

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

In the Matter of	)	
	)	
Telecommunications Carriers Eligible for Universal Service Support	)	WC Docket No. 09-197
	)	
NTCH, Inc. Petition for Forbearance from 47 U.S.C. § 214(e)(5) and 47 C.F.R. § 54.207(b)	)	
	)	

**NTCH, INC. COMPLIANCE PLAN**

NTCH, Inc. and its affiliated entities (collectively, “NTCH”) submit this amended Compliance Plan in satisfaction of Condition 11 of the Commission’s order granting its Petition for Forbearance (the “NTCH Order”).<sup>1</sup> In the NTCH Order, the Commission forbore from enforcing the requirement that NTCH’s service area conform to the service area of any rural telephone company serving the same area, for the limited purpose of designation as a Lifeline-only eligible telecommunications carrier (“ETC”).

The Commission found that NTCH’s request satisfied each prong of the forbearance standard of section 10 of the Communications Act of 1930 and that forbearance was therefore required.<sup>2</sup> Nonetheless, it imposed conditions on NTCH designed to reduce the risk of fraud, waste, and abuse in the Lifeline program.<sup>3</sup> These conditions have now been codified and applied to *all* ETCs by the Lifeline Order adopted January 31, 2012, which includes not only the NTCH

---

<sup>1</sup> *Telecommunications Carriers Eligible for Universal Service Support, NTCH, Inc. and Cricket Communications, Inc.*, Order, Docket 09-197, FCC 11-137 (rel. Sept. 16, 2011), ¶ 15(11).

<sup>2</sup> NTCH Order, *supra* note 1, ¶¶ 8-14.

<sup>3</sup> NTCH Order, *supra* note 1, ¶ 15.

Order obligations but goes even further to establish a comprehensive system to safeguard against fraud, waste and abuse in the Lifeline program.<sup>4</sup>

NTCH's compliance plan is hereby amended to take into account provisions of the Lifeline Order. Specifically, we clarify that NTCH will meet Condition (3) of the NTCH Order by submitting subscriber data to USAC to populate the national duplicates database established by the Lifeline Order or to the relevant state public utilities commission in states that opt out of the national database by demonstrating an equivalent in-state duplicates database. NTCH also amends its compliance plan to take into account that, in implementing the Lifeline Order, certain states, the Commission, or USAC, may develop template subscriber certification forms (both initial and annual) for use by carriers when signing up customers. This would be of particular concern in states that verify eligibility themselves, rather than leave it to carriers, and could therefore collect standardized certification forms as part of that process. In keeping with the system established by the Lifeline Order, under Conditions (1) and (2), NTCH intends to use either a company-specific certification form, or, as appropriate, a Commission-, state-, or USAC-provided subscriber certification form that complies with all the requirements of the Lifeline Order.

NTCH will comply with all conditions of its forbearance order as well as all other ETC obligations set out in the Commission's rules and Lifeline Order, when effective.

NTCH's complete compliance plan, including these revisions, is set out below.

## **I. Conditions of Forbearance**

---

<sup>4</sup> *Lifeline and Link Up Reform and Modernization*, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 11-42, FCC 12-11 (rel. Feb. 6, 2012) ("Lifeline Order").

The Commission conditioned its grant of forbearance to NTCH by:

- (1) requiring each eligible Lifeline consumer to self-certify under penalty of perjury at the time of enrollment and annually thereafter until a national duplicates database is in place that he or she is the head of household, receives Lifeline-supported service only from NTCH, and does not receive Lifeline from any other provider;
- (2) requiring each eligible Lifeline consumer at the time of enrollment to initial on the certification form that to the best of his or her knowledge that he or she is not receiving Lifeline-supported service from any other Lifeline provider, and listing as examples the brand names of at least the leading wireline and leading two wireless Lifeline providers in the area to ensure the consumer understands what is meant by “Lifeline-supported service”;
- (3) requiring NTCH to make available state-specific subscriber data, including name and address of Lifeline subscribers, to the Universal Service Administrative Company (USAC) and to each state public utilities commission where it operates for the purpose of determining whether an existing Lifeline subscriber receives Lifeline service from another carrier;
- (4) requiring NTCH to assist the Commission, USAC, state commissions, and other ETCs in resolving instances of duplicative enrollment by Lifeline subscribers, including by providing to USAC and/or any state commission, upon request, the necessary information to detect and resolve duplicative Lifeline claims;
- (5) requiring NTCH to establish safeguards to prevent their subscribers from receiving multiple Lifeline subsidies at the same address and safeguards to prevent individual subscribers from receiving more than one Lifeline discount;
- (6) requiring NTCH to implement a non-usage policy, if applicable, in all states where NTCH provides Lifeline services to subscribers at no monthly charge<sup>5</sup>, requiring NTCH to identify its subscribers that have not used its Lifeline service for 60 days and not seek support for such subscribers if they do not actively use its Lifeline service during a 30-day grace period;
- (7) requiring NTCH to deal directly with the subscriber to certify and verify the subscriber’s Lifeline eligibility;
- (8) requiring NTCH to explain in prominent, plain, easily comprehensible language to all new and potential subscribers that no consumer is permitted to receive more than one Lifeline subsidy;
- (9) requiring NTCH to ensure that all marketing materials for the service make clear that it is a Lifeline-supported service;

