

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Bridging the Digital Divide for Low-Income Consumers)	WC Docket No. 17-287
)	
Lifeline and Link Up Reform and Modernization)	WC Docket No. 11-42
)	
Telecommunications Carriers Eligible for Universal Service Support)	WC Docket No. 09-197
)	

**COMMENTS OF SAGE TELECOM COMMUNICATIONS, LLC D/B/A TRUCONNECT
IN SUPPORT OF TRACFONE WIRELESS, INC. EMERGENCY PETITION FOR AN
ORDER DIRECTING USAC TO ALTER THE IMPLEMENTATION OF THE
NATIONAL VERIFIER TO OPTIMIZE THE AUTOMATED AND MANUAL
ELIGIBILITY VERIFICATION PROCESSES**

I. INTRODUCTION

Sage Telecom Communications, LLC d/b/a TruConnect (“TruConnect”), by counsel, pursuant to the Federal Communications Commission’s (“FCC” or the “Commission”) Public Notice released August 13, 2018,¹ hereby submits these comments in support of the Emergency Petition of TracFone Wireless, Inc. for an Order Directing the Universal Service Administrative Company to Alter the Implementation of the National Verifier to Optimize the Automated and Manual Eligibility Verification Processes.²

¹ See *Wireline Competition Bureau Seeks Comment on Emergency Petition of TracFone Wireless, Inc. For An Order Directing USAC to Alter the Implementation of the National Verifier to Optimize the Automated and Manual Eligibility Processes*, DA-18-846 (August 13, 2018).

² See *Emergency Petition of TracFone Wireless, Inc. for an Order Directing USAC to Alter the Implementation of the National Verifier to Optimize the Automated and Manual Eligibility Verification Processes*, WC Docket Nos. 17-287, 11-42, 09-197 (filed August 11, 2018) (“TracFone Petition”).

TruConnect supports the Commission's intent in establishing a reliable nationwide verification system ("National Verifier") to establish eligibility for the Lifeline program, inter alia, to help identify and eliminate waste, fraud and abuse as a good steward of taxpayer funds and Commission resources. TruConnect also supports the Lifeline program's policy goals and purpose to help eligible low-income Americans to obtain employment, to be able to access healthcare and education opportunities and to access emergency responder services in order to care for and provide for themselves and their families. A rollout of a Nationwide Verifier system that actually impedes these two stated objectives and perhaps the policy goals of the Commission should be postponed until a viable and operational system can be implemented.

TracFone Wireless, Inc. ("TracFone") correctly explained that launching the National Verifier without the ability to verify subscriber eligibility based on information from key state databases undermines the policy goals of the Commission when it established the National Verifier in 2016.³ Further, TruConnect agrees with TracFone when it stated that moving forward with a hard launch without resolving these issues would be to the detriment of the Universal Service Administrative Company ("USAC") and consumers who would benefit greatly from the services.

If the Commission decides it is in the best interest of the consumer to move forward and allow USAC to further deploy the National Verifier without access to state databases then, alternatively, TruConnect supports the notion that the Commission should direct USAC to accept documentation produced through third parties' automated access to state databases as part of the National Verifier's manual process, including managed care organization ("MCO") letterhead proof of Medicaid eligibility.

³ Lifeline and Link Up Reform and Modernization, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Red 3962 (2016) ("2016 Lifeline Reform Order").

II. THE TRACFONE PETITION CORRECTLY EXPLAINS WHY THE COMMISSION SHOULD EXPEDITE ACCESS TO KEY DATABASES SUCH AS MEDICAID AND POSTPONE THE LAUNCH OF THE NATIONAL VERIFIER IN A GIVEN STATE UNTIL THE AUTOMATED PROCESS INCLUDES SUCH ENROLLMENT DATABASES IN THAT STATE.

TruConnect supports TracFone’s Petition, which correctly and thoroughly explains why access to key state and federal databases, such as Medicaid, is so important and without such access the hard launch of the National Verifier should be postponed.

The Commission’s goals in establishing the National Verifier included the ability to verify subscriber eligibility based on participation in key federal programs such as Medicaid. To date USAC lacks access to Medicaid enrollment databases in half of the soft launch states.⁴

The *2016 Lifeline Reform Order* states the National Verifier’s automated certification process would “rely on communications between the National Verifier and other systems and databases,” and that “the program databases checked should, to the extent possible, include those owned by states, those owned by Federal entities, or those owned by other entities.”⁵ Additionally, the *2016 Lifeline Reform Order* expressed the Commission’s “expect[ation] that the National Verifier will be able to accommodate and utilize many of the varying state databases available,” and that the automated process “will produce at least near real-time results.”⁶ This has not been the result of the soft launch. In addition to Medicaid information only being available in half of the soft launch states, in at least one of the six soft launch states automated verification from Supplemental Security Income (“SSI”), Veterans Pension, Tribal Programs, and Supplemental Nutrition Assistance Program (“SNAP”) is not available.⁷

⁴ TracFone Petition, p. 6.

