

April 22, 2019

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: WC Docket Nos. 17-287, 11-42, and 09-197

Dear Ms. Dortch:

On Thursday, April 18, 2019, direct service providers, advocates, public interest groups, and a Lifeline subscriber (“Lifeline Delegation”) met with FCC staff to discuss the negative impacts of the 2017 Lifeline proposals¹ and to request that the Commission terminate the proceeding.

Attending the meetings on behalf of the Lifeline Delegation were Carmen Scurato, Senior Policy Counsel, and Leo Fitzpatrick, Policy Counsel and C. Edwin Baker Fellow, from Free Press; Erin Shields, National Field Organizer for Internet Rights, and Eteng Ettah, Digital Media Manager, from the Center for Media Justice; Leonard Edwards, Community Organizer, from Bread for the City and a Lifeline subscriber; Andrea Figueroa, Executive Director, from Martinez Street Women's Center in San Antonio, TX; Vinhcent Le, Legal Counsel, from Greenlining Institute; Ashley Salas, Staff Attorney, from TURN (The Utility Reform Network); and Aurelio Huizar, Program Coordinator, El Concilio, San Mateo, CA.

The Lifeline Delegation had six meetings with FCC commissioners and staff. Attending those meetings were Nirali Patel, Wireline Advisor for Chairman Ajit Pai; Commissioner Jessica Rosenworcel, and Kate Black, her Policy Advisor; William Davenport, Chief of Staff & Senior Legal Advisor for Wireless and International, and Michael Scurato, Acting Legal Advisor, Media and Consumer Protection, for Commissioner Geoffrey Starks; Jamie Susskind, Chief of Staff for Commissioner Brendan Carr; Erin McGrath, Legal Advisor, Wireless, Public Safety and International for Commissioner Michael O’Rielly; and Jodie Griffin, Deputy Bureau Chief, and Attorney Advisors Nicholas Page, Jessica Campbell, Allison Jones, Nathan Eagan and Rashann Duvall with the Telecommunications Access Policy Division in the Wireline Competition Bureau.

Carmen Scurato did not attend the meeting with Commissioner Starks’ office. Andrea Figueroa did not attend the meeting with Ms. Susskind or the meeting with the Wireline Competition Bureau. Ashley Salas also did not attend the meeting with the Wireline Competition Bureau.

¹ See *Bridging the Digital Divide for Low-Income Consumers et al.*, Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, WC Docket No. 17-287 *et al.* (rel. Dec. 1, 2017).

On behalf of the Lifeline Delegation, Ms. Scurato expressed the need for the Commission to abandon the harmful Lifeline proceeding it initiated in 2017. Each member of the Lifeline Delegation represents a constituency which heavily relies on stability in the Lifeline program because the services it provides enable access to health, safety, emergency, legal and numerous other critical services for low-income communities and communities of color. The Commission's 2017 proceeding has created uncertainty in the Lifeline program by, amongst other things, proposing to unfairly and unwisely eliminate large classes of Lifeline providers from the program, and restrict eligible recipients' ability to participate by imposing a co-pay and arbitrary budget cap. Ms. Scurato noted the 2017 proceeding's supposed concerns would be addressed by the successful implementation of the National Lifeline Eligibility Verifier, suggesting the Commission should focus its efforts on resolving any remaining implementation issues rather than move forward with the 2017 proceeding.

In response to inquiries on reasons for low broadband adoption rates in low-income communities and communities of color — for both Lifeline and non-Lifeline subscribers — Ms. Scurato articulated the Lifeline Delegation's uniform agreement that the lack of affordability stands as the primary reason. Further, to the extent that the item would cap the Lifeline program, Ms. Scurato raised concerns over a current item on circulation reportedly proposing a cap on the Universal Service Fund and the need for the public to review the proposal before the Commission proceeds.²

Ms. Shields framed the guiding purpose of the Lifeline Delegation as grounding the ongoing discussion of the Lifeline program within the lived experience of individuals who rely on Lifeline and the direct service providers whose communities disproportionately rely on Lifeline. Ms. Shields shared her own prior experience working with low-income communities as a housing advocate, highlighting the essential role of communications services for providing legal services and the ability to keep clients abreast of housing proceedings, court dates, disability benefits and more, particularly for unhoused individuals and highly-transient populations. Further, she highlighted efforts to organize a DC-based network of direct service providers to share information, coordinate awareness among clients served by those providers, raise awareness of changes to the program, and provide feedback on implementation decisions at the Universal Service Administrative Company, and asked the Commission's assistance to aid these efforts.

Mr. Edwards shared his experience as a Lifeline subscriber and as a Community Organizer for Bread for the City, as well as his steadfast support for the Lifeline program. Moreover, he strongly advocated against any changes which would undermine or shrink the program and, instead asked that the Commission expand the program. Mr. Edwards detailed how his disability and struggle to receive disability benefits was significantly compounded by a lack of reliable access to communications service for three years between 2008-2011. In 2011, he was able to obtain Lifeline service and has been a subscriber since.

² See Letter from Free Press *et al.* to Commissioner Michael O'Rielly, FCC (filed Apr. 2, 2019).

Mr. Edwards described how his disability significantly limited his mobility at times and reflected on his experience without the Lifeline service, finding he could not stay connected with his family, make medical appointments with doctors and specialists, order medications from his pharmacy, obtain transportation information, order groceries, and have peace-of-mind should an emergency situation arise. Mr. Edwards reiterated how necessary it is to stay connected, as nearly every facet of society now relies on communication technologies and services. Further, he offered his Lifeline device for meeting participants to inspect as part of a discussion on the device's unreliability, highlighting the unlikelihood that such devices retain significant market value -- thus rebutting spurious claims that subscribers commit fraud by reselling these devices -- and suggesting the need for the Commission to require additional functions, such as the ability to use the device as a mobile hotspot.

Mr. Huizar, representing a community organization working to increasing education, employment and access to quality of life services for underserved communities of San Mateo County, California, shared his experiences in helping families secure various utility or educational assistance. He explained how the Lifeline program, and the services it provides, facilitate access to these other forms of assistance. He detailed the importance of mobile phones and internet for enabling access to services by providing a reliable contact. He detailed the need to reach parents who often work at times when offices and social services would attempt to reach them. Mr. Huizar also explained that children need connectivity to complete their school assignments and to stay in touch with their parents. Mr. Huizar described how many school-aged children served by his organization rely on libraries as their only access to broadband services. Further, he shared how many potential subscribers are afraid or justifiably frustrated by the increasing difficulty they face in complying with changing Lifeline program application requirements.

Ms. Figueroa provided an overview of how reliable access to communications allows her organization to serve women and girls in San Antonio, Texas and encourages their access to vital health services, quality education, and housing opportunities. She discussed her experiences serving a community with low levels of home broadband adoption and identified affordability as the primary barrier to adoption. To illustrate that point, her organization, Martinez Street Women's Center, received several laptops for distribution but could not even give them away because of the lack of home broadband adoption. Instead, the laptops were repurposed for use in a connected computer lab at the organization's facility and made available to clients.

Ms. Figueroa reiterated a recurring theme among the direct service providers that the ability for case workers, staff attorneys and other staff to maintain long-term contact with clients is critical for those seeking services. Lifeline helps enable reliable communications so clients have a means to secure housing, access job applications or career services, apply for SNAP and other forms of assistance, and help children complete homework at home. Ms. Figueroa expressed surprise at the number of individuals or even other direct service providers' staff members who are unaware of the existence of the Lifeline program, as many eagerly seek any resources which could assist in their work. She recommended that the FCC do more to promote Lifeline.

Mr. Le described the impact of the 2017 proposals, within the context of the state of California. He focused on the Commission's ill-advised decision to eliminate the Lifeline Broadband Provider ("LBP") designation, the uncertainty created by the 2017 proposals for the state's broadband adoption initiatives, and the relationship between broadband access and increasing economic and educational opportunity for communities of color. He recounted his experience as a consumer advocate during the implementation of the 2016 Modernization Order, the initial enthusiasm around the Order, the development of several initiatives--including an effort to provide hotspots to California students--and the resulting confusion and uncertainty sown by the 2017 proposals as states and Lifeline providers were still working to implement the 2016 Order.

Mr. Le requested the return of the LBP designation and a return to the 2016 Modernization Order. Additionally, informed by numerous studies and his own experience interacting with participants in the Greenlining Institute's career development fellowship, he observed that many obstacles facing low-income and students of color derive from lack of connectivity, such as their attempts to apply to higher education opportunities without home broadband access or digital skills demanded by today's higher education curriculum. These issues could be directly ameliorated by increased broadband adoption spurred by the federal and state Lifeline programs. He noted the economic impact on the state should these communities be denied opportunities or pathways out of poverty. Further, Mr. Le also discussed several implementation decisions in the California Lifeline program and suggested the Commission review these for possible incorporation into the federal program (see attached).

Ms. Salas further elaborated on the uncertainty and disruption caused by the 2017 proposals as California attempted to implement sudden changes to the Lifeline program at the expense of attention and resources originally devoted to increasing participation in the California Lifeline program. Ms. Salas recommended the Commission remain with the regime laid out in the 2016 Modernization Order, as opposed to the 2017 proposals which hinder progress towards various state goals. She provided an overview of California's robust Lifeline program, which includes an additional state subsidy, but is nonetheless contingent on parity with federal requirements. For example, she discussed the state's efforts to implement the Commission's portability freeze, only for that requirement to be reversed less than a year later. She noted that this attempt to keep pace with these sudden policy reversals is a significant distraction and an unnecessary expenditure of resources taken away from California's attempts to increase the participation of eligible subscribers.

Ms. Salas noted that the Commission's recent changes to Lifeline have significantly and unnecessarily constrained the eligibility requirements for the program, affecting half a million subscribers in California, whose dire situation is exacerbated by the high cost of living in California. While the state has committed to temporarily offsetting the loss of their federal subsidy, the changes at the Commission only further adds uncertainty for vulnerable populations. Further, Ms. Salas raised concerns over the planned phase out in compensation for voice service at the end of 2019 and the critical need to maintain voice service in the Lifeline

program especially for public safety. Many California residents, particularly the elderly population, made informed decisions to maintain landline or voice services following the recent California wildfires. Those residents can be contacted through reverse 911 calls, which provide early warning of quick moving wildfires and allow those residents to more readily make arrangements to evacuate, as opposed to waiting until first responders physically visited their residence in person.

