



PUBLIC NOTICE

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WIRELINE COMPETITION BUREAU ANNOUNCES ADDITIONAL PROGRAM INTEGRITY MEASURES FOR AFFORDABLE CONNECTIVITY PROGRAM ENROLLMENTS BASED ON A BENEFIT QUALIFYING PERSON

WC Docket No. 21-450

In this Public Notice, the Wireline Competition Bureau (Bureau) announces that it is implementing additional measures to strengthen program integrity surrounding the enrollment of households in the Affordable Connectivity Program based on a Benefit Qualifying Person. These measures are consistent with the Commission's rules governing the Affordable Connectivity Program and are necessary to prevent waste, fraud, and abuse.

The Infrastructure Investment and Jobs Act (Infrastructure Act) outlines specific eligibility criteria for the Affordable Connectivity Program.¹ A household qualifies for the Affordable Connectivity Program if a member of the household participates in a qualifying assistance program.² If the individual submitting the application for the Affordable Connectivity Program does not themselves participate in a qualifying assistance program, they are required to provide the name and identifying information for the individual Benefit Qualifying Person (BQP) in the household, such as a child or dependent, that participates in a qualifying assistance program (e.g., information for the student in the household that is approved to receive Free and Reduced Price school meals).³ The Affordable Connectivity Program benefit is limited to one benefit-per-household.⁴ Consistent with this limitation, a single BQP cannot be used to qualify multiple households for the Affordable Connectivity Program simultaneously. To guard against duplicate household enrollments, the National Verifier system⁵ conducts a check for individual and household duplicates at the time of application and the time of enrollment. In addition, service providers are also required to check their own systems for potential intracompany duplicate enrollments.⁶

Recently, the Universal Service Administrative Company (USAC), the administrator for the Affordable Connectivity Program, alerted Commission staff about potential waste, fraud, and abuse in the

¹ 47 U.S.C. § 1752(a)(6)(A)-(E). *See also* 47 CFR § 54.1800(j)(1)-(6).

² *See id.*

³ *See* USAC Website, Common Transactions in NLAD, <https://www.usac.org/about/affordable-connectivity-program/acp-processes/manage-acp-subscribers/common-transactions-in-nlad/> (describing the process for enrolling based on a BQP and

⁴ *See* 47 U.S.C. §§ 1752(a)(6), (a)(7)(A); 47 CFR § 54.1805(b). *See also* *Affordable Connectivity Program, Emergency Broadband Benefit Program, Report and Order and Further Notice of Proposed Rulemaking*, WC Docket No. 21-450, 20-445, at 24, para. 46 (2022) (*ACP Order*).

⁵ The National Verifier is a system that determines whether households are eligible for the Affordable Connectivity Program, including by checking for duplicates and checking for participation in a qualifying program.

⁶ 47 CFR § 54.1806(a)(4); *ACP Order*, at 24-25, para. 48.

Affordable Connectivity Program based on multiple enrollments of households using the same BQP. On September 8, 2022, the OIG issued an advisory raising concerns about potential waste, fraud, and abuse with respect to Affordable Connectivity Program enrollments on the same basis.⁷ Specifically, the advisory observes and describes the enrollment of multiple households based on the same BQP.⁸ The FCC OIG, the Bureau, and USAC have been and are committed to continuing to work together on this matter, by sharing information and program data and taking any additional necessary steps to combat waste, fraud, and abuse in the Affordable Connectivity Program. The Bureau is committed to ensuring the integrity of the Affordable Connectivity Program using the full range of the Commission's authority and available tools, including audit and investigatory procedures, and in cooperation with the FCC OIG and law enforcement agencies. In fact, since USAC discovered that multiple households were being enrolled using the same BQP and referred the matter to Commission staff, both the Bureau and USAC have taken immediate additional steps to address the potential for waste, fraud, and abuse in enrollments based on duplicate households enrolled using the same BQP, and we hereby direct USAC to continue those efforts.

First, USAC has underway development work to make necessary changes to prevent this type of improper enrollment in the National Verifier system, specifically to strengthen and improve the detection of instances where multiple households attempt to enroll in the program using the same BQP. This system fix will prevent multiple households from enrolling in the Affordable Connectivity Program if another household has already enrolled in the program using the same BQP. We direct USAC to expeditiously make these and any additional modifications necessary to prevent these improper enrollments.

Second, since making the referral, USAC has already increased program integrity reviews related to enrollments based on a BQP. As a result of this work, USAC has instituted a process for holding payments to limit the amount of potentially improper payments disbursed. USAC is also identifying and de-enrolling households that enrolled in the Affordable Connectivity Program based on the same BQP as another household that enrolled in the Affordable Connectivity Program. Given the nature of the issues raised in the FCC OIG Advisory and USAC's implementation of program integrity reviews in this area pursuant to the Commission's directives, we direct USAC to continue to conduct program integrity reviews of Affordable Connectivity Program enrollments based on a BQP, and to keep the FCC apprised of potential waste, fraud, and abuse surrounding the enrollment of households in Affordable Connectivity Program based on a BQP. We further direct USAC to continue to de-enroll households and institute payment holds associated with these enrollments as necessary. These efforts will ensure close and continuous monitoring of Affordable Connectivity Program enrollments based on a BQP, and will also ensure that households are only receiving one Affordable Connectivity Program benefit.

The immediate measures we have implemented as described in this Public Notice will strengthen program integrity with respect to Affordable Connectivity Program enrollments based on a BQP and are necessary to limit opportunities for waste, fraud, and abuse. In addition to these measures, we remind participating service providers of their obligation to implement policies and procedures for ensuring that their Affordable Connectivity Program households are eligible to receive the ACP benefit, including checking for intracompany duplicates.⁹

⁷ See generally *Advisory Regarding Provider Enrollments of Multiple ACP Households Based on the Same Child/Dependent* (FCC OIG Sept. 8, 2022), available at <https://www.fcc.gov/document/fcc-inspector-general-issues-advisory-regarding-acp-enrollment-fraud>.

⁸ *Id.* at 2-3.

⁹ 47 CFR §§ 54.1806(b)(1)-(3); 54.1806(a)(4).

For further information, please contact Rashann Duvall of the Wireline Competition Bureau's Telecommunication Access Policy Division at 202-418-1438 or Rashann.Duvall@fcc.gov.

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