---

<sup>5</sup> This obligation does not apply if NTCH requires subscribers to pay a monthly fee for the service.

- (10) requiring NTCH to immediately de-enroll any subscriber whom NTCH knows is receiving Lifeline-supported service from another ETC or knows is no longer eligible; and
- (11) requiring NTCH to submit to the Wireline Competition Bureau a compliance plan outlining the measures the carrier will take to implement the obligations contained in this order within 30 days of the effective date of this order.

### **III. Certification of Lifeline Customers' Eligibility**

#### **A. Policy**

NTCH will comply with all eligibility certification and verification requirements for Lifeline eligibility established by states where it is designated as an ETC, as well as with the nationwide requirements set out in the Lifeline Order.

#### **B. Certification Procedures**

NTCH will implement certification procedures that enable consumers to demonstrate their eligibility for Lifeline assistance to NTCH employees or agents (collectively, "NTCH personnel"). These procedures are designed to ensure that NTCH customers do not, either intentionally or inadvertently, abuse the Lifeline program.

*Marketing and pre-enrollment safeguards.* As a safeguard to prevent subscribers from receiving multiple Lifeline subsidies at the same address and preventing individual subscribers from receiving more than one Lifeline discount,<sup>6</sup> NTCH will make available at each NTCH retail location, and otherwise upon customer request, printed materials describing NTCH's Lifeline program, including eligibility requirements and instructions for enrollment. Similar information will be available on NTCH's website. These materials will explain in prominent, plain, and easily comprehensible language that the offering is a Lifeline-supported service;<sup>7</sup> that only eligible consumers may enroll in the program; what documentation is necessary for enrollment;

---

<sup>6</sup> NTCH Order, *supra* note 1, ¶ 15(5).

<sup>7</sup> NTCH Order, *supra* note 1, ¶ 15(9).

and that the program is limited to one benefit per household, consisting of either wireline or wireless service.<sup>8</sup> NTCH will also explain that Lifeline is a government benefit program, and consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.<sup>9</sup>

***Eligibility verification.*** At enrollment, NTCH will deal directly with all subscribers to certify and verify subscribers' Lifeline eligibility, either in person through its employees, agents, or representatives or via the telephone (including facsimile or interactive voice response systems), website, or mail.<sup>10</sup> All personnel who interact with existing or potential Lifeline subscribers will be trained to advise Lifeline applicants on whether or not they are eligible to participate, based on state-specific eligibility criteria, including income and program-based criteria. At the time of enrollment, either in the certification form or separately, NTCH will provide the applicant as examples of Lifeline service the brand names of at least the leading wireline and leading two wireless Lifeline providers in the area to ensure the consumer understands what is meant by "Lifeline-supported service."<sup>11</sup> NTCH personnel will be trained to answer any questions subscribers may have regarding eligibility.

In processing Lifeline applications, NTCH personnel will review any required documentation to determine whether it satisfies eligibility requirements. Alternatively, if a national or state eligibility or income database is available, NTCH will determine a prospective

---

<sup>8</sup> NTCH Order, *supra* note 1, ¶ 15(8); Lifeline Order, *supra* note 4, ¶ 275.

<sup>9</sup> NTCH Order, *supra* note 1, ¶ 15(5); Lifeline Order, *supra* note 4, ¶ 275.

<sup>10</sup> NTCH Order, *supra* note 1, ¶ 15(7); Lifeline Order, *supra* note 4, ¶ 111.

<sup>11</sup> NTCH Order, *supra* note 1, ¶ 15(2).

subscriber's eligibility by accessing the database.<sup>12</sup> In addition, NTCH will require customers to make certifications concerning their eligibility for Lifeline when initially enrolling in the Lifeline program, including obtaining a signed certification from the customer (see "Lifeline Certification," below). If NTCH personnel determine that an applicant is not eligible, NTCH will deny the application and inform the applicant of the reason for denial. If NTCH personnel are not able to ascertain an applicant's eligibility, they will refer the matter to supervisory personnel.