We respectfully submit this *ex parte* notice pursuant to Section 1.1206(b) of the Commission's rules.

Regards,

/s/ Carmen Scurato

Carmen Scurato
Senior Policy Counsel

BEFORE THE PUBLIC UTILITIES COMMISSION OF
THE STATE OF CALIFORNIA

Order Instituting Rulemaking Regarding
Revisions to the California Universal
Telephone Service (LifeLine) Program.

R.11-03-013
(Filed March 24, 2011)

**OPENING COMMENTS OF CENTER FOR ACCESSIBLE TECHNOLOGY, THE
GREENLINING INSTITUTE, AND THE UTILITY REFORM NETWORK ON THE
RULING REQUESTING COMMENTS ON THE WORKSHOP AND LIFELINE PILOT
PROGRAMS**

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I. INTRODUCTION

Pursuant to the August 31, 2018 *Ruling Requesting Comments on August 6-7, 2018 Workshop and on Potential California LifeLine Pilot Programs* (the Ruling), The Utility Reform Network, Center for Accessible Technology and the Greenlining Institute (collectively Joint Consumers) file these opening comments. Joint Consumers support the work of staff and stakeholders to improve the LifeLine program. It is undisputed that a strong and comprehensive low-income rate assistance program has the potential to connect millions of Californians to their communities, employment, and critical social services. However, the Program has struggled in the past with low participation rates, uncertainty with the federal Lifeline program, and missteps with logistics.

As discussed below, Joint Consumers welcome the opportunity to explore and test methods for updating and changing the program to achieve the goal of bringing improved benefits to more communities. However, in light of the importance of the Program and the need to carefully steward millions of dollars of ratepayer subsidy payments, Joint Consumers urge the Commission to abide by several principles as it considers changes and designs the pilots. Joint Consumers also provide comments and feedback on the discussions during the Workshop regarding the pilots that are currently being considered by staff and propose additional pilots to improve marketing and outreach to target communities, as well as improve the eligibility and enrollment processes.

II. LIFELINE PILOTS WILL STRENGTHEN THE PROGRAM IF THEY FOLLOW KEY PRINCIPLES

Joint Consumers have been consistent proponents of a robust and meaningful LifeLine program. To date, our advocacy in this proceeding has repeatedly sought to bolster the

principles of affordability, quality of service, equity, and value as key elements of a strong program.¹ As a subsidized service intended to benefit some of the most vulnerable families in the state, telecommunications options provided through LifeLine must remain *affordable*, while providing *high quality and reliable service* regardless of the technology used by the provider. The Commission must ensure that low-income customers are being treated *equitably* by the program and the service providers, but also must make sure that LifeLine services are tailored to meet the unique needs of this population. For example, program participants should not be forced to accept lesser-quality service or poor customer service merely because the service is discounted, but customers must also be offered more than a small discount on expensive full-rate plans. Finally, the program must be designed and administered to provide *value* through cost-effective solutions, not only to the participants but also to those who pay the surcharge to support the program. While other considerations such as customer choice, technology neutrality and carrier support are also important, these elements can be achieved in conjunction with a focus on the core principles of *affordability, service quality, equity and value*.²

Joint Consumers support the Commission's consideration of changes to the program to increase customer participation. Changes that focus on specific target markets, quality product offerings, streamlined processes, and increased customer choice, all at affordable rates and reasonable program budgets, appear to be a shared goal for Joint Consumers, the Commission, and the providers. Joint Consumers also support the limited use of pilot projects to understand the impacts and likelihood of success of these changes, as well as to determine the most cost effective and efficient implementation methods. Yet, any pilot programs adopted by the

¹ Joint Consumers Opening Comments on Scoping Memo at pp. 1-2 (May 28, 2013); Joint Consumers Opening Comments on Amended Scoping Memo at pp 2-3; 24 (March 4, 2016); Joint Consumers Opening Comments on September 22, 2016 Ruling at pp. 1-2 (October 11, 2016).

² Joint Consumers Opening Comments on Scoping Memo at pp. 1-2 (May 28, 2013).

Commission must be designed so that they are transparent and fair to the stakeholders and scalable within program budgets. The pilots should also provide good data and feedback to allow Commission staff and participants to analyze and evaluate their effectiveness. Joint Consumers provide the following comments to help guide the Commission's consideration of potential pilot projects.

A. Increase Participation Rates and Penetration in Target Markets

The Commission's consideration of a pilot project should include the goal of increasing participation in the program. The FCC calculates the California participation rate at 41% of the 4.1 million eligible households in the state.³ While compared to other states and national averages of just over 25% participation,⁴ California's numbers may seem reasonable. Yet, the data demonstrates that over 2 million eligible California households are not receiving access to this important program. Participation in LifeLine can improve quality of life and, perhaps, put a family on a path out of poverty by helping members of the household connect with others to support success in school and work. With a budget of \$389 million, and hundreds of Commission and provider staff hours dedicated to this program,⁵ the benefits of this program should be reaching more Californians.

Joint Consumers urge the Commission to identify a target participation rate and to use pilot programs and permanent changes to the program to meet that target. CalFresh, for

³ See *Eligible Lifeline Population Statistics 2017*, USAC (2017) available at https://www.usac.org/_res/documents/li/xls/stats/Eligible-Lifeline-Population-Statistics.xlsx (last visited September 7, 2018).

⁴ See *Eligible Lifeline Population Statistics 2017*, USAC (2017) available at https://www.usac.org/_res/documents/li/xls/stats/Eligible-Lifeline-Population-Statistics.xlsx (last visited September 7, 2018).

⁵ See, Resolution T-17615 (July 30, 2018) at Ordering Paragraph 4.

example, publishes a 70% participation rate⁶ and Medicaid/CHIP has an impressive 95.9% child participation rate in California.⁷ Joint Consumers believe an 70% participation rate is a reasonable yet meaningful goal to ensure California consumers benefit from this program.

During the recent Workshop, participants discussed using pilots to increase the participation rates of specific demographic or common-interest populations.⁸ These targets include groups that are otherwise difficult to reach, such as rural populations, tribal, homeless, or Limited English Proficiency populations. We also discussed targeting some of the most vulnerable populations in the state such as seniors, the disabled, foster youth, veterans, immigrant communities, current or formerly incarcerated individuals. The Workshop presentations from iFoster and the Labor and Workforce Development Agency put a “face” on some of these demographic groupings by describing the unique attributes of particular communities and the importance of LifeLine to help them remain connected and improve their quality of life.

Joint Consumers support a pilot or pilots that identify and reach out to specific target markets through tailored outreach materials, unique marketing channels, different service offerings, and changes in the eligibility processes to accommodate the communities’ unique needs. However, the Commission must provide an opportunity for input on specific pilot structures, a rationale and record evidence to support selection of the specific target markets that will benefit from any pilot and the specific changes, especially any proposed waivers of current

⁶ State of CalFresh 2018, Presentation by California Dept of Social Services Branch Chief (March 2018), at <http://www.cdss.ca.gov/Portals/9/CalFreshResourceCenter/CFPA2018.pdf?ver=2018-03-22-135717-117>.

⁷ *2013-2015 Medicaid/CHIP Child Participation Rates*, Kaiser Family Foundation (May 17, 2017) available at <https://www.kff.org/medicaid/state-indicator/medicaidchip-child-participation-rates/> (last visited September 9, 2018).

⁸ Workshop Transcript, p. 78 (Comments Ms. Hernandez), p. 98 (Comments of NALA), p. 100 (Comments of CforAT).

rules and/or increases in benefits or costs, that may be part of such a pilot. In addition, the Commission should plan to analyze and track data to determine the impact of these program modifications on the target market and the effect on participation rates.

B. Keep Voice Discounts, but Encourage Broadband Offerings

Joint Consumers recognize that the data suggests LifeLine customers are moving away from traditional wireline basic voice services and choosing mobile based services.⁹ Indeed, the Commission was motivated to adopt its own state-wide program, in part because the FCC will phase out federal support for voice services.¹⁰ However, Joint Consumers note that neither the Commission nor the FCC have analyses or surveys to determine whether, if it was affordable, the LifeLine population (participants and otherwise eligible households) would choose to have multiple services, including a wireline service for the home, mobile services, and broadband.¹¹ Using the most recent FCC data, Joint Consumers estimate that millions of California households still rely on wireline voice services, and millions more rely on talk and text from wireless providers.¹² Data shows that vulnerable populations such as seniors and the disabled disproportionately rely on wireline basic phone service.¹³ Therefore, Joint Consumers strongly urge the Commission to continue to support discounts for voice services, including both wireline and wireless service. We hope through the pilot process, the Commission can encourage other

⁹ CDC Wireless Substitution Data and consumer shifts data, https://www.cdc.gov/nchs/data/nhis/earlyrelease/Wireless_state_201712.pdf; Report found here, <https://www.cdc.gov/nchs/data/nhis/earlyrelease/wireless201712.pdf>

¹⁰ See *In the Matter of Lifeline and Link Up Reform and Modernization*, WC Docket 11-42, Third Report and Order and Order on Reconsideration, FCC 16-38 (April 27, 2016).

¹¹ TURN's expert Dr. Roycroft submitted testimony in the Commission's recent competition investigation, I.15-11-007 that suggests customers would purchase more than one service if it was affordable. Joint Consumers will submit this testimony and the data it relies on in a more formal set of comments.

¹² See, FCC Wireline Competition Bureau Report on Voice Telephone Services (February 2018) and state level data posted separately, found here <https://www.fcc.gov/voice-telephone-services-report>

¹³ See, *infra*, note 9, with CDC data broken down by demographic.

wireline service providers like cable and VoIP providers to participate in the program to offer additional choices to consumers for basic voice communications.

