

LIFELINE NATIONAL VERIFIER PLAN

JANUARY 2018



Universal Service
Administrative Co.

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Overview of the National Verifier Plan

PURPOSE

This document describes the systems and processes of the National Verifier (NV), provides a status of the project, and details the work that remains to make it a success.

BACKGROUND

This is the second update of the National Verifier Plan (the "NV Plan") which was created in response to the 2016 [Lifeline Reform and Modernization Order](#) (the 2016 Order) adopted by the Federal Communications Commission (FCC) in March 2016.

- The first version of the plan was released in January 2017 and the first update in July 2017.
- The National Verifier Plan has been approved by the Wireline Competition Bureau and the Office of the Managing Director at the FCC.

The 2016 Order requires that USAC provide updates on progress every six months during the implementation of the National Verifier. Further, USAC will continue to provide updates on the NV implementation on the [NV section of the USAC website](#).

Interested members of the public are always welcome to provide comments on the NV Plan to USAC by visiting the NV website.

- Comments can also be submitted via email at LifelineProgram@usac.org; however, USAC recommends that stakeholders use the functionality on the NV website.

Status of the National Verifier (1/2)

As of January 2018, development of the service provider portal of NV is complete, and the system is undergoing a final set of testing validations for an early 2018 release. USAC is working in close coordination with FCC staff and will announce the new timeline with sufficient notice for stakeholders.

With this release, service providers in six states (Colorado, Mississippi, Montana, New Mexico, Utah, and Wyoming) will be able, but not required, to use the NV system, until the hard launch of the NV in those states.

The previous National Verifier Plan, published in July 2017, reported a soft launch date of December 5, 2017 and a hard launch date of March 13, 2018.

- On December 1, 2017, the FCC announced the initial launch of the National Verifier would be delayed because Federal Information Security Management Act (FISMA) steps were not completed. USAC adheres to federal privacy and security regulations, including but not limited to the Privacy Act and FISMA.
- Functional development of the service provider portal is complete and the FISMA security validation is the final step before the soft launch can occur.

Status of the National Verifier (2/2)

At soft launch, service providers in the six states will be able, but not required, to use the NV system

At hard launch, service providers in the six states will be required to use the NV. Consumers in the six states will also be able to use the system at this time.

NV's supports the following functionality:

- Eligibility check
- Manual review
- Consumer information update
- Benefit transfers
- Recertification
- Reverification
- Claims and disbursements

For more details about functionality, explore the Process Flows and Descriptions section of this document.

More detailed content, geared toward specific stakeholder groups, is being communicated regularly through [NV website](#), [newsletters](#), [webinars](#), etc.

Background: The FCC has charged USAC to develop and implement the National Verifier to determine Lifeline eligibility

In March 2016, the FCC adopted the Modernization Order, further updating the Lifeline program to, among other things, streamline eligibility verification for enrollment and recertification.

The 2016 Order tasked USAC with the creation of a National Verifier to standardize eligibility verification across all states and territories and to perform the following functions:

- Create the Lifeline Eligibility Database (LED), which will be connected to state and federal data sources,¹ to determine eligibility for both initial enrollment, and annual recertification;
- Allow Service Providers and consumers to check eligibility or enrollment status; and
- Calculate payments to service providers based on data available through National Verifier.

Additionally, in December 2017, the FCC released [a new order \(Fourth Report and Order\)](#) focused on the following Tribal initiatives:

- Targeting enhanced support on Tribal lands to rural areas
- Utilizing mapping resources for enhanced rural Tribal lands support
- Requiring independent verification of residency on rural Tribal lands
- Targeting enhanced Lifeline Tribal support to facilities-based providers

USAC and the FCC are executing the requirements of the Fourth Report and Order over the next several months. The Tribal changes will impact NV processes and USAC is working on both in parallel. Stay tuned for more information on [our website](#).

1. Data sources of qualifying eligibility programs (e.g., Medicaid)

In the 2016 Order, the FCC identified three main goals for the National Verifier

1

Stronger Program Integrity



- Independent eligibility verification, with more automatic checks, conducted directly by USAC to reduce waste, fraud, and abuse
- Single eligibility system to audit and report on potential fraud metrics
- Streamlined, consistent processes to distinguish mistakes from waste, fraud, and abuse

2

Enhanced Customer Experience



- Streamlined access to eligibility information for Service Providers
- States relieved of maintaining computer matching agreements and interfaces with multiple SPs
- More automatic checks of data sources to determine eligibility
- Central source of program information and support for consumers

3








Cost Effectiveness



- SPs relieved of eligibility verification burden
- Lower cost to aggregated system due to more streamlined processes:
 - More automated verification to reduce costly manual reviews; and
 - More automated recertification to reduce costly outreach

The NV is designed to meet these objectives. Stakeholder feedback on how to meet these goals is critical, and we are continuously integrating input throughout the multi-year implementation and rollout of the NV.

There are a variety of different criteria by which applicants can demonstrate eligibility for Lifeline

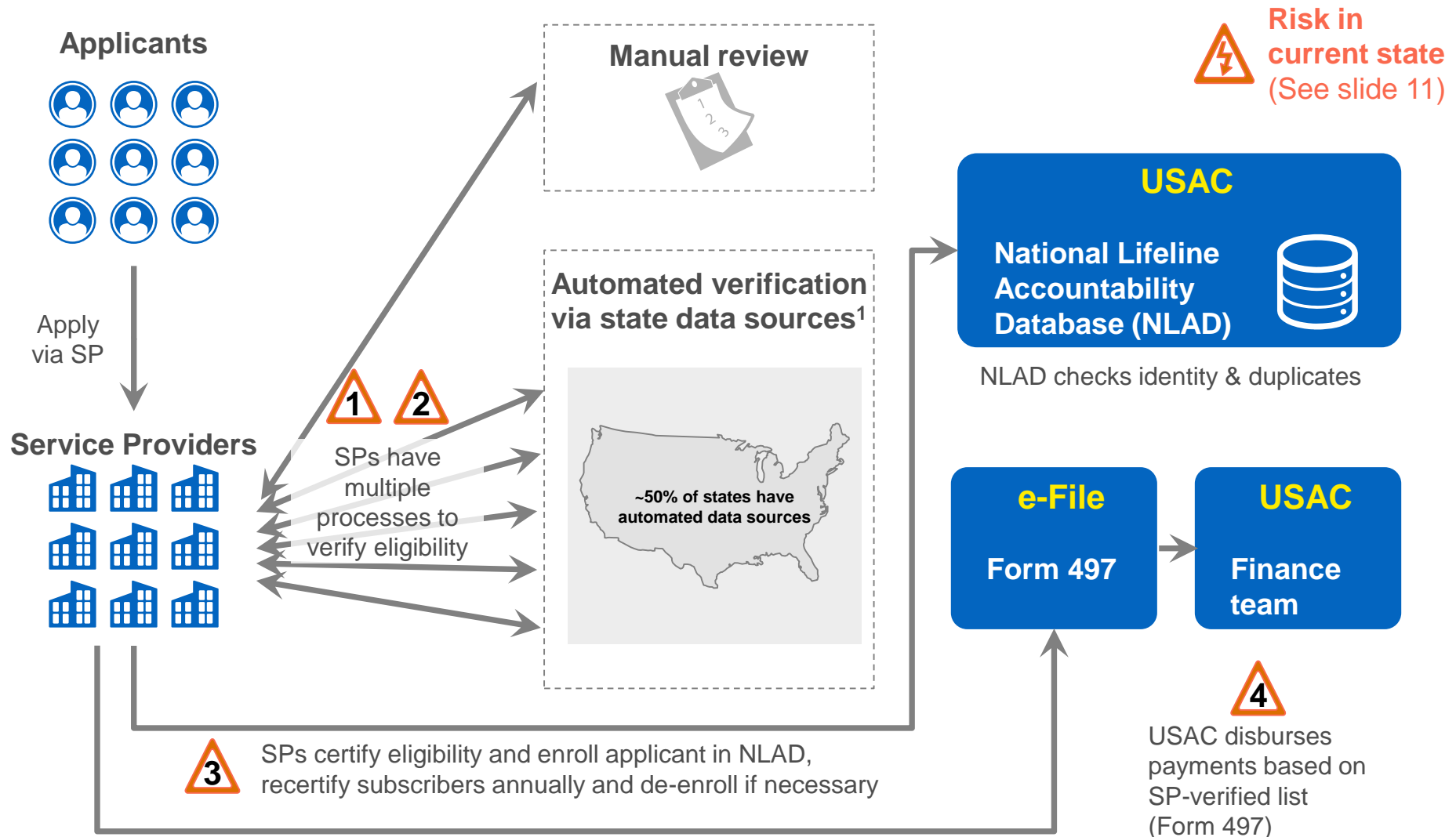
		Current % of Lifeline applicants qualifying through criterion ¹	Comments
Medicaid		33%	<ul style="list-style-type: none"> Qualify through enrollment in Medicaid
SNAP		35%	<ul style="list-style-type: none"> Qualify through enrollment in SNAP
SSI		2%	<ul style="list-style-type: none"> Qualify by receiving SSI payments
Federal Public Housing Assistance		0.6%	<ul style="list-style-type: none"> Qualify by receiving public federal housing benefits
Income		6%	<ul style="list-style-type: none"> Qualify if income is at or below 135% of the federal poverty line
Tribal ²		0.1%	<ul style="list-style-type: none"> Qualify by receiving certain tribally-focused assistance programs³
VA		0.1%	<ul style="list-style-type: none"> Qualify by receiving the Veterans Pension / Survivor Benefits

1. Percentages as of December 2017. Numbers do not add to 100% due to rounding and the Modernization Order's removal of certain qualifying criteria for Lifeline eligibility determination..

2. Must live on tribal land to qualify through tribal programs

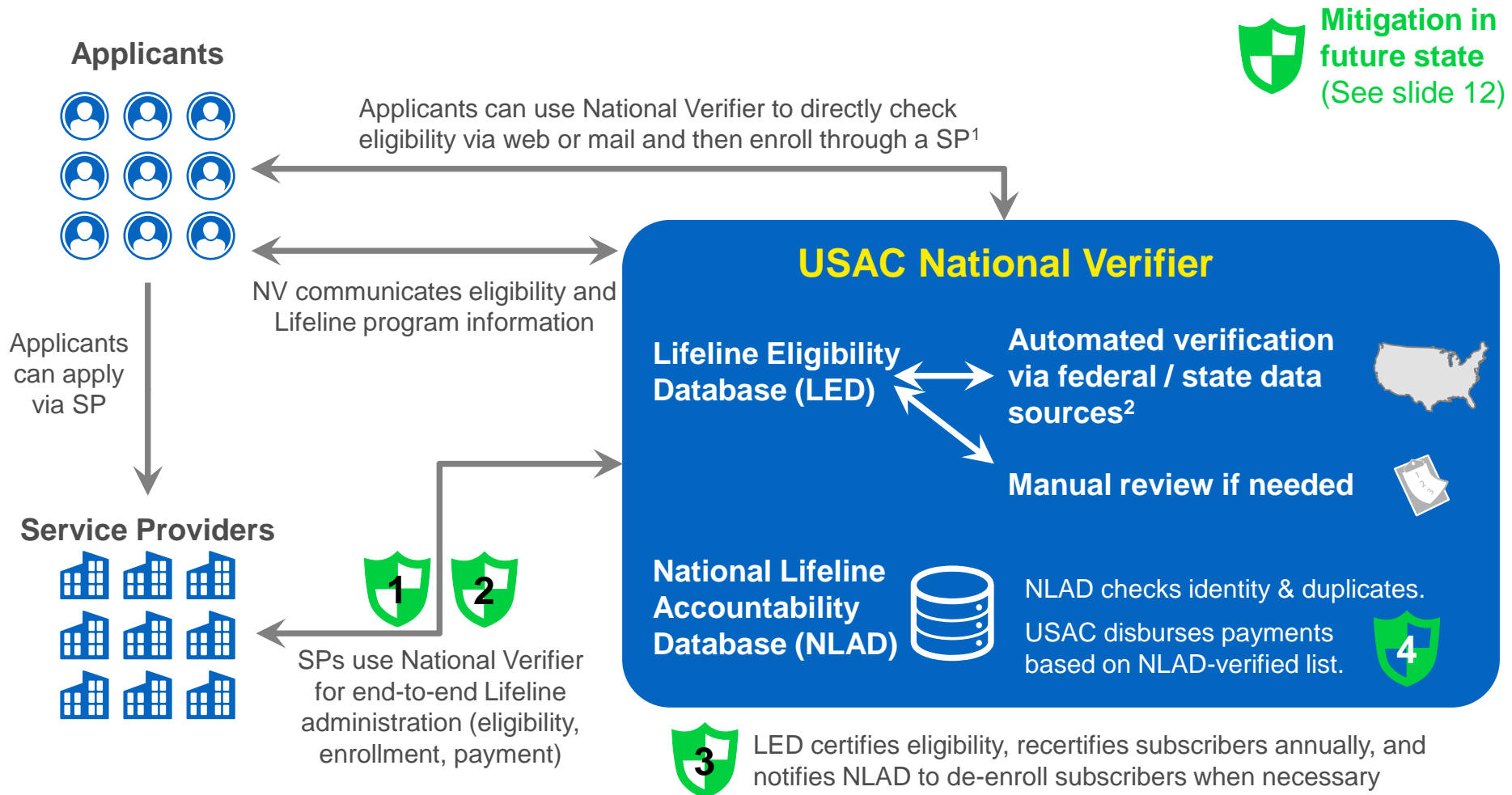
3. Bureau of Indian Affairs General Assistance, Tribally-administered Temporary Assistance for Needy Families, income-based Head Start, or the Food Distribution Program on Indian Reservations

Lifeline will move from the current state where Service Providers conduct eligibility verification...



