HWG | HARRIS, WILTSHIRE & GRANNIS LLP

November 8, 2018

Ms. Marlene H. Dortch
Secretary, Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *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

Dear Ms. Dortch:

On November 6, 2018, Issa Asad, Chief Executive Officer of Q Link Wireless, LLC ("Q Link"), Paul Turner, President of Q Link, Rafael Carvajal, Chief Operating Officer of Q Link, Noha Asad, Chief Business Development Officer of Q Link, Stephen Replogle of Cove Strategies, John Heitmann of Kelley, Drye & Warren LLP, and I met with Chairman Pai and his legal advisor Nirali Patel, and separately with Commissioner Carr and his Chief of Staff Jamie Suskind. Issa Asad, Paul Turner, Noha Asad, Rafael Carvajal, John Heitmann, and I also met with Commissioner Jessica Rosenworcel and her Chief of Staff Travis Litman.

During our presentations, we requested that the Commission act expeditiously on Q Link's Emergency Petition to create an API in the National Verifier that supports carrier-assisted online enrollment, and, as an interim measure, grant Q Link's request for a waiver to permit it to provide information to the National Verifier via bulk electronic transfer. We made the following points during our presentation:

- *Q Link was founded for the specific purpose of harnessing technology and automation rather than field agents to expand rural and suburban access to Lifeline, while enhancing efficiency and systematic program compliance*. With his background in both technology and telecommunications, when he founded Q Link, Mr. Asad recognized that existing methods of enrolling Lifeline consumers using in-person sales personnel failed to leverage technology to reach underserved rural, suburban and mobility-challenged consumers—and were also inefficient and difficult to manage. The existing brick-and-mortar approach necessarily limited Lifeline distribution principally to urban areas with a high enough density to sustain in-person enrollment.

- *By leveraging online enrollment, Q Link has emerged as the largest provider of Lifeline to rural America*. 67 percent of Q Link Lifeline customers live outside core urban areas. In addition, Q Link serves approximately 40,000 *rural* customers in each of a growing number of states, including Pennsylvania, Ohio, Texas, Michigan, and Louisiana, and more than 20,000 rural customers each in those states, plus Georgia, Kentucky, Indiana, Michigan, Missouri, and West Virginia. Because it can easily reach rural and suburban consumers, Q Link also has become the largest

Lifeline provider in Heartland states like Kansas, Arkansas, Colorado, Idaho, Kentucky, Minnesota, Missouri, and Wisconsin.

- ***Online enrollment and automation enable Q Link to ensure highly compliant operations***. Q Link has been through approximately 60 PQAs and audits without any final determinations of duplicate or ineligible subscribers.[1] Because Q Link enrolls consumers online, it has no in-person sales agents, and its tech-driven compliance team and process that reviews every application and every document involves no commissions.

- ***Right now, the National Verifier is designed to support only agent-assisted enrollment of Lifeline consumers, which happens primarily in urban areas and largely ignores underserved rural and suburban consumers***. In designing the interfaces for Lifeline providers to use when enrolling Lifeline customers, the National Verifier provided only one option—the agent portal. As a result, the National Verifier only supports Lifeline enrollment in the areas where agents are economically feasible, which is urban areas. The National Verifier lacks a carrier interface for online enrollment, which is essential to reach rural, suburban, and mobility challenged consumers, including veterans and seniors.

- ***An API is necessary to support Lifeline access for rural and suburban consumers***. A provider that reaches rural, suburban, and mobility challenged consumers online cannot use the National Verifier's agent portal because the online provider is not face-to-face in person with the consumer. To enable outreach to and enrollment of these underserved consumers, the National Verifier must add an API that allows Lifeline providers to integrate National Verifier checks into a unified consumer enrollment process by collecting eligibility information from consumers and providing that data to the National Verifier so that the National Verifier can determine the consumer's eligibility for Lifeline.

- ***Rural, suburban and mobility challenged consumers need carrier assistance in navigating the National Verifier's Lifeline eligibility process just like urban consumers do***. Currently, the National Verifier recognizes that getting through the process of demonstrating eligibility can be difficult. Accordingly, the National Verifier contains a dedicated portal that allows carriers to assist consumers during *in-person* enrollment through a sales agent. But it lacks the API necessary for carriers to provide the same assistance during *online* enrollment of rural, suburban and mobility challenged consumers, including veterans and seniors.