Yet, Joint Consumers also recognize that broadband is a critical basic service for many if not most households in the state. While the FCC's Lifeline program will offer discounts on broadband services, Joint Consumers do not believe a simple \$9.25 discount off of "basic" service, that may cost consumers over \$50 a month, is sufficient.¹⁴ Joint Consumers are also uncomfortable relying on voluntary, unregulated, carrier-designed low income broadband programs to fill in the gaps that we know exist today.¹⁵ Joint Consumers, therefore, urge the Commission to consider pilot programs that will not only provide discounts for voice services but, in the long term, provide subsidies and program design to encourage carriers to offer (or continue to offer) high quality and high speed broadband to low-income households as part of their LifeLine service offerings.

C. Pilots Should Balance Innovation and Creativity with Consumer Protections and Fairness

A well-designed pilot can be a valuable tool to successfully incorporate changes into the existing program. Joint Consumers encourage the Commission and staff to identify key, well-defined areas for improvement and to design similarly clear and targeted pilots to address those areas. For example, as discussed above, low participation in the program has been identified as an area of concern. Inefficient eligibility and renewal processes have also been identified as a weakness in the program. These are not new issues, nor are these simple issues to address.

¹⁴ FCC Third Report and Order, 31 FCC Rcd 3962 (2016) (2016 Lifeline Order); FCC Fourth Report and Order, FCC 17-155, WC Docket 11-42 et al., (December 1, 2107) (2017 Lifeline Order).

¹⁵ See, for example, AT&T Access program here: https://www.att.com/esupport/article.html#!/u-verse-high-speed-internet/KM1094463?gsi=__r1LRE. See also, CETF's presentation by Lloyd Levine at the Workshop and subsequent discussion regarding the issues raised by public policy reliance on these programs.

Stakeholders, including Commission staff and the Third Party Administrator, have raised and discussed these issues in informal and formal comments. But Joint Consumers are confident that there are innovative and creative solutions to address these issues that can be developed through the pilot process.

To find these innovative solutions, parties have been encouraged to engage in some “blue sky” thinking and brainstorming. However, each proposal should consider that adopted pilots must be realistic enough to be implemented and, ideally, lead the Commission to a scalable permanent solution that has a reasonable chance of long-term success in addressing the relevant problem. Therefore, as the Commission considers what will surely be creative and innovative ideas for pilot projects, Joint Consumers urge the Commission to ensure the following:

- **Transparency**-- The development and implementation of any pilot must be transparent to all stakeholders including carriers, consumer advocates, Commission staff and the TPA. The Commission can achieve transparency through a formal Commission decision, less formally through a Commission resolution, or through the working group process. Whichever of these processes is used, however, the development of the technical aspects of the pilot, if any, should be written down and reviewed by relevant stakeholders prior to adoption. Impacts of the pilot on the administration of the current program must be clear, understood, and vetted. Information and updates on the implementation process, and data gathering on the success of the pilot, must be developed and readily presented and available with regular updates. This data must be evaluated using agreed metrics, with the results shared among all stakeholders.
- **Fairness**-- The pilot must be designed so that it is fair and equitable in its treatment of and impact on both carriers and LifeLine customers. While a “pilot program” may

necessarily be a short-term, narrow, and/or scaled down solution to a vexing problem, these projects cannot be used as an opportunity to unnecessarily favor or exclude a single carrier, single technology, specific group or service. Any exclusion or limitation of a particular group, geographic area, service, market, and element of the program, or waiver of specific rules claimed to be necessary to facilitate implementation of a pilot in a timely and cost-effective manner, must be carefully considered to ensure that the pilot does not result in discrimination, customer harm or favoritism. The Commission must justify a pilot with a rationale that demonstrates that any such narrowing is required for success. In reality, if the Commission abides by the transparency principle discussed immediately above, then it is likely that the resulting pilot will be fair because all stakeholders will understand the goals of the pilot and will have had an opportunity to comment and provide input.

- **Consumer Protections--** Pilots must incorporate existing consumer protection obligations and rules, at least as a default measure. While some pilots may represent “out of the box” thinking or attempt to streamline processes, these goals cannot be at the expense of safeguards for consumer participants in the program. Rules such as in-language requirements, customer notices, fee waivers, minimum service standards, service quality, complaint handling and other issues must continue in effect, and the Commission must retain enforcement authority of consumer protection rules over carriers that participate in the pilot. Further, protections against fraud such as duplicates checks, certain documentation requirements, and tariff changes and advice letters must also remain in place.

- **Resource Commitments--** A pilot program is necessarily a layer of obligations and responsibility on top of the existing program process. The implementation and administration of this additional layer will generally require extra work and resources. To assume that these pilots come at “no cost” and can be instantly incorporated into the current work flow is unfair to the staff, carriers, and participants and unlikely to result in a successful pilot.

To support these pilots, the Commission must dedicate adequate resources to Commission staff, the carriers, and other stakeholders participating in the pilots; while at the same time, the pilot design must minimize impact on program budgets and avoid unnecessary increases to carrier subsidies unless those requests for increases are supported by specific and documented increases in costs. As these pilots are being debated and designed, Joint Consumers will ask difficult questions about resource management for any pilot proposal and will guard against allowing the call for more resources to be interpreted as a green light for carriers to earn more subsidy money or to charge the customer significant additional contributions.

Workshop participants discussed the risks to ratepayers when subsidies and costs are increased with little to no data or insight into carrier-specific costs of service and/or revenue from participation in the program.¹⁶ Therefore, the Commission must fully investigate and rely on the record to determine the cost impact of these pilots and whether any changes to the program, including short-term pilots, will necessarily increase carriers’ costs, motivate carriers to reduce service offerings, increase charges to customers or cause either carriers or consumers to withdraw from the program.

¹⁶ See, for example Workshop Transcript at p. 102 (Comments of CforAT) and at p. 94 (Comments of TURN).

III. PROPOSED PILOT PROGRAMS

A. Pilots Discussed During the Workshop

During the August Workshops, Boost outlined its proposal for a pilot. Joint Consumers were not familiar with this pilot proposal prior to the workshop and have not received additional descriptions or documentation for this pilot since the August workshop. While parties discussed the pilot during the Workshop and the Boost representatives tried to present and explain the goals and provide some details for the pilot, Joint Consumers continue to have numerous questions.

Joint Consumers appreciate Boost's "primary goal and intention" to improve participation and to "test different theories" regarding the reasons behind low participation rates.¹⁷ As discussed above, and during the Workshop, Joint Consumers share the goal of increasing participation in the program and working with specific target markets to improve outreach and education. Moreover, Joint Consumers encourage discussion of proposals designed to improve and streamline the enrollment process. There are aspects of the Boost pilot that Joint Consumers support or, at a minimum, would like to see further discussed. For example:

- Developing measurable data and information from the pilot to allow the Commission to determine appropriate changes to the eligibility process.
- Consideration of a "pre-registration" process that will allow a customer to determine their eligibility for the program prior to contacting a carrier about service.¹⁸

¹⁷ See, Boost Presentation during August Workshop, cited to in the Ruling at p. 3, footnote 1.

¹⁸ See, Joint Consumers Opening Comments on Amended Scoping Memo, March 4, 2016 at pp. 38-39, Attachment B. Joint Consumers have previously discussed variations of this proposal because we believe empowering the consumer with neutral consumer education and marketing about the program and giving the consumer specific information about their eligibility will help the consumer make a more informed decision about services

- Encouraging additional carriers, including larger national and facilities-based carriers like Boost, to participate in the program and to offer a broader set of services to LifeLine customers.
- Encourage additional local agencies, state agencies, and community based organizations to act as “partners” and participate in marketing and outreach, provide different forums for customers to learn about the program, and introduce new methods to streamline the eligibility process through a direct face-to-face conversation with a trusted agency.

However, during the workshop, several elements of this pilot raised more questions than provided solutions. At a minimum, the Commission should require clarification and a more detailed description in writing to better understand this pilot, including issues such as:

- Does this pilot only include a single carrier (Boost) and, if so, how was it determined that Boost’s services meet the needs of the target populations? How can the “partner” agency avoid appearing to favor Boost’s services?
- What is the impact of allowing non-ETCs to participate in the pilot? Would it limit the Commission’s jurisdiction to enforce key LifeLine and other generally applicable consumer protection rules?
- Does the Commission have the resources to administer this pilot as a completely separate program while continuing to work with the TPA and current carrier processes? What is the role of the TPA in this process?
- What are the specific steps for this revised eligibility process? How will identity and data matching work?
- Is it a reasonable use of ratepayer subsidy money to provide a carrier with a \$15/customer subsidy for a service that LifeLine customers will still pay, at a minimum, \$20 a month to use. What do LifeLine customers need and is it reasonable that the service has no device discount, limited roaming, and no hot spot capability? Is a simple \$15 discount sufficient to ensure affordable service and is this a good “value” for ratepayer subsidy funding?
- What are the consumer protections for customers that cannot “top up” their service each month? How are they notified that they will lose service, how easy will it be to restore service, when are they in risk of losing their phone number, do they keep limited voice and emergency service calling capability?
- What is the legal and operational relevance to proposing, as was discussed at the Workshop, that Boost would not be considered a “LifeLine carrier” and participants won’t be “LifeLine customers”?

- How are Boost's subsidy payments calculated to ensure Boost is not compensated for customers who are not receiving service?
- Who will train partner agencies, develop the materials and web site, and help partner agencies work with customers? Who will pay for this work?
- Is this pilot scalable? Can it add multiple carriers, multiple partners and multiple qualifying services with lists of eligible customers?

While this issue list represents just some of the many unanswered questions regarding this specific pilot proposal, Joint Consumers are encouraged by the proposal and are willing to work with the stakeholders to clarify these issues and move forward. We also welcome further discussion regarding pilots designed to increase participation, increase customer choice, and streamline the process. As discussed above, Joint Consumers urge the Commission to consider these pilot proposals within a process that includes transparency, fairness, customer protections, and resource adequacy. While a pilot may be designed for a narrow set of carriers, partner agencies, and/or target markets, the Commission must ensure that its rationale for picking specific participants and targets in a pilot is clearly described and justified.

