



AT&T's Lifeline Modernization Plan

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Lifeline must be overhauled before it can be expanded to support broadband

National Broadband Plan: Lifeline observations, recommendations issues referred to Joint Board (FCC 10-72, 5/5/2010)

Outreach, eligibility requirements may be disincentives for provider participation, affecting consumer Lifeline participation

State social service agencies should be more active in outreach and eligibility

Consider centralized database for online certification/verification as cost effective way to minimize waste, fraud and abuse





AT&T's Lifeline Modernization Plan

Comprehensive set of common-sense ways
Lifeline and Link-Up programs should be
modernized, consistent with National
Broadband Plan recommendations

1. Streamline consumer outreach and eligibility processes

Issues today

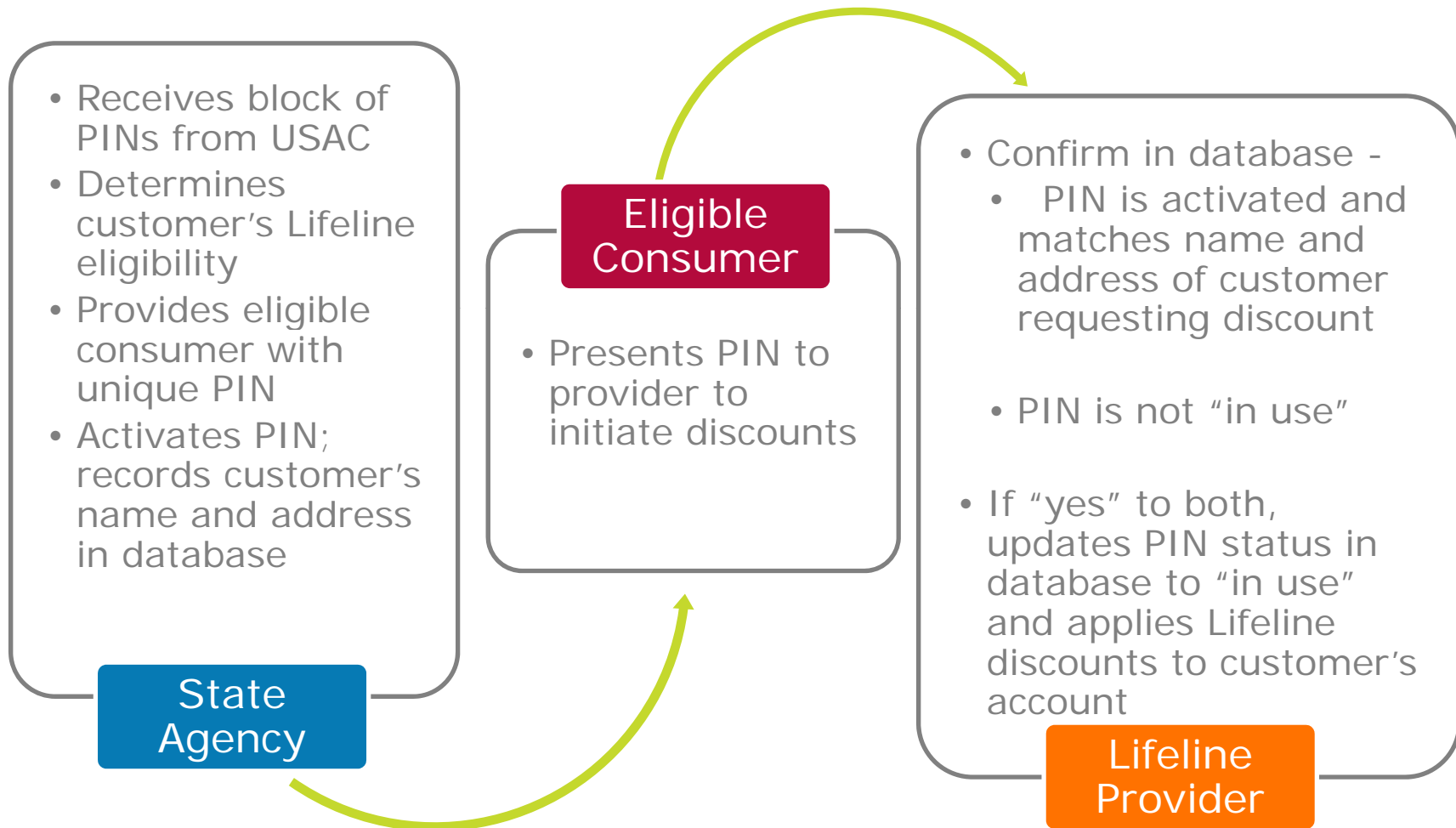
- Private sector companies-
- publicize Lifeline
- receive consumers' private income information
- make government assistance eligibility decisions
- Compendium of federal and state rules
- Inconsistent interpretations
- No unified consumer benefits enrollment
- Disincentives for provider participation

Solutions

- State agencies assume responsibility for Lifeline outreach and eligibility, like any other public assistance program
- Streamlines outreach and enrollment for consumers, improving awareness and service delivery
- Eliminates inappropriate private sector role
- Consistent national eligibility rules facilitate national outreach



