NEWS

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC. 515 F 2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE:
April 3, 2014

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NATIONAL LIFELINE ACCOUNTABILITY DATABASE UP AND RUNNING

Database Key to FCC Efforts to Eliminate Waste, Fraud and Abuse from Lifeline

Bureau Also Releases New Audit Requirements for Large Lifeline Providers

Washington, D.C. – The Federal Communications Commission has launched a database designed to eliminate waste from duplicative subscriptions in the Lifeline phone service subsidy program nationwide. The National Lifeline Accountability Database, a cornerstone of the FCC's comprehensive efforts to combat waste fraud and abuse in the Lifeline program, already has identified $169 million in annualized savings by flagging existing duplicates for elimination while preventing enrollment of new duplicates.

"The National Lifeline Accountability Database makes smart use of technology to help prevent waste, fraud and abuse," said FCC Chairman Tom Wheeler. "The database is preventing new duplicates and has rooted out remaining ones. I commend the industry for working with us to implement this effective solution to eliminating wasteful duplicates."

Launched in 1985, Lifeline provides subsidies to make basic phone service – and the access it provides to jobs, family and emergency services – more affordable for low-income consumers. To preserve and improve Lifeline, the FCC in 2012 reformed and modernized the program to increase fiscal responsibility and toughen oversight of fast-growing subscriptions to mobile service.

Key to these reforms was eliminating duplicate subscriptions through use of an automated database. Now that the database is on-line, no Lifeline provider can enroll a new subscriber without first confirming that the subscriber's household doesn't already receive Lifeline service. Implementation of the database has been a joint effort by the FCC, the fund's administrator—USAC—and the industry. Subscriber information has been loaded into the database by USAC in stages over recent months.

Separately, the FCC yesterday released guidelines governing a new regimen of independent audits that Lifeline providers receiving $5 million or more a year from the program must conduct every two years. These comprehensive audits are in addition to the regular audits conducted by the program administrator. A list of providers covered by this new audit requirement is in Attachment 2 of the guidelines, which is available at http://www.fcc.gov/document/release-final-lifeline-biennial-audit-plan-announced.

The FCC began tackling the duplicates problem in mid-2011 by first clarifying that Lifeline subscriptions are limited to one per household, and directing USAC to manually scrub subscriber roles, state-by-state. That process has resulted in $269 million in annualized savings during development of the database.

Overall, the comprehensive reform package from 2012 is on track to save $2 billion through elimination of duplicates, tightened eligibility review, increased oversight of providers, elimination of unnecessary subsidies for initial phone connections, and more.

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