

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Lifeline and Link Up Reform)	WC Docket No. 11-42
and Modernization)	
)	
Telecommunications Carriers Eligible)	WC Docket No. 09-197
For Universal Service Support)	
)	
Connect America Fund)	WC Docket No. 10-90
)	

**COMMENTS OF TRACFONE WIRELESS, INC.
ON DRAFT NATIONAL VERIFIER PLAN**

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SUMMARY

In the 2016 Lifeline Modernization Order, the Commission established a National Verifier to make initial and annual Lifeline eligibility determinations and calculate Lifeline support due to service providers. TracFone fully supports the Commission's objectives for the National Verifier, which include protecting against waste, fraud, and abuse of the Universal Service Fund, determining eligibility in a cost-effective and efficient manner, and improving the enrollment experience for low-income households. USAC's Draft Plan for the National Verifier proposes a structure that largely meets the Commission's objectives. However, TracFone recommends that USAC revise and clarify certain aspects of the Draft Plan so that Lifeline applicants can enjoy a more streamlined enrollment process and Lifeline service providers can have access to the resources necessary to assist consumers in obtaining and keeping their Lifeline benefits.

First, TracFone suggests that the National Verifier conduct real-time electronic and manual review of Lifeline applications and documentation submitted in response to a denial of an application. Specifically, TracFone proposes that when a manual review is required, National Verifier staff should review applications and documentation immediately upon receipt and provide a response to the Lifeline service provider or applicant via the same communications means that was used to send the information.

Second, TracFone proposes that Lifeline service providers have access to the tools necessary to facilitate successful enrollments and annual recertifications for eligible low-income households. In particular, TracFone recommends the following: (1) communications between the National Verifier and Lifeline service providers should be Application Programming Interface-based with functionalities that enable Lifeline service providers to provide information on behalf of consumers to prove initial or continued eligibility and accept various means of

communication; (2) Lifeline service providers should be involved early with annual recertification efforts; (3) Lifeline consumers should enjoy secure and easy access to their information; and (4) Lifeline service providers should know the performance objectives for the National Verifier and be able to rely on its eligibility determinations and Lifeline support calculations without risk of an enforcement action. Third, TracFone urges USAC to operate and manage the National Verifier in an efficient and non-discriminatory manner. TracFone's recommendations are consistent with the Commission's goals for the National Verifier and will allow subscribers to experience streamlined enrollment and recertification processes without compromising the National Verifier's role in protecting against waste, fraud and abuse.

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**COMMENTS OF TRACFONE WIRELESS, INC.
ON DRAFT NATIONAL VERIFIER PLAN**

TracFone Wireless, Inc. (“TracFone”), by its attorneys, hereby submits its comments in response to the Public Notice regarding the Draft National Verifier Plan (“Draft Plan”) submitted by the Universal Service Administrative Company (“USAC”) to the Commission pursuant to the Lifeline Modernization Order.¹

INTRODUCTION

The primary function of the National Verifier is “to determine eligibility for potential Lifeline subscribers in a manner that is cost-effective and administratively efficient.”² TracFone, as the nation’s leading provider of wireless Lifeline service serving low-income households in over 40 states, has substantial experience with the administrative and operational aspects of Lifeline service, including interacting with consumers to certify their initial and continued

¹ See *Wireline Competition Bureau Announces Submission of the Draft National Verifier Plan by USAC Pursuant to the Lifeline Modernization Order and Provides Information on Submitting Comments to USAC*, WC Docket Nos. 11-42, 09-197, 10-90, Public Notice, DA 16-1327 (Dec. 1, 2016); *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 (2016) (“Lifeline Modernization Order”).

