

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

|                        |   |                      |
|------------------------|---|----------------------|
| In the Matter of       | ) |                      |
|                        | ) |                      |
| FEDERAL-STATE BOARD ON | ) | GN Docket No. 09-51  |
| UNIVERSAL SERVICE      | ) |                      |
|                        | ) |                      |
| LIFELINE AND LINK UP   | ) | WC Docket No. 03-109 |
|                        | ) |                      |

COMMENTS OF YOURTEL AMERICA, INC.

**Introduction**

YourTel America, Inc. (“YourTel” or “Company”), respectfully submits these Comments in response to the June 15<sup>th</sup>, 2010 request of the Joint Board<sup>1</sup> for comments on the questions presented in the May 4<sup>th</sup>, 2010 Federal Communications Commission (“FCC” or “Commission”) *Referral Order* regarding the recommending of “...any changes to the Lifeline and Link Up eligibility, verification, and outreach rules that may be necessary given significant technological and marketplace changes...”.<sup>2</sup>

YourTel is a small, minority owned telecommunications carrier headquartered in Kansas City, Missouri that provides local and long distance services to low-income customers in Kansas, Missouri, Oklahoma and Illinois. YourTel has been designated as an ETC by the public utility

---

<sup>1</sup> See *Federal-State Joint Board on Universal Service Seeks Comment On Lifeline and Link-Up Eligibility, Verification, and Outreach Issues Referred To Joint Board*, FCC 10J-2 (rel. June 15, 2010).

<sup>2</sup> See *Federal-State Joint Board on Universal Service, Lifeline and Link Up*, CC Docket No. 96-45, WC Docket No. 03-109, Order, FCC 10-72 (rel. May 4, 2010)(*Referral Order*).

commissions in Kansas, Missouri, Oklahoma and Illinois, has been an active participant in the USF low-income Lifeline and Link Up program since 2003 and a consistent vocal supporter of Broadband access for the underserved. The vast majority of YourTel's customers are Lifeline eligible, are still struggling to gain affordable access to the information superhighway, 95% of them did not have telephone service prior to purchasing YourTel's services and virtually none of YourTel America's lifeline customers have Broadband. Therefore, YourTel is well positioned to provide experienced comment and insight on this matter and stands ready to follow the FCC's leadership in bringing Broadband to the underserved.

## COMMENTS

### **I. An automated system can provide support for Lifeline and Link Up in several different areas of these programs.**

In response to Paragraphs 14-16, Eligibility requirements, Paragraphs 18 and 19, Automatic Enrollment, Paragraph 20, Electronic certification and verification of consumer eligibility and Paragraphs 21 and 22, Duplicate claims for Lifeline Support of the Referral Order, YourTel, as it did in its previous filing<sup>3</sup>, takes this opportunity to endorse the automated and automatic qualification of eligible customers. Given that the USF programs are on the important and necessary cusp of expanding to include Broadband and that the states who have implemented an automated process report increased participation, YourTel respectfully concludes that now is the most opportune time to require all states to adopt the most effective method of enrollment available.

---

<sup>3</sup> See *Comments of YourTel America* in re NBP PN#19, filed Dec. 7, 2009 at 6.

For those still involved in a manual process, the requirements and touch points are burdensome both to providers and especially customers. Consider the following. In order for a customer to receive discounted phone service, the customer must first go through an initial, often non-automated, qualification process in order to receive low-income benefits. Then the same person has to again experience yet *another* non-automated process to prove they are receiving those benefits so they can now receive the discounted phone service. Add into this mix the number of federal and state qualifying programs involved and the required supporting state-specific paperwork and you have a program that, while currently qualifying people and not subject to such ballooning growth as the High Cost Fund, strains under cumbersome qualification requirements, may be open to abuse and is difficult to audit.

While YourTel welcomes the expansion of eligibility to additional classes of individuals or new programs, it takes a dim view of requiring additional documentation. Now is not the time to move in the direction of adding additional steps or paperwork to these programs and requiring such will work against increased participation in both the wireline and Broadband pieces. In fact, given that many states have meritoriously enacted their own rules to handle documentation, this has now progressed to the point of creating confusion. Clarity is needed to simplify and maximize the program. For example, in at least one state in which YourTel does business, keeping a copy of the proof is not required, yet in the others it is. This is a golden opportunity for the Joint Board to eliminate the confusion surrounding this issue by asking the Commission to issue a definitive clarification as well as eliminating even the idea of a need for this by moving to an automated system whereby proof is still obtained but it is not burdensome.

What YourTel envisions is a database whereby all carriers can “dip” via an API for verification. We do not envision what is commonly referred to as “automatic enrollment”.