B. Marketing and Outreach Pilot

The Ruling requests comments on other potential California LifeLine pilot programs and partnerships.¹⁹ Joint Consumers propose that the Commission conduct a marketing and outreach pilot program utilizing Community-Based Organizations (CBOs) to increase participation in the California LifeLine program and to better meet the needs of low-income households. Joint Consumers propose that this pilot engage multiple CBOs in San Francisco and Fresno to reach the low income single residence occupancy housing community and bilingual populations in

¹⁹ ALJ Ruling at p. 4.

these regions, and that the pilot program should continue for two (2) years with a 6-month ramp-up period.

The goal of this marketing and outreach pilot is to increase participation through a bilingual/ bicultural (English and Spanish) competitively neutral LifeLine-branded outreach pilot program aimed at low-income consumers in the Single Resident Occupancy advocacy groups and Limited English Proficiency communities who are eligible – but not currently participating in – the California LifeLine program. The pilot seeks to inform consumers about LifeLine through CBOs that currently serve these targeted populations and are seen as trusted partners in the community.

Joint Consumers suggest the pilot would test the receptiveness of both the CBO partners and their constituents to LifeLine participation based on the use of tailored messages for an urban community (San Francisco) and a rural community (in and around Fresno). As part of the pilot, CBOs could tailor their participation depending on their interest and level of resources, selecting from a range of possible options: (1) help staff modify current LifeLine program materials to more effectively market in the CBOs' community, (2) actively outreach and market for the LifeLine program and conduct training of other CBOs, and/or (3) assist CBO constituents to enroll in and renew with the LifeLine program. In addition, any program materials that are used or modified during the pilot could be made available on the Commission's LifeLine website for other stakeholders to access and use.

Joint Consumers chose to propose the use of CBOs for this pilot because of the CBOs' intimate knowledge of and relationship with the communities they serve. Vulnerable or marginalized communities may be more difficult to reach because they may distrust larger organizations and outsiders, including the LifeLine providers themselves. During the Workshop,

participants acknowledged positive aspects of the carriers' street team outreach methods (e.g. feet-on-the-ground, face-to-face, may be members of the community), but also acknowledged that street teams may be difficult to monitor and train, may not be a reliable source of information, and may not be rooted in a specific area. CBOs, on the other hand, combine the permanence of a carrier storefront and the personal relationships of a street team, but can be more effective in reaching these vulnerable and marginalized communities due to the CBOs' relationships within the communities based on trust and confidence that the CBOs are familiar with the local, regional, or statewide needs of the community they service and that the CBOs are actively working to advocate to meet the communities' needs. To ensure fairness, it is important to note that Joint Consumers chose these specific communities because of the contacts and knowledge we have within those communities, but we are open to expanding the communities or changing the communities if other stakeholders, including the Commission staff, have other connections or identified specific target communities.

As the first part of a pilot, Joint Consumers propose that the current LifeLine program materials be revised to better reach these target populations of the SRO community and limited English speaking populations in rural communities. Staff can develop LifeLine program materials to deliver to the pilot-participating CBOs and receive feedback on how to modify the materials to best reach the communities that the CBOs serve before those materials are provided as part of the pilot. The LifeLine-branded outreach material would include the following information:

- Overview of the LifeLine program and its benefits to eligible consumers;
- The most up-to-date information on eligibility requirements, including documentation requirements;

- User-friendly enrollment and renewal process information;
- Program rules, including the one-per-household rule and household worksheet, and information about the Federal Lifeline program for broadband; and
- Options for available LifeLine providers in the CBOs' area.

CBOs could limit their participation to helping develop the creation of outreach materials or could dedicate more resources to actively promoting LifeLine in their communities through outreach and education programs. Joint Consumers are open to discussing how CBOs can promote the program, but believe it should go beyond merely providing flyers on the LifeLine program. Instead it should involve hosting LifeLine informational meetings for the CBOs' constituents, dedicating CBO staff to answering constituents' questions about the program, training other CBOs' staff, or promoting LifeLine through local and community-based media outlets and community events.

Another level of commitment would entail allowing a CBO to assist individual consumers to enroll in and renew with the LifeLine program. This role could be limited to providing step by step assistance for their constituents using the customers' paperwork and existing online enrollment processes, or it could be expanded to include a portal between CBOs and the Third-Party Administrator, similar to the carriers' current DAP process, allowing CBOs to upload consumers' documents and pre-enroll a consumer as an eligible LifeLine customer before the customer approaches a potential LifeLine provider.

As discussed above, these LifeLine pilots, including this marketing and outreach pilot, must require consumer protections and resource commitments. For this pilot to be successful, the CBOs will need a point of contact to work with them and train them on the LifeLine program processes and rules and ensure quality control by assisting the CBOs with any questions or

concerns. Conscious of Staff's current workload, the Third-Party Administrator or another contracted administrator may be helpful to coordinate the CBOs and provide assistance to the CBOs.

For consumer protections, there must be quality control over the information CBOs provide to constituents and the methods used to assist individuals to enroll and renew with the program. Staff's work with the CBOs to modify existing written material will help protect consumers from receiving misinformation. Also, consumers should be made aware that they can call the Third-Party Administrator directly if the consumers have questions or concerns with the program.

CBOs that participate in the active marketing and outreach, or direct assistance to constituents, will necessarily be dedicating their time and resources. The pilot should include financial support for the CBOs that participate in the pilot with the understanding that as the pilot grows to include additional CBOs and additional target markets, the Program must also support the increase in budgets with data and cost analysis.

Finally, the pilot must be designed to produce measurable results and detailed data gathering to allow staff and stakeholders to determine effectiveness and cost/benefits. For example, the CBOs, in cooperation with the TPA, could initially conduct research prior to the launch of the improved marketing and outreach to determine the participation rates within their specific communities using publicly available data for eligible households and TPA data for participant numbers. Subsequently, at certain points during the pilot, the CBO could update the participation rate and research any external factors that might influence an increase or decrease in participation rates to determine if the increased emphasis on marketing and outreach and focus on target demographics is having an impact on participation rates.

Joint Consumers are confident that a pilot program utilizing CBOs' intimate relationships in their communities will increase participation in the LifeLine program especially among hard-to-reach community members.

C. Data Sharing and Real Time Enrollment Pilot

As discussed above, an estimated 60% of eligible households do not participate in the program and, therefore, do not benefit from Lifeline service. Perhaps more troubling, instead of receiving discounts, these low-income households pay into the Fund through surcharges on full-rate services.²⁰ Joint Consumers believe that simplifying the enrollment process is one critical element to increasing participation. Statistics from the Commission's Consumers Affairs Branch show that the most common reasons for consumer complaints and application denials stem from issues with the verification and eligibility process such as the failure to return the form, failure to provide needed documents, identity verification issues, or signature/initial issues.²¹ Compounding these issues is the cumbersome enrollment process that often includes a paper-based mailing process resulting in the potential for delays of up to 3 weeks.

Given these issues, Joint Consumers propose this pilot that would improve the enrollment experience and allow for real time verifications and eligibility determinations. These ideas should be implemented together in order to fully realize the benefits of a real time enrollment system; however, the Commission can also take an incremental approach to develop each piece

²⁰ There is a 41% CA participation rate in the Federal Lifeline Program (overall participation rate nationwide according to USAC is 28%. See *Eligible Lifeline Population Statistics 2017*, USAC (2017) available at https://www.usac.org/_res/documents/li/xls/stats/Eligible-Lifeline-Population-Statistics.xlsx (last visited September 7, 2018).

²¹ *End of Year 2017 – Lifeline Report, Consumers Affairs Branch*, CPUC (2018) available at http://www.cpuc.ca.gov/ccd_lifeline/ (last visited September 7, 2018).

separately, bringing value to the program more quickly. The timing should be a topic of further discussion.

First, Joint Consumers recommend that the Commission establish data sharing agreements between the TPA and programs like Medicare, SNAP and certain popular state-based programs to enable real time program eligibility determinations and approvals either direct between the customer and the TPA or through the carrier DAP process. Second, Joint Consumers suggest a technology fix that should speed up and automate document and signature verification by adopting optical character recognition (OCR) technologies for its website to allow customers to more easily and more directly scan necessary documentation beyond the current DAP program. Third, Joint Consumers suggest that the Commission and the TPA dedicate resources to improve the Lifeline website and create an “app” that offers direct enrollment and eligibility determination from the TPA without requiring provider involvement.

As was discussed at the August Workshop, the current process for LifeLine eligibility determinations is cumbersome and requires an applicant that wants LifeLine service to:

- Application Process**
- (1) Contact a phone company to begin the application process;
 - (2) The phone company reviews eligibility and contacts the TPA to start the application request process via a daily update or the DAP process;
 - (3) The customer receives an application form within 3 weeks;
 - (4) The customer continues its application process after receiving the documents either through the online system or by mail using the application form/PIN number and attaching documents establishing eligibility;
 - (5) The applicant is approved or denied and the customer and the carrier are notified.²²

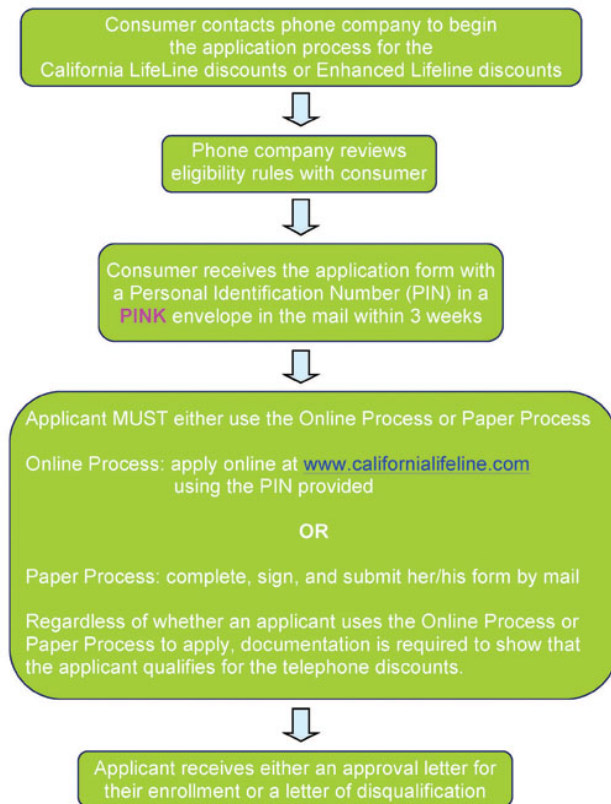


Figure 1: Current Application Process

The time from beginning the application process to receiving an approval is much longer than the process for obtaining retail service from a provider like AT&T or T-Mobile.