² Lifeline Modernization Order, ¶ 133.

eligibility to receive Lifeline-supported service. As a result, TracFone has a significant interest in USAC's Draft Plan. TracFone fully supports the Commission's stated objectives for the National Verifier, which are "to protect against and reduce waste, fraud, and abuse; to lower costs to the [Universal Service] Fund and Lifeline providers through administrative efficiencies; and to better serve eligible beneficiaries by facilitating choice and improving the enrollment experience."³ TracFone's comments, which include recommendations to revise certain aspects of the Draft Plan and seek clarification about other aspects, are based on nearly a decade of experience as a Lifeline service provider and are consistent with the Commission's goals for the National Verifier.

TracFone's comments focus on the following issues: (1) conducting real-time electronic and manual review of Lifeline applications and supporting documentation; (2) allowing Lifeline providers to facilitate successful enrollments and annual recertifications for eligible low-income households, including households residing on Tribal lands; and (3) operating and managing the National Verifier in an efficient and non-discriminatory manner. USAC's incorporation of TracFone's recommendations in its plan for the National Verifier will increase the administrative efficiency of the Lifeline program and provide subscribers with a streamlined and more effective enrollment and recertification experience, without compromising the National Verifier's role in protecting against waste, fraud and abuse.

I. The National Verifier Should Conduct Real-Time Electronic and Manual Review of Lifeline Applications to Provide Low-Income Households with a Streamlined Enrollment Experience.

The National Verifier's responsibilities include determining initial subscriber eligibility, as well as recertifying subscriber eligibility on an annual basis, developing a Lifeline Eligibility

³ *Id.* ¶ 128.

Database (“LED”) of all subscribers eligible to receive Lifeline benefits, and calculating Lifeline support payments due to Lifeline service providers. Regarding the initial determination of subscriber eligibility, the Commission stated that it is important to “balance the needs of subscribers to receive a decision quickly with our responsibility to conduct accurate eligibility reviews.”⁴ However, the Commission also noted its expectation that the National Verifier “will conduct comprehensive and timely reviews”⁵ and that “both the manual and electronic certification processes will be completed in a reasonable amount of time”⁶ The Draft Plan, at page 78, includes “[n]ear real-time automated eligibility verification” as a component of a successful National Verifier. The Draft Plan does not set an expected time frame for completing manual eligibility reviews. Rather, the Draft Plan states only that “[i]f automated verification is not possible, manual reviews” will be conducted. TracFone urges USAC to require at least near real-time manual reviews under certain circumstances. As explained below, there are situations in which real-time manual reviews of eligibility are feasible and will enable qualified applicants to be approved in a timely and accurate manner.

TracFone contemplates that for the majority of Lifeline applicants the National Verifier will be able to conduct automated verification of an applicant’s eligibility by accessing an eligibility database. A manual review of eligibility would be required when an eligibility database is not available or when an automated review concludes that an applicant is not eligible for any one of a variety of reasons, such as the applicant’s identity cannot be verified, the applicant’s address cannot be validated, or the applicant’s address duplicates another Lifeline

⁴ *Id.* ¶ 146.

⁵ *Id.* ¶ 136.

⁶ *Id.* ¶ 146.

subscriber's address. Under either situation, the National Verifier should have staffing in place to conduct a real-time manual review of eligibility (*i.e.*, review proof of participation in a qualifying public assistance program) or additional documentation to address the reason why an application was denied. For purposes of these comments, TracFone clarifies that a real-time manual review of eligibility would mean that immediately upon receipt of the applicant's supporting documentation (either from the Lifeline service provider or directly from the applicant), the National Verifier staff would review the documentation and provide a response to the Lifeline service provider or applicant via the same communications means that was used to send the documentation. For example, if the applicant provides proof of enrollment in Medicaid by sending a copy of his or her membership card via email, then the National Verifier staff would immediately review the documentation upon receipt, make a determination of eligibility, and advise the Lifeline service provider or applicant of that determination via email in real-time (*i.e.*, within a few minutes of making the determination).