***Non-duplication.*** All NTCH marketing materials will state in clear, easily understood language that the Lifeline subsidy is limited to one benefit per household, consisting of either wireline or wireless service.<sup>13</sup> In addition, NTCH's certification form will explain in plain, easily comprehensible language that Lifeline service is available for only one line per household;<sup>14</sup>

Upon receiving an application for Lifeline support, NTCH will check the national duplicates database, when available, to determine whether an individual at the applicant's residential address is currently receiving Lifeline-supported service.<sup>15</sup> NTCH will also search its own internal records to ensure that it does not already provide Lifeline-supported service to someone at that residential address.<sup>16</sup> If NTCH or an applicant determines that he or she already receives Lifeline support from another carrier, NTCH will notify the applicant that he or she is not permitted by law to participate in NTCH's Lifeline services and will cease further processing

---

<sup>12</sup> Lifeline Order, *supra* note 4, ¶ 100.

<sup>13</sup> NTCH Order, *supra* note 1, ¶ 15(5), (8); Lifeline Order, *supra* note 4, ¶ 275.

<sup>14</sup> NTCH Order, *supra* note 1, ¶ 15(8); Lifeline Order, *supra* note 4, ¶ 120-21.

<sup>15</sup> Lifeline Order, *supra* note 4, ¶ 78.

<sup>16</sup> NTCH Order, *supra* note 1, ¶ 15(5); Lifeline Order, *supra* note 4, ¶ 78.

of the application until the issue is resolved.<sup>17</sup> Prior to requesting a subsidy, NTCH will process and validate its subsidy data to prevent duplicative same-month Lifeline subsidies (i.e., “double-dipping”). Any household that is already receiving a Lifeline subsidy from NTCH will not receive a second Lifeline subsidy in that same month.<sup>18</sup>

***Lifeline Certification form.*** To prevent duplication and ensure eligibility as outlined above, NTCH will have each Lifeline applicant complete a Lifeline Certification at the time of enrollment.<sup>19</sup> The Lifeline Certification form will:

- a. Require the applicant to provide his or her name and primary residential address, as well as other identifying information, to enable NTCH to check for instances of duplicative support<sup>20</sup> and make state-specific subscriber data available to the USAC or the relevant state commission;<sup>21</sup>
- b. Clearly state that the service plan being applied for is Lifeline-supported.<sup>22</sup>
- c. Explain, in prominent, plain, and easily comprehensible language, that Lifeline service is available for only one line per household;<sup>23</sup>
- d. Require the Lifeline applicant to self-certify under penalty of perjury that he or she is the head of household, receives Lifeline-supported service only from NTCH, and does not receive Lifeline-supported service from any other provider;<sup>24</sup>
- e. Require the Lifeline applicant to agree to notify NTCH if the applicant adds Lifeline on another phone (wireline or wireless) so that NTCH may discontinue his or her Lifeline credit;<sup>25</sup>
- f. Require the Lifeline applicant to certify that he or she either participates in a qualifying state or federal program or meets the income qualifications to establish eligibility for Lifeline, has provided documentation of eligibility, if required to do

---

<sup>17</sup> NTCH Order, *supra* note 1, ¶ 15(5).

<sup>18</sup> NTCH Order, *supra* note 1, ¶ 15(4),(5),(10).

<sup>19</sup> NTCH Order, *supra* note 1, ¶ 15(5); Lifeline Order, *supra* note 4, Appendix C.

<sup>20</sup> NTCH Order, *supra* note 1, ¶ 15(5).

<sup>21</sup> NTCH Order, *supra* note 1, ¶ 15(3),(4).

<sup>22</sup> NTCH Order, *supra* note 1, ¶ 15(9).

<sup>23</sup> NTCH Order, *supra* note 1, ¶ 15(8); Lifeline Order, *supra* note 4, ¶ 120-21.

<sup>24</sup> NTCH Order, *supra* note 1, ¶ 15(1),(2).

<sup>25</sup> Lifeline Order, *supra* note 4, Appendix C.

so; and agreeing to notify NTCH should he or she cease to participate in such program;<sup>26</sup>

- g. Require the Lifeline applicant to acknowledge that he or she may be required to verify continued eligibility for Lifeline credit and that failure to do so will result in termination of Lifeline benefits;<sup>27</sup>
- h. Require the Lifeline applicant to authorize NTCH to access any records required to verify the statements contained in the Lifeline Certification, to confirm eligibility, and to release any subscriber records required for administration of the Lifeline program, including to state or federal authorities;
- i. Require the Lifeline applicant to acknowledge that completion of the application does not constitute immediate approval for Lifeline benefits and that it may take up to 60 days for the credit to appear in the applicant's account;
- j. Include a certification section where the applicant must attest and sign under penalty of perjury that the representations above are true and correct.

