

February 9, 2017

California LifeLine Program

Administrative Committee Program Review

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Executive Summary

- Program participation growth rates:
 - 2016 Growth Rate (GR) : -1.43%
 - January to June 2016 GR: -4.34%
 - July to December 2016 GR: +2.24%
- Wireline enrollment decreasing trend continues at average rate of -1.9%
- FCC LifeLine Reform Order program impacts
- Carrier Consolidations and market impact
- Forms Processing turn-around-time is currently at ~2.0 days

Program Changes and Drivers

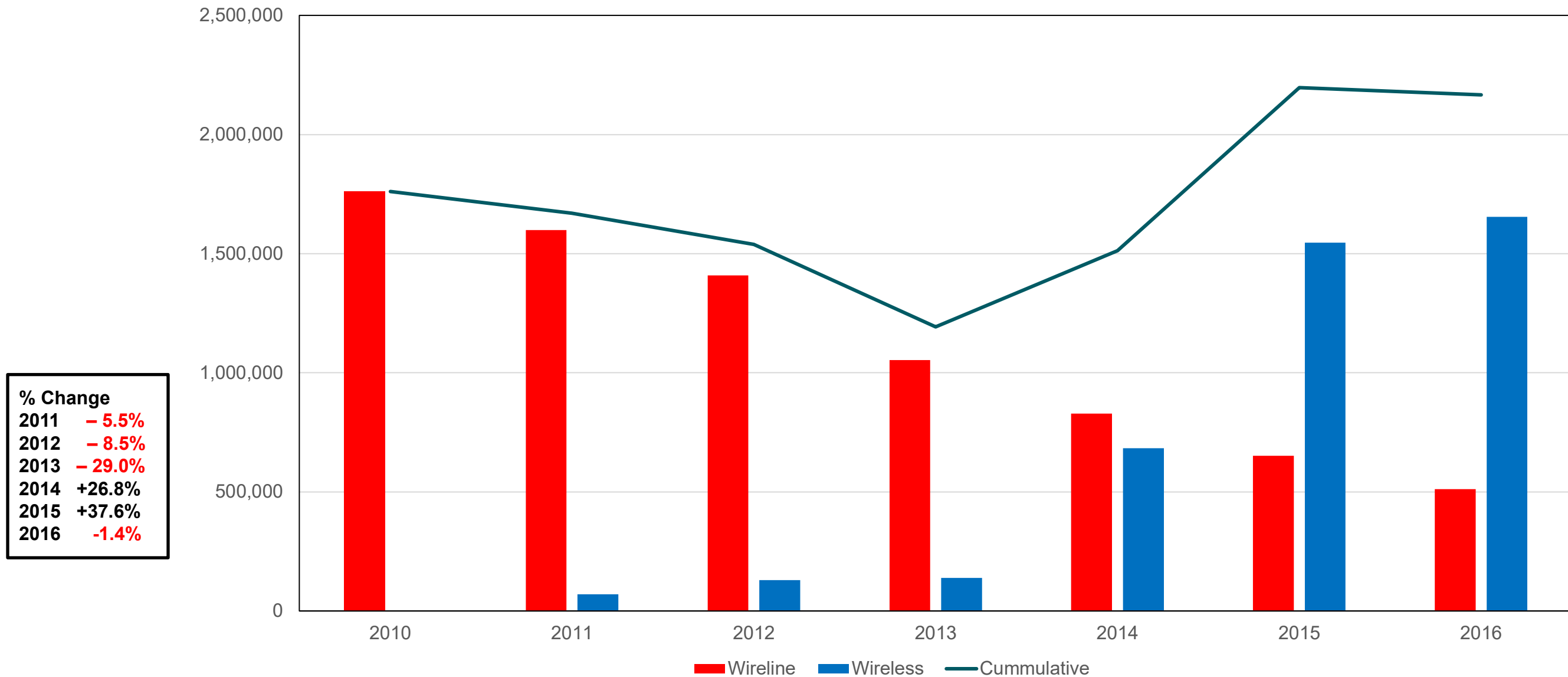
Pending Projects

- Print mail transfer to OSP
- Enrollment freeze – Go-Live: 03/27/2017
- Port Freeze – 02/08/2017 CPUC workshop planned
- Eligibility criteria updates – SOW in-progress
- WES Phase II - 02/08/2017 CPUC workshop planned
- Renewal SMS – Amendment 7 in-progress
- NLAD API integration - in-progress
- Veterans program – Interim flyer insert solution