Another situation in which real-time manual review of eligibility would benefit applicants is when an applicant seeks enhanced Tribal lands support in his or her initial application for Lifeline service or when subsequently requesting to change his or her status to a resident of Tribal lands. The Draft Plan states that as part of the eligibility verification process an applicant may self-certify that he or she is a resident of Tribal lands. However, if the National Verifier is unable to validate the address provided as being located on Tribal lands, then the National Verifier will mail a Tribal lands residency verification form to the applicant.⁷ TracFone

⁷ See Draft Plan, at 36; *see also id.* at 43 (National Verifier may send a tribal status certification form to the applicant as part of the process of changing a subscriber's status to being a resident of Tribal lands). TracFone requests that USAC publish draft forms referenced in the Draft Plan, such as the tribal status certification form and standard application forms, prior to issuing any final forms so that interested parties may review and provide comments.

recommends that an applicant who wishes to rely on their status as residents of Tribal lands to qualify for Lifeline service should be required to complete a tribal status certification form as part of the application process. The National Verifier staff should then conduct a real-time manual review of the address information immediately upon receipt and provide the results of that review to the applicant using the means of communications by which the application was submitted. Alternatively, the National Verifier could review a Lifeline application including a Tribal lands residency self-certification (using an automated address database where available) and alert the applicant in real-time if the address cannot be validated as being located on Tribal lands. The applicant should then have the option of submitting the tribal status certification form at that time and having the National Verifier staff review the form in real-time so that the enrollment process can be resolved during one interaction with the Lifeline service provider.

Requiring real-time manual review of initial eligibility (for both non-Tribal and Tribal lands applicants) and of any documentation submitted in response to a denial of an application will enable an applicant to experience a streamlined enrollment process, particularly in situations when the applicant has any required documentation in his or her possession at the time the application is submitted and/or denied. Applicants will benefit from a more efficient enrollment process, rather than being required to wait days or weeks before getting approved (or in the case of Tribal lands applicants, before learning whether their Tribal lands address has been verified by the National Verifier) and commencing Lifeline service. As such, prior to opening the National Verifier for a state there must be sufficient staff available to perform any necessary manual reviews of eligibility and documentation submitted after denial of an application so that those reviews can be conducted in real-time.

II. The National Verifier Should Support Service Providers in Their Efforts to Facilitate Successful Lifeline Enrollments and Include Service Providers Throughout the Annual Recertification Process.

In the Lifeline Modernization Order, the Commission “establish[ed] a National Lifeline Eligibility Verifier (National Verifier) that will remove the responsibility of determining Lifeline subscriber eligibility from providers.”⁸ Although Lifeline service providers will no longer determine eligibility, they will maintain their role in guiding applicants through the enrollment process. The Draft Plan states at page 12 that with the implementation of the National Verifier, Lifeline service providers will: (1) “[f]acilitate consumer application process”; (2) “[s]upport document upload for manual eligibility checks (if needed)”; and (3) “[p]rovide consumer support.” To ensure that Lifeline service providers have the tools and resources necessary to effectively facilitate the consumer application process TracFone suggests the following clarifications and revisions to the Draft Plan.

A. Communications Between the National Verifier and Lifeline Service Providers Should be Application Programming Interface-Based.

The introduction of the National Verifier will serve the important goal of centralizing Lifeline eligibility determinations and minimizing the risk of incorrect determinations. However, Lifeline service providers will continue to have the primary relationship with Lifeline customers and will continue to provide customer support throughout the time that they serve subscribers. The Draft Plan, at page 24, proposes to address a concern that the National Verifier will interfere with Lifeline service providers’ ability to maintain relationships with their Lifeline customers by allowing service providers to “interact with consumers in program application and recertification processes (*i.e.*, using APIs or co-branding outreach).”

⁸ *Id.* ¶ 5.