To support a more efficient real-time process, Joint Consumers support a simplified process where a customer that wants LifeLine would do the following:

²² See CPUC, *How to Apply or Renew?* (2018), available at http://www.cpuc.ca.gov/General.aspx?id=2752#How_to_Apply_or_Renew (last visited September 7, 2018).

- (1) Applicant requests approval directly from the TPA through a website or phone-based app.
 - a. Applicant provides identifying information to the TPA by scanning and upload documents;
 - b. The TPA uses this information to query its database and check if the applicant is eligible for Lifeline.
- (2) Applicant is approved or denied in real time.
- (3) Applicant chooses from a variety of providers using the Lifeline website or app (CBOs, providers and agencies could walk customers through this entire process).
 - a. The app and website would also provide information on program requirements.

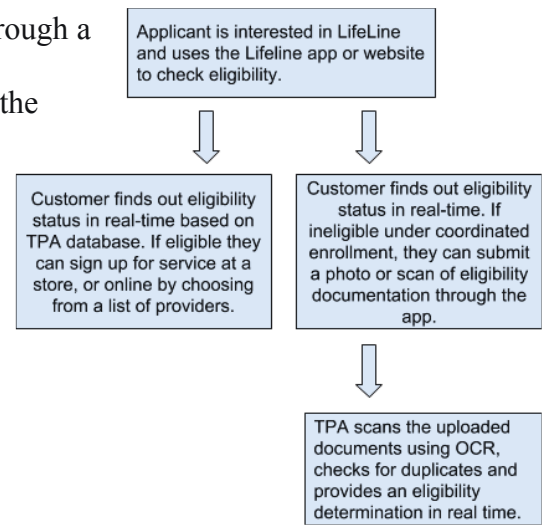


Figure 2: Proposed Application Process

This process eliminates the waiting period for an application

form to come in the mail and would allow applicants to interact directly with the third party administrator without the screen of a provider. A benefit of working directly with the TPA is that the Commission could ensure that applicants get accurate and consistent information on program requirements from the neutral TPA rather than a potential provider. This benefit can reduce the potential for marketing abuses or inaccurate information and help build trust in the program.

The pilot ideas outlined below are intended to work together to form a unified proposal to achieve the Joint Consumers' vision, yet some pieces could be implemented in an incremental manner.

1. Create an Eligibility Database and Data Sharing Agreements to Enable Real-Time Approvals

To provide a real-time eligibility determination for Lifeline without requiring the customer to submit eligibility documents, the TPA should obtain a participant list for programs that confer LifeLine eligibility, such as Medicaid or SNAP. This list would allow the TPA to quickly determine eligibility upon a customer inquiry, either directly or through a carrier's DAP process,

without uploading documents. A customer that wants Lifeline service would only need to provide identifying information to the TPA or carrier such as their name, address, or Medicare/SNAP/SSI number. If there is a match with the TPA's list, the customer could immediately receive approval for LifeLine service, avoiding the current document request and paper process that must happen, even with the increasing automated DAP process. Allowing customers to enroll immediately without the need to check documents or further check eligibility would make the LifeLine process much smoother for participants that do not have the time, language skills, or tools to wade through the current process.

For this important first step, Joint Consumers suggest that the Commission work with the TPA and other agencies to create a pilot for real-time enrollment as follows:

1. Program administrator (TPA) coordinates with state and federal agencies to receive a monthly file listing recipients of qualifying public assistance programs.
 - This data is likely available for federal programs such as SNAP, SSI, Medicaid/Medi-Cal//Veterans Pension Benefit/Survivors Pension Benefit program as well as state programs like TANF.
 - According to Conduent,²³ 91% of LL subscribers use program eligibility and of that 91%, the top 3 programs cover 88% of enrollees:
 - (1) Medicaid = 47%
 - (2) SNAP = 32%
 - (3) SSI = 9%
 - To conserve resources and help ensure success, the initial pilot program should have data sharing agreements with Medicaid and SNAP program administrators to reach the most potential customers.
2. For programs where this data is not available or for income eligibility, applicants can use the existing traditional enrollment process.
3. ETCs provide a list of all their existing LifeLine customers to the TPA.

²³ Conduent, California LifeLine Administrator Presentation to the Administrative Committee - February 15, 2018, Conduent p. 23 (2018) *available at* http://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/UtilitiesIndustries/Communications/ServiceProviderInfo/CDLifeLineNumbering/Conduent%20-%20CA_LifeLine_Overview_AC_Meeting_Feb2018_Presentation_FINAL.PDF (last visited September 7, 2018).

4. TPA combines the two lists data and produces a list of all subscribers potentially eligible for a Lifeline discount that month while also checking for duplicates across providers.
 - a. This would also allow the TPA to check if a residence satisfies the criteria of a separate economic unit thereby allowing multiple discounts at the same residence.
5. After this process, the TPA has a list of subscribers eligible to receive a LifeLine discount for the month that providers and applicants can access for real-time eligibility determinations.

This proposal closely mirrors the LifeLine administration process used in Texas, at least as of 2015.²⁴ Joint Consumers recommend that the Commission and TPA reach out to Texas for the expertise necessary to flesh out this pilot proposal and consider other state processes mentioned at the Workshop such as New York and Florida. Joint Consumers also recommend that the PUC look closely at the costs for this program with the aim of ensuring that administrative costs remain the same or lower after the data sharing agreements are in place.²⁵

2. Enable Real-Time Document, Signature and Identity Verification using Optical Character Recognition.

Not all programs that confer Lifeline eligibility are set up so that the TPA can receive a monthly list of participants (likely applicants using income eligibility, TANF, NSLP, LIHEAP etc.). Consumers that wish to apply for LifeLine under these programs or through income eligibility will still be required to sign and provide documentation using the traditional method which involves scanning and submitting these documents to the TPA. However, documents can

²⁴ See Comments of Solix Inc., *Lifeline and Link Up Reform and Modernization et al*, WC Docket 11-42, at p. 3 (filed August 31, 2015) available at <https://ecfsapi.fcc.gov/file/60001223269.pdf> (last visited September 7, 2018). Joint Consumers are aware of the fact that the Texas program is smaller and as of 2015 had a single data sharing agreement with the state department of social services. Nevertheless, learning from Texas and other states shows that this type of pilot is more than possible here.

²⁵ Texas has a contract with Solix to administer LifeLine for approximately \$8.3 million a year or 2.4x less than the \$19.8 million a year paid in California. California has roughly 2.5x as many Federal Lifeline subscribers as Texas in 2017. See Contract Between the Public Utility Commission of Texas and Solix Inc., Texas PUC (2018), available at https://www.puc.texas.gov/agency/resources/reports/fiscal/contracts/473-15-00330_Solix_LIDA.pdf.

be out of date, signatures may be missing, and it may require an unacceptable amount of time to receive an approval. This process can be improved and automated using optical character recognition (OCR) technologies.

Banks and financial institutions are increasingly using OCR to let customers take pictures of their driver's licenses and checks which are then uploaded and verified by algorithms within minutes. This process removes cumbersome data entry, helps consumers avoid a trip to the bank and allows banks to comply with verification obligations. Adoption of this technology in the LifeLine program would allow the TPA to perform faster document, identity and signature verification. Software companies marketing these technologies tout features and benefits that include, the ability to find and extract information from any driver's license, identification card or other forms, the ability to compensate for artifacts introduced by different scanners, printers, cameras and resolutions, the ability to recognize forms within seconds even if folded, creased or crumpled.²⁶

Using this technology along with the documentation requirement would allow the TPA to verify program eligibility in real-time, similar to the current DAP process that carriers use. Joint Consumers envisions this process working as follows:

1. A customer applies for LifeLine directly through the TPA and needs to submit documents to verify eligibility;
2. The customer uses a camera or scanner to upload eligibility documents, identification documentation and signed identification form to the TPA;²⁷
3. Algorithms scan the uploaded documents and verifies authenticity;
4. If appropriate, the customer receives an approval of the acceptable documents within minutes. If denied, a human can review the algorithm's decision to ensure it is correct.

²⁶ See e.g. <https://www.leadtools.com/sdk/forms/drivers-license>; <https://www.leadtools.com/sdk/forms>; <https://www.jumio.com/>.

²⁷ OCR technologies would likely be able to read and verify LifeLine application forms, such as those available at https://www.californialifeline.com/en/sample_forms.

The advantage of this method is that algorithms can detect application errors that result in denials immediately. For example, OCR software can detect if eligibility documents are out of date or expired, if ID cards are expired, if an applicant failed to sign or initial or if the signature is inadequate. This would allow the applicant to fix these errors immediately, as opposed to receiving a denial and having to restart the process, and it would also provide a more efficient, faster and cheaper process than having humans verify each document.

3. Improve the Lifeline Website and Create a Mobile Application

Updating the website and creating a phone app would also enhance the real-time enrollment and eligibility process, but have additional benefits as well. Currently, customers must first go through a provider to apply for Lifeline and learn the program rules. This approach allows for inaccurate provider marketing and does not allow customers to effectively compare options, leading to a lack of trust. Joint Consumers propose piloting an option where customers could directly interface with an updated California Lifeline website to learn program requirements, receive an eligibility determination from the TPA and choose from a comprehensive list of Lifeline providers through an updated and improved California Lifeline website, including a mobile friendly website that can accommodate those who rely exclusively on mobile internet.

This updated website could be useful regardless of whether the customer has the capability of working directly with the TPA to determine eligibility- with or without providing documents- as discussed above. Applicants could apply for LifeLine directly through the website or app, and if they do not have internet access or need assistance with the process, they could navigate the website with the help of CBOs, providers, or social service agencies.