2. FCC should establish secure national PIN database at USAC to administer Lifeline



PIN-based database guards against waste, fraud and abuse

Eliminates
provider
discretion,
interpretations

PIN system
much easier to
audit

Reimbursement
directly derived
from
"in use" PINs

Once PIN "in
use" cannot be
used again

Dates
reimbursements
begin/end
certain

Eliminates
duplicative
discounts



More benefits of PIN-based national database

Single national database/process maximizes efficiency, cost-effectiveness

USAC database ensures cost equitably shared by all

Streamlines reimbursements – no line counts

Could be used to further streamline state Lifeline discounts

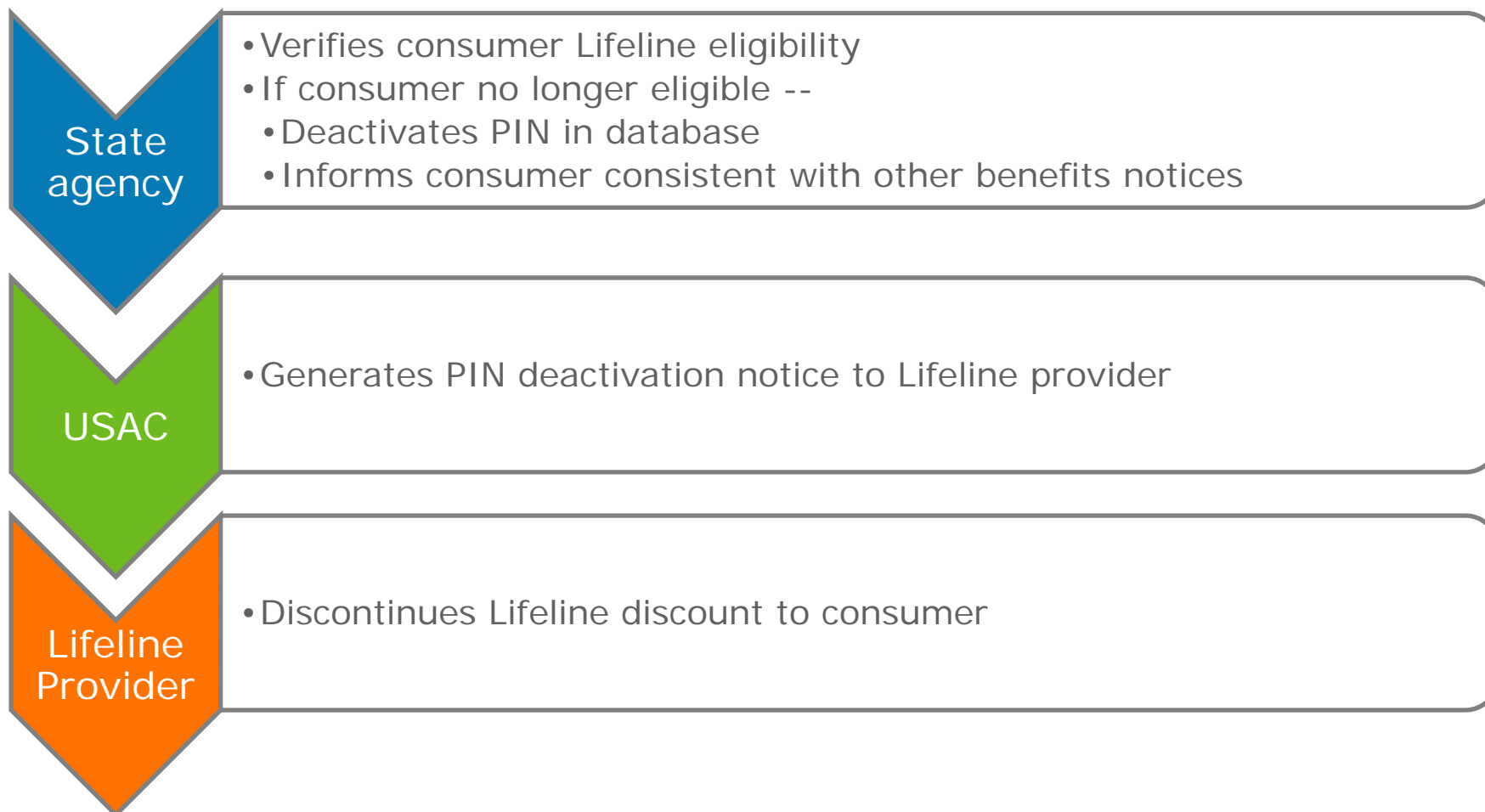
Quicker, easier for providers to determine which customers eligible

Better safeguards consumers' private information

Encourages provider participation, and ultimately consumer choice



3. States should perform any verification of consumers' continued eligibility



4. FCC should establish “Lifeline Provider” (LP) designation

- Separate from existing ETC designation
- Not subject to existing high-cost ETC requirements
- Not subject to § 214 of the federal Act



These common-sense first steps will significantly improve the Lifeline program to help it meet its full potential