1. For example: Medicaid, SNAP, SSI

...to a future state where USAC conducts eligibility verification through the National Verifier...



1. If eligible, applicant receives application number and list of nearby SPs 2. For example, Medicaid, SNAP, SSI

...which is designed to address several program integrity risks in the current Lifeline program

Current program integrity risk



Service Providers conducting Lifeline eligibility verification creates potential for waste, fraud, and abuse



Variation in eligibility verification processes across Service Providers and states creates potential for confusion, errors, inconsistency



Subscribers whose eligibility has lapsed may not be timely de-enrolled from NLAD



Payment complexity due to separate processes for enrollment and claims for reimbursement

Planned NV mitigation strategy



Centralize eligibility verification with USAC, a neutral party



Standardize eligibility verification processes through the National Verifier

- More automated verification by pinging state and federal data sources increases accuracy
- Centralized manual reviews conducted by BPO vendor that adheres to consistent quality control standards



Automate recertification to re-confirm eligibility (removing need for self-certification for majority of subscribers)





Automate de-enrollment of subscribers due to non-response for self-certification







Unified NLAD / LED systems streamline ability to tie disbursements directly to subscribers claimed in NLAD

USAC is taking near-term steps to improve these risk areas in parallel to building the National Verifier

Current program integrity risk

-  **1 Service Providers conducting Lifeline eligibility verification creates potential for waste, fraud, and abuse**
-  **2 Variation in eligibility verification processes across Service Providers and states creates potential for confusion, errors, inconsistency**
-  **3 Subscribers whose eligibility has lapsed may not be timely de-enrolled from NLAD**
-  **4 Payment complexity due to separate processes for enrollment and claims for reimbursement**

Planned near-term mitigation strategy

-  **USAC will sample eligibility verifications performed by Service Providers, begin tracking activity by sales agent, and continue to enhance audit processes including the creation of a forensic audit program**
-  **USAC will ensure that Service Providers are using the available state data sources to minimize manual review processes, and verify this through sampling and audits**
-  **USAC will sample recertifications performed by Service Providers, monitor for deceased subscribers who should no longer be claimed, and continue to enhance audit processes**
-  **USAC will reject Form 497 claims in excess of NLAD. Beginning with the January 2018 data month, service providers in all states will be paid based on the number of subscribers in NLAD.**

With the implementation of the National Verifier, eligibility verification will shift from Service Providers to USAC

Service Providers

Facilitate consumer application process

Support document upload for manual eligibility checks (if needed)

Provide consumer support as appropriate

Retain applicant-provided eligibility / identity documents according to Lifeline rules

Check state sources (including manual review where necessary) to confirm consumer eligibility

Conduct annual recertifications¹

USAC

Conduct identity and duplicate checks (NLAD)

Process consumer applications and confirm eligibility prior to enrollment

Conduct all annual recertifications

Provide full service consumer support

Complete computer matching agreements with state and federal agencies

New roles

Reduced burdens

The NV will also reduce burden on some state and federal agencies who currently share eligibility data with multiple service providers. Under the NV, the agencies will only need to share data with one entity, USAC.

1. Service Providers can currently elect USAC to conduct annual recertification.

High-level overview of the system

Eligibility

Lifeline Eligibility Database (LED)

- One eligibility engine with many functions:
 - Query qualifying program data sources to determine eligibility;
 - Store yes / no eligibility results; and
 - Queue applications to BPO for manual review when necessary¹
- Portals for eligibility verification (e.g., consumer web portal)

New build required

Enrollment

National Lifeline Accountability Database (NLAD)

- Database of all enrolled Lifeline subscribers for calculating payments to SPs;
- Services to check duplicate subscribers / addresses and verify identity; and
- Portal for subscriber updates

Updates required

From a technical standpoint, LED and NLAD will be tightly integrated as part of the single National Verifier solution to ensure a streamlined experience.

1. For example, income verification or when applicant not found automatically in federal / state data sources

Functions and processes in place to support the system

New capabilities will come from both internal and external sources

USAC capabilities

USAC / Lifeline team

Rigorous vendor management

Additional capacity for stakeholder engagement and development of computer matching agreements

Complex project planning and KPI tracking

Additional advanced data analytics to detect waste, fraud, and abuse

Vendor capabilities

Systems integrator

Build the National Verifier with all capabilities required to enable the timely and successful completion of its goals

Build the National Verifier to comply with all applicable security- and privacy-related standards and regulations

Test the National Verifier systems to ensure an optimal user experience

Procured in March 2017

BPO provider

Manual processes and consumer call center to:

- Conduct manual eligibility reviews when automatic checks are not available
- Receive and process mail-in applications and IVR recertifications
- Support communication methods (e.g., mail recertification notices)

General consumer support, including for all dispute resolutions

Procured in October 2017

The National Verifier will be launched in multiple waves over the next two years

2017	2018	2019
NV was planned, built and tested in 2017 and early 2018...	...will launch in 6 states in early 2018...	...25 states by the end of 2018...
		...and all states and territories by the end of 2019.

When the NV is hard launched in a state, carriers will no longer verify eligibility. The NV will use a combination of manual and automated methods to verify eligibility.

Total budget to run NV ~\$40-55M by steady state in 2020

Build costs expected to be ~\$35-40M (spent over 3 years)

Total Build Budget for the National Verifier (2017 thru end of 2019)

National Verifier build grand total (\$)
(costs incurred over ~3 years)

~\$35-\$40M

Through December 2017, USAC is on budget for the project and expects this trend to continue.

Budget Estimate for the National Verifier¹ – Steady state in 2020

Assumptions for steady state:

- The NV has launched nationwide;
- All available federal / state data sources are integrated; and
 - Large majority of eligibility verifications are automated
- Approximately 15M applicants and 13M subscribers.

Verification:

- Application processing;
- Eligibility verification (automated / manual); and
- Recertification outreach.

~ \$25-30M

See comparison to current costs incurred by SPs on next slide

Consumer support:

~ \$10-15M

Tech systems / tools:

~ \$4-6M

Human capital:

~ \$3-5M

Costs will grow from now until 2020 as more states launch NV

Operations grand total (\$)

~\$40-\$55M

1. Budget based on current volumes; cost estimates based on interviews with Service Providers and state administrators

NV direct verification costs expected to be half of direct verification costs currently incurred by service provider

Efficiencies gained by the National Verifier

Increased automated verification for enrollment

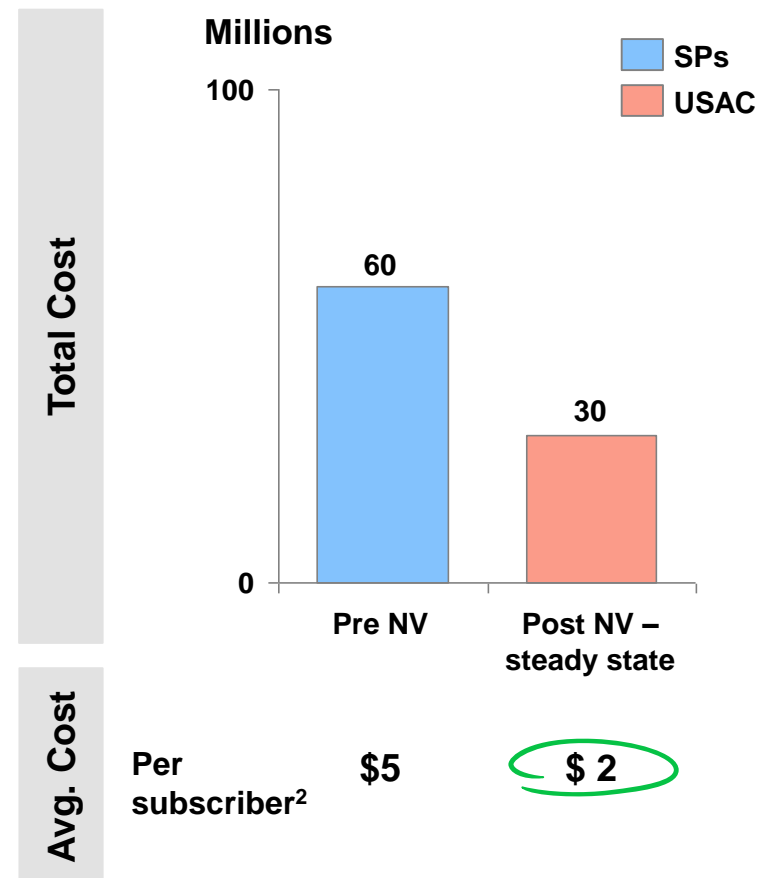
- Automated API link to federal and state data sources where possible; and
- Costly manual verification only if applicant is not found in a data source.

Automated verification and notification for recertification

- Costly outreach (e.g., mail and reminder calls / texts) only if subscriber is not found in a data source.

Larger volumes enable efficiencies of scale and drive down costs.

Estimated direct verification cost savings¹



1. Only includes enrollment and recertification costs for automated and manual verification; does not include consumer support, tech systems, or human capital costs.

2. Assumes current 13M subscribers both pre-NV and post-NV.

Note: In some states, third parties administer eligibility verification and incur costs

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Eligibility Data Sources: Executive summary

The National Verifier system connects with data sources to verify identity and determine if a Lifeline applicant is eligible.

NLAD has always utilized third party identification and address verification services. The National Verifier will continue to use these services and will also utilize eligibility data sources.

USAC and the FCC are working with state and federal agencies, as well as Tribal governments who administer qualifying programs, to obtain access to eligibility information.

This process culminates in computer matching agreements between USAC, the FCC, and the entities who maintain eligibility program enrollment data.

Where automated data sources are not available, the National Verifier will utilize manual processes to review eligibility documentation submitted by the consumer.

The National Verifier interacts with distinct data sources to answer each question in the application process

Application question	Verification Step	Activity to complete	Data source
Does your personal information pass identity verification?	Identity & address check	Check applicant PII against third party identity verification system (TPIV); conduct address verification	NLAD
Are neither you nor anyone in your household currently receiving Lifeline?	Duplicate check	Check applicant PII against those already enrolled in Lifeline	NLAD
Are you eligible for the Lifeline program?	Eligibility check	<p>1st Step: Check applicant PII against automated data sources to determine if they are enrolled in a qualifying benefit program</p> <p>2nd Step (if necessary): Conduct manual review to determine eligibility</p>	<p>1st Step: State or federal data sources of qualifying programs</p> <p>2nd Step (if necessary): Eligibility documents from qualifying programs</p>

Focus of this section

Eligibility data sources can be accessed in a number of ways

The National Verifier will access eligibility data through a variety of methods.