TracFone values its relationships with Lifeline customers and wants to ensure that it can continue to provide the high-quality service that its customers demand. TracFone agrees that a properly designed API will enable TracFone, and all Lifeline service providers, to maintain their relationships with Lifeline customers without causing undue confusion about the entity that is actually providing the service (*i.e.*, the Lifeline service provider) and to provide Lifeline service providers with the information they need to facilitate the customer application process and enable qualified customers to continue receiving Lifeline services. The API must incorporate functionalities that permit Lifeline service providers to send and receive information that is essential to providing customer support.

The API must allow Lifeline service providers to receive information to expedite the resolution of problems that arise during the application process, such as identification of the reason for an eligibility validation error (*e.g.*, address or identity not verified), and to submit on behalf of the customer any requested or helpful supporting documentation, such as the Independent Economic Household Worksheet or proof of identity. By knowing the specific reason that an application has been denied, or is in pending status perhaps due to missing supporting documentation that needs to be submitted, Lifeline service providers can work with applicants to obtain any additional information or documentation and provide that information to the National Verifier to resolve any enrollment issues. The API used by the National Verifier also should be designed to accept multiple means of communication from Lifeline consumers and service providers. TracFone's Lifeline customers currently communicate with TracFone via mail, text messages, electronic mail, website messages, customer voice recordings, and interactive voice response ("IVR"). The API used by the National Verifier must continue to accept all of these types of communications. As noted by the Commission, it is "anticipate[d]"

that eligible subscribers, Lifeline providers, states, and Tribal Nations will require access to establish or verify eligibility” and it is expected that that the National Verifier will “have varying interface methods to accommodate these different groups of users.”⁹

B. Lifeline Service Providers Should Be Included Early in the Annual Recertification Process.

The Draft Plan sets forth a process for Lifeline subscribers to compete the annual recertification of eligibility required by Commission rules. Section 54.410(f) of the Commission’s rules (47 C.F.R. § 54.410(f)) requires the National Verifier to recertify all subscribers (in states where it is responsible for recertification) on a rolling basis 12 months after service initiation and every 12 months thereafter. The Draft Plan, at page 38, states that the annual recertification process should commence at least 90 days before a subscriber’s Lifeline service initiation anniversary by sending a list of subscriber recertifications needed to the LED.¹⁰ If the LED is unable to verify eligibility via an automated data source, then the subscriber will receive a self-certification letter by mail and receive reminders by phone or text. Those subscribers who fail to complete their recertification prior to their service initiation anniversary date will be de-enrolled from Lifeline. Pursuant to the Draft Plan, Lifeline service providers do not learn about a subscriber’s failure to recertify eligibility until after the subscriber has been de-enrolled. The exclusion of Lifeline service providers from the recertification process as

⁹ *Id.* ¶ 138.; *see also id.* ¶ 141 (the Commission anticipates the use of mail, telephone, text messages, and email to communicate with subscribers); *id.* ¶ 134 (subscribers can submit information including documentation verifying their identity and eligibility through various methods, such as mail or online).

¹⁰ Page 39 of the Draft Plan describe the process for performing recertification of eligibility for subscribers who request a transfer of Lifeline benefits to a new Lifeline service provider. Step 9 of the process states that if a consumer consents, then the National Verifier will perform recertification after successful transfer. TracFone asks USAC to clarify that recertification of a customer who transferred from another provider will only be performed for those customers who received broadband service from their previous provider and have satisfied the 12 month port freeze in Section 54.411 of the Commission’s rules (47 C.F.R. § 54.411).

described on page 38 of the Draft Plan is inconsistent with other portions of the Draft Plan, as well as with recent guidance provided by the Wireline Competition Bureau.

Other parts of the Draft Plan unambiguously provide that Lifeline service providers will be involved in the recertification process. The Draft Plan, at page 14, states that the National Verifier “will keep SPs apprised throughout this process” and at page 24 that “SPs will be able to interact with consumers in program application and recertification processes” In addition, a Wireline Competition Bureau Public Notice providing guidance about annual recertification strongly encourages carriers that conduct their own rolling recertification efforts to begin those efforts within 150 days prior to the subscriber’s anniversary date.¹¹ There is no reason for the National Verifier to wait until 90 days prior to the service initiation anniversary date to commence recertification efforts.