Joint Consumers recommend the following as part of this pilot to improve the Lifeline experience:

1. Improve user navigation on the website and reduce the amount of unnecessary text to prevent overloading applicants with information;
 - a. A modern, clean website design could also help build trust in the California LifeLine program;
2. As discussed above, allow for direct eligibility determinations through the website without requiring applicants first speak with a provider;²⁸
3. Provide a step by step interactive process where customers could learn program rules and requirements and find out if they are eligible. For example, websites like CreditKarma walk clients through the complicated tax return process or credit score calculators using a series of prompts.²⁹
4. Improve the visibility of the provider comparison page and allow customers to directly enroll with those providers after approval. Customers that sign up for Lifeline should be allowed to review their providers and have that information posted on the comparison page;
 - a. This is currently a useful resource that is buried under the “help” section
 - b. The PUC could also implement a step by step interactive process where customers select what they will use their service for and the website will recommend different plans.
5. Customers should be able to have a “dashboard” where they can see when they need to renew or have the option to change providers.
6. The mobile app should mirror the Lifeline website but also allow customers to take photos of eligibility documentation using a smartphone.

An updated California Lifeline website and app, including one that allows direct, real-time enrollment and eligibility determinations, would improve trust in the LifeLine program, ensure accurate reporting of program requirements, and allow customers to make an informed choice between Lifeline providers while simplifying the signup process.

IV. RESPONSES TO COMMENTS ON WORKSHOP TRANSCRIPT

In comments captured in the Workshop Transcript, attached to the Ruling, parties identify numerous issues of ongoing concern regarding the LifeLine program in its current configuration.

As discussed above, and in the Workshop Transcript, the broad universe of concerns demonstrate

²⁸ Option 3 on the Texas Lifeline website (<https://www.texaslifeline.org/enrollmenttype/>) allows Consumers to directly apply and receive an immediate eligibility determination by email.

²⁹ See, for example, the credit score calculator or tax tool on Credit Karma, www.creditkarma.com/tools

that, while stakeholders are all aware that enrollment in the program is low, we do not have clarity about why this is the case. It also demonstrates that current processes supporting the program may be broken and, by addressing these issues, at least some incremental improvement in participation rates is possible. In addition, the universe of customers who are eligible but not enrolled and who may be impacted by currently inefficient processes includes many possible customer groups, and the hurdles facing each such group are different.

For example, there are customers who are completely unaware of the program and the benefits it provides. There are customers who are aware of the program but confused about their eligibility or intimidated by the application process. There are customers who have been enrolled in the past, but who have dropped off the program (for reasons other than eligibility). And there are customers who do not believe that the services provided by the program meet their communications needs.

The Commission's efforts to improve participation must consider the different needs of these various populations. For example, efforts to provide different service to attract customers who are not interested in the existing program offerings (the subject of much of the discussion regarding pilot programs) should not distract from necessary efforts to fix current cumbersome processes and address the needs of the other groups that are interested in the existing program but are not currently being served effectively. In addition, as noted above, efforts to serve customers who are aware of the existing program but choose not to enroll must avoid creating new options that provide unsubstantiated increased subsidies to carriers, fail to include minimum standards for service, or lack adequate customer protections. Carriers should not be eligible to collect subsidy funding unless the costs match the benefits and they are providing affordable and reliable service to participating customers.

For customers who are unaware of the program and customers who are confused or intimidated about the application process, targeted outreach and marketing efforts of the type described in the Joint Consumers' outreach proposals may increase participation in the existing program. These efforts are important to help attract underserved populations.³⁰

The remaining group, customers who are aware of the program and have been enrolled at times, but are not enrolled at any particular moment because of difficulties with the renewal process, can be served within the existing system with focused process changes. Unfortunately, we do not have data on the size of this group. At the recent workshop, parties generally agreed that the "served" population for LifeLine is larger than the "enrolled" population at any given time, because some substantial number of customers have fallen off of the program and must go through the enrollment process again. These customers do not need outreach to inform them about the program and its benefits; rather, the problems that these customers face must be addressed through improvements in the enrollment/renewal process.

In addition to substantial discussion of the needs of customers who are eligible but not enrolled in LifeLine, there was discussion among stakeholders of program costs and how (or whether) potential increased costs caused by pilot programs or other changes to the program should be covered. As discussed above, stakeholders recognized that there is little information available regarding the actual costs to carriers stemming from participation in the program. Without such information, the Commission is limited in its ability to determine appropriate subsidy amounts to support participation by carriers, without creating a windfall for these carriers at the expense of California ratepayers. If the Commission will consider proposals to

³⁰ At the same time, Joint Consumers note that there may be populations such as the immigrant community who are likely to remain reluctant to participate based on current program requirements as well as other political and cultural concerns which are beyond the control of the Commission and unlikely to be overcome through targeted marketing efforts.

increase subsidy funding or allow carriers to reduce program benefits, parties and the Commission will need greater insight than currently exists on carrier costs. Joint Consumers look forward to supporting the Commission in obtaining and analyzing appropriate cost information as needed to evaluate certain changes to the program.

V. COMMENTS ON ISSUES BEING CONSIDERED BY THE FCC

A. Proof of eligibility during renewal process

The Ruling notes that recent federal proposals for changes to the federal Lifeline program include a possibility of requiring customers to provide proof of program eligibility each year during the renewal process.³¹ Joint Consumers strongly oppose any such requirement for the California program, and urge the Commission to oppose such a requirement as well. Proponents of this change have failed to explain how it will benefit consumers or address a current concern in a measurably improved way beyond current processes. Such a requirement would essentially force eligible consumers to re-apply for the program in full each year; program administrators are already aware that such bureaucratic hurdles cause eligible customers to drop out of the program, losing access to important support to keep them connected to the network. For customers who have proved that they are eligible through an initial application process, the Commission should continue to support self-certification for renewal.

B. Proof of residence in multi-tenant housing

³¹ See, FCC 2017 Lifeline Order at para 97 requesting comment on prohibiting subscribers from “self-certifying their continued eligibility.” Joint Consumers note that the FCC’s proposal in the NPRM may be narrower than the Ruling suggestions. The FCC proposes eliminating self-certification in situations where the subscriber “is no longer participating in the program that they used to demonstrate their initial eligibility” and where the subscriber cannot be “recertified through an eligibility database.” The Staff’s proposal here should be clarified if the FCC’s proposal is narrower.

The Ruling asks whether consumers living in multi-unit house should provide proof of residence in this type of housing. It is unclear which FCC proposal this request for comment is referring to, but Joint Consumers understand that LifeLine customers living at the same residence as other LifeLine households can still be eligible for the Program if they submit an Independent Household Worksheet.³² The Staff should clarify what it is intending, beyond the current processes, to require consumers to “provide proof of residence.”

Commission has previously worked diligently to confirm that there can be multiple “households” occupying a single dwelling, and that each such household is separately eligible for Lifeline participation. Specifically, in Resolution T-17366, issued on July 12, 2012, the Commission made clear its intention to follow a determination made by the FCC to allow “persons living in non-traditional facilities, such as group living facilities and Tribal communities to enroll in the Lifeline program;” this clarification was also noted as “allow[ing] multiple households that share the same service address to receive California LifeLine discounts if they meet the FCC’s ‘Household’ definition.”³³ This interpretation of Lifeline eligibility makes clear that the Commission has intended that eligible households that live in “multi-unit housing” and those who have “doubled and tripled up” in units that are intended for a single family out of economic necessity all retain access to the program.

To the extent that residents in multi-unit housing have not been able to establish eligibility for LifeLine using the existing system, this is an issue of program implementation, not an issue of policy. It is Joint Consumers’ understanding that LifeLine applicants having trouble

³² FCC 2017 Lifeline Order, paragraph 98-99, requests comment on “limiting ETCs’ use of the Independent Economic Household worksheet” to situations where multiple LifeLine households are at the same residence and other methods to “prevent abuse” of the worksheet process. Joint Consumers are unaware of abuse of the worksheet process and would need clarification from staff before providing further comment here.

³³ Resolution T-17366 at p. 8, citing *Lifeline Reform Order*, issued February 6, 2012.

enrolling because of this issue must submit a LifeLine household worksheet to confirm eligibility to receive both state and federal benefits.³⁴ However, the Commission's policy intent to allow residents in these housing situations to benefit from LifeLine is clear. Stakeholders should not expend resources on further policy statements, but rather on efforts to ensure that the existing policy on household eligibility is effectively used during the enrollment/renewal process.³⁵ To the extent that stakeholders (such as iFoster) indicated during the recent workshop that there are difficulties in establishing program eligibility for residents of group homes, the system must be reviewed to ensure that all participants abide by the existing policy that different "households" that share a service address each retain eligibility.

To the extent that the FCC is considering a requirement for consumers to provide proof of residence in group or shared housing, Joint Consumers urge caution. A customer who doubles up with another household out of economic necessity is unlikely to have documentary proof; yet such customers are clearly in need of support to remain connected to a network. Similarly, customers in group homes or facilities may face tremendous difficulty in obtaining or providing documentation, even as their need for services are substantial. As the Commission seeks methods to reduce existing hurdles to program participation, it should oppose federal efforts to create new hurdles that will increase the difficulty of serving vulnerable populations.

³⁴ See, the federal Lifeline Program Household Worksheet as an example here, https://www.usac.org/_res/documents/li/doc/Lifeline-household-worksheet.pdf

³⁵ While the Commission's policy is clear, there would be a benefit to ensuring that it is effectively memorialized in the Commission's General Order governing the LifeLine program, G.O. 153. Resolution T-17366 directed modifications to G.O.153; however, the General Order has not been revised to reflect this or other changes that have been made to the LifeLine program. While Joint Consumers generally believe this is an issue of implementation, we support efforts at the Commission to update G.O. 153.

VI. CONCLUSION

We appreciate the opportunity to work with the Commission on these critical matters and urge the Commission to continue to offer workshop and comment opportunities to ensure that these pilots address critical issues of need with the Program in a cost effective and customer friendly manner.

