



PUBLIC NOTICE

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WIRELINE COMPETITION BUREAU TAKES ADDITIONAL STEPS TO ELIMINATE DUPLICATIVE CLAIMS FOR LIFELINE SUPPORT

WC Docket No. 11-42

By this Public Notice, the Wireline Competition Bureau (Bureau) announces the process for resolving inter-company household duplicate subscribers found during the National Lifeline Accountability Database (NLAD) loading process.¹ Additional information about this process is available on the website of the Universal Service Administrative Company (USAC), administrator of the federal universal service fund (Fund).²

In the *Lifeline Reform Order*, the Commission codified the rule that subscribers may only have one Lifeline-supported service per household, and it established the NLAD to detect and prevent duplicative support in the Lifeline program.³ The Commission directed the Bureau and USAC to work with eligible telecommunications carriers (ETCs) to implement a process for resolving duplicative support provided by multiple ETCs to the same household (inter-company household duplicates).⁴

In September 2013, the Bureau directed USAC to develop a process to eliminate inter-company household duplicates prior to the deployment of the NLAD.⁵ Pursuant to that directive, USAC worked with select ETCs in Michigan to test a process that resolved inter-company household duplicates.⁶ Similar to the in-depth data validations (IDV) process,⁷ USAC first mailed letters to subscribers who were

¹ See *Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42 et al., Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6747-49, paras. 210-16 (2012) (*Lifeline Reform Order*).

² See USAC, Duplicate Resolution, <http://www.usac.org/li/tools/nlad/nlad-duplicate-resolution.aspx> (last visited Aug. 25, 2014).

³ See *Lifeline Reform Order*, 27 FCC Rcd at 6687, para. 69, 6734, para. 179; 47 C.F.R. § 54.409(c). A household is defined as “any individual or group of individuals who are living at the same address as one economic unit.” 47 C.F.R. § 54.400(h).

⁴ See *Lifeline Reform Order*, 27 FCC Rcd at 6747, para. 211.

⁵ See Letter from Julie A. Veach, Chief, Wireline Competition Bureau, FCC, to D. Scott Barash, Acting CEO, USAC, WC Docket No. 11-42, 28 FCC Rcd 13003 (Wireline Comp. Bur. 2013) (*September Guidance Letter*).

⁶ Nexus, AT&T, TracFone and Virgin Mobile participated in this initiative.

⁷ In June 2011, the Bureau directed USAC to conduct state-specific IDVs to detect and eliminate duplicative Lifeline support. See Letter from Sharon E. Gillett, Chief, Wireline Competition Bureau, FCC, to D. Scott Barash, Acting CEO, USAC, WC Docket. No. 11-42 et al., 26 FCC Rcd 16457 (Wireline Comp. Bur. 2011); Letter from Sharon E. Gillett, Chief, Wireline Competition Bureau, FCC, to D. Scott Barash, Acting CEO, USAC, WC Docket

living at an address where another Lifeline subscriber also resided and directed all subscribers at the address to complete a one-per-household worksheet (household worksheet).⁸ The Bureau tested two options for subscribers to respond to the USAC letter. Subscribers could provide responses to their ETC or directly to USAC.⁹ USAC resolved the inter-company household duplicates as directed in the *September Guidance Letter*.¹⁰

Consistent with the *Lifeline Reform Order*, and as part of our continuing effort to resolve duplicative claims for Lifeline support, we now approve the following process summarized in this Public Notice and detailed on USAC's website to resolve inter-company household duplicates identified during the NLAD loading process.¹¹

- USAC will provide each ETC with a list of its subscribers with inter-company household duplicates.
- ETCs must communicate with their subscribers, informing them of the one per household obligation, explain the eligibility requirements for qualifying as a household, and attempt to obtain a household worksheet from those subscribers who meet those requirements.¹²
- The ETCs' communications with the subscriber must meet the requirements of the *Lifeline Reform Order*. USAC has posted a template subscriber letter and household worksheet on its website that meets these requirements.¹³
- Those subscribers who do not complete a valid household worksheet and return the worksheet to their ETC must be de-enrolled from the Lifeline program and the NLAD by their ETC, as contemplated by sections 54.405 and 54.410 of the Commission's rules.¹⁴

Nos. 11-42, 03-109, CC Docket No. 96-45, 26 FCC Rcd 8588 (Wireline Comp. Bur. 2011) (*June Guidance Letter*). The IDV process saved the Lifeline program more than \$269 million.