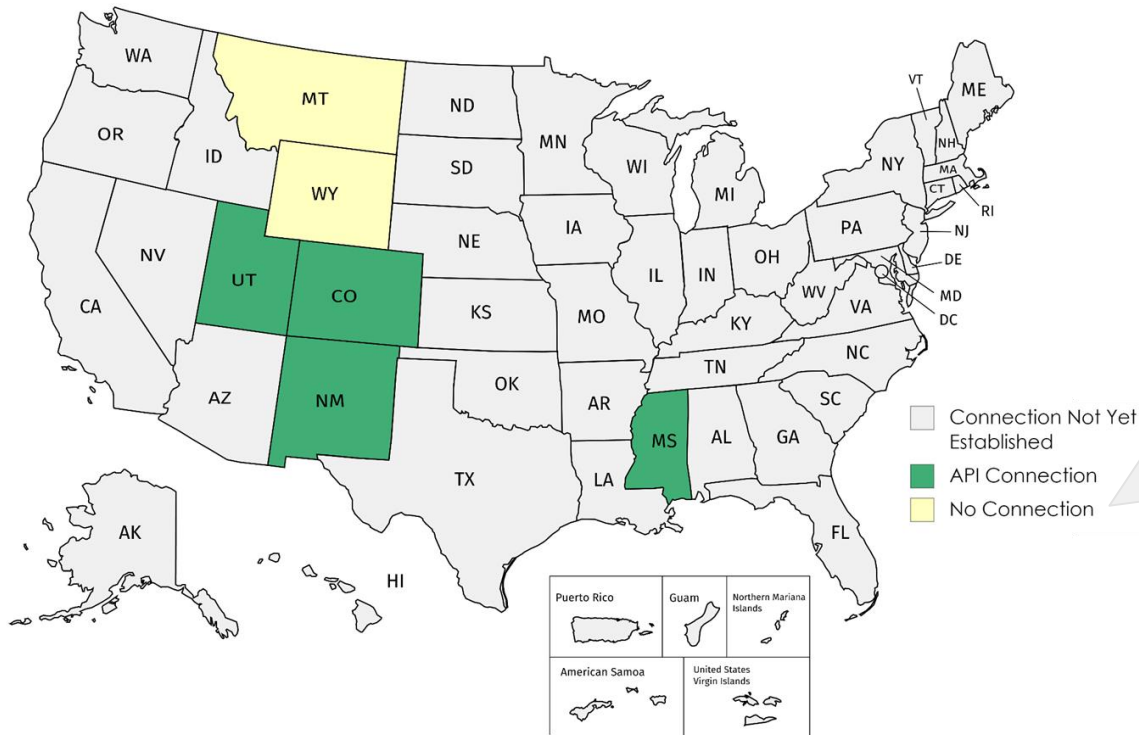
- **Application Program Interface (API):** Connections that transfer data in real time on a per inquiry basis.
- **Batch Processing:** Connections that provide results for multiple inquiries on a regular basis - daily, weekly or monthly.
- **Manual Web Look-Up:** Databases that have a portal function that allow people to type in certain identity information to determine the eligibility of an applicant based on their participation in a qualifying program.

Due to cost, technology or other constraints, the National Verifier may not always have an automated data source to verify a consumer's eligibility in every state or territory. In these cases, consumers will need to submit eligibility documentation for review.

USAC and the FCC are pursuing as many automated connections as possible that are cost-effective in order to streamline the process and allow for near real-time responses.

The six states participating in the initial launch of the National Verifier have different connection types

The following six states are participating in the initial launch of the National Verifier: Colorado, Mississippi, Montana, New Mexico, Utah and Wyoming.



The National Verifier does not have an automated connection with Montana or Wyoming due to cost and technology constraints.

Eligibility verification will be performed by using available federal data sources or through manual review of documentation for consumers in these states.

The automated connection with United States Department of Housing and Urban Development (HUD) will be used in all participating states, regardless of the connection type with the individual state. USAC is pursuing additional nationwide data sources (e.g., federal agencies that manage qualifying programs) that will be used to validate eligibility in all implemented states and territories.

Data needed to verify Lifeline eligibility is maintained by the agencies that manage the qualifying programs

For the initial launch of the National Verifier, USAC and the FCC have built automated connections with the following state agencies:

State	Agency	Data Type
COLORADO	Office of Information Technology	Medicaid and SNAP
MISSISSIPPI	Department of Human Services	SNAP
NEW MEXICO	Human Services Department	Medicaid and SNAP
UTAH	Department of Workforce Services	Medicaid and SNAP

We have also built an automated connection to HUD to verify consumers who qualify through Federal Public Housing Assistance across all implemented states.

The five computer matching agreements are public documents and will be made available through USAC's website.

USAC will work with additional states to build automated connections to their eligibility data sources

Initially, USAC makes contact with a state and scopes the work. USAC and the FCC may engage in the following activities with the state:

- Identify points of contact
- Conduct briefings for state officials about the Lifeline program and the National Verifier
- Determine technical and programmatic limitations and assets at the state level
- Socialize timelines and USAC business requirements with state officials
- Determine best connection type to pursue

If USAC, the FCC, and the state agency determine they would like to pursue an automated connection, USAC will:

- Execute a computer matching agreement, which is signed by the FCC, USAC, and the state agency
- Execute an interconnection security agreement to ensure the data will be used and protected in accordance with the Privacy Act
- Establish agreed upon business and technical requirements
- Develop and test connection based upon technical requirements

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Process Flows and Descriptions: Executive summary

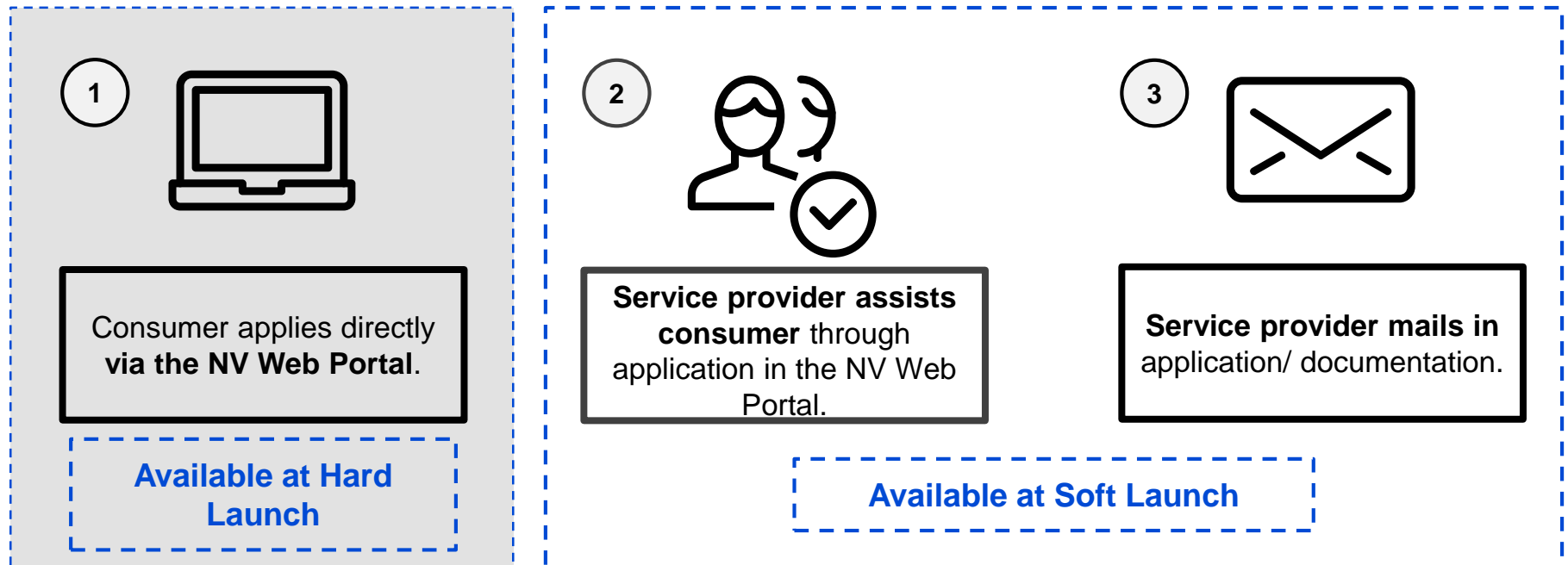
Seven key processes are supported by the National Verifier. These include:

- A** Eligibility Check
- B** Manual Review
- C** Consumer Information Update
- D** Benefit Transfer
- E** Recertification
- F** Reverification
- G** Claims and Disbursements

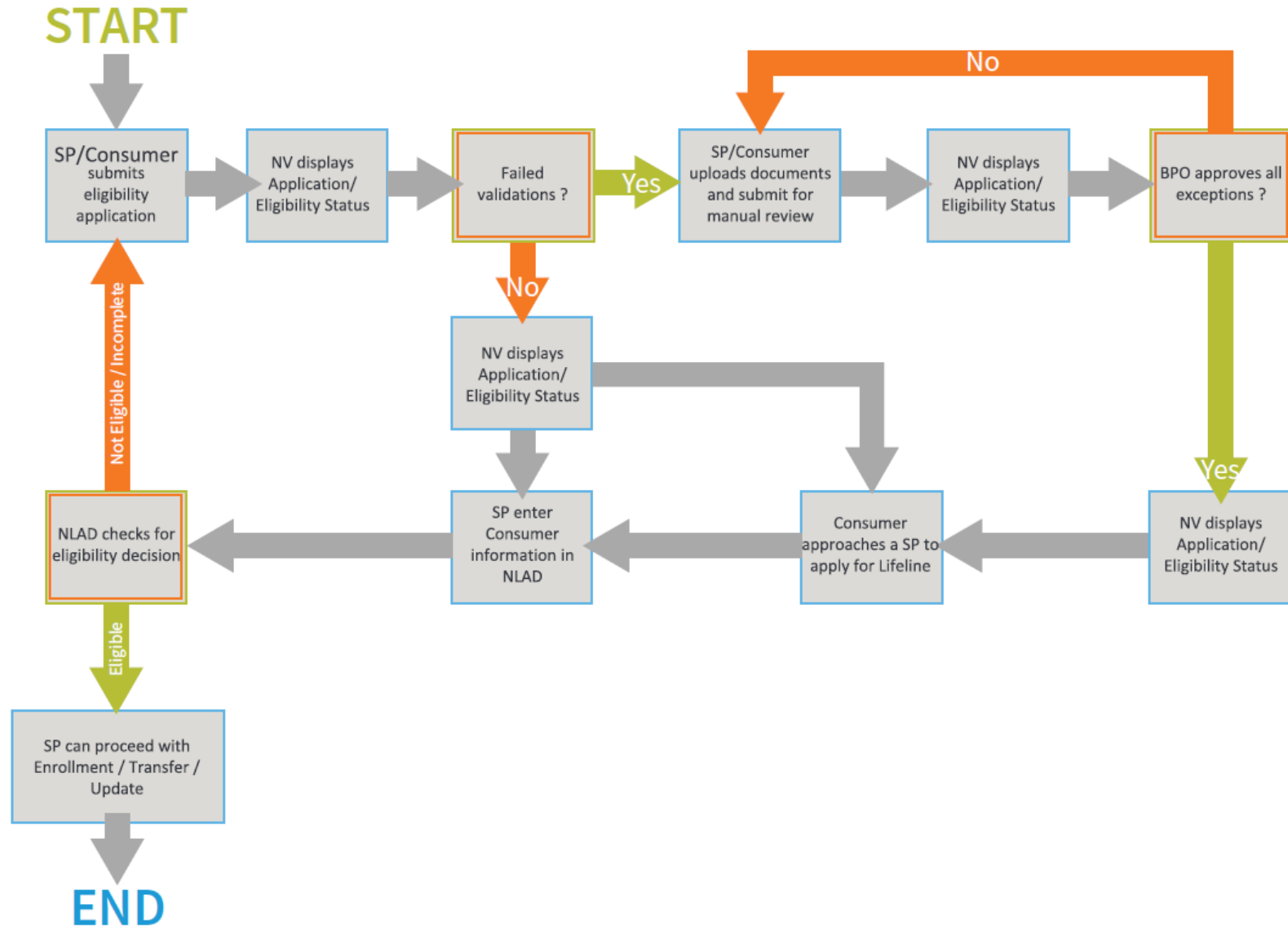
Process Flows and Descriptions: Executive summary

The descriptions in this section focus on the processes a service provider undergoes to assist a consumer. During soft launch, consumers will not have access to the portal and must work with a service provider to apply.

After hard launch, consumers will be able to apply on the portal without assistance from a service provider and those processes will be outlined in the next version of this plan.



Process Flow: Eligibility Check



There are some key changes to the eligibility check process that accompany the launch of the National Verifier

Before the National Verifier

Service providers **conducted eligibility checks**

Consumers were typically **only able to check their eligibility for Lifeline via one method (through service providers)**

Not all consumers **were able to check their application or eligibility status online** at a centralized location

After Hard Launch of the National Verifier

The National Verifier system **centralizes eligibility verification**

Applicants check eligibility directly via the NV Web Portal, mail, or with assistance from a service provider

Consumers can **check their application and enrollment status online** or by contacting the Lifeline Support Center

Process Description: Service provider access

A service provider representative will log into the NV Web Portal using their credentials.