Automatic enrollment is good but it usually only serves consumers who already have telephone service. Florida has one of the better programs and its success demonstrates our theory with a 13% increase in Lifeline subscribership.<sup>4</sup> However, YourTel America feels programs like this need be further enhanced so as to increase subscribership for telephone service and ultimately for Broadband. The Florida program takes contact information from participants in the proxy programs and forwards that information to (predominantly incumbent) carriers. This is essentially a “push” strategy. YourTel envisions a program that supports a “pull” strategy, whereby the marketing efforts of carriers like YourTel that “pull” consumers to the product, are maximized by streamlining the sales process. The marketplace needs a system that supports outreach to those who do not have telephone service and in the future to those who do not have Broadband.

Given that the low rates of Broadband subscribership are so low in underserved markets it will take a great deal of grassroots marketing and outreach to make Broadband relevant and desired by the consumer. Grassroots marketing to niche consumers is most often done best by fast moving entrepreneurial companies like YourTel. An automated system will facilitate turning those efforts into subscribership. Furthermore, the goal of Broadband is sustainable adoption. Incumbents will naturally have contracts and credit checks whereas companies like YourTel will historically offer their products packaged more closely aligned to the needs of vulnerable populations without long term agreements and credit checks. With a well functioning system, carriers like YourTel America will be able to host more effective outreach and neighborhood events where consumers can be instantly verified and subscribed to discounted telephone and/or Broadband service. The current processes and the current “automatic

---

<sup>4</sup> See <http://www.psc.state.fl.us/home/news/index.aspx?id=338>

enrollment” systems do not facilitate such outreach. Currently we must delay service or, where possible, bring scanners or photocopiers to these events in the hopes that customers have the necessary documents at hand, thwarting successful sales opportunities.

It is clear that the move to automation could also play a favorable role in the control of duplicate Lifeline and Link Up support claims. While YourTel maintains its own internal audit process to prevent this from occurring within its own customer base, to the best of its knowledge there are no checks and balances available to *any* service provider in place to prevent a customer from obtaining support from two different carriers. YourTel, and every other carrier, has to rely on the current self-certification process. Given that there exists today no tools in place today for carriers to ensure the self-certification is valid, it is impossible to expect that carriers would currently be playing a role in verifying this portion of the self-certification. However, should a database be developed, such a tool would then be in place that could provide such a response while protecting the integrity of each carrier’s customer base.

In addition, an automated database will facilitate annual recertification. Currently a sample may be performed or each customer must complete new paperwork. The latter is burdensome to consumers. The former is ideal, but the data is not available for carriers to perform the process as we believe it was intended – which is to verify a sample of customers with the proxy program administrator. Some carriers are marrying the two and sending forms to customers as a sample to use as verification of the whole. We do not believe this is the intent and a database could be queried to verify all consumers painlessly and accurately.

## **II. Outreach should also be supported by social service agencies.**

In response to Outreach, Paragraphs 31 – 35 of the *Referral Order*, as an ETC, YourTel

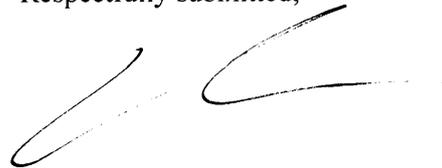
points out to the Joint Board that it has already spends millions of dollars on advertising and marketing that includes outreach designed to promote consumer awareness of the Lifeline and Linkup programs and believes that the existing guidelines already in place are sufficient. YourTel cautions against any actions that would make these guidelines more stringent and thus financially burdensome and possibly less effective. The recent Lifeline advertising rules for the Digital TV conversion, albeit a great idea, is an example of an ETC advertising requirement that became so specific in its language that it overwhelmed many advertising messages and resulted in additional unreimbursed expenditures. Furthermore, the language took 30 seconds of airtime and as such, YourTel was unable to use radio advertising which is customarily only 30 seconds in length. In addition, repetitive short commercials (like sponsorships) were also unusable. Rather, since carriers are already providing one of the outreach “bookends”, YourTel endorses the National Broadband Plan suggestion that state social agencies, the very agencies that are in reality already completing the first step in providing Lifeline by qualifying the customer for low-income benefits, play a greater role in outreach and provide the other bookend. To that end these efforts must be competitively neutral so customers may choose from a variety of offerings. Additionally, Lifeline funds could be allocated at a state level for statewide outreach in furtherance of the program.

### **Conclusion**

Billions of dollars are being spent, and rightfully so, on providing Broadband access to the underserved. Adding Broadband to the USF is critical in gaining sustainable Broadband adoption .Now that we are faced with the challenge, a universal process for Lifeline and Link Up needs to be in place so as not to impede the progress of low income consumers from basic phone service to Broadband. YourTel asks the Joint Board to recommend to the Commission that it is

now time to begin the implementation of automated automatic enrollment and a centralized database for the future efficiency of the program and the relief of the consumers involved. Furthermore, YourTel America recommends allowing carriers to remain creative in their advertising and for all carriers to partner with social service agencies.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Dale Schmick', with a stylized flourish at the end.

Dale Schmick  
Chief Strategy Officer  
YOURTEL AMERICA, INC  
2800 E 18<sup>th</sup> Street  
Kansas City, MO 64127  
816-388-1000 Tel  
dschmick@yourtel.com

Dated: July 15, 2010