



*Administration of Public Benefit and  
Centralized Lifeline Eligibility Programs*

March 9, 2011

# Who is Solix?

- A proven neutral administrator of state and federal public benefit programs that provide almost \$6 billion in annual support
- Headquartered in Parsippany, New Jersey with subsidiaries in Missouri and Illinois
- A privately-owned corporation that employs 400 workers in New Jersey, and almost 1,000 throughout the U.S.

# Solix' Core Competencies

- Adeptly translating complex legislative and regulatory requirements into documented and user-friendly systems and processes
- Determining and verifying program eligibility using secure, web-based systems and tools
- Implementing controls and reviews to ensure program integrity and minimize waste, fraud, and abuse
- Providing complete customer care, including multilingual call center and fulfillment services
- Collecting, investing, and distributing funds

# Solix Program Administration

- **Federal E-Rate, Rural Healthcare, and Rural Healthcare Pilot Programs**
- **Centralized Low-Income Discount Programs**
  - California (Telephone)
  - Texas (Telephone & Electric)
- **State Universal Service Funds (USFs)**
  - Arizona
  - Indiana
  - Nevada
  - New Mexico
  - Oklahoma
  - Oregon
  - Pennsylvania
  - Puerto Rico
  - Texas
- **Intrastate Telecommunications Relay Service Funding**
  - Connecticut
  - Hawaii

# Examples of Solix Managed Work

- **Federal E-Rate Program:** Solix serves as the “back office” for the Universal Service Administrative Company (USAC), processing approximately 50,000 annual applications requesting funds from the \$2.25B program to support Internet access for schools and libraries throughout the nation.
- **California LifeLine Program:** On behalf of the California Public Utilities Commission, Solix annually processes more than 1M applications to determine initial LifeLine eligibility and more than 1.7M to verify ongoing eligibility. We audit 60K+ customers annually to test the validity of self-certifications.
- **Texas Low Income Discount Administrator:** Solix works for the Texas Public Utility Commission to determine the eligibility of more than 1.25M residents for telephone and electric service discounts. Solix interfaces with the Texas Health & Human Services Comm. and 170 service providers to analyze more than 10M customer records each month.

# Examples of Solix Managed Work

- **Arkansas Lifeline Individual Verification Effort (ALIVE) Administrator:** Solix performs Federal Lifeline verification, re-certification, program assistance, training, and reviews for a consortium of rural local exchange carriers in Arkansas.
- **Wireless Lifeline Service Providers:** Solix performs eligibility certification and verification reviews to support prepaid wireless Lifeline service provider operations. Our turnkey solutions include call center services, application review, scanning, fulfillment, and website hosting.
- **Wireline Lifeline Service Providers:** Solix provides Lifeline eligibility certification and verification services to 39 wireline service providers operating in states that do not have a centralized administration process.

# Program Compliance/Audit Support

- As administrator of public benefit programs, Solix is subject to numerous annual audits, including audits by:
  - The Universal Service Administrative Company (USAC)
  - The U.S. Government Accountability Office (GAO)
  - The FCC Office of Inspector General (OIG)
  - State utility commissions
  - Regional and national public accounting firms
- In 2011, Solix successfully completed a voluntary SAS 70 audit of our E-Rate and Rural Healthcare operations
- Solix conducts compliance reviews of program participants on behalf of state utility commissions in California, New Mexico, Nevada, Oklahoma and Texas

# Solix Supports Lifeline Eligibility Administration by...

- Determining initial and verifying ongoing program **eligibility**
- Deploying proven systems and platforms to quickly implement **reliable and tested** solutions
- Employing **skilled and experienced personnel** to work with regulatory agencies to ensure policy goals are met
- Using **web-based systems** to securely collect, process, and protect applicant and service provider data
- Ensuring **program integrity** through process controls, audits, and reviews to **minimize waste, fraud, and abuse**