⁸ See *Lifeline Reform Order*, 27 FCC Rcd at 6747, para. 211; see also *June Guidance Letter*, 26 FCC Rcd at 8591.

⁹ See *September Guidance Letter*, 28 FCC Rcd at 13004.

¹⁰ See *id.* at 13005-08 (describing various scenarios that could result after the USAC letter was mailed to subscribers).

¹¹ In the *Lifeline Reform Order*, the Commission directed USAC to develop and implement a process subject to Bureau approval for resolving inter-company duplicates once the NLAD was populated. See *Lifeline Reform Order*, 27 FCC Rcd at 6749, para. 215. Such process would take effect immediately upon Bureau approval. See *id.*

¹² We direct ETCs, rather than USAC, to communicate with Lifeline subscribers because subscribers are more likely to respond to inquiries made by their own service provider. Having the ETCs, and not USAC, reach out to subscribers is also consistent with the proposals of several ETCs. Indeed, some ETCs have already reached out to obtain household worksheets from subscribers identified as residing at the same address during the NLAD loading process. See, e.g., Letter from Tiffany West Smink, Century Link, WC Docket No. 11-42 (June 30, 2014). See also Letter from John J. Heitmann, Counsel to Telrite Corporation, i-wireless LLC, Boomerang Wireless, LLC, Global Connection Inc. of America and Blue Jay Wireless, LLC, WC Docket No. 11-42 (Dec. 5, 2013); Letter from John J. Heitmann and Danielle Frappier, to Marlene Dortch, Secretary, FCC, WC Docket No. 11-42 (May 9, 2014). Recognizing that the goal behind Lifeline is to give some of the neediest members of our society affordable access to vital communications services, we expect that ETCs will not count their outreach efforts to resolve the household duplicate issue, in the form of minutes/texts to subscribers, against the minutes currently allotted to their subscribers.

¹³ ETCs are not required to use the specific template subscriber letter and household worksheet posted on USAC's website. However, all subscriber communications sent by ETCs to resolve inter-company household duplicates must convey to the subscriber, in substance, the information contained in the template letter and provide the necessary guidance for the subscriber to determine if they are a separate household from any others receiving a Lifeline-supported service at that address. The specific requirements for communication and the template letter and worksheet can be found on USAC's website. See USAC, Duplicate Resolution, <http://www.usac.org/li/tools/nlad/nlad-duplicate-resolution.aspx> (last visited Aug. 25, 2014).

¹⁴ See 47 C.F.R. §§ 54.405(e)(2), 54.410(d)(3)(vi).

This process will be performed under the following timeline:

- ETCs have from the release date of this Public Notice until **December 23, 2014**, to obtain a valid household worksheet from any subscribers identified by USAC as inter-company duplicates.
- ETCs **MUST** de-enroll any subscriber who fails to provide a valid household worksheet by **December 30, 2014**.
- ETCs **MUST** update the NLAD regarding the status of all subscribers on their USAC-provided list by **December 31, 2014** (i.e., ETCs must enter de-enrollment dates into the NLAD for those subscribers who fail to provide a valid household worksheet and also check the Independent Economic Household (IEH) flag for those subscribers who do provide a valid household worksheet).
- USAC must de-enroll by **January 1, 2015** any subscriber listed in the NLAD as an inter-company household duplicate who has not been de-enrolled or who has not been enrolled into the NLAD using the IEH flag.

This timeline is consistent with the timeline for the recertification requirements for the Lifeline program.¹⁵ This will be efficient for ETCs and minimize subscriber confusion.

For further information, please contact Anita Patankar-Stoll, Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-7400 or TTY (202) 418-0484.

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¹⁵ See 47 C.F.R. § 54.410(f).