SP representatives are not permitted to share accounts; each user must have their own account. Representatives who already have NLAD accounts can use these credentials to log into the NV Web Portal.

If a service provider representative **does not have** an existing NLAD account, they **must have their Admin grant them the appropriate access level**. The representative will be given credentials that they can use for the Portal.

Process Description: Application with SP Assistance

1 GATHER INFORMATION

The representative will ask the consumer for their information and enter it into the system. Information includes name, address, date of birth, last 4 numbers of Social Security Number and qualifying program(s).

2 CONSENT, CERTIFY AND SIGN

The consumer must check a box indicating they agree that it is okay to use their information to check if they qualify for Lifeline. The consumer must initial electronically that they agree to the Lifeline certifications and must type in their name to sign the application form.

Note: Service provider representatives cannot consent, certify or sign on the consumer's behalf.

3 RESULTS

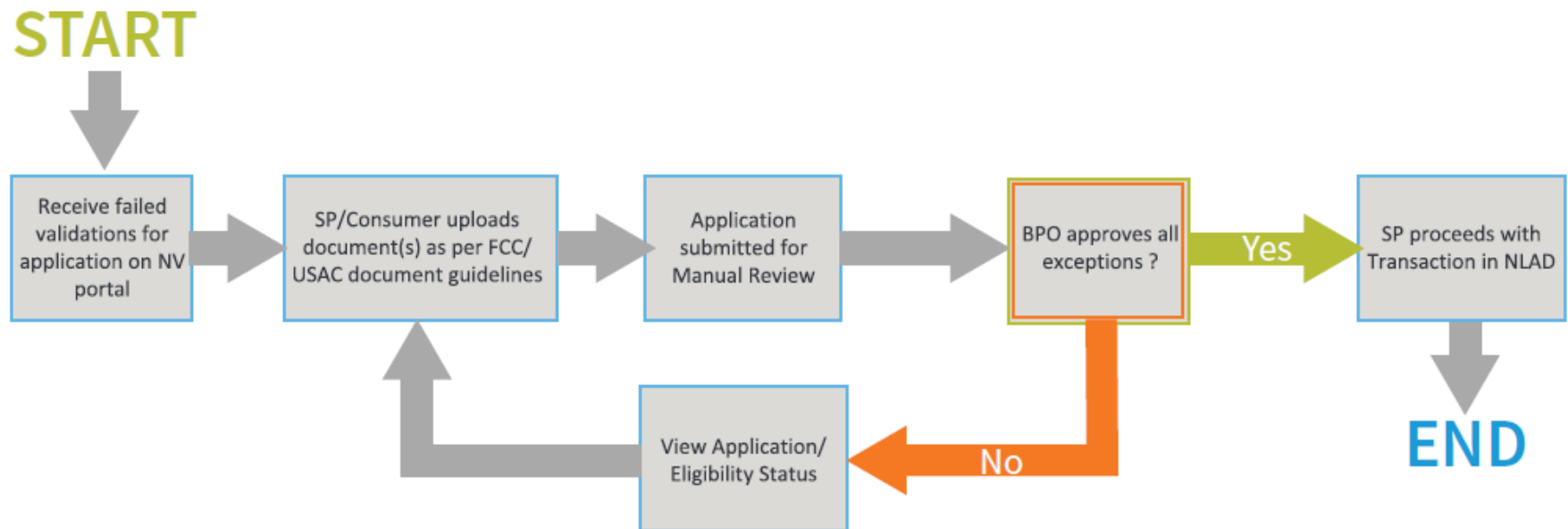
Once the service provider representative finishes assisting the consumer with the process, the representative will see a message detailing how to enroll the consumer in NLAD. The consumer needs to be added to NLAD within 90 days or their "Qualified" eligibility result will expire.

Process Description: Result Types

After submitting all of the required information, the system will return one of the following results types:

Result Type		Interpretation
"Already Enrolled in Lifeline."	➔	The consumer is already receiving Lifeline benefits, and no action is required. They can transfer their benefit to a new service provider, if desired.
"More Documentation Needed."	➔	The consumer's eligibility was not verified, and they need to submit documentation to prove their eligibility (which may include documents to support identity, address, program eligibility, etc.). <i>This is discussed in greater detail in the next process flow on Manual Review.</i>
"Pending Review."	➔	The consumer's Application Form is still under review by the Lifeline Support Center and an eligibility decision is pending.
"Qualified."	➔	The consumer is eligible for the Lifeline benefit and can be enrolled in NLAD.

Process Flow: Manual Review



There are some key changes to the manual review process in the National Verifier system

Before the National Verifier

Service providers manually reviewed documentation on **behalf of the consumer**

After Hard Launch of the National Verifier

Consumer submits required documents directly via the **NV Web Portal or mail**, and can ask for assistance from a service provider representative if needed

There was **variation** in **manual eligibility review procedures**

The Lifeline Support Center **centralizes** and **standardizes manual reviews**

Process Description: Error types

An application may result in a error that requires the consumer to submit additional documentation* for Lifeline Support Center manual review.

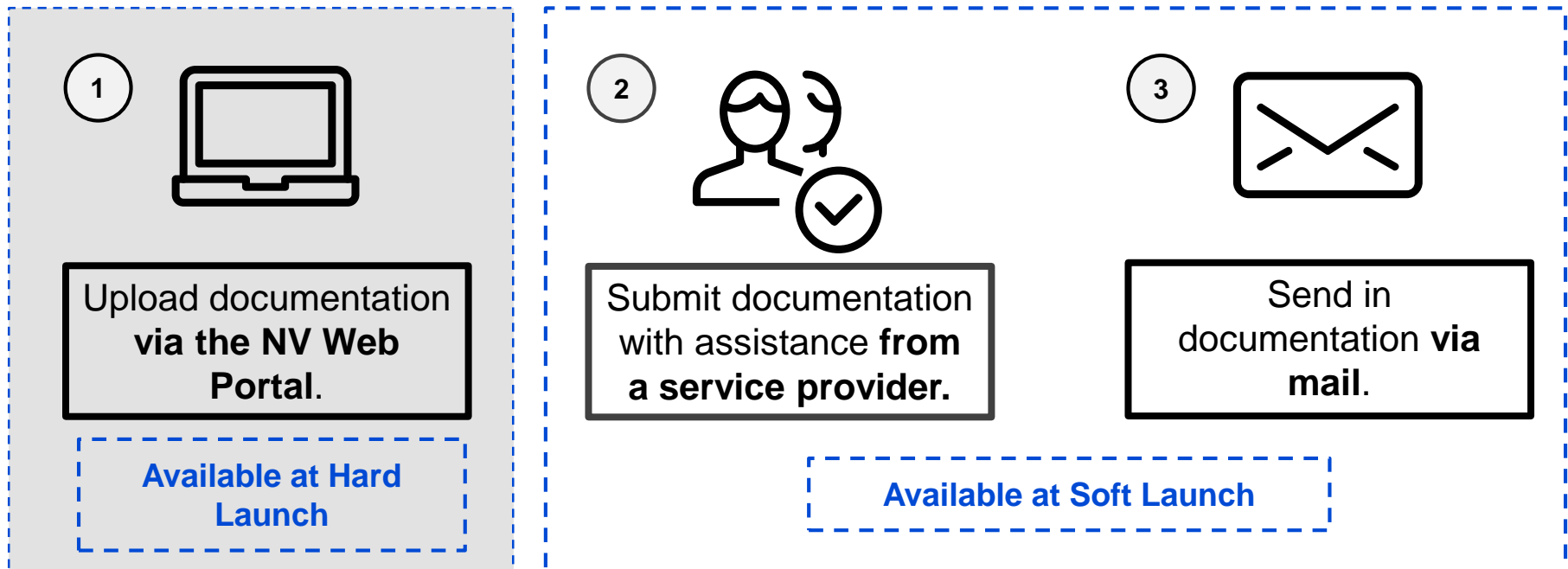
The following errors, except Duplicate Address, require additional documentation. The Duplicate Address error requires the consumer to provide more information through submission of the One-Per-Household Worksheet instead of documents.

Error	Document Required
TPIV (Identity Verification Error)	Proof of identity.
AMS (Address Verification Error)	Proof of residential address.
Duplicate Address	Household Worksheet.
Under 18	Proof of emancipated minor status.
Program Eligibility	Proof of program/income eligibility.

* A list of acceptable documents can be found on the [NV website](#).

Process Description: Document submission

If the consumer receives an eligibility error, they will be notified of the specific error type associated with their application. Consumers may choose to submit documentation through the following methods.



Process Description: Document submission results

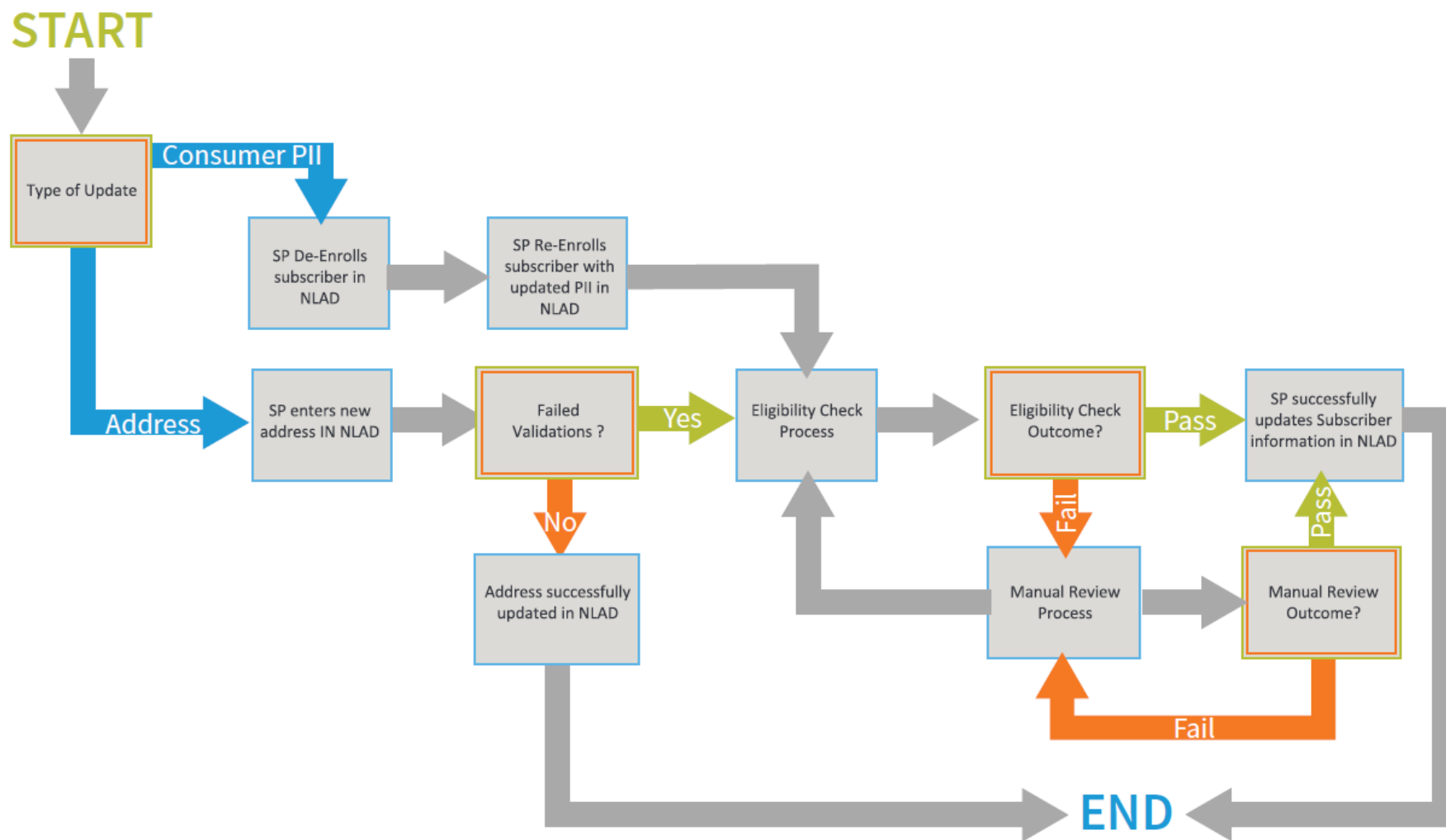
After the service provider uploads all required supporting documents for manual review, the NV will display a confirmation message to confirm the application is now undergoing review to verify the consumer's eligibility to receive Lifeline.

