There will also be a disclosure that application and certification forms are available for their “read only” access through their established portal on their behalf.

Since the telecommunication company will be reimbursed for the full amount of the discount for the first month and not the last month, regardless of the partial service costs for the month, the full amount of the discount must be applied to the participant’s account, even if their enrollment date is the last day of the month.

National Lifeline Accountability Database (NLAD)

The DWS shall query the NLAD to determine if a Lifeline benefit is already being supplied to an applicant by another carrier. Likewise, DWS shall transmit information at least every 10 days to the NLAD for new participants, including the following:

- Full name
- Residential address
- Date of Birth
- Last four digits of the social security number or tribal identification number
- Telephone number
- Date Lifeline service was initiated
- Date Lifeline service was terminated from prior carrier and the name of the carrier, if applicable.
- Dollar amount sought for the discount
- Means through which the consumer qualified for Lifeline

For de-enrollment, this same information must be supplied to NLAD and the telecommunications company within one day of the termination date.

When a customer disconnects service from the ETC, the ETC must notify DWS within one day. DWS will notify NLAD.

Communication with Consumers and Telecommunications Companies

Upon implementation of the system, the DWS will notify participants and prospective applicants and telecommunication companies of the system.

The Commission will review the existing PSC rule 74-341 to determine changes to be submitted to rulemaking. Comments on the rule will be made through an open docket and the Commission will make rules as appropriate.

Costs of the Program

Cost for the development of the system and ongoing costs of the system will be funded through the Universal Public Telecommunications Service Support Fund (Fund). The PSC will review the expenses and modify the contract with DWS to include one time and on-going costs. The PSC will review the status of the Fund to determine if a rate increase or an additional fee will be required to fund the on-going costs of the system.

The estimated costs for the program are the following:

One Time Billing / Cost			
Position	Rate	Hours	Amount
ESD Business Analyst	\$ 60.00	1065	\$ 63,900.00
eREP Programmer	\$100.00	550	\$ 55,000.00
eREP IA	\$ 70.00	375	\$ 26,250.00
myCase Programmer	\$100.00	350	\$ 35,000.00
myCase IA	\$ 70.00	475	\$ 33,250.00
Web interface Programmer	\$100.00	550	\$ 55,000.00
Web interface IA	\$ 70.00	420	\$ 29,400.00
Totals		3,785	\$ 297,800.00

Ongoing Billing / Cost

- To be determined

Lifeline would be incorporated into the overall cost per case associated with DWS current programs. DWS will need to calculate the complete level of effort, based on

operational costs for eligibility staff, as well as unknown technical costs for Web Service communications.

Time line

To be determined

Estimated time to build is 3-6 months, excluding any unknown issues with Web Service communication with Federal Data Hub.

Team

Business Analyst: Barbara Hollister
UAT Coordinator: Barbara Hollister
IA: TBD
Developer: TBD

***assumes program is implemented in 2013**

DWS Lifeline Database

The DWS Lifeline Database would retain all the application information in a relational database along with an image of the application certification form. The information collected and maintained shall include:

- Full name
- Residential address
- Date of Birth
- Full social security number or tribal identification number
- Telephone number, if provided
- Telephone carrier
- Date Lifeline service was initiated (first day of the approved month)
- Date Lifeline service was terminated (determination date)
- Dollar amount sought for the discount
- Means through which the consumer qualified

All residential address information shall be verified with the US Postal system. The DWS will add an ETC to the system upon the ETC's approval and direction by the PSC.

Annual Recertification Program

Each year, each participant will be required to recertify eligibility either with the participant's public assistance recertification or on the approved enrollment date. DWS shall:

- confirm the participant's public assistance or income eligibility

- notify, as required, participants of the need to complete the certification form and return it to DWS
- notify the respective telecommunications carrier that the annual recertification has been completed and provide to the carrier the results of those efforts in a format adequate for the carrier to provide FCC reporting in accordance with 54.410(f);
- maintain the results of the recertification in eSHARE for the telecommunications company to access and review for the period the carrier has the participant as their customer, for audit and reimbursement purposes.

Lifeline Application Certification Form

The certification form must provide the following notifications:

- Lifeline is a federal benefit and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program;
- Only one Lifeline service is available per household;
- A household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
- A household is not permitted to receive Lifeline benefits from multiple providers;
- Violation of the one-per-household limitation constitutes a violation of the Commission's rules and will result in the subscriber's de-enrollment from the program; and
- Lifeline is a non-transferable benefit and the subscriber may not transfer his or her benefit to any other person.

The certification form must require each participant to provide the following information:

- Full name
- Full residential address
- Identify whether the residential address is permanent or temporary
- Full billing address if different than the residential address
- Date of birth
- Full social security number or tribal identification number
- Name of the public assistance program, if qualifying under this criteria, name of his or her dependents
- Number of individuals in his or her household, if qualifying under the income-based criteria

The form must require each participant to certify under penalty of perjury that:

1. The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in §54.409;

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2. The subscriber will notify the carrier within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
3. If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);
4. If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within 30 days;
5. If the subscriber provided a temporary residential address to the eligible telecommunications carrier, he or she will be required to verify his or her temporary residential address every 90 days, otherwise the Resolution Process will be followed;
6. The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
7. The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge,
8. The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and
9. The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to §54.405(e)(4).

The applicant shall provide electronic initials/acknowledgement or paper initials for each of the nine statements above.

Expansion of the Lifeline Program

With the Lifeline Program becoming part of the intake program at DWS, low income applicants will have the opportunity to apply each time they qualify for one of the eleven public assistance programs. A pop-up question will appear after the consumer has qualified for a program leading the participant to complete the necessary requirements for a new Lifeline applicant.

In addition, an annual process will be initiated where the Lifeline participant file will be matched against those individuals who have qualified for one of the eleven public assistance programs. A file will be generated of those individuals who have a phone service and qualify for another program. A letter with the certification form will be sent to each individual who qualifies, along with the pop-up question added to their MyCASE profile. It is anticipated that this will expand the program.