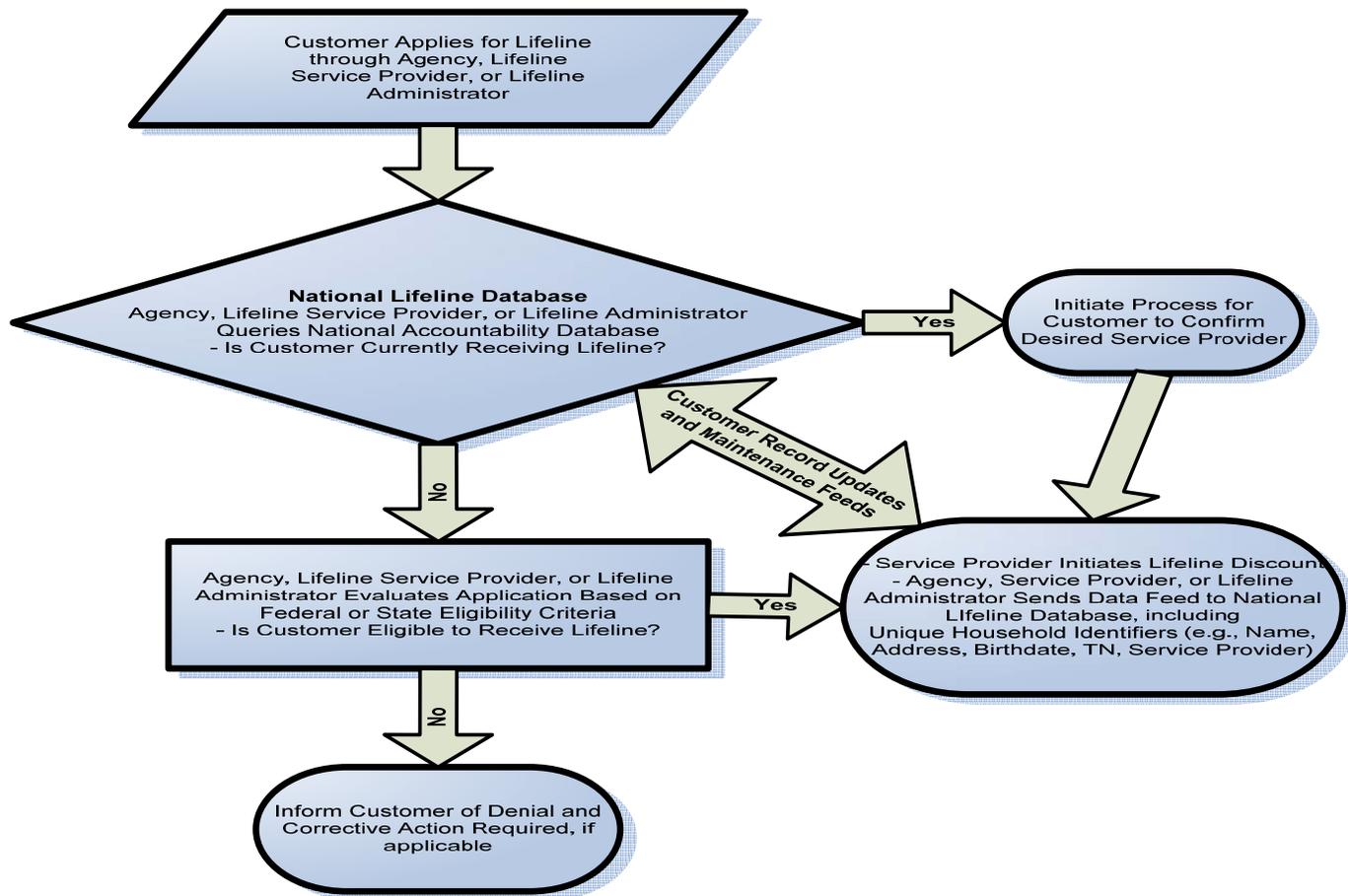
# FCC NPRM

## National Lifeline Database

### Database Design Considerations

- Federal/State Eligibility Criteria
  - Program-based Certification & Verification
  - Income-based Certification & Verification
- Initial Lifeline Customer Load Process
- Database Scrubbing
  - Address Cleansing/Standardization
  - Elimination of Duplicates
- Data File Exchange Formats
  - Flat Files (via SFTP) for Periodic File Retrieval
  - Web Services for Near Real-Time Data Exchanges
- Ongoing Maintenance/Reconciliation
  - Annual Verifications
  - Termination of Eligibility
  - Discontinued Service/Non-Usage
  - Opt-outs
  - Customer Moves
  - Service Provider Changes

# National Lifeline Database Example Process Flow<sup>1</sup>



<sup>1</sup> This example depicts the National Lifeline Database as a central repository of Lifeline subscriber data. Variations could also incorporate a centralized eligibility determination process.

# Solix Value Proposition

- **Program Compliance.** We are adept at translating regulatory rules and requirements into effective processes with comprehensive internal controls.
- **Cost Effectiveness.** We process millions of eligibility applications each year; economies of scale result in applied efficiencies.
- **Proven Platforms.** Our technology solutions are secure, operational, and proven to satisfy market needs and regulatory requirements.
- **Neutral, Transparent, and Auditable Processes.** We are an independent and neutral third-party administrator. We maintain fully documented procedures and eligibility decisions that support transparency, reviews and audits.

# Solix is an Award-Winning Company

- 2010 & 2011 NJBIZ Best Places to Work in New Jersey
- 2007, 2008 & 2009 Alfred P. Sloan Award for Business Excellence in Workplace Flexibility
- 2009 AARP List of Best Employers for Workers Over 50
- 2009 Morris County Economic Development Corporation: Business Expansion Award
- 2009 NJBIA Awards for Excellence Winner: Outstanding Employer
- 2008 Employers Association of NJ Harold R. Hawkey Exceptional Employer Award

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