The service provider can check the consumer's status through their service provider NV Web Portal account. Potential result types can be found on slide 34 in the Eligibility Check section.

If the consumer is eligible, the service provider will see their updated eligibility status in the status column of the home page. They can then enroll the consumer in NLAD.

If the consumer's eligibility still cannot be verified, they can end their application process or ask for assistance from the service provider representative in submitting the necessary documentation to address outstanding errors or dispute the result of the manual review.

Process Flow: Consumer Information Updates



Process Description: Consumer Information Update

A Service Provider can only update a Subscriber's address in NLAD.

When the service provider is trying to update the Subscriber's address:

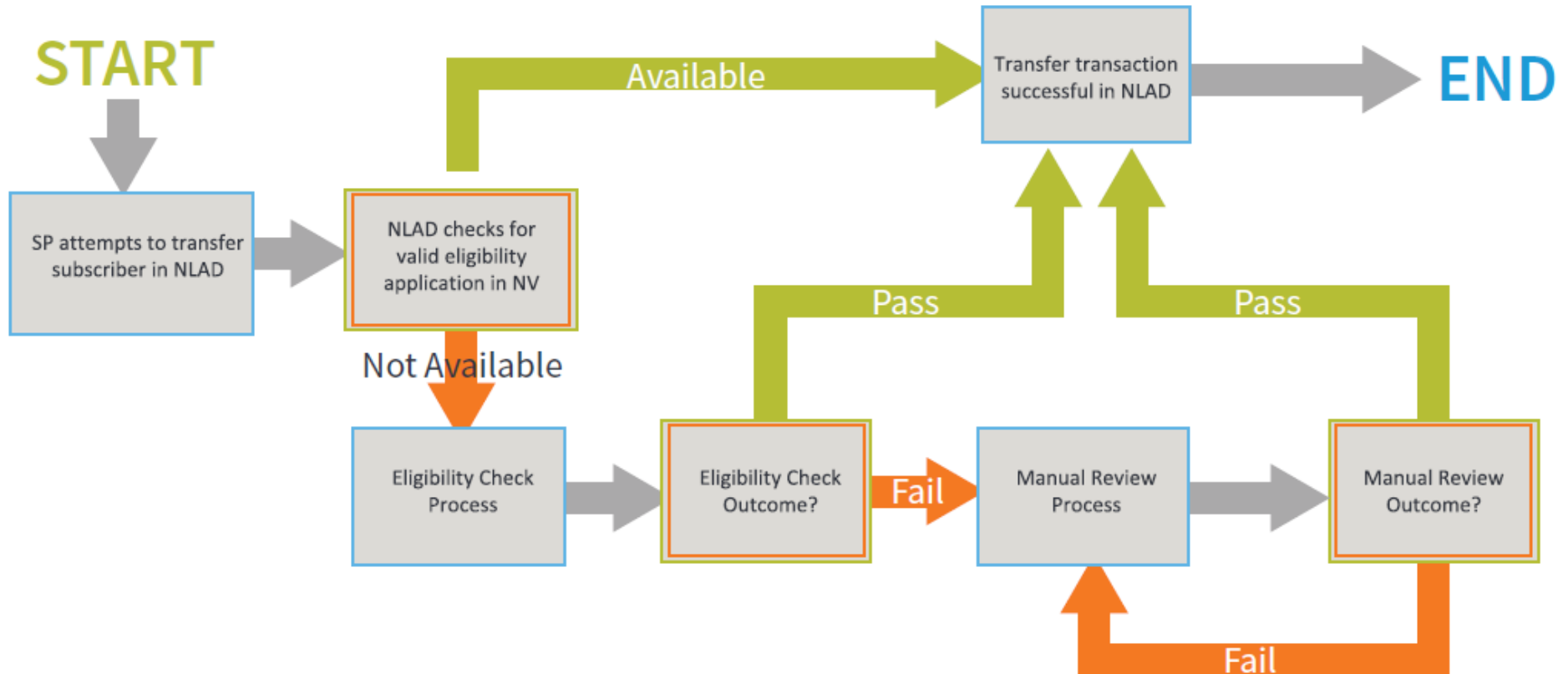
- If the new address passed all validations, the update transaction in NLAD goes through successfully.
- If the new address fails the validations, NLAD checks LED for a valid application:
 - If a qualified application is found, the Update transaction in NLAD goes through successfully
 - If no valid application is found, the SP will have to run an Eligibility Application through the portal before the Update transaction can go through successfully.
- If during the eligibility check, the subscriber has failed any validation checks, they need to resolve those before the Update transaction can be successful.

In order for a service provider to edit any other field (first/last name, DOB, L4SSN):

The service provider has to first de-enroll the subscriber from NLAD and then re-enroll with the desired PII. When this happens, NLAD will check LED for a qualified application.

- If a qualified application is found, the Enroll transaction in NLAD goes through successfully.
- If no application is found, the SP will have to submit an Eligibility Application in the portal before the Enroll transaction can go through successfully.
- If during the eligibility check, the subscriber has failed any validation check, they need to resolve those before the Enroll transaction can be successful.

Process Flow: Benefit Transfer



There are some key changes to the benefit transfer process in the National Verifier system.

Before the National Verifier

New service provider representative initiates benefit transfer in NLAD

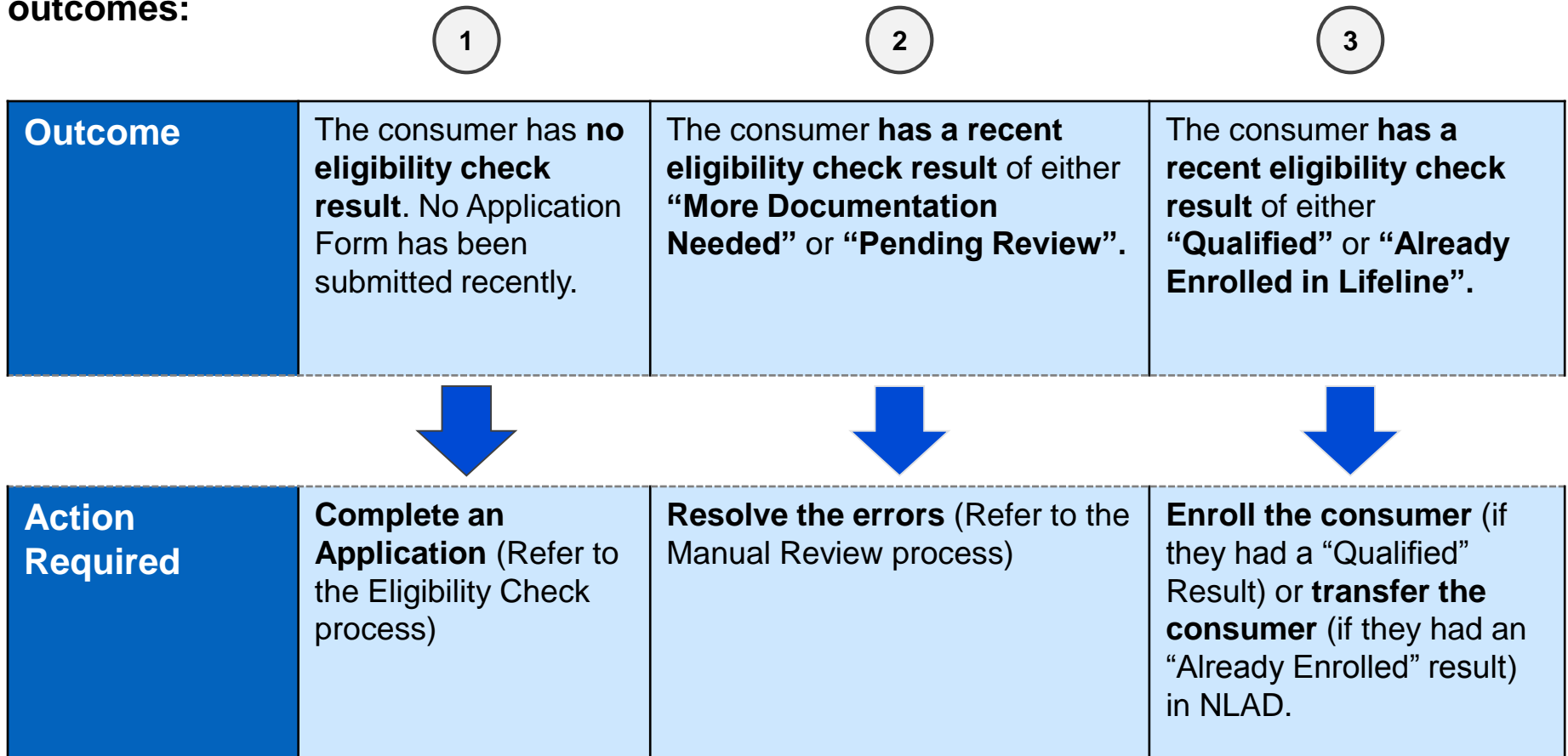
After the National Verifier

Service provider conducts **eligibility check** on the consumer in the NV Web Portal prior to a **SP** initiating a benefit transfer in NLAD

Process Description: Benefit Transfer

The new service provider representative logs into NLAD or uses NLAD API and submits the consumer's PII to check if the consumer has qualified within the last 90 days.

Through this check, the service provider representative will see one of three possible outcomes:



Process Description: Benefit Transfer

Ultimately, the consumer must have an “Already Enrolled in Lifeline” or “Qualified” eligibility result to successfully transfer their benefit or be enrolled in Lifeline.

Depending on the outcome of the NLAD check, they can arrive at these statuses through one of the following methods:

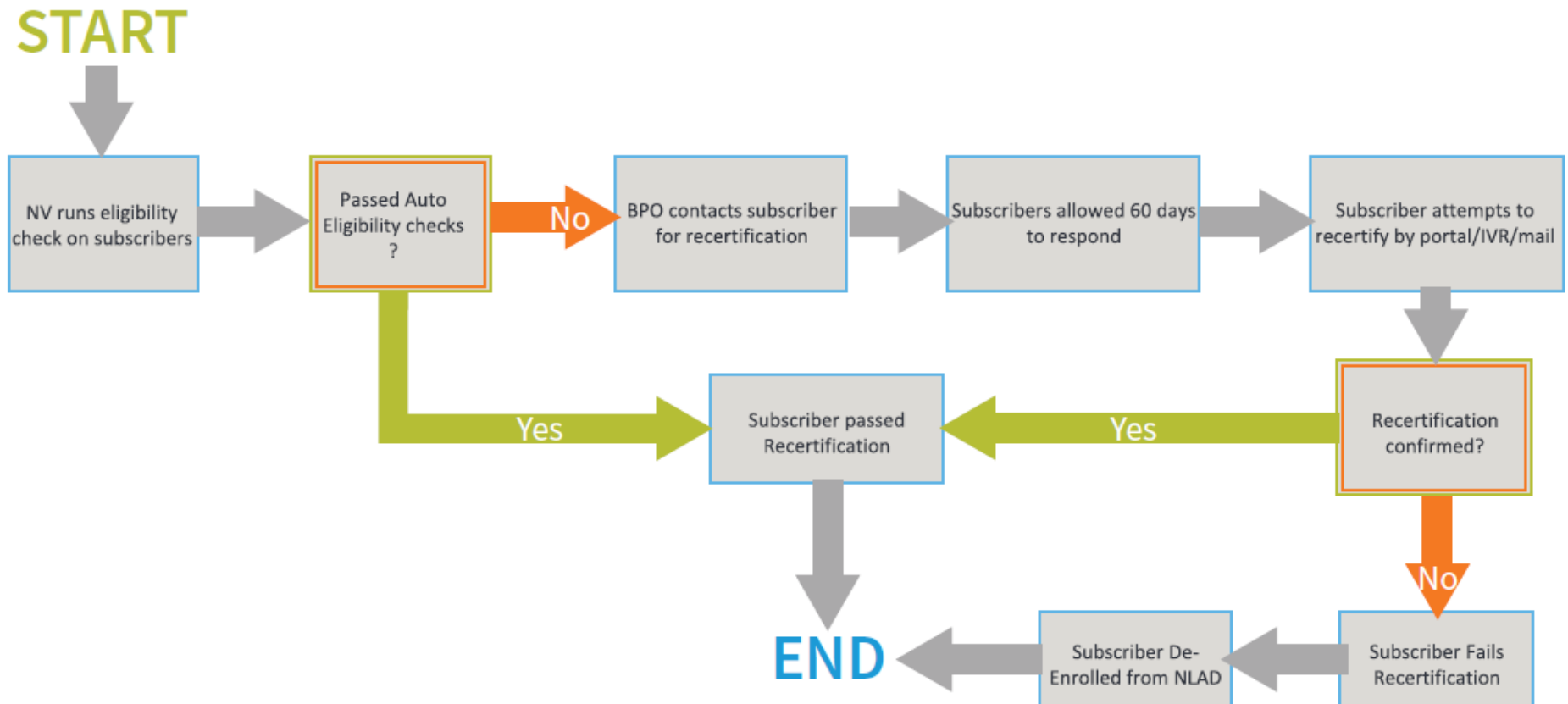
- The NLAD check results in an initial eligibility status of either “Qualified” or “Already Enrolled in Lifeline”.
- The consumer sees either of these statuses after completing an Application.
- The consumer sees either of these statuses after resolving their errors associated with their Application.