#### **4. Annual Recertification Procedures**

Until the national duplicates database is in place, NTCH will require every consumer enrolled in its Lifeline program to verify annually that he or she is the head of his or her household and receives Lifeline service only from NTCH.<sup>28</sup> To do so, NTCH will notify each participating Lifeline consumer prior to their service anniversary date that they must confirm their continued eligibility in accordance with the applicable requirements. This notification may be mailed via the U.S. Postal Service to the address on record with NTCH, via an interactive voice response system, facsimile, or sent via SMS text message to the customer's NTCH telephone number.<sup>29</sup> The notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact NTCH. Customers will have 60 days (30 days after effectiveness of the Lifeline Order) to certify under penalty of perjury that they are the head of household and receive Lifeline service only from NTCH, either

---

<sup>26</sup> NTCH Order, *supra* note 1, ¶ 15(7); Lifeline Order, *supra* note 4, Appendix C.

<sup>27</sup> Lifeline Order, *supra* note 4, Appendix C.

<sup>28</sup> NTCH Order, *supra* note 1, ¶ 15(1).

<sup>29</sup> Lifeline Order, *supra* note 4, ¶ 111.

by mail, reply text message, or a comparable process (such as through NTCH’s website).

Anyone who does not respond to the mailing and certify their continued eligibility will be removed from NTCH’s Lifeline program.<sup>30</sup>

## **5. Non-Usage Policy**

Because NTCH does not offer a Lifeline service at no monthly charge, condition (6), requiring a “non-usage” policy, does not apply to NTCH.<sup>31</sup>

## **6. Cooperation with state and federal regulators**

NTCH will cooperate with federal and state regulators to prevent fraud, waste, and abuse in the Lifeline program by:

- a. Making available state-specific subscriber data, including names and addresses of Lifeline subscribers, to USAC for the national duplicates database, or, in states that opt out of the national database by demonstrating an equivalent in-state duplicates database, to the relevant state public utilities commission, for the purpose of determining whether an existing Lifeline subscriber receives Lifeline service from another carrier;<sup>32</sup>
- a. Assisting the Commission, USAC, state commissions, and other ETCs in resolving instances of duplicative enrollment by Lifeline subscribers, including by providing to USAC and/or any state commission, upon request, the necessary information to detect and resolve duplicative Lifeline claims;<sup>33</sup>
- b. Promptly investigating any notification that it receives from a state commission, the FCC, or USAC that one of its customers already receives Lifeline service from another carrier;<sup>34</sup> and
- c. Immediately deactivating a customer’s Lifeline service, and no longer reporting that customer on its USAC Form 497, if NTCH’s investigation, the FCC, or USAC concludes that the customer receives Lifeline services from

---

<sup>30</sup> NTCH Order, *supra* note 1, ¶ 15(10).

<sup>31</sup> NTCH Order, *supra* note 1, ¶ 15(6), n.3.

<sup>32</sup> NTCH Order, *supra* note 1, ¶ 15(3); Lifeline Order, *supra* note 4, ¶ 85.

<sup>33</sup> NTCH Order, *supra* note 1, ¶ 15(4).

<sup>34</sup> NTCH Order, *supra* note 1, ¶ 15(4).

another carrier and that the customer's Lifeline service from NTCH should be discontinued to resolve the duplication.<sup>35</sup>

## 7. De-enrollment

NTCH will de-enroll any subscriber whom NTCH knows is receiving Lifeline-supported service from another ETC or knows is no longer eligible.<sup>36</sup> This information may be received from: (1) subscriber failure to reply to annual verification notices; (2) subscriber notification of a change in eligibility status; (3) subscriber notification of duplicative enrollment; (3) state or federal regulator notification of ineligibility or duplicative enrollment; or (4) NTCH's investigation or database checks as described herein.

NTCH submits that its Compliance Plan fully satisfies the conditions set forth in the Commission's Order granting NTCH forbearance. According, NTCH respectfully requests that the Commission expeditiously approve its Compliance Plan.

Respectfully submitted,

NTCH, Inc.

By: /s/ Donald J. Evans  
Donald J. Evans  
Fletcher, Heald & Hildreth, P.L.C.  
1300 N. 17<sup>th</sup> St  
11<sup>th</sup> Floor  
Arlington, VA 22043  
(703) 812-0430

*Its Counsel*

March 2, 2012

---

<sup>35</sup> NTCH Order, *supra* note 1, ¶ 15(4),(10).

<sup>36</sup> NTCH Order, *supra* note 1, ¶ 15(10).