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[1] Q Link has one USAC audit that is the subject of a pending appeal, *see* Letter from John T. Nakahata, Counsel to Q Link, to Universal Service Administrative Company, Audit ID LI2016BE030 (filed June 18, 2018), and no other PQA or audit containing a single finding of enrollment of a duplicate or ineligible subscriber.
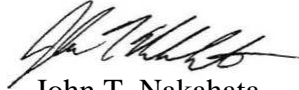
- *As "hard launch" progresses, more and more rural, suburban and mobility challenged consumers, including veterans and seniors, will lose meaningful access to Lifeline without a carrier API, or at least a bridge that allows bulk transfer of consumer certifications and eligibility information from a carrier to the National Verifier for a National Verifier eligibility determination.* In hard launch states, Q Link now lacks a feasible way to use online enrollment and related technologies to enroll new Lifeline consumers. The only way for a consumer to sign up with Q Link in hard launch states such as Colorado and Utah is for the consumer to navigate USAC's consumer portal or paper application alone, and then somehow find Q Link. While Q Link will still meet the basic advertisement requirement, Q Link can no longer conduct online outreach to consumers in these states, as it has no way to assist consumers with the verification process. As a result, the rural, suburban and mobility challenged consumers that are effectively reached only by Q Link have lost their best vehicle for access to Lifeline. This problem will only get worse as further "hard launches" occur unless the Commission grants Q Link's request for a waiver to permit bulk data transfer and, ultimately, directs USAC to implement a carrier API for the National Verifier.

- *A carrier API will improve the National Verifier's resilience to waste, fraud, and abuse.* A carrier API reduces the National Verifier's operational costs by allowing carriers to pre-screen and assemble consumer applications so that they contain all necessary information for the National Verifier to determine eligibility, while also shielding the National Verifier from incomplete applications, erroneous or illegible documents, or applications by consumers that the National Verifier will plainly reject (for example, because the carrier can dip the same state database and determine that the person is not listed on the state database, or has household income above the eligibility threshold). Q Link receives 4-5 documents from consumers for every one document that it needs to demonstrate eligibility. More than half of the consumers that start the Q Link application process are screened out because they cannot clearly demonstrate eligibility. Without screening, this additional work would all fall on the National Verifier. Carrier screening in no way displaces the role of the National Verifier in making eligibility determinations—but it will reduce risks, operational burdens, and costs for the National Verifier.

- *An API for carriers to transmit and receive information to and from the National Verifier will not create vulnerabilities for improper payments.* Any API that allows carriers to interface with the National Verifier will come with security protocols, such as restricting the use to specific IP addresses and users. It also will allow carriers only to send and receive information, and not to access the underlying database information or to change that information. In addition, because Lifeline reimbursement payments are now made based on subscribers in the NLAD, a denial of eligibility made by the National Verifier will prevent that consumer from being included in the NLAD, which eliminates the ability of a carrier to erroneously claim that individual.

- ***Both an API and the interim waiver requested by Q Link would leave the eligibility determination to the National Verifier in all cases***. Q Link has not sought any authority to conduct its own determinations of eligibility in hard launch states, even on an interim basis. Q Link simply wishes to pursue alternative forms of transmitting information, documentation, and customer certifications to the National Verifier while the Commission decides the API issue.

Q Link shares the Chairman's goal of maintaining meaningful access to Lifeline for rural, suburban, and mobility challenged consumers, including veterans and seniors, and hopes to work collaboratively with the Commission to ensure that the National Verifier meets that objective. Indeed, Q Link strongly supports the National Verifier, and believes that properly executed, it will be a win-win—efficiently policing waste, fraud and abuse while allowing carriers to do the outreach and consumer-facing interactions that free enterprise will always perform better than the government. In this way, rural, suburban and mobility challenged Americans, including veterans and seniors, can have meaningful access to the Lifeline services that they need, and that help close the rural broadband access gap.

A handout distributed at each meeting is attached to this letter. Please contact me if you have any questions.

Sincerely,

John T. Nakahata
Counsel to Q Link Wireless, LLC

cc: Chairman Ajit Pai   Trent Harkrader
     Commissioner Brendan Carr   Ryan Palmer
     Commissioner Jessica Rosenworcel   Jodie Griffin
     Nirali Patel   Allison Baker
     Jamie Suskind   Allison Jones
     Travis Litman
     Arielle Roth

Attachment

ATTACHMENT

NATIONAL VERIFIER SERVICE PROVIDER API

Q LINK WIRELESS

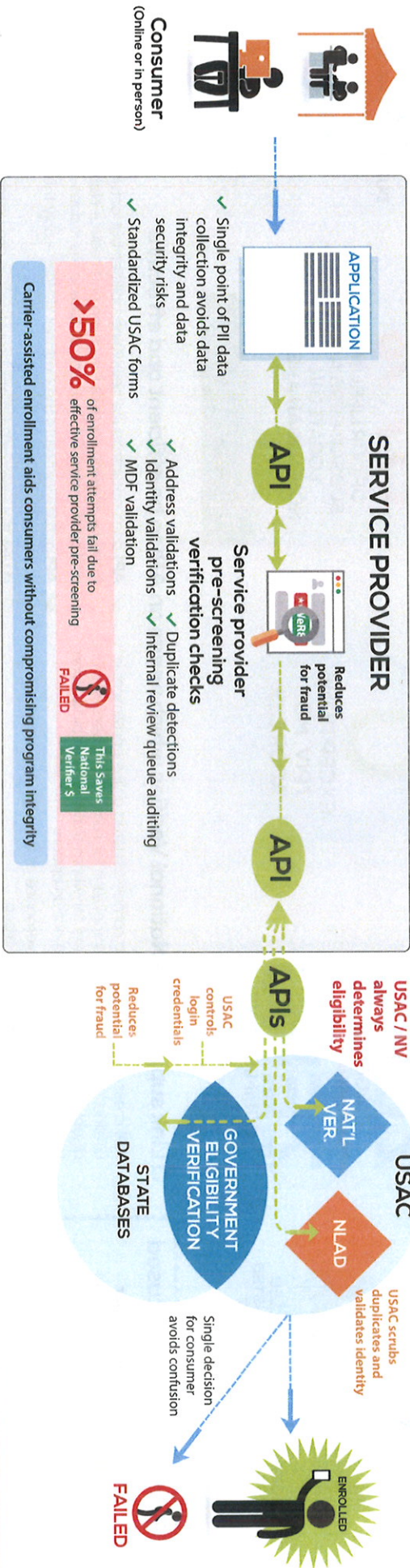APIs are used everyday to facilitate online transactions and the delivery of government benefits