Once the consumer has the “Already Enrolled in Lifeline” status, the service provider representative can perform the benefit transfer in NLAD. NLAD will:

1. Label the consumer as having been transferred as the result of a benefit transfer.
2. Notify the old and new service providers of the change.
3. End the benefit transfer transaction.

The SP should notify the consumer of the outcome.

Process Flow: Recertification



There are some key changes to the recertification process in the National Verifier system.

Before the National Verifier

Service providers **led recertification** or opted for USAC-led coordination

Service providers **de-enrolled consumers who did not manually self-certify**

After the National Verifier

NV **automates recertification** and **prompts consumer action** when necessary

NLAD automatically **de-enrolls** consumers if they do not pass the automated recertification check and do not manually self-certify

Process Description: Recertification

Consumers already receiving a Lifeline benefit must recertify their eligibility every year to continue receiving their benefit.

The National Verifier will complete recertification on a rolling basis, based on the consumer's Anniversary Date. Service providers will no longer conduct recertification in NV states.

The National Verifier will:

- Automate recertification via available state and federal data sources.
- Allow consumers the opportunity to conduct manual self-certification when they do not pass the automated recertification check.
- Provide dynamic status reporting to service providers to track their customers' recertification results.

In National Verifier states, consumers who do not pass the automated recertification check must go through official USAC manual self-certification processes via the NV Web Portal, IVR, or mail. Consumers in NV states cannot manually self-certify through any other processes.

Process Description: Recertification

If a consumer does not pass automated recertification, they will receive a letter from the Lifeline Support Center offering multiple ways to manually self-certify. Below are the different processes through which a consumer can manually self-certify:



1. Manually self-certify directly **via the NV Web Portal.**



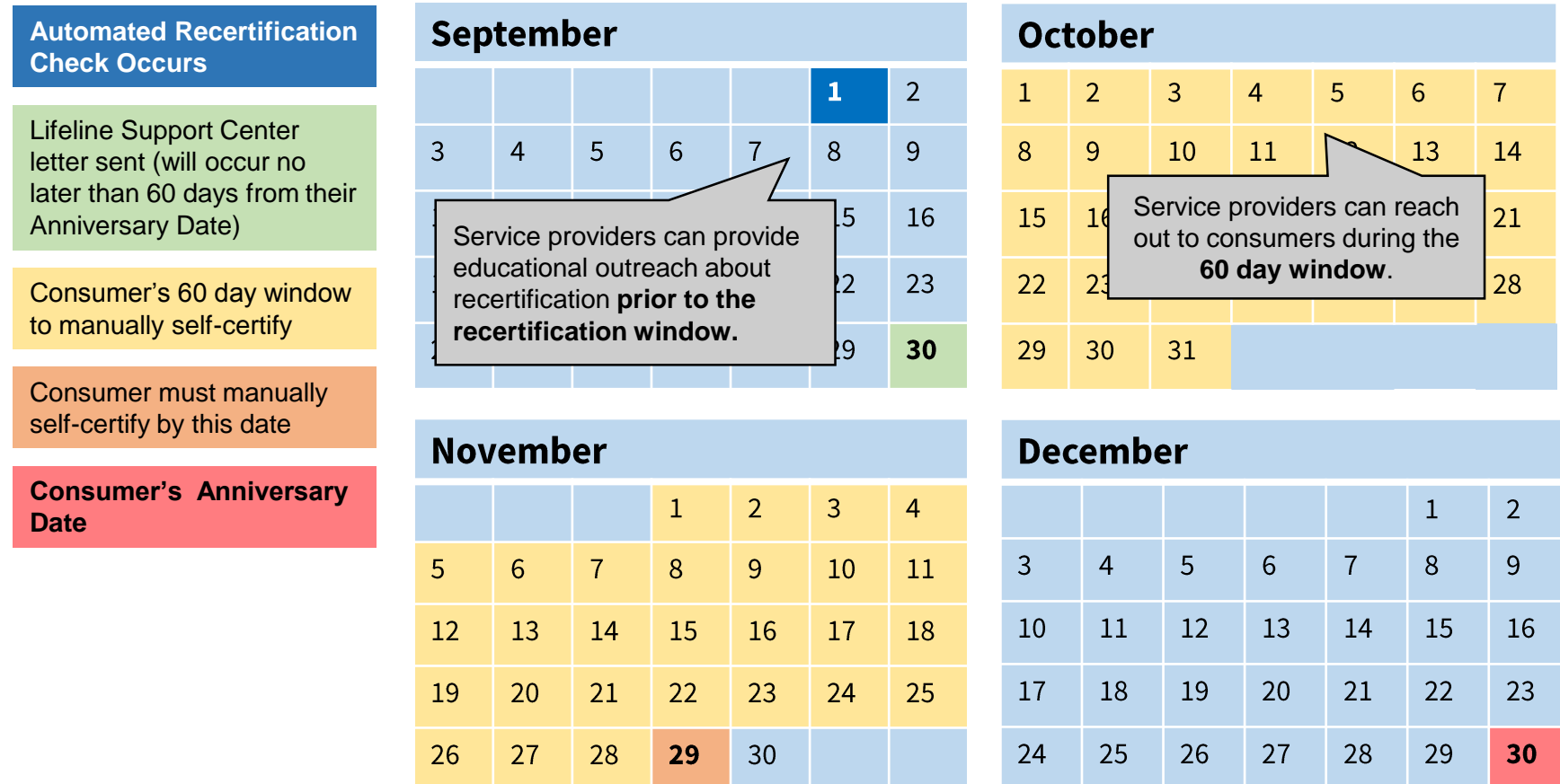
2. Manually self-certify directly **via IVR.**



3. Manually self-certify directly **via mail.**

Process Description: Recertification

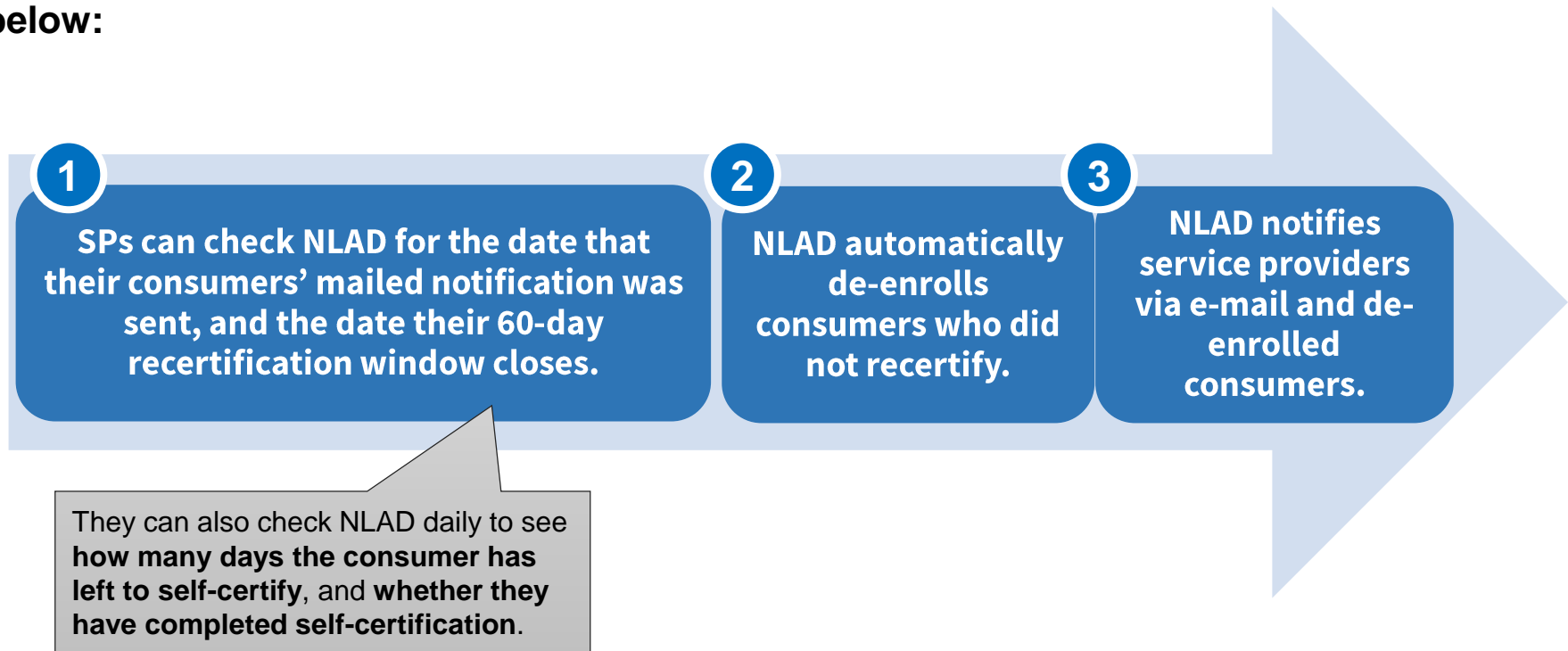
Service providers have a time period when they can reach out to the consumer and encourage manual recertification. Below is an example timeline detailing when the service provider can assist with this process.



Note: Dates are for illustrative purposes only

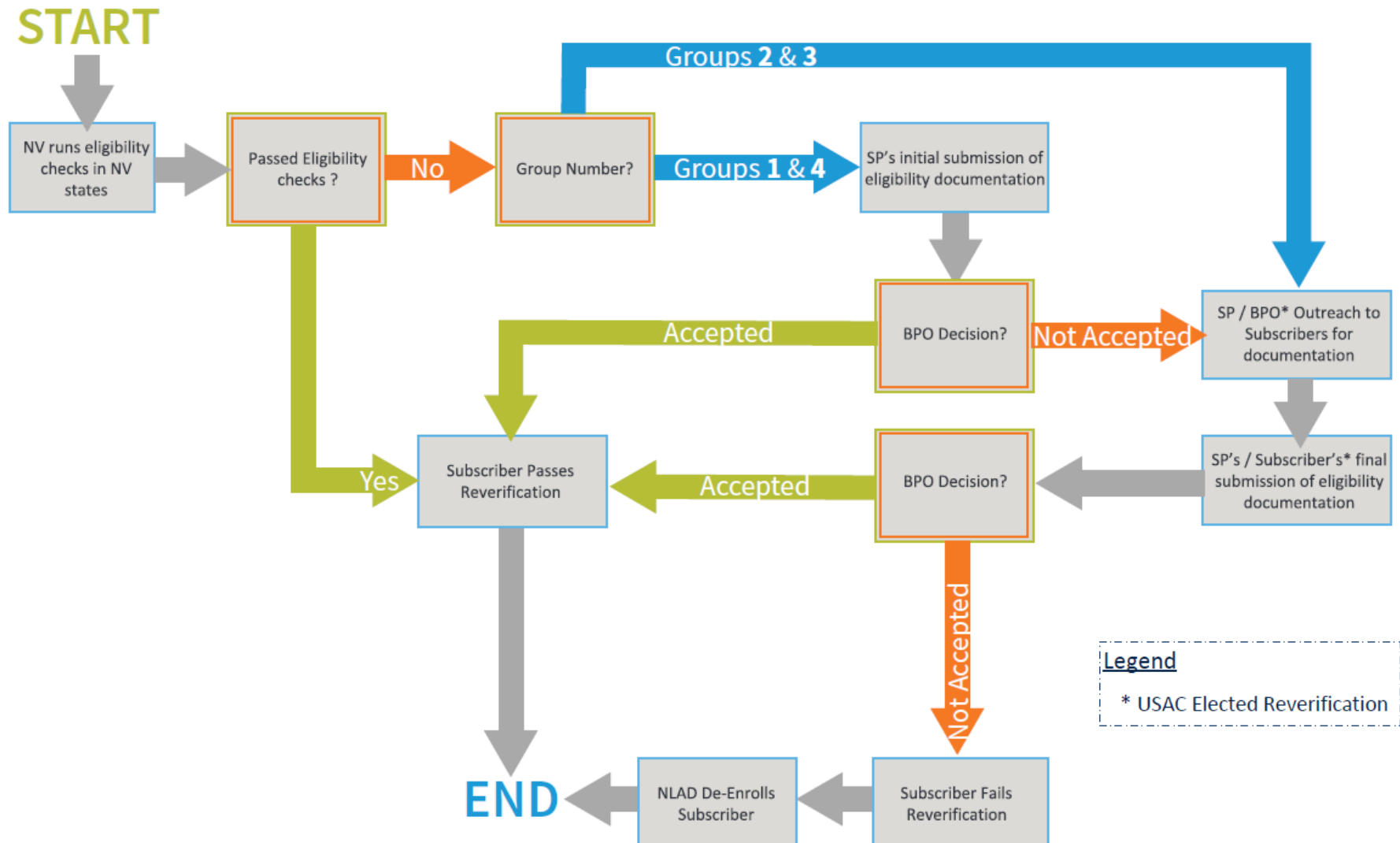
Process Description: Recertification

If consumers do not successfully manually self-certify within 60 days of their Lifeline Support Center letter being sent, they will be automatically de-enrolled. NLAD will compile a list of consumers who did not recertify, de-enroll them, and notify the consumers and their respective service providers. The de-enrollment process is depicted below:



Note: Service providers will also have access to relevant recertification information via NLAD reports.