Dated: September 10, 2018

Respectfully submitted,

/S/

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BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking Regarding Revisions to the
California Universal Telephone Service (LifeLine) Program.

R. 11-03-013

(Filed March 24, 2011)

Online Enrollment Pilot Proposal from The Greenlining Institute and CGM, LLC

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Dated: March 1, 2019

I. INTRODUCTION

The Greenlining Institute is a racial equity non-profit that advocates for greater economic opportunity for communities of color. CGM, LLC is a software development and data processing firm focusing on LifeLine services and serves more than 30 wireless and wireline Lifeline providers. In accordance with the Commission's efforts to innovate and improve the LifeLine program, The Greenlining Institute and CGM, LLC submit this pilot program proposal that would streamline the LifeLine application process through an online enrollment system. Currently, California is the only state that does not provide for this functionality.¹ Providers, Commission staff and consumer advocates have been pushing for this functionality for some time, in fact, the Communications Division recommended this option over a decade ago.² More recent examples include Greenlining's presentation at the September 14, 2018 workshop and provider advice letters requesting Commission approval of the online enrollment option.³

II. DISCUSSION

A. PILOT PROGRAM OBJECTIVES

This pilot proposal addresses a key problem in the California LifeLine program, namely, that current California LifeLine enrollment processes are outdated, slow and do not match modern consumer expectations. This results in lower participation, and anecdotally, the

¹ It is our understanding that only Tracphone has been permitted to enroll customers online, however the Commission has not provided a public explanation of why the Commission approved this for Tracphone but no other providers. This pilot proposal would allow *any* provider to receive approval for online enrollment. If there is an internal process for enabling online enrollment, we respectfully urge the Commission to make this public, so other providers can participate on a level playing field.

² See CPUC, *Report on Strategies to Improve the California Lifeline Certification and Verification Process*, Prepared by Staff of the Communications Division at p. 36 (April 2, 2007) available at http://docs.cpuc.ca.gov/word_pdf/REPORT/66403.pdf.

³ See Greenlining's presentation at the September 14, 2018 Workshop; EnTouch Advice Letter #25 (May 4, 2017); EnTouch Advice Letter #31 (November 21, 2018);

persistent belief that LifeLine services are somehow “second class” even though LifeLine providers generally use the same networks as mass market retail providers like Sprint or T-Mobile. One key difference is that consumers can quickly and easily sign up directly online with mass-market facilities-based providers but cannot do the same when it comes to LifeLine service. The current mail-based application process is outlined below:

- (1) Applicant contacts a phone company to begin the application process;
- (2) The phone company reviews eligibility rules with applicant;
- (3) The customer receives an application form and PIN number within 3 weeks;
- (4) The customer applies online or by mail using the application form/PIN number and attaches documents establishing eligibility;
- (5) The applicant is approved or denied by the Third-Party Administrator (TPA).⁴

This application process requires significant time before an applicant can receive an application form and eligibility determination, as such, it is not a popular method for enrollment.⁵ A faster method is to go through the “Direct Application Process” (DAP) that is handled by LifeLine “street teams” or at retail stores. With DAP, providers typically have representatives in high traffic areas to enroll consumers into LifeLine. Here, a LifeLine provider’s representative will explain program rules, collect the necessary documentation, perform internal eligibility checks, and then send the completed LifeLine application to the TPA for a final eligibility determination.

⁴ See CPUC, *How to Apply or Renew?* (2018), available at <http://www.cpuc.ca.gov/General.aspx?id=2752#How to Apply or Renew> (last visited September 7, 2018).

⁵ 90% of new application requests were through DAP compared to less than 10% for mail-based enrollment. See February 15, 2018 Conduent Presentation to the Administrative Committee available at http://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/Utilities_and_Industries/Communications_-_Telecommunications_and_Broadband/Consumer_Programs/California_LifeLine_Program/Overview_A_C_Meeting_Feb2018FINAL.pdf.

The benefit of this is a faster enrollment process (often customers can leave with a phone and provisional service within minutes).⁶

Both current processes require more time and inconvenience compared to enrolling with a traditional retail provider like AT&T, Verizon or T-Mobile. For LifeLine applications by mail, a customer must wait for a pink envelope in the mail before they can apply. In-person, street-team enrollment presents barriers to rural or suburban consumers that may not have access to a street team, consumers may not have physical mobility, or may not have time to visit a street-team during operating hours because of work or family obligations. An online enrollment process merges the positive aspects of both the current methods, giving customers the option of applying whenever and wherever is convenient, without waiting for an application form in the mail. We urge the Commission to approve this pilot because it would increase program participation, encourage facilities-based providers to participate and provides scalable solutions for future expansions or modifications to the program. Furthermore, the online enrollment option represents an embrace of new technologies and innovation for the California LifeLine program.

1. Increasing Program Participation

Adding the option for online enrollment will increase program participation overall by lowering the barriers for participation. Currently the DAP enrollment is used for 90% of new applications. However, DAP enrollment requires access to a provider street team. This presents barriers for consumers that must work or have family obligations and cannot reach a street

⁶ While waiting for a TPA eligibility determination, some LifeLine providers will provide provisional, non-LifeLine, service to customers – this allows them to leave with a phone almost immediately. If the TPA later finds them eligible, the customer will be switched from the provider's service to LifeLine service. If ineligible, the customer must pay regular retail rates to maintain service.

team during its operating hours. In contrast, online enrollment is available 24/7. Consumers living in less dense areas such as rural, tribal or suburban communities may not know where to go to sign up for these services, or providers simply do not operate there due to staffing costs and lower foot traffic. Online enrollment does not require a physical presence and can be accessible from the comfort of the home. Furthermore, street teams may not be able to adequately reach underserved consumers with different language needs or have physical disabilities. Online enrollment can help surmount these barriers, providers that wish to reach communities where English is a second language can add online support for multiple languages, and physically disabled persons can access online resources more easily than attempting to physically reach a street team.

In addition to these benefits, an online enrollment option will allow for new partnerships. For example, CBOs and other organizations that serve low-income communities can recommend and assist their clients in signing up for LifeLine service. With the DAP and mail-based enrollment options, this is not always feasible because it requires the presence of a provider representative (in the case of DAP) or for the client to first apply and then bring in their application form and PIN later (for mail-based enrollment). In fact, when Greenlining held a community convening on how to improve the LifeLine program, one such organization, the Tenderloin Housing Clinic, noted that helping applicants sign up for LifeLine was expensive and time-consuming – leading them to discontinue that service.⁷ This meant their clients had to work with provider street teams instead. One concern raised was that CBOs are in a better position to provide neutral, unbiased advice on signing up for LifeLine compared to provider

⁷ CBOs do not have the option of assisting consumers in signing up for LifeLine through DAP, so assistance was focused around the mail-based enrollment process.

street teams. Given that the online enrollment process is much simpler than the mail-based enrollment process, it would give CBOs an easier pathway to assist consumers in signing up for LifeLine. These CBOs typically work with populations that are underserved, meeting the pilot objective of lowering barriers to participation as well as encouraging partnerships.

2. Encouraging Facilities Based Service Providers

Developing a process for providers to develop and receive Commission approval for online enrollment would encourage facilities-based service providers to participate in LifeLine. This is because marketing and enrolling consumers into LifeLine requires an expensive investment in street teams given that 90% of enrollments are through this process. While mass market providers have retail outlets, retraining all their staff in the LifeLine enrollment processes is a massive and likely expensive undertaking and compared to the expected financial benefits of LifeLine Program participation. On the other hand, developing an online enrollment website is a lower risk investment. Therefore, providing an online enrollment option can encourage Program participation from facilities-based providers. Furthermore, online enrollment can increase the number of LifeLine participants, taking market share away from mass market providers. This can increase the competitive incentive to participate in the Program. In addition, the availability of an online enrollment system for LifeLine gives LifeLine greater parity with mass market services, at least in terms of signing up, because providers like AT&T allow consumers to get service online but LifeLine providers, currently, cannot do the same.

3. Providing Scalable Solutions

The Commission should approve this proposed pilot process because the online enrollment system can be scaled up to meet changing LifeLine program goals. The primary reason is that online websites can be easily reconfigured to meet new needs and processes. For example, if LifeLine expands into broadband, an online enrollment option will be a crucial way to reach eligible consumers. If the program disclosures change, websites could be updated quickly. The Commission could also choose to create its own neutral web portal for determining applicant eligibility to supplement the provider enrollment websites. Eligible applicants could then choose from a list of LifeLine providers. This will be particularly useful if the Commission is able to get data sharing agreements with agencies administer low-income programs like SNAP and Medi-Cal.

This proposal could allow the Commission to scale up the California LifeLine website into a greater resource for consumers. Right now, consumers can only get information on the program through the official website but cannot otherwise sign-up. This means the website is not very useful, and therefore not a great resource. Linking the California LifeLine website to online enrollment options would make it a more compelling destination for consumers. The Commission could then justify investing in consumer-friendly features - such as a centralized place for provider reviews, a renewal “dashboard” and other functionalities expected from 21st century services. However, without the ability to see available providers and then enroll online, it is unlikely that consumers will use the official California LifeLine website.

B. ONLINE ENROLLMENT PROPOSAL ELEMENTS

1. Description of Pilot

The online enrollment pilot would create a web-based enrollment option for LifeLine applicants. During the pilot, any LifeLine provider would have the option of creating an online enrollment website that mirrors the current Direct Application Process that providers currently use in conjunction with their street teams. Upon Commission approval of the website, the provider would have permission to enroll new customers through their website. This process is explained in more detail below.

a) Implementation Plan for the Online Enrollment Pilot Process

We propose a pilot that would allow any provider to enroll consumers into the LifeLine program through the LifeLine service provider's website.⁸ The objective of this pilot is to increase program participation by lowering the barriers for enrollment. The Commission should review and approve a provider's online enrollment process before it goes "live" to ensure it meets the current program rules and requirements. Once approved, the California LifeLine website should include links to each provider's online application so consumers can choose from a list of providers that offer service in their zip code. The online enrollment process would mirror the current street team/DAP systems. One key difference would be that applicants would not have a provider representative there as they apply for LifeLine service, instead, the website would guide applicants through the process. However, it is important to note that with online enrollment, third parties such as social workers, family members, friends or CBOs would

⁸ Although the Greenlining Institute and CGM are collaborating on this proposal, this pilot program should be open to all providers that choose to create an online enrollment option. This pilot program will therefore benefit all groups of consumers because any consumer will have access to this option.

have the capability of assisting consumers with the online enrollment process. A step by step description of the activities required as part of this pilot process is included below.