⁵ 2016 Lifeline Reform Order ¶178

⁶ *Id.*

⁷ TracFone Petition, p.5-6

III. AS AN ALTERNATIVE, USAC SHOULD BE DIRECTED TO ACCEPT RELIABLE, AUTHENTIC DOCUMENTATION GENERATED BY A THIRD PARTY'S ACCESS TO GOVERNMENT DATABASES THAT SUBSTANTIATES ELIGIBILITY IN THE MANUAL REVIEW PROCESS SO THAT CONSUMERS HAVE REASONABLE ACCESS TO LIFELINE SERVICES

TruConnect agrees with TracFone that as an alternative to delaying the National Verifier launch the Commission should direct USAC, as part of its manual enrollment process, to accept proof of eligibility generated through third party access to state databases. This alternative should alleviate some of the inefficiencies and help to diminish the risk of abuse and fraud from only utilizing a manual verification process. As TracFone points out, MCO's attestations of eligibility are based exclusively on state and federal data, so USAC should face fewer administrative burdens as it can rely on these MCO's given the source of the information.

IV. THE COMMISSION SHOULD IMPLEMENT A PORT FREEZE TO IMPROVE THE RELIABILITY OF SUBSCRIBER ELIGIBILITY AND REDUCE UNNECESSARY EXPENSES FOR THE PROGRAM

A port freeze should be re-established by the Commission to improve Lifeline's ability to confirm and establish subscriber eligibility. Without a port freeze an eligible subscriber can frequently switch between eligible Lifeline communication carriers ("ETC"). Currently, there is no limit to how many times per week or per month a subscriber can switch providers and there is no way of knowing why the subscriber is switching carriers.

Every time the individual changes from one ETC to another their eligibility must be confirmed. This imposes an unnecessary burden and cost on the program and increases the likelihood that an individual is approved by the National Verifier that is not eligible. More agency staff will be required to manage this unnecessary churn and related customer service issues. In TruConnect's opinion, the Lifeline program and its related administrative costs would decrease and be stabilized with a port freeze requirement of 60 to 90 days. Furthermore, with frequent

churning of providers the ETC's do not have a chance to recoup their customer acquisition costs, ultimately hindering the amount ETC's can invest in new subscribers. With a port freeze the financial interests of the ETC are more aligned with the Commission's. For example both parties require that the subscriber is and remains eligible for the program and that the devices are used as intended, and both parties want to be able to regularly monitor the devices to insure the device is used for lawful purposes and as intended.

Furthermore, a one-step but simultaneous dual verification process rather than the proposed cumbersome two-step verification process should be implemented with the safeguards and for the reasons stated in the TracFone Petition, the Q Link Wireless, LLC ("Q Link") Petition⁸, and TruConnect's Comments submitted on both the Q Link Petition⁹ as well as these Comments. The Q Link Petition correctly pointed out that ETCs should be permitted to exchange information with USAC, including information necessary to establish eligibility, on a real-time, machine-to-machine basis when consumers seek to enroll in Lifeline. Without application programming interfaces (APIs), Lifeline consumers are prevented from being able to subscribe to Lifeline online in a single step.

In a one-step model, the ETC would pre-screen the prospective subscriber and then confirm eligibility with the National Verifier before a subscriber's eligibility is established. This method serves the dual purpose of (i) confirming the subscriber's Lifeline eligibility and (ii) providing the subscriber with a device they can use to seek and keep employment, access emergency services, health and telehealth services as well as access educational opportunities.

⁸ See Emergency Petition of Q Link Wireless LLC for an Order Directing the Universal Service Administration Company to Implement Machine-to-Machine Interfaces for the National Verifier, WC Docket Nos. 17-287, 11-42, 09-197 (filed July 5, 2018) ("Q Link Petition").

⁹ See TruConnect comments to Q Link Petition dated August 10, 2018

V. CONCLUSION

TruConnect respectfully urges the Commission to grant the TracFone Petition and direct USAC to accelerate the acquisition of information from key state databases and postpone the launch date of the National Verifier until after access such databases has been secured. Alternatively, we agree with TracFone that the Commission should direct USAC to accept eligibility documentation, such as MCO letterhead as proof of Medicaid enrollment, from third parties who have access to state databases where the National Verifier will not have direct access.

TruConnect also supported Q Link's Petition¹⁰ to restore carrier APIs prior to the National Verifier hard launch. TruConnect further supports the reinstatement of the port freeze requirement to minimize churn, which can contribute to waste, fraud and abuse in the Lifeline program. Delaying the launch of National Verifier until access to key databases is secured or accepting MCO letterhead as proof of Medicaid enrollment, coupled with a port freeze and granting of the Q Link Petition will help in ensuring the Commission's vision and goals of the National Verifier are met.

Respectfully submitted,

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¹⁰ See Q Link Petition.