USAC should revise the Draft Plan to require an automated check of continued eligibility 150 days before a subscriber’s service initiation anniversary date. Lifeline service providers should be included early in the annual recertification process by being informed immediately of all subscribers who were not recertified during the automated review of eligibility. In TracFone’s experience, several communications to subscribers over a period of many months may be necessary to obtain the annual recertification. Lifeline service providers should have the option, but not the obligation, to engage in efforts to notify their subscribers of the need to complete the annual recertification and offer customer support or to rely on USAC’s outreach efforts to accomplish recertification. By keeping Lifeline service providers apprised of the outcome of the initial automated review of eligibility early in the process (*i.e.*, starting 150 days

¹¹ See *Wireline Competition Bureau Provides Guidance on Rolling Recertification Pursuant to the Lifeline Modernization Order*, WC Docket Nos. 11-42, 09-197, 10-90, Public Notice, DA 16-1227 (Oct. 27, 2016).

prior to the service anniversary date), Lifeline service providers can provide valuable assistance to subscribers so that no eligible subscriber who wishes to continue receiving Lifeline benefits will be de-enrolled.

C. The National Verifier Should Be Accessible by Consumers.

All entities that are permitted to interface with the National Verifier should be able to obtain information in a secure and accessible manner. Page 35 of the Draft Plan states that applicants can request status updates regarding their eligibility verification or application. While the Draft Plan provides that certain information will be available through a status check, it does not identify the precise login credentials that are necessary for consumers to access their private information maintained by the National Verifier. TracFone recommends that consumers be permitted to access their information by a means other than their application number, which is assigned when an application is submitted. Consumers may not have the application number with them when they want to check the status of their application and may have difficulty recalling the number. Therefore, applicants should be permitted to access information held by the National Verifier using personally identifiable information, such as last name, Social Security Number (last 4 digits), date of birth, and ZIP Code. Requiring a consumer to provide a set of data points that should only be known by the consumer and can be easily recalled will provide the consumer with secure access to information regarding their application status.

D. Lifeline Service Providers Must Be Able to Rely on the National Verifier's Eligibility Determinations.

The purpose of the National Verifier is to take responsibility for Lifeline eligibility determinations from Lifeline service providers. In the Lifeline Modernization Order, the Commission states that “[b]y adopting the National Verifier, the risk of enforcement actions against providers for eligibility related issues will decline as the National Verifier takes on the

risk of determining eligibility for subscribers.”¹² While the Draft Plan clearly indicates that the National Verifier is solely responsible for eligibility determinations, which includes validating the identity and address of an applicant and checking that the applicant does not already receive Lifeline service from another service provider, it does not definitively state that Lifeline service providers may rely on its determinations without risk of an enforcement action. Given that Lifeline service providers will be required to use the National Verifier for eligibility determinations, service providers should be immune from liability for any errors the National Verifier makes in approving a consumer for Lifeline service. Specifically, if the Lifeline service provider uploads or otherwise communicates an applicant’s information as provided by the applicant, and the National Verifier approves that applicant (and subsequently pays Lifeline support to the service provider), then the Lifeline service provider should not be subject to any enforcement actions or other legal actions related to serving the customer or receiving Lifeline support for that customer. This immunity should cover all information received from a Lifeline consumer that the Lifeline service provider forwards to the National Verifier, whether during initial enrollment, annual recertification, or as part of other processes, such as certification of residency on Tribal lands.

