

**JUDSON H. HILL, ESQ.**

November 12, 2018

**BY ECFS**

Marlene Dortch, Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Re: Sage Telecom Communications, LLC and Telscape Communications, Inc. d/b/a TruConnect; Telrite Corporation; WC Docket Nos. 17-287, 11-42, 09-197, 18-213.

Dear Ms. Dortch:

On November 8, 2018, I, a former Georgia State Senator and current advisor to Telscape Communications, Inc. d/b/a TruConnect and Sage Telecom Communications, LLC (collectively, (TruConnect) and Telrite Corporation (Telrite), met with Chairman Ajit Pai, Commissioner Brendan Carr, Nirali Patel, Wireline Advisor to the Chairman, and Jamie Susskind, Chief of Staff to Commissioner Carr, to discuss the FCC Order, Notice of Proposed Rulemaking and Notice of Inquiry released by the Commission on December 1, 2017<sup>1</sup> and Notice of Inquiry, released by the Federal Communications Commission on August 3, 2018, WC Docket No. 18-213.<sup>1</sup>

I emphasized how most Eligible Telecommunications Carriers “ETC” share the Chairman and Commissioner’s goals of bridging the digital divide and advancing telemedicine opportunities for all Americans; that there may be no more important existing FCC program than Lifeline to support that effort since without access to a Lifeline device because millions of Americans simply cannot afford to stay connected and thus they risk falling further behind in our digital economy.

I emphasized that current technologies enable a Lifeline device to be used to access innovative telemedicine opportunities thereby improving health and healthcare access for lower income Americans. Without this service, many low-income Americans would incur even greater challenges finding employment, accessing healthcare and helping their children completing homework away from school, not to mention reaching emergency first responders.

In addition, I emphasized that the National Verifier program has broad bipartisan support as the key tool to root out any remaining waste, fraud and abuse in the Lifeline program to insure that only people who are eligible receive Lifeline discounted service.<sup>2</sup> I discussed, however, that the National Verifier’s roll-out has many challenges which if not corrected, will be expensive for USAC and may contribute to *increased* waste, fraud and abuse because currently databases are difficult to access, are sometimes unreliable, and the current design requires multiple steps necessitating engaging a sales representative. I emphasized that the system should implement application programming interfaces (API) to improve the enrollment process from that originally proposed.

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<sup>1</sup> See *Bridging the Digital Divide for Low-Income Consumers et al.*, WC Docket No. 17-287 et al.

When USAC designed the National Verifier last year, an API was not included so currently in order to enroll, a prospective subscriber must learn and self-navigate the eligibility verification process without assistance before then *repeating* the same process with a Carrier, often through an independent sales agent, who must collect the *same* information and *again* verify eligibility before they enroll the subscriber. This process creates more opportunities for fraud and abuse. Also, many otherwise eligible people may now find the new verification process too challenging and not enroll in the program which might have helped them find a job, stay employed or obtain emergency and healthcare services. Furthermore, under the current National Verifier design rural Americans and those lacking access to healthcare will undoubtedly be harmed the most since disproportionately they depend on web-based enrollment and lack access to in-person assistance. Eliminating non-facilities based resellers will not improve this design vulnerability.

I also discussed that the proposed APIs that many ETCs advocate for are similar to the proven technologies used by most every other established federal program. Those APIs provide a very efficient way to exchange information between companies, individuals and the government. They should be re-considered for the National Verifier. APIs provide enhanced accountability and would help USAC and the Commission more effectively determine the accuracy of presented eligibility data. Use of APIs would also allow the government to more accurately evaluate the status of current fraud and abuse in the program before making other program changes. Furthermore, in a desire to insure data and program integrity rather than allow a plethora of groups to access data through an API interface, perhaps APIs access should be limited to approved ETCs.

In addition, we discussed the NPRM's reference to non-facilities based resellers. Rather than eliminate resellers from the Lifeline program to help address waste, fraud and abuse with no evidence or guarantee that facilities based Carriers would re-enter the Lifeline program or perform better, I offered support for a "conduct-based requirements" approach for resellers plus more accountability for independent sales agents who interface directly with prospective Lifeline subscribers. I further explained that possibly USAC agent registration and conduct-based requirements will improve program integrity. This would also help target non-compliment ETC's and agents. This would be a very effective approach to combat waste, fraud and abuse rather than simply eliminate *all* resellers regardless of their compliance safeguards or performance history. I also emphasized that conduct-based requirements will benefit subscribers and would help assure that a greater percentage of subscribers across America obtain better access to job and education opportunities plus access to healthcare and emergency first responders.

I also spoke with the Commissioners and staff about port freezes. I made the correlation and link between a port freeze, churning, the National Verifier and program waste, fraud and abuse. For the National Verifier to effectively work and for eligibility information to be accurate and reliable, a port freeze should be implemented.

Eligibility verification is very difficult and may not be accurate if a subscriber frequently switches Carriers. Currently without a port freeze proposed subscribers could switch daily. Currently subscriber eligibility may be confirmed by mistake because with frequent switching, or churning, sometimes data is not up to date or reliable.

I also explained that a 60-day port-freeze will help make the National Verifier data more accurate and reliable and a port freeze will effectively reduce a large percentage of waste, fraud and abuse because

frequent switching, or churning may actually “encourage” or enable fraud. Otherwise there is no benefit to frequently switch Carriers. To summarize, I stated that frequent switching makes eligibility verification difficult, data less reliable and unnecessarily increases costs for USAC and the Carrier.

I further shared that regulatory certainty and reduced subscriber churning, in other words, a port freeze requirement of 60 or even 90 days, brings stability and economic certainty for ETCs. With program certainty many ETCs will readily expand their offerings across America and may offer innovative add-on healthcare and job search application technologies to the Lifeline devices that support the Commission’s telehealth initiatives.

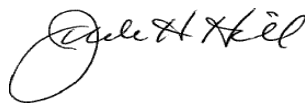
Next, I mentioned that initially minimum standard requirements went hand in hand with a one-year port freeze, however, the requirement for ETCs to increase minimum standards was not frozen when the port freeze requirement was lifted. Since standards have now been increased, perhaps it is time to freeze the “automatic” increases and allow time for the Commission to first analyze the statistical data to quantify any benefits achieved as well as examine other recent or near-term changes to the program.

Lastly, I shared that in 2010 the Commission froze ETC admission in certain states that allow the FCC to control their ETC program entrance (“default states”). This freeze has never been lifted even with subsequent rule changes and new eligibility verification requirements. I suggested that removal of the default state freeze would bring needed competition in those states, benefit Lifeline subscribers and will improve subscribers’ access to connectivity especially in rural America.

I concluded our conversations expressing a desire to actively and constructively participate in the Lifeline rulemaking to help the Commission achieve their stated objectives.

Pursuant to section 1.1206(b) of the Commission’s rules, this letter is being filed electronically.

Respectfully submitted,



Judson H. Hill, Esq.  
[Judson@judsonhill.com](mailto:Judson@judsonhill.com)

cc: Chairman Ajit Pai  
Commissioner Brendan Carr  
Nirali Patel  
Jamie Susskind

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<sup>1</sup> cont’d Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, FCC 17-155 (Nov. 16, 2017); *see* Notice of Inquiry, released by the Federal Communications Commission on August 3, 2018, WC Docket No. 18-213.

<sup>2</sup> *See* Ex Parte filing from Counsel to Q Link Wireless, LLC, WC Docket No. 17-287, WC Docket No. 11-42 and WC Docket No. 09-197 filed May 25, 2018 and supplemented May 31, 2018.