PUBLIC NOTICE

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WIRELINE COMPETITION BUREAU PROVIDES GUIDANCE ON THE LIFELINE REIMBURSEMENT PAYMENT PROCESS BASED ON NLAD DATA

WC Docket No. 11-42

In this Public Notice, the Wireline Competition Bureau (Bureau) provides guidance regarding the Lifeline reimbursement process for eligible telecommunications carriers (ETCs). This revised process, which was first described to ETCs four months ago, is consistent with the direction the Commission gave to USAC in the 2016 Lifeline Order, "… to provide the Bureau and OMD with a transition plan for phasing out the FCC Form 497, currently used to seek Lifeline support."[1]

Specifically, beginning with the January 2018 data month, payment of Lifeline support for all ETCs in all states and territories (except for NLAD opt-out states) will be based on subscriber data contained in the National Lifeline Accountability Database (NLAD). Under the revised reimbursement process, payments will be made based on the number of subscribers enrolled with an ETC in the NLAD on the snapshot date for that month or, in NLAD opt-out states, based on data received either from the state or directly from the ETC. Further, beginning with data month January 2018, all ETCs must file their reimbursement request with USAC for subscribers being claimed for that month using USAC's online E-File system, as described below.

ETCs located in states that are in the NLAD system will download from USAC's E-File system their snapshot report. The snapshot report, which is taken on the first of the month,[2] will show the ETC's subscriber count for the prior month. ETCs will be required to review the snapshot report and validate subscribers for which they are requesting reimbursement. ETCs must remove any subscribers for which they are not requesting reimbursement and indicate the reason for not claiming those subscribers using one of the listed reason codes. ETCs will also be required to review, correct, and certify the requested reimbursement amount associated with each subscriber.

For ETCs in NLAD "opt-out" states that do not use the NLAD system (California, Oregon, and Texas), either the state or ETC will submit to USAC a file containing the required data. If the state provides the data file to USAC, the ETC will be required to review the data file and validate subscribers for which they are requesting reimbursement. ETCs must remove any subscribers for which they are not requesting reimbursement and provide a reason code for each of those subscribers. If the ETC provides

[1] *Lifeline and Link Up Reform and Modernization et al.*, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962, 4015, para. 143 (2016) (*2016 Lifeline Order*). *See* Universal Service Administrative Co. Website, http://usac.org/li/about/outreach/videos/Lifeline-Program-Update-Webinar-August2017.aspx (for recording of webinar held on August 9, 2017 on the new reimbursement claims process) (last visited Jan. 10, 2018).

[2] *See* 47 CFR § 54.407(a).

the data file to USAC, the ETC must review the data file before submitting it to USAC to validate subscribers for which they are requesting reimbursement. The ETC must remove subscribers for which they are not requesting reimbursement, and provide a reason code to USAC for subscribers that are not being claimed. ETCs in NLAD opt-out states are also required to review and certify the requested reimbursement amount associated with each subscriber.

The revised Lifeline reimbursement process for ETCs aligns with the Commission's plan to have the National Verifier serve as the basis for determining support payments by reimbursing providers based on records of claimed subscribers in the National Verifier database.[3] Moreover, use of the National Verifier furthers the Commission's objective of protecting against and reducing waste, fraud and abuse in the Lifeline Program.

For further information, please contact Allison Jones, Telecommunications Access Policy Division, Wireline Competition Bureau, at (202) 418-1571, or at allison.jones@fcc.gov.

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[3] *2016 Lifeline Order,* 31 FCC Rcd 3962, 4007, para. 128.