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September 27, 2019

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-B204
Washington, D.C. 20554

Re: WC Docket No. 11-42

Dear Ms. Dortch:

On September 25, 2019, undersigned counsel, on behalf of Smith Bagley, Inc. ("SBI"), met with Trent Harkrader, Ryan Palmer, Jodie Griffin, Allison Jones, and Micah Caldwell from the Wireline Competition Bureau ("WCB"). The following issues were discussed:

National Verifier

Because it is difficult to obtain eligibility documents from subscribers living on remote Tribal lands, SBI stressed the importance of ensuring that the National Verifier be capable of electronically confirming eligibility through the Medicaid and the Supplemental Nutrition Assistance Program ("SNAP") databases, at a minimum. The recent establishment of a connection to the Centers for Medicare and Medicaid Services ("CMS") database will help streamline both enrollment and reverification efforts, but a significant percentage of SBI's customers qualify through SNAP. For Arizona, which is scheduled to hard launch on October 23, 2019, SBI requested a delay in reverification until SNAP database access is in place.

SBI also discussed the need for an earlier start to the annual recertification process, which is conducted by USAC in states where the National Verifier has launched. SBI noted that the WCB advised service providers that they could commence recertification efforts up to 150 days before a customer's service anniversary, and that in some cases they could accept incoming recertifications from customers even earlier.¹ Notwithstanding that guidance, USAC

¹ See, *Wireline Competition Bureau Provides Guidance on Rolling Recertification Pursuant to the Lifeline Modernization Order*, Public Notice, DA 16-1227 (rel. Oct. 27, 2016).

commences its recertification process just 90 days before the customer's service anniversary. SBI noted that this leaves the company with insufficient time to conduct meaningful outreach to its customers, many of whom live more than one hundred miles from a store and some of whom lack electricity or access to paved roads. SBI suggested that USAC be required to conduct its recertification process consistent with the WCB's 150-day guidelines.

Draft Lifeline Order on Circulation

SBI discussed the provision in the draft order requiring that, if a customer previously qualified via database but does not pass the database check on recertification, he or she must provide documentary proof of eligibility. SBI asked that an exception be provided for elderly people (defined as aged 60 or older) in Tribal areas. If an elderly customer on Tribal lands can no longer be verified as a Medicaid participant in CMS, it is statistically likely that they also qualify via household income or SSI.² Requiring documents in these cases would not only be unnecessary to prevent fraud, it would impose undue burdens on seniors. Many have mobility restrictions making it difficult to access places to upload documents, or cognitive impairments making new paperwork extremely challenging. Accordingly, elderly customers in Tribal areas should be exempted from this rule and retain the ability to self-certify.

Regarding the provisions of the draft order adding safeguards to prevent duplicate enrollments, SBI asked the FCC to streamline the current process for resolving certain types of errors that arise after the National Verifier process is complete. Specifically, although the National Verifier has an integrated process allowing identification and other documents to resolve issues such as TPIV or AMS failure, suspected duplicate errors sometimes arise after a customer has been approved by the National Verifier. In those cases, the service provider must engage in email correspondence with USAC and request a link for purposes of uploading documents proving that multiple customers are, in fact, different individuals. Once documents are uploaded, it can take weeks or even months for USAC to complete its review. SBI requested that this process be streamlined so documents can be uploaded within NLAD, tracked, and resolved more quickly so eligible customers can receive service promptly.

Lastly, SBI discussed the provision of the draft order that would prohibit service providers from paying commissions to sales agents based on the number of Lifeline enrollments. SBI asked the FCC to limit the prohibition to third-party agents and exempt employee agents. Employees are far more accountable than third parties and companies with ETC status have sufficient incentive to prevent widespread non-compliance.

² Of SBI's elderly Lifeline customers, approximately 39% qualified via household income, compared to 12% of its entire Lifeline base. Nationwide, USAC reports that only 6% of Lifeline customers qualified via household income. See: <https://www.usac.org/li/about/process-overview/stats/sep.aspx>

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Should you have any questions, please contact undersigned counsel directly.

Sincerely,

A handwritten signature in black ink, appearing to read "David A. LaFuria".

David A. LaFuria
Steven M. Chernoff
Counsel for Smith Bagley, Inc.

cc: Trent Harkrader
Ryan Palmer
Jodie Griffin
Allison Jones
Micah Caldwell