Process Flow: Reverification



Process Description: Reverification

When the National Verifier launches in a state, the eligibility of all Lifeline subscribers in that state will be reverified.

- USAC will run existing NLAD subscriber records through the National Verifier to conduct an automated eligibility check (database check)
- If the National Verifier cannot confirm the consumer's eligibility, service providers must follow the reverification process to confirm the subscriber's eligibility before their record will be accepted by the National Verifier

Process Description: Reverification

Reverification is the one-time process to confirm that all existing Lifeline subscribers meet the National Verifier's eligibility standards.

Reverification is different from annual recertification.

Main differences:

- Reverification happens once, when the National Verifier launches in a state.
- Service provers must complete reverification for all existing subscribers; it is not related to when they last recertified.
- Reverification resets the subscriber's anniversary date and fulfills the annual recertification requirements.
- If Service Providers elected USAC for recertification, it does not automatically enroll them in USAC-elected reverification (you have to send in a separate election form).

Process Description: Reverification

Process Information

Service providers will reverify subscribers in the initial launch states in four groups, based on their Lifeline enrollment date:

- **Group 1:** Subscribers enrolled July 1, 2017 through the soft launch
- **Group 2:** Subscribers with January - June anniversary dates, enrolled any year
- **Group 3:** Subscribers with July - December anniversary dates, enrolled prior to 2017
- **Group 4:** Subscribers enrolled through the legacy process during the soft launch period

Groups 1 & 4 have subscribers who enrolled in July 2017 and later.

Groups 2 & 3 have subscribers who enrolled prior to July 2017.

For additional instructions please reference the USAC [website](#)

Process Description: Reverification

Timing

Soft Launch

Service providers have the option to check consumers' Lifeline eligibility through the National Verifier.

Reverification: Begins during the soft launch

Service providers serving customers in initial launch states send USAC proof-of-eligibility.

USAC will re-verify all subscribers' eligibility for Lifeline.

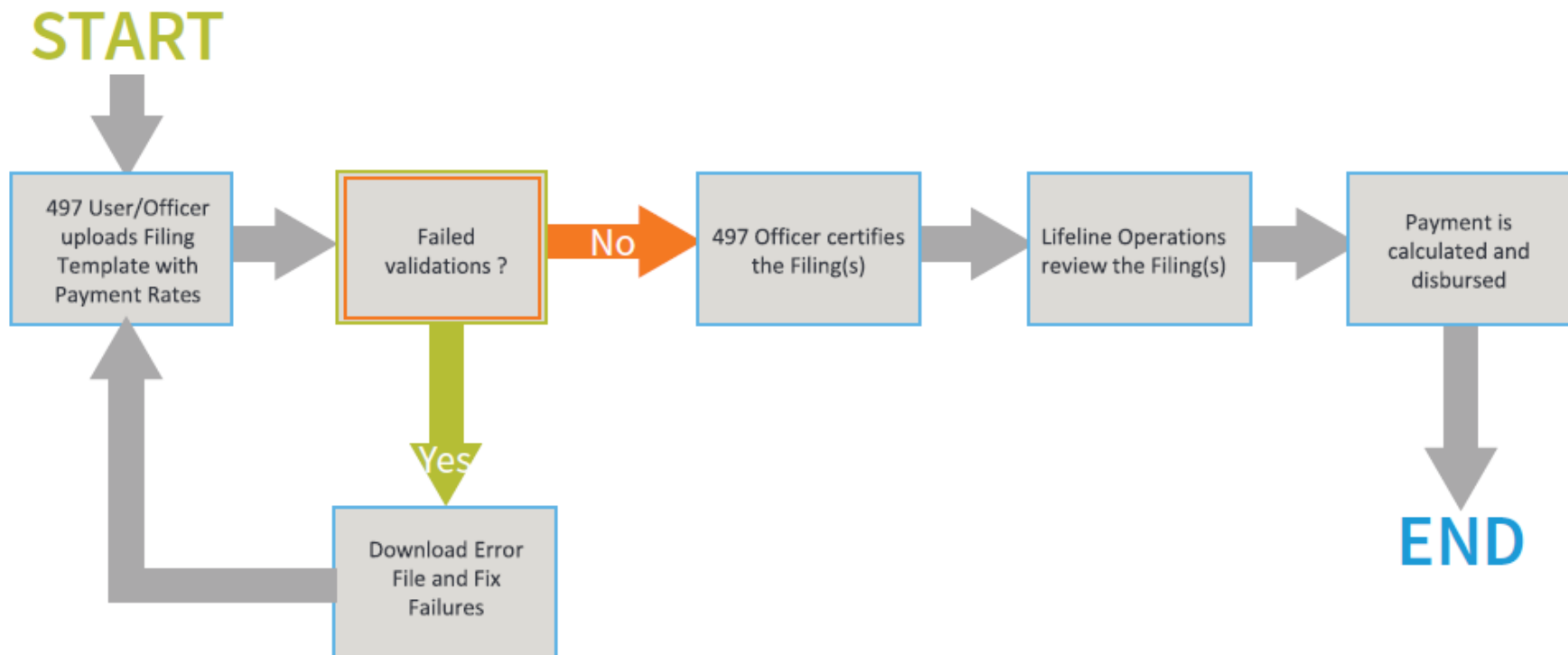
Hard Launch

Service providers are required to use the National Verifier process to determine subscriber's eligibility in the initial launch states.

Consumers can independently access the National Verifier (via the consumer portal) to check their Lifeline eligibility status.

SACs designated by the Utah PUC are required to begin using the National Verifier whenever the National Verifier becomes available (per the Utah PUC's Order).

Process Flow: Claims and Disbursements



This change is not specific to the National Verifier and applies to all ETCs.

Process Description: Claims and Disbursements

What is new about this process:

The FCC Form 497 will retire after the December 2017 data month filings.

Filings for data months before January 2018 will still use the FCC Form 497.

Starting with the January 2018 data month, all service providers in all states must use the new Lifeline claims reimbursement process. In this new process, service providers will:

- (1) Download a report of subscribers eligible for reimbursement from NLAD.
- (2) Add the dollar amount for subscribers being claimed (or reason code for subscribers being unclaimed), before certifying/ submitting the filing for processing.
- (3) NLAD opt-out states will follow a slightly different process. Reimbursement will be based on data received either from the state or directly from the ETC.

What remains the same:

ETCs still required to submit a claim (even if there are no changes since previous month).

Snapshot taken on the first day of the month shows the subscriber count for the prior month.

- For example: A snapshot taken on February 1 shows the subscriber count for the January data month.

ETCs to receive reimbursement in the same month if claim is certified by the 8th of the month.

Options to report quarterly or up to one year after data month.

Lifeline reimbursement claims do not result in any automatic de-enrollments.

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Success Metrics: Executive Summary

Establishing the right metrics is critical to monitoring the success of the National Verifier.

Key performance indicators (KPIs) must measure the success of the National Verifier based on goals outlined in the Modernization Order:

- Reducing waste, fraud, and abuse to improve program integrity;
- Improving consumer experience; and
- Reducing cost and complexity.

Thus far, we have identified three primary key performance indicators (KPIs) to be tracked by the Lifeline team on a regular basis:

- USAC leadership will review these primary KPIs and facilitate data-driven executive decision making.
- These KPIs complement broader Lifeline metrics that are tracked on a regular basis.
- The KPIs will evolve over time as we continue the rollout of the National Verifier.

We will also monitor additional general program metrics (e.g., transaction volume, recertification percentage) to identify anomalies and outliers.

Based on goals in the Modernization Order, we have identified KPIs to measure the success of the NV

	1 Stronger Program Integrity	2 Enhanced Consumer Experience	3 Cost Effectiveness
GOALS	<p>Protect against and reduce fraud, waste and abuse</p> <ul style="list-style-type: none"> • Increase accountability of Lifeline program; and • Reduce payments to ineligible subscribers. 	<p>Improve consumer experience in the enrollment process</p> <ul style="list-style-type: none"> • Streamline consumer application channels; and • Provide consumer support. • Reduce complexity 	<p>Lower costs through increasing administrative efficiencies</p> <ul style="list-style-type: none"> • Provide automated eligibility verification; and • Streamline processes for enrollment, recertification, & reimbursement to SPs.

The biggest one time impact on Program Integrity and Cost Effectiveness is expected with the reverification process conducted when a state rolls into the National Verifier.

This process will de-enroll consumers that are not found in the databases USAC has connected to and cannot provide necessary documentation to prove their eligibility.

Key Metrics and KPI Matrix

These key metrics will help USAC monitor the success of the National Verifier in the three key areas of **Program Integrity**, **Cost Effectiveness**, and **Consumer Experience**.

KPI/Metric	Program Integrity	Consumer Experience	Cost Effectiveness
% of Reviews Completed without Manual Review	✓	✓	✓
Repeat Cases (Customer Service or Application Processing)	✓	✓	✓
Processing Time		✓	✓
Actual versus Projected Volumes			✓

We will also use data analytics to track for anomalies and outliers across a number of general program metrics.

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User Support: Executive summary

Proactively engaging key stakeholders is critical to the success of the National Verifier. Stakeholder feedback helps USAC access opportunities and understand the implications of the decisions we make for those who will interact with the National Verifier regularly.

To best assist stakeholders, USAC has implemented a comprehensive training plan for service providers serving consumers in the initial launch states. Training content includes:

- Live courses delivered via webinar
- Live service provider assistance sessions to answer questions in between webinars
- Supplemental user support materials, including how-to guides, video demonstrations, and FAQ responses

In addition to preparing service providers for launch with training and user support materials, USAC will also provide dedicated user support for the time period immediately before and after future launch dates.

USAC engaged stakeholders who do business outside of the initial launch states through:

- Webinars
- Outreach calls
- Educational content

Several webinar trainings for service providers in the initial launch states were held throughout Oct and Nov of 2017





	Topic	Date	Length
Service Provider Webinars	Reverification Part 1	10/18	1 Hour
	High-Level NV Overview	10/25	1 Hour
	NV System Navigation	11/01	1 Hour
	Eligibility	11/08	1.5 Hours
	Document Submission	11/09	1 Hour
	Benefit Transfer and Recertification	11/15	1 Hour
	Reverification Part 2	11/16	1 Hour
	NLAD Reports	12/07	1 Hour

More than 100 attendees participated in each of these webinars. During each session, USAC collected dozens of questions from the audience. In addition to answering top questions live, USAC documented answers to questions for publication to the USAC website and incorporation into user support materials.