Description of Proposed Online Enrollment Review Process:

- (1) A California LifeLine Service Provider (CLSP) creates an online enrollment website branded with the individual CLSP's logo, fonts, colors and design. This website should be designed in a way that can collect applicant information and submit it to the TPA through the DAP channel;
- (2) The CLSP submits this website for review to Commission staff;⁹
- (3) Staff reviews the website for compliance with program rules and requirements, i.e. ensures website has required disclosures, does not contain misleading language, etc.;
- (4) Within 30 days, the Commission decides whether to approve the CLSP's website;
- (5) If approved, the CLSP can make its website public and enroll customers. If it is not approved, Commission staff will explain to the CLSP how to make its website compliant;
- (6) Commission and TPA will update the California LifeLine website with a link to the production or "live" version of the CLSPs website. Now, a LifeLine applicant that inputs their zip code into the California LifeLine website should see a list of CLSPs providing service in their area and a link to enroll online for providers that have an approved online enrollment website.¹⁰

Description of Proposed Online Application Process Flow:¹¹

⁹ We recommend the advice letter process for this review but are open to other methods of communication between providers and Staff.

¹⁰ Given the potential for delays in updating the website due to delays in transitioning to Maximus, the new TPA, a provider should be allowed to enroll customers online as soon as they receive approval from the Commission.

¹¹ This description outlines the general Direct Application Process and how it would work online, without involvement of LifeLine street teams. The Commission has access to CGM's particular implementation of this process flow in greater detail as part of the confidential attachment to EnTouch Wireless' (dba Boomerang Wireless) Advice Letter #31 (CGM provides the back-end software for EnTouch's online enrollment system). This document is confidential as it includes some of CGM's competitively sensitive information. For stakeholders that wish to review this document please email alex.rodriguez@cgminc.com.

The process begins when a LifeLine applicant goes to a California LifeLine Service Provider's (CLSP) online application website. Applicants can reach the website through links on the official California LifeLine website,¹² through CLSP marketing efforts, or through other channels such as schools, community benefit organizations or social service agencies.

- (1) Applicant Provides E-Mail and Zip Code to determine if the applicant is in the provider's approved service footprint;
- (2) Applicant receives information about LifeLine eligibility and requirements;
- (3) Applicant provides identifying information (Name, SSN, Date of Birth etc.);
 - a. CLSP will pre-screen for eligibility using the existing TPA "CheckCustomerStatus" validation tool.
- (4) Applicant sees a list of qualifying programs (SNAP, Medi-Cal etc.) or income eligibility options and selects which one they will use to demonstrate eligibility;
- (5) Applicant is given required disclosures about program rules and restrictions;
- (6) If available, applicant is given an opportunity to select which service plan they prefer;
 - a. Some providers may only have one service plan.
- (7) Applicant provides required identity and eligibility documents;
- (8) Applicant is done with the application process, they are then given an explanation of the TPA review process and told that the TPA will make a final determination if they are eligible for LifeLine discounted service;
 - a. At this stage, providers may "pre-qualify" applicants and ship applicants a phone with promotional, non-LifeLine, minutes that they can use until the TPA provides a final eligibility determination. If a customer is deemed ineligible by the TPA they will be required to pay retail rates to continue service.
- (9) CLSP performs internal eligibility checks to ensure documentation is legible and that the application is complete. CLSP then sends a completed application to the TPA for a final eligibility determination;
 - a. CLSP will send the completed application to the TPA using the existing DAP framework, this will not require new functionality from the TPA.

¹² <https://www.californialifeline.com/en>

(10) TPA provides the final eligibility determination to the customer and CLSP. If eligible, the CLSP updates its records to note the applicant is now an official LifeLine subscriber and informs the applicant of the result. If ineligible the CLSP informs the applicant of the result.

- a. At this stage, CLSP's that do not pre-qualify applicants (see 8a) will now mail a phone to eligible applicants.

The process described above is nearly identical¹³ to the process street teams currently use to enroll LifeLine applicants. It enables applicants to go online, apply for LifeLine service and get a phone shipped to them within the time it takes to complete the application. Given the minimal changes to the existing process, and the significant benefits (described below), Greenlining and CGM urge the Commission to adopt this pilot proposal.

b) Additional Information

Consistency with Pilot Program Framework

This proposal is consistent with pilot program framework because, as noted above in section II.A, it meets the pilot program objectives. The online enrollment process lowers barriers to participation, streamlines eligibility, and makes the program more attractive to facilities-based providers.

Variables Changed or Tested

This proposal will test the viability of an online application process to expand access to the LifeLine program and lower barriers for participants.

Program Rules that Should Not Apply

¹³ The primary difference is that applicants will not have a street team member guiding them through this process. However, some providers may choose to grow their business by investing in a better online customer experience. For example, they could choose to provide online chat support to assist applicants. During the pilot, we do not believe the Commission should *require* providers to invest in these functionalities given that the Commission may choose to end the pilot program at any time.

This pilot proposal asks the Commission to make the DAP enrollment method consumer facing, with the primary difference that a provider representative will not be there to guide a consumer through the application process. Therefore, the pilot will not require suspension of Program rules as the DAP is presumably compliant with existing rules and providers will have to comply with disclosure requirements.¹⁴

2. Pilot Program Budget

This pilot does not require any additional subsidy. Potential costs include staff time to review provider websites, and costs to update the official California LifeLine website with links to the provider's online applications.

3. Duration of the Pilot Program

This pilot should last the full two years to properly gather data on the effectiveness of online enrollment.

4. Data Collection by the Pilot Program

Carriers that wish to participate in the online enrollment pilot should solicit customer feedback at the end of the online enrollment process through a short survey that appears at the end of the application process or through an e-mail to the applicant. This should include questions asking about:

- Consumer experience (on a 1-5 scale) with the online application process overall;
- Consumer experience (on a 1-5 scale) with the quality of the explanation of program rules and requirements;
- If there were any improvements the consumer would suggest to the online application process;
- How the consumer heard about the online application process;

¹⁴ This conclusion assumes that the online enrollment option will only be available to providers that follow existing LifeLine program rules such as ETCs.

- If applicable, which enrollment process did the consumer prefer (online, DAP, or phone application);
- Whether the consumer has ever been enrolled in the LifeLine program;

In addition to consumer feedback, providers that participate should also report to the Commission the number of applications completed online as compared to other channels (DAP, phone applications). LifeLine service providers will provide the commission a monthly or quarterly report with the data collected in the survey and a listing of applications completed that originated online. The data must be provided to the commission by the 20th of the month for the previous month/quarter.

5. Evaluation Plan of the Pilot Program

Evaluating the consumer experience in this pilot will require analyzing the results of consumer surveys (described above) and the number and quality of complaints to the consumer affairs branch. Staff should analyze providers that have strong satisfaction scores on their post online application surveys to determine best practices in designing an online enrollment website. Conversely, staff and stakeholders should work with providers that show a greater number of complaints to improve their online enrollment process.

Staff should also track and evaluate the number of providers that choose to offer online enrollment capability. For providers that choose not to participate in the online enrollment pilot, Staff should track how many LifeLine participants those providers have before and after the pilot program as compared to providers in their service footprint that do offer the online enrollment capability. Overall, at the conclusion of the pilot period, the most important metric to track in evaluating the success of the pilot program is whether it was successful in increasing the number of LifeLine participants. Therefore, Staff should track the number of online

enrollments as well as LifeLine participation overall to see if it made a measurable impact in arresting the trend of declining LifeLine participation.

6. Safeguards for Consumers and the Program

Greenlining and CGM propose several safeguards that each provider must abide by to participate in the online enrollment process:

- The Commission will vet each website before it goes “live” to ensure compliance with all LifeLine disclosure rules. This process should be completed within 30 days of a provider submitting a website for review.
- The Commission should have the authority to revoke a provider’s online enrollment ability if they find unapproved and material changes to the website after it is approved.
- The online enrollment process will adequately educate consumers about the rights and limitations of the program.
- The online enrollment process will perform the necessary and required identity and preliminary eligibility checks that are standard for current LifeLine providers in California, this includes duplication checks, review of documents, scanning and receipt of eligibility documents and LexisNexis ID checks.
- There will be a clear disclosure on the provider’s online enrollment website informing applicants that they have the option of enrolling through other methods, and that there may be other options available for service. This disclosure should have a link to the California LifeLine website.
- The Commission and the TPA should audit a percentage of online enrollment applications to ensure that the new enrollment channel does not result in abuse on the part of both providers and participants. This can include checks for duplicates, accepting incomplete forms, or similar abuses.
- Providers must certify that they will only retain and use applicant data for the purposes of providing LifeLine service. They must certify that they do not otherwise sell or share consumer data.
- Providers must disclose that the online enrollment process is part of a pilot program and is subject to discontinuance. If the Commission revokes approval for the online enrollment option, affected consumers, such as those waiting for TPA approval, should be notified via e-mail or post.

- Providers will assume their own risks when providing devices and provision minutes based on the preliminary eligibility determination of the online systems, like the DAP process.
- Provider online enrollment systems will be limited to their own back-end processes to help facilitate the enrollment process between the provider and applicant and will interconnect with the TPA interface without significant impact on the TPA's processes.

7. Payment and Reporting

This pilot does not contemplate any changes in the payments and reporting systems that are currently in place.

III. CONCLUSION

This proposed pilot program stands to bring significant benefits to the California LifeLine program. It will modernize the enrollment process and lower barriers to participation. For these reasons and the reasons stated above, the Greenlining Institute and CGM urge the Commission to approve this pilot program.

Respectfully Submitted,

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