TracFone also seeks confirmation that Lifeline service providers will be permitted to collect eligibility documents, but will not be required to retain such applicant-provided eligibility documentation. In the Lifeline Modernization Order, the Commission states the following: “The National Verifier will retain eligibility information collected as a result of the eligibility determination process. Lifeline providers will not be required to retain eligibility documentation

¹² *Id.* ¶ 130; *see id.* ¶ 7 (“By lowering Lifeline providers’ costs of conducting verification and reducing the risks of facing a verification-related enforcement action, the National Verifier will make the Lifeline program more attractive to providers.”).

for subscribers who have been determined eligible by the National Verifier.”¹³ The Draft Plan at page 59 states that USAC will “maintain an appropriate data retention policy for all applicant / subscriber data.” The Draft Plan at page 12 describes “[r]etain applicant-provided eligibility / identity documents according to Lifeline rules” as a reduced burden resulting from implementation of the National Verifier. However, the Draft Plan does not explicitly relieve Lifeline service providers of document retention obligations. Therefore, the final plan should clarify that Lifeline service providers have no obligation to retain any eligibility documentation if they are relying on the National Verifier to determine eligibility.

TracFone further suggests that USAC disclose any service level agreements (“SLAs”) that it enters with vendors that are providing services in support of the National Verifier. SLAs should establish standards for completing eligibility determinations, details about the escalation process when applicants wish to challenge eligibility determinations, remedies for failing to meet performance standards, and various operational requirements. By knowing USAC’s performance objectives for the National Verifier, Lifeline service providers will be able to develop business practices and provide customer support that is consistent with those objectives.

III. The National Verifier Should Be Operated and Managed in an Efficient and Non-Discriminatory Manner.

The development and management of the National Verifier is an extremely complex and important undertaking. The National Verifier will be responsible for both automated and manual review of initial eligibility and annual recertification of eligibility with the expectation that its reviews will be conducted in real-time. In addition, there must be sufficient staffing to handle calls from applicants and current subscribers and from Lifeline service providers, and for reviews of applications when applicants are not automatically approved. USAC must ensure that it is

¹³ *Id.* ¶ 151.

able to effectively manage demand for services by utilizing project management tools and flexible staffing to “facilitate the rapid response time required to best serve the stakeholder community.”¹⁴ Any project management tools should be applied in a non-discriminatory manner so that all Lifeline service providers have the same ability to access the National Verifier to confirm the eligibility of Lifeline applicants and no single provider is unfairly advantaged or disadvantaged when the National Verifier experiences operational problems.

The National Verifier will be responsible for handling a substantial number of Lifeline applications and annual recertifications on a daily basis by interacting with numerous databases and conducting manual reviews of documentation. Moreover, it will be administering the calculation and disbursement of Lifeline support to Lifeline service providers. To ensure that the National Verifier can meet the demands of applicants and service providers who will rely on it to operate efficiently and provide accurate results, it is essential that all functionalities be thoroughly tested before launch.¹⁵ However, in the event that the National Verifier experiences operational problems associated with a change to the system, USAC should protect the integrity of the system by rolling back the change or temporarily taking the system offline until the problems can be identified and fixed, rather than attempting to apply changes or interrupt services only to certain service providers.

Even during normal operations, the National Verifier should be structured and operated in a manner that does not discriminate against any particular Lifeline service provider or type of provider. For example, at page 41 of the Draft Plan, it states that when a consumer navigates to the Lifeline web portal’s consumer information page and inputs a ZIP Code or city and state, the LED will provide the consumer with a list of service providers available in the area, including

¹⁴ *Id.* ¶ 146.

¹⁵ *See id.* ¶ 148.

the type of services offered by each provider. The Draft Plan does not indicate the order in which the available Lifeline service providers will appear. TracFone urges USAC to order the list of Lifeline service providers in a random and non-discriminatory manner and to allow the providers to submit their own service descriptions.

CONCLUSION

TracFone respectfully requests that the USAC consider TracFone's views and recommendations set forth in these comments as it continues to develop the Final Plan for the National Verifier.

Respectfully submitted,

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