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February 29, 2016

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

Re: Notice of Lifeline Connects Coalition Oral *Ex Parte* Presentation; WC Docket Nos. 11-42, 09-197, 10-90

Dear Ms. Dortch:

On February 25, 2016, Chuck Campbell and Alex Rodriguez of CGM, LLC and John Heitmann and Joshua Guyan of Kelley Drye & Warren LLP met on behalf of the Lifeline Connects Coalition (Coalition)[1] with Charles Eberle, Ryan Palmer and Jay Schwarz of the Wireline Competition Bureau (Bureau) to discuss the Lifeline program and the Second Further Notice of Proposed Rulemaking (FNPRM).[2]

During the meeting, the Coalition described in detail its proposal for a national Lifeline eligibility verification framework. The Commission should recognize the fact that the Lifeline program operates on 1.3 percent administrative costs and boasts an improper payment rate of 0.44 percent. A national third-party verifier solution must not materially compromise these successes. A hybrid approach that leverages a variety of trusted third-party verification solutions can

[1] The members of the Lifeline Connects Coalition are i-wireless, LLC, Telrite Corporation, Blue Jay Wireless, LLC, and American Broadband & Telecommunications Company.

[2] *See Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket Nos. 11-42, 09-197, 10-90, Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order, and Memorandum Opinion and Order, FCC 15-71 (rel. June 22, 2015) (Second FNPRM). In support of our positions, we provided the enclosed document "Proposed National Eligibility Verifier Framework" as an **Exhibit**.

effectively address real and perceived waste, fraud and abuse, while keeping program administration costs low and accuracy of payments high.

Initially, where a state eligibility database is available, an additional third-party verifier is unnecessary (i.e., the state database serves as a third-party verifier). ETCs can check the state eligibility database in the same manner that they do now and the database makes the eligibility determination. However, state databases should meet the minimum standards proposed by the Coalition so that eligible consumers are not denied Lifeline service.[3] Where there is no state eligibility database and a verifier is necessary, the flexible approach should allow for options wherein:

(1) eligible telecommunications carriers (ETCs) can enroll Lifeline customers as they do now with regular third-

the eligibility program checked off on the application, and confirming the name or date on the proof of eligibility if applicable.[6] This is the same confirmation of proof of eligibility performed by the California LifeLine Administrator during the California LifeLine enrollment process. The Coalition proposes that this proof of eligibility confirmation is the only part of the enrollment process that must be confirmed by a USAC-certified trusted third-party, and then ETCs can choose to have the verifier conduct any additional parts of the enrollment process that they choose. This approach allows ETCs and the Lifeline program to leverage the extensive existing enrollment infrastructure, but layer on a third-party verification.

Mr. Campbell and Mr. Rodriguez then described how the process would work within the existing framework of the National Lifeline Accountability Database (NLAD). As shown graphically in the Exhibit, the ETC would first collect all of the required information, including proof of eligibility and conduct the "verify" call to the NLAD to confirm that the applicant does not

individual consumers (as decided by them – not for them) while also serving the goal of affordable access.

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

Respectfully submitted,

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Enclosure

cc: Charles Eberle
Ryan Palmer
Jay Schwarz

EXHIBIT

Under Scenario 1, all state databases should include the following at a minimum:

- **Real-time API access.**