Universal Service Administrative Company

Lifeline Program Overview

National Association of Counties

Thursday, August 11, 2016
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- After the webinar, you will see a pop-up box containing a webinar evaluation survey. Thank you in advance for completing this survey – your feedback is very important to us!
Question & Answer instructions

• Type your question into the “Questions” box at any time during the presentation, and the moderator will read the question on your behalf during the Q&A session.
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The Universal Service Administrative Company is dedicated to the ongoing pursuit of delivering pervasive, affordable connectivity to all people who live in the United States.

- The FCC sets policy for and oversees the four Universal Service Fund Programs
  - High Cost / Connect America Fund
  - Schools & Libraries
  - Rural Health Care
  - Lifeline

- USAC is the permanent administrator of these programs, and is a passionate partner in delivering universal service.
What is the Lifeline Program?

Since 1985, the Lifeline Program has worked to ensure that all Americans have the opportunity and security that phone service brings, like being able to connect to jobs, family, and access health care and emergency services.

Lifeline is available to eligible low-income consumers in every state, territory, commonwealth, and on Tribal lands.

In 2015, over 13 million U.S. households participated in the Lifeline Program.
Lifeline is available only to subscribers who can document their eligibility

Only one Lifeline benefit is permitted per household

Subscribers are required to recertify their eligibility every year

These rules are in place to protect the integrity of the program and deter waste, fraud, and abuse
Lifeline Program Statistics

At a Glance:

- **Lifeline Subscribers**
  - 2Q 2016 - 13,020,092
- **Lifeline support claimed by carriers**
  - 2015 - Approximately $1.5 Billion
- **Number of Lifeline Service Providers**
  - 2015 - 1500+
Lifeline Participation 2015

Lifeline Household Participation Rate - 33%

*Numbers derived from data in the 2014 American Community Survey (ACS), U.S. Census Bureau
Lifeline Enrollment by Program

Program Breakdown

- Medicaid: 38%
- SNAP: 38%
- State Administrator: 12%
- Income: 3%
- SSI: 3%
- Other: 6%

Subscribers by Program:
- Medicaid
- SNAP
- State Assistance: 2.00%
- LIHEAP: 1.20%
- TANF: 1.20%
- Federal Housing: 0.60%
- NSLP: 0.30%
- FDPIR: 0.10%
- BIAGA: 0.05%
- Head Start: 0.01%
- Tribal TANF: 0.01%

Total Lifeline Subscribers 2Q16: 13,020,092

Tribal Subscribers 1Q16: 349,796
Questions?
2016 Lifeline Modernization

Upcoming Changes to Lifeline

- Inclusion of Broadband
- Streamlining of Eligible Programs
- Creation of a National Eligibility Verifier
The Lifeline Program provides a discount of $9.25 per month to eligible subscribers, and up to $34.25 to eligible low-income subscribers living on Tribal lands.

Subscribers may receive a discount on either:

<table>
<thead>
<tr>
<th>Future State</th>
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<tbody>
<tr>
<td>Fixed voice (home phone)</td>
</tr>
<tr>
<td>Mobile voice (cell phone)</td>
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<tr>
<td>Fixed broadband</td>
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<tr>
<td>Mobile broadband</td>
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<td>Bundled voice + broadband</td>
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Streamlining of Eligible Programs

**Current State**
- SNAP
- Medicaid
- SSI
- Federal Public Housing Assistance (Section 8)
- Tribal Programs
- LIHEAP
- National School Lunch Program
- State Eligibility Programs
- Income at 135% or state-set Federal Poverty Guidelines

**Future State**
- SNAP
- Medicaid
- SSI
- Federal Public Housing Assistance
- Tribal Programs
- Veterans Pension & Survivors Pension benefit
- Income at or below 135% of the Federal Poverty Guidelines

Effective December 1, 2016 for new subscribers
Existing subscribers: Rolling re-certification date
Creation of a National Eligibility Verifier

Current State: Carrier

- CARRIER Verifies consumer eligibility
- CARRIER Delivers discounted services on a monthly basis
- CARRIER Reimbursed by USAC for discounted services provided

Future State: National Verifier

- NATIONAL VERIFIER Verifies consumer eligibility
- CONSUMER Selects Lifeline carrier and begins receiving discounted service
- CARRIER Reimbursed by USAC for discounted services provided
Creation of a National Eligibility Verifier

National Verifier Phase-in

- **November 30, 2016**: Draft National Verifier Plan
- **December 31, 2017**: Deployed in at least 5 states
- **December 31, 2018**: Deployed in at least 25 states
- **December 31, 2019**: Deployed in all states and territories
The Lifeline Program and counties share similar goals relating to low-income and disadvantaged populations.

The Lifeline benefit keeps consumers connected to government and social service agencies.

Lifeline can be used as a tool for counties to connect with their low-income residents.

USAC looks forward to partnering with NACO to promote our common goal through:
- Collaboration, awareness, outreach
- Information sharing
- Sharing of best practices
Questions?
Thank You!

• Please contact LifelineProgram@usac.org if you have additional questions about the Lifeline Program.

• To sign up for emails about the Lifeline Program including news, updates, and events:
  – Go to www.usac.org and click “subscribe” in the upper-right corner.