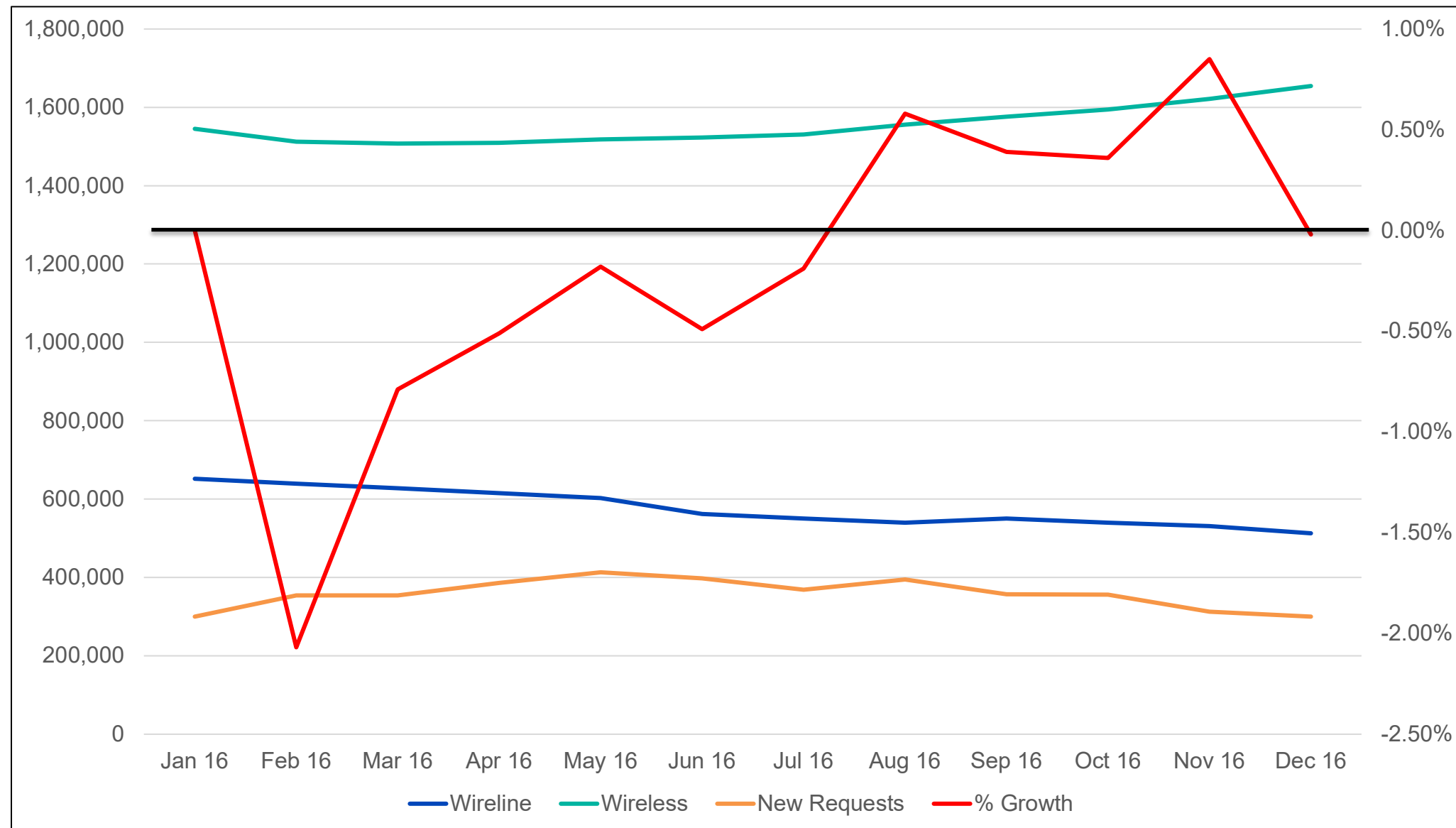
Carrier Consolidations

- Verizon>Frontier – 04/01/2016
- Budget>TracFone – 09/14/2016
- Budget > Boomerang – 01/31/2017
- Budget > Total Call Mobile – 01/31/2017
- Assurance > i-Wireless – 06/30/2017