APIs are used by USAC today in NLAD
(National Lifeline Accountability Database)

SERVICE PROVIDER — API — USAC — NLAD — FAILED

APIs are used today by ETCs and National Verifier to access state databases

SERVICE PROVIDER — API — STATE DATABASES — API — NAT'L VER.

A SERVICE PROVIDER API IS ESSENTIAL TO A SUCCESSFUL NATIONAL VERIFIER

Consumer (Online or in person)

SERVICE PROVIDER

APPLICATION

API

Service provider pre-screening verification checks

Reduces potential for fraud

- Address validations
- Identity validations
- MDF validation
- Duplicate detections
- Internal review queue auditing

FAILED / This Saves National Verifier $

- ✓ Single point of PII data collection avoids data integrity and data security risks
- ✓ Standardized USAC forms

>50% of enrollment attempts fail due to effective service provider pre-screening

Carrier-assisted enrollment aids consumers without compromising program integrity

APIs

USAC controls login credentials

Reduces potential for fraud

USAC / NV always determines eligibility

USAC

NAT'L VER.

GOVERNMENT ELIGIBILITY VERIFICATION

STATE DATABASES

NLAD

USAC scrubs duplicates and validates identity

Single decision for consumer avoids confusion

ENROLLED

FAILED

A National Verifier Service Provider API is the most effective and secure means of enrolling rural Americans and disabled Veterans and Seniors... plus it will save millions of dollars annually in National Verifier operations costs.

A TECHNOLOGY COMPANY PROVIDING LIFELINE SERVICE IN A UNIQUE CONSUMER-CENTRIC AND COMPLIANCE-FOCUSED WAY

Q Link is a technology company that develops systems and processes to reach and serve low-income customers in a unique, compliance-centric way. We set out to do business differently from all other Lifeline providers.

- **We use technology** to identify potentially eligible consumers, raising awareness to and educating low-income Americans about Lifeline, including its eligibility rules.

- **We use technology** to facilitate enrollment of eligible Lifeline subscribers while rejecting incomplete or ineligible applications.

- **We use technology** to provide a superior customer experience that reduces churn for us and transaction expenses for Lifeline program administration.

- **We are compliance-focused and avoid risk:** we have an IP address associated with every enrollment – as well as an email address and alternate phone number – ensuring that real people are enrolling.

100%
OF CUSTOMERS ENROLLED THROUGH CARRIER-ASSISTED ONLINE ENROLLMENT

ZERO AGENTS
ZERO COMMISSIONS

0 EXCEPTIONS TPIV, MDF ADDRESS

67% OF OUR LIFELINE SUBSCRIBERS ARE LOCATED IN NON-URBAN AREAS

5 DUPLICATE CHECKS PRE -497

3 MDF CHECKS PRE -497

We are customer focused

We communicate with our customers regularly and offer perks to keep them engaged.

We care and respond in times of crisis – we gave all of our Puerto Rico customers unlimited voice, text and broadband in the wake of last year's hurricanes.

Q Link supports the National Verifier which needs an API to be efficient and effective

- **API** is essential to providing carrier-assisted online enrollment in Lifeline, which is especially important for rural subscribers, seniors, disabled veterans and others for whom travel to a retail location (storefront or tent) is often not an option.

- **API** is essential to good governance of the Lifeline program, reducing costs and risks of fraud.

- **API** will not in any way displace the role of the National Verifier in making eligibility determinations.

- **API** does not introduce new vulnerabilities but actually helps protect against fraud by allowing carriers to screen and reduce National Verifier workload and by allowing USAC to control access (as it does with the NLAD API).

- **API** actually protects the National Verifier – only those with USAC-specified credentials get access.

- **Q Link Emergency Petition:** stakeholders are united in support for the API.

- **Q Link Waiver Petition:** for an interim period, we simply ask that we can continue to leverage our API access to CO and UT databases and that we send the results of those dips and other eligibility documentation to the National Verifier in bulk form daily.