In addition to the webinar trainings, USAC held service provider assistance sessions between webinars

Service Provider Assistance Sessions	No.	Date	Length	Primary Topics SPs Discussed	Attendees	No. of Questions Asked
	1	11/07	60 Mins	<ul style="list-style-type: none"> • Tribal • Reverification • Eligibility 	51	46
	2	11/14	45 Mins	<ul style="list-style-type: none"> • Document Submission • Tribal • NLAD 	51	33
	3	11/21	75 Mins	<ul style="list-style-type: none"> • Tribal • Reverification • SP Permissions 	55	54
	4	12/12	30 Mins	<ul style="list-style-type: none"> • Eligibility • NLAD • Reverification 	37	10
	5	12/14	40 Mins	<ul style="list-style-type: none"> • Reverification • Manual Review • NLAD 	39	34

4 types of supplemental materials were created in order to provide user assistance outside of formal trainings

	Material	Description	Sample Topics
	User Guide	<ul style="list-style-type: none"> • Provide comprehensive guidance on system navigation and use 	Service provider (SP) functions including: <ul style="list-style-type: none"> • Accessibility • Eligibility • Document Submission
	How-To Guides	<ul style="list-style-type: none"> • Provide brief how-to screen demonstrations • Focus on one particular system function per video 	<ul style="list-style-type: none"> • Eligibility Check as a SP • Document Submission as a SP
	Video Tutorials	<ul style="list-style-type: none"> • Deliver detailed step-by-step instructions on how to perform specific functions • Incorporate screen captures 	<ul style="list-style-type: none"> • Eligibility Check as a SP • Document Submission as a SP • Benefit Transfer as a Service SP
	FAQ Responses	<ul style="list-style-type: none"> • Provide answers to common stakeholder questions • Organized by category or theme 	Themes included: <ul style="list-style-type: none"> • Accessibility • Eligibility • Document Submission • Benefit Transfer

These materials will be released to service providers in initial launch states prior to the system's launch

During soft launch, service providers in the initial launch will be able to contact USAC through multiple avenues

Dedicated Soft Launch Support Sessions

- USAC will hold regular service provider assistance sessions during the timeframe immediately before and after a launch date.
- These sessions will be hosted live on GoToWebinar, and USAC will answer questions and collect initial user feedback.

Lifeline Support Center Accessibility

- The Lifeline Support Center customer service representatives will be able to answer questions from service providers submitted via e-mail and phone.
- The telephone number and exact operating hours for the Lifeline Support Center will be announced prior to soft launch in initial states.

As future waves of states join the National Verifier, USAC will provide additional training and support sessions

USAC will gather feedback from National Verifier initial launch participants to refine and update training and support for future waves. This training and support will include:

- Webinars
- How-To guides
- FAQ updates
- Support sessions

USAC continues to engage stakeholders outside of the initial launch states

National Verifier system demonstrations

- USAC walked stakeholders through the National Verifier consumer and service provider portals.

Monthly calls with NARUC

- USAC shared information with and gathered feedback from representatives of the states about the National Verifier system and processes.

Newsletter outreach

- USAC shared National Verifier updates in the Lifeline monthly newsletter.

Web content

- USAC created a National Verifier-dedicated section on USAC.org to inform stakeholders about systems and processes.

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Privacy and information security: Executive summary

Privacy and data security have been key considerations throughout the development of the National Verifier and its associated processes.

- USAC's Privacy and Security Teams have been, and will continue to be, key contributors and integral partners throughout the design process.
- USAC will ensure that the National Verifier adheres to all applicable federal and state security standards, inclusive of any vendors or contractors who may work on or with the NV.

The National Verifier and its associated processes have been designed to minimize risks stemming from data storage.

- The National Verifier will collect the minimum amount of sensitive PII that is required to successfully execute on its goals.
- USAC will maintain an appropriate data retention policy for all applicant / subscriber data.
 - All data retention policies will comply with USAC and FCC records schedule(s).

The NV and its related processes must comply with federal privacy and security laws

USAC supports the FCC in administering federal programs. Therefore, USAC adheres to federal privacy and security regulations, including but not limited to the Privacy Act and the Federal Information Security Management Act (FISMA).

The National Verifier is a federal system of record undergoing FISMA accreditation through completion of the six-step Risk Management Framework (RMF), established by the National Institute of Standards and Technology (NIST).

FISMA accreditation for the National Verifier helps to ensure that the system is secured and the proper security controls are operating effectively.

USAC has also implemented appropriate privacy controls such as obtaining consent, collecting and using the minimum amount of PII necessary, and using PII only for authorized purposes.

USAC is investing resources into additional testing for the National Verifier to ensure the reliability, availability, and security of the system.

The NV is designed to minimize data storage to the extent possible in order to limit exposure to risk

Subscriber / process information: Keep limited information (including some PII)

Information provided by subscribers

- **Name (First, Last)**
- **Address**
- **Date of birth**
- **Social Security Number (last four digits)**
- Eligibility for enhanced Tribal subsidy
- Self-reported qualifying program(s)
- Preferred method of communication
- Contact information (e.g., phone, email)
- Type of service (e.g., broadband, mobile)
- Submitted documents (e.g., for manual review)

**Fields typically
transmitted to query
eligibility sources**

Data generated through National Verifier processes

- Yes / no decision on eligibility from each data source queried (i.e., each program)
- Date of verification
- Application channel (e.g., mail, web portal)
- Name and unique ID of individual SP employee performing any transaction

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USAC response to Frequently Asked Questions (1/3)

FAQ

USAC response

What are the functions of the National Verifier system?

The National Verifier system will:

- Determine initial consumer eligibility
- Conduct annual recertification
- Populate the Lifeline Eligibility Database (all subscribers deemed eligible for the Lifeline Program)
- Track all subscribers enrolled in Lifeline through NLAD
- Record sales agent information in order to log agent activity

Can the National Verifier be used in states other than the states in the initial launch? Do the new NV forms have to be used in all states?

The National Verifier can only be used in states where the National Verifier has launched. Once the National Verifier has launched in a state, the NV Web Portal and relevant NV forms must be used. For non-NV states, the new forms can be used but are not required until the FCC requires universal forms for the Lifeline program.

What is the difference between soft and hard launch?

The primary difference is that at soft launch, only service providers will be able to use the NV Web Portal, while at hard launch both service providers and consumers can use the NV Web Portal.

Starting at soft launch, service providers have the option to start using the NV Web Portal and NV forms, but are not mandated to do so until the hard launch.

USAC response to Frequently Asked Questions (2/3)

FAQ

USAC response

When must service providers in the initial launch states start using the NV and its processes?

Starting at hard launch, all service providers in the initial launch states must use NV processes. Starting at soft launch, service providers have the option to use the National Verifier to check consumer eligibility, or they can choose to use their legacy process for checking eligibility.

If they choose to use the National Verifier process to check consumer eligibility, they must use the new National Verifier Applications Forms. If they use legacy processes, they can continue to use their existing eligibility Application Form.

How can service providers access the NV Web Portal?

Service provider representatives can use their existing NLAD credentials in order to access the NV Web Portal. If they do not have existing credentials, a person with Service Provider Administrator credentials in NLAD can create new service provider accounts.

The NLAD account types have the same permissions in the NV Web Portal, and varying permissions in NLAD depending on the user type.

Is there an API for the NV Web Portal?

No, there is no API available associated with the NV Web Portal.

Will there be a NV Web Portal available in Spanish?

Yes, the consumer NV Web Portal and printed versions of forms will be available in Spanish. The service provider NV Web Portal is only available in English at this time.

USAC response to Frequently Asked Questions (3/3)

FAQ

USAC response

What is the difference between applying and enrolling? Can the NV Web Portal be used to enroll a consumer?

The National Verifier enables consumers, and service providers assisting them, to apply for Lifeline by checking their eligibility. Consumers must be eligible for Lifeline and receive a "Qualified" status before they then can be enrolled in Lifeline.

The NV cannot be used to enroll consumers in Lifeline; enrollments must occur in NLAD.

What are the different ways that consumers can check their eligibility for the Lifeline benefit?

A consumer can apply or check their eligibility for Lifeline via the service provider NV Web Portal (available at soft launch), the consumer NV Web Portal (available at hard launch), and a printed version of the Application Form submitted via mail to the Lifeline Support Center.

When do consumers need to provide documentation?

When consumers apply, there is a possibility that the NV will be able to verify their eligibility automatically and no additional documentation will be needed to validate a consumer's eligibility.

If there are errors associated with a consumer's application, they will need to provide additional documentation that resolve the errors in order to eventually receive a "Qualified" eligibility status.

Is a NV Web Portal account needed in order to use the NV Web Portal?

All consumers using the consumer NV Web Portal or service provider representatives using the service provider NV Web Portal must have their own individual accounts. No one is allowed to share accounts with another person.

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Glossary (1/4)

Term	Definition	Explanation
AMS	Address Management System	A service provided by the U.S. Post Office that allows subscribers to verify the existence of an address, and to standardize it into proper format.
API	Application Programming Interface	A code that allows two software programs to interact with one another. The API defines the correct methods by which a developer can write a program that requests services from another application.
BPO	Business Process Outsourcing	The process of contracting non-primary business activities to a third-party vendor (e.g., consumer support / service, manual review support).
CMA	Computer Matching Agreement	The computerized comparison of records for the purpose of establishing or verifying eligibility for a federal benefit program.
Data use agreement	Data use agreement	A formal agreement between two parties to establish protocols and standards that govern the handling (including storage) of any data transferred between the parties.
Dispute resolution	Dispute resolution process	A process by which USAC, through the National Verifier, will review an adverse decision upon the request of the applicant.
FCC	Federal Communications Commission	An independent agency of the United States Federal Government charged with regulating interstate and international communications by radio, television, wire, satellite and cable in all US states and territories.
Form 497	Form filled out by Lifeline SPs to claim Lifeline subsidies	Form for Service Providers that have provided eligible consumers with Lifeline Program-supported service to receive reimbursement for providing service at discounted rates.

Glossary (2/4)

Term	Definition	Explanation
IEH	Independent Economic Household	A unit that may only receive one Lifeline benefit (commonly known as the one-per-household rule); also refers to a form that certain consumers must submit in order to certify that no more than one Lifeline benefit is received per household.
IVR	Interactive Voice Response	Technology that allows humans to interact with a computer over the phone, through use of speech recognition and/or the telephone keypad.
KPI	Key Performance Indicator	A business metric used to evaluate performance with respect to factors crucial to the success of the National Verifier.
LED	Lifeline Eligibility Database	System to check whether a consumer is eligible for Lifeline based on income or enrollment in qualifying assistance programs.
NARUC	National Association of Regulatory Utility Commissioners	National association representing state public service (utility) commissioners.
NLAD	National Lifeline Accountability Database	Existing system that allows SPs to check on a real time, nationwide basis whether a consumer is already receiving a Lifeline Program-supported service, and to maintain records of Lifeline subscribers.
NV	National Verifier	A system to conduct eligibility determinations and other functions necessary to enroll eligible subscribers into Lifeline.
PII	Personally identifiable information	Any information about an individual that can be used to distinguish or trace an individual's identity either alone or when combined with other information that is linked or linkable to a specific individual.

Glossary (3/4)

Term	Definition	Explanation
RFP	Request for Proposal	A document issued by an organization that desires to procure services or commodities; the document typically outlines the services or commodities desired and initiates the formal procurement process.
SI	Systems integrator	A company that specializes in integrating multiple component subsystems or parts into a single system.
System of Records	System of Records	A group of records under control of any federal agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual.
SORN	System of Records Notice	A notice in the Federal Register in which a federal agency announces the establishment, amendment, or deletion of a system of records.
SP	Service Provider	A telecommunications company that provides service (i.e., wireline voice, wireless voice, wireline broadband, wireless broadband) to consumers.
States	States, territories, and tribal lands	50 U.S. states + DC, Puerto Rico, Guam, U.S. Virgin Islands, Northern Mariana Islands, American Samoa, and tribal lands.
TPIV	Third party identity verification	A service that verifies the existence of a person who corresponds to the PII submitted by an applicant by using public and private records (e.g., birth certificates, real estate ownership, credit history).
UI/UX	User Interface / User Experience	The components of a system that humans interact with, as well as the actual experience of an end user's interaction with the system.

Glossary (4/4)

Term	Definition	Explanation
USAC	The Universal Service Administrative Company	A non-profit corporation designated by the Federal Communications Commission (FCC) as the permanent administrator of the Universal Service Fund (USF), which includes the Lifeline program.
USF	Universal Service Fund	A fund, established by the Telecommunications Act of 1996, whose goal is to ensure that every American has access to vital telecommunications services; the Lifeline program is a component of the USF.
Verifier partner	A data source used to check for Lifeline eligibility	An agency or organization (often, but not exclusively, governmental) that partners with the National Verifier to provide a data source that the National Verifier can check in order to determine whether an applicant is eligible for the Lifeline subsidy.