Subscriber Statistics: 2010 - 2016



Program Subscriber Trends - 2016



LifeLine Enrollment Breakdown – December 2016

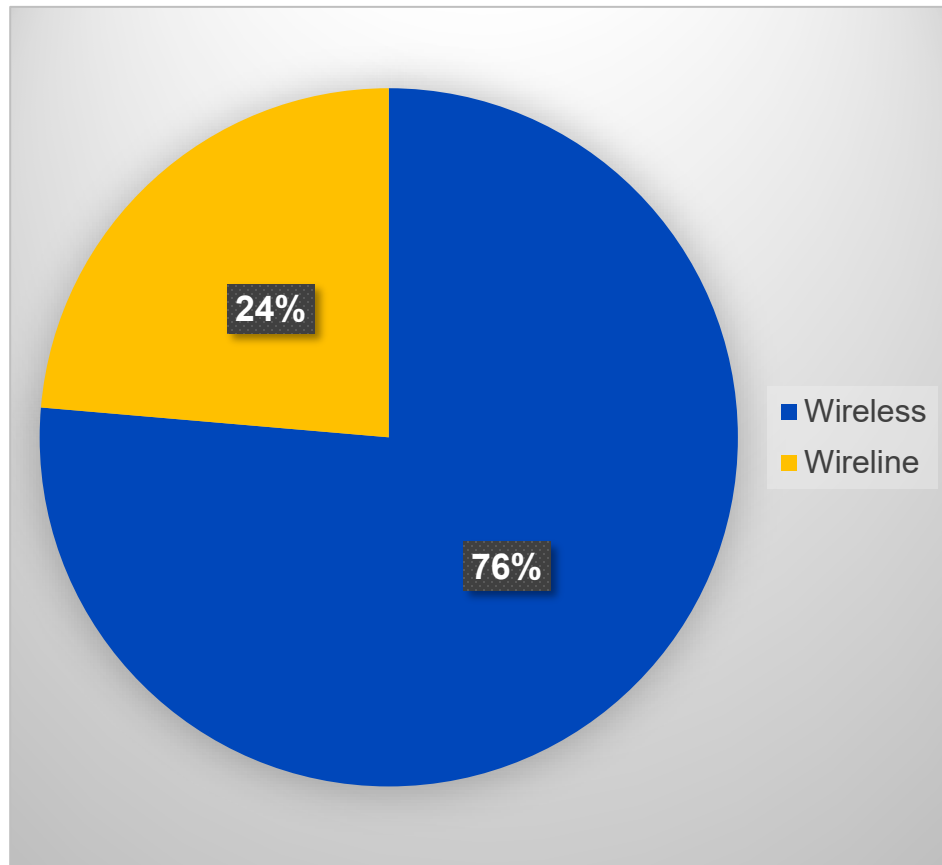
Growth Rates

Wireless rate: +9,497 or +0.6%
Wireline rate: - 10,027 or -1.9%
Program rate: -530 or -0.02%

Program Statistics

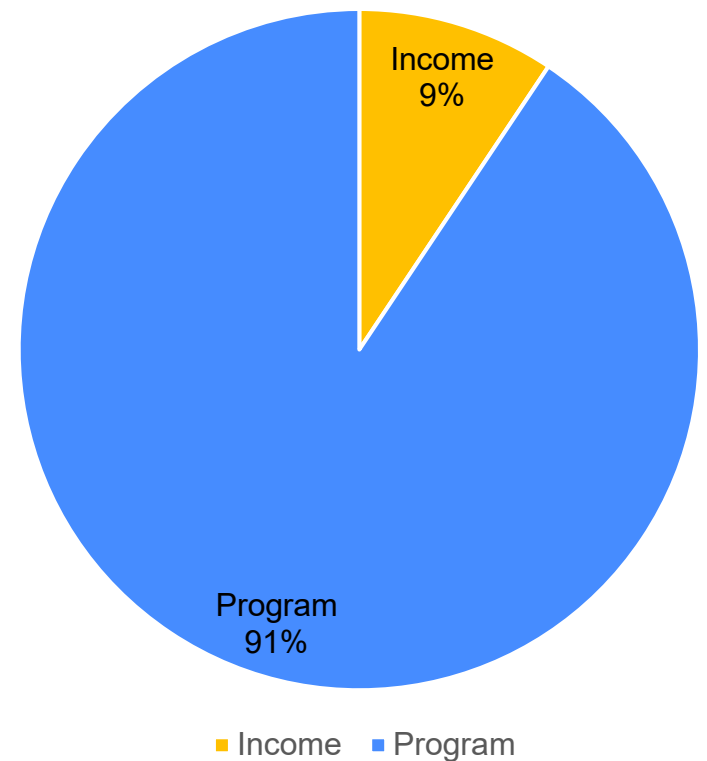
CA Wireless: 1,654,427
Wireline: 512,102

Total: 2,166,529

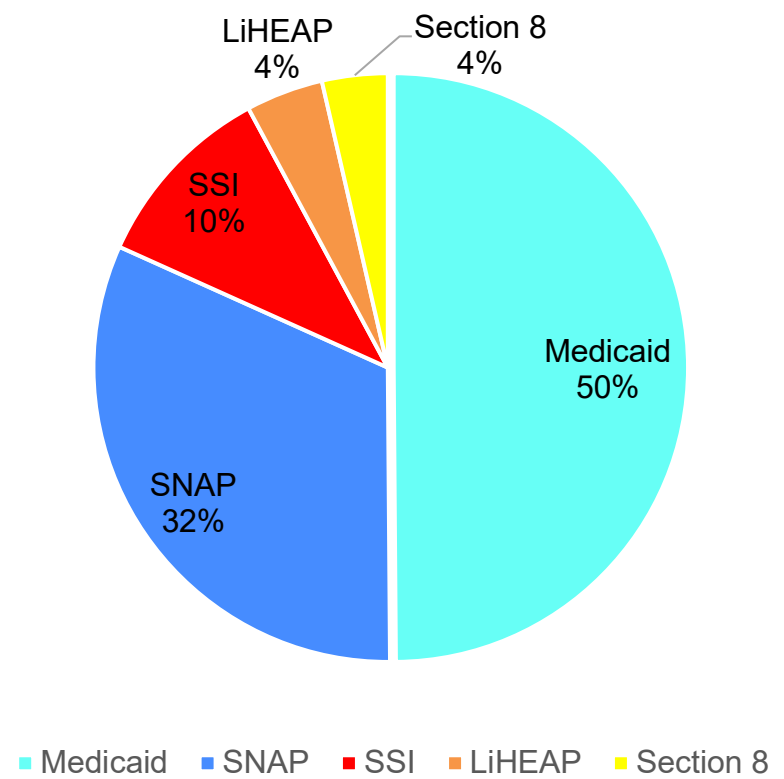


Enrollment Eligibility Mechanism – December 2016

Enrollment Eligibility Mechanism

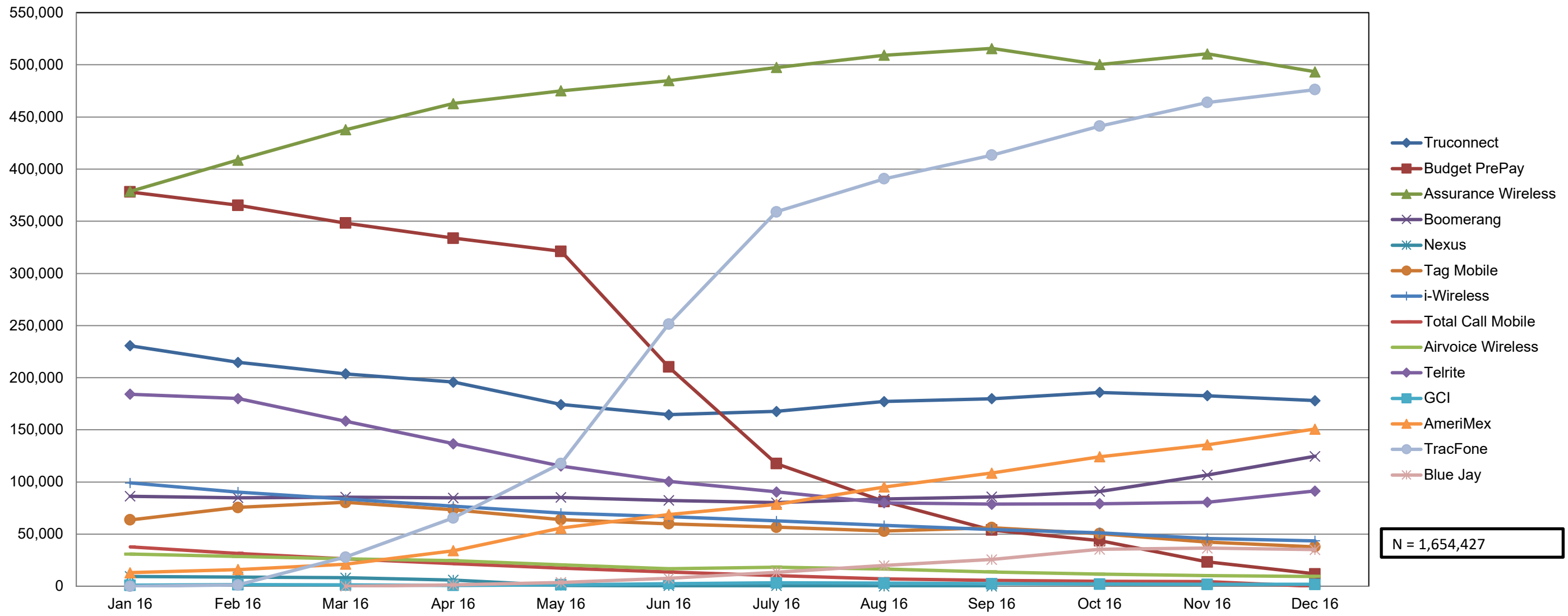


Program Eligibility – Top 5 programs



The top 5 programs account for 94% of all enrollments

California LifeLine Wireless Subscriber Trends - 2016



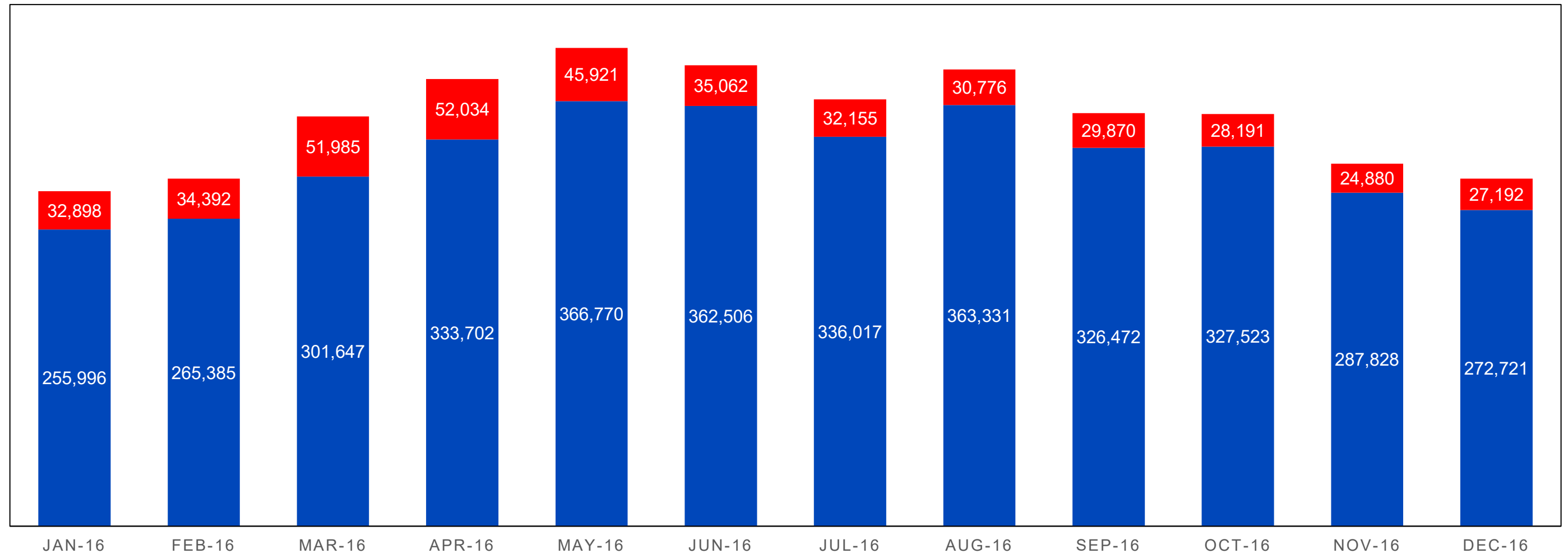
N = 1,654,427

Growing/Contracting Carrier Statistics – December 2016



Carrier	Growth/Contraction	Enrolled Subscribers	Growth/Loss %
Top 3 Growing Carriers			
Boomerang	18,006	124,664	14.44%
AmeriMex	15,125	150,818	10.03%
TracFone	12,349	476,287	2.59%
Top 3 Contracting Carriers			
Assurance Wireless	-17,212	493,376	-3.49%
Budget PrePay	-11,367	11,934	-95.25%
AT&T	-7,156	347,862	-2.06%

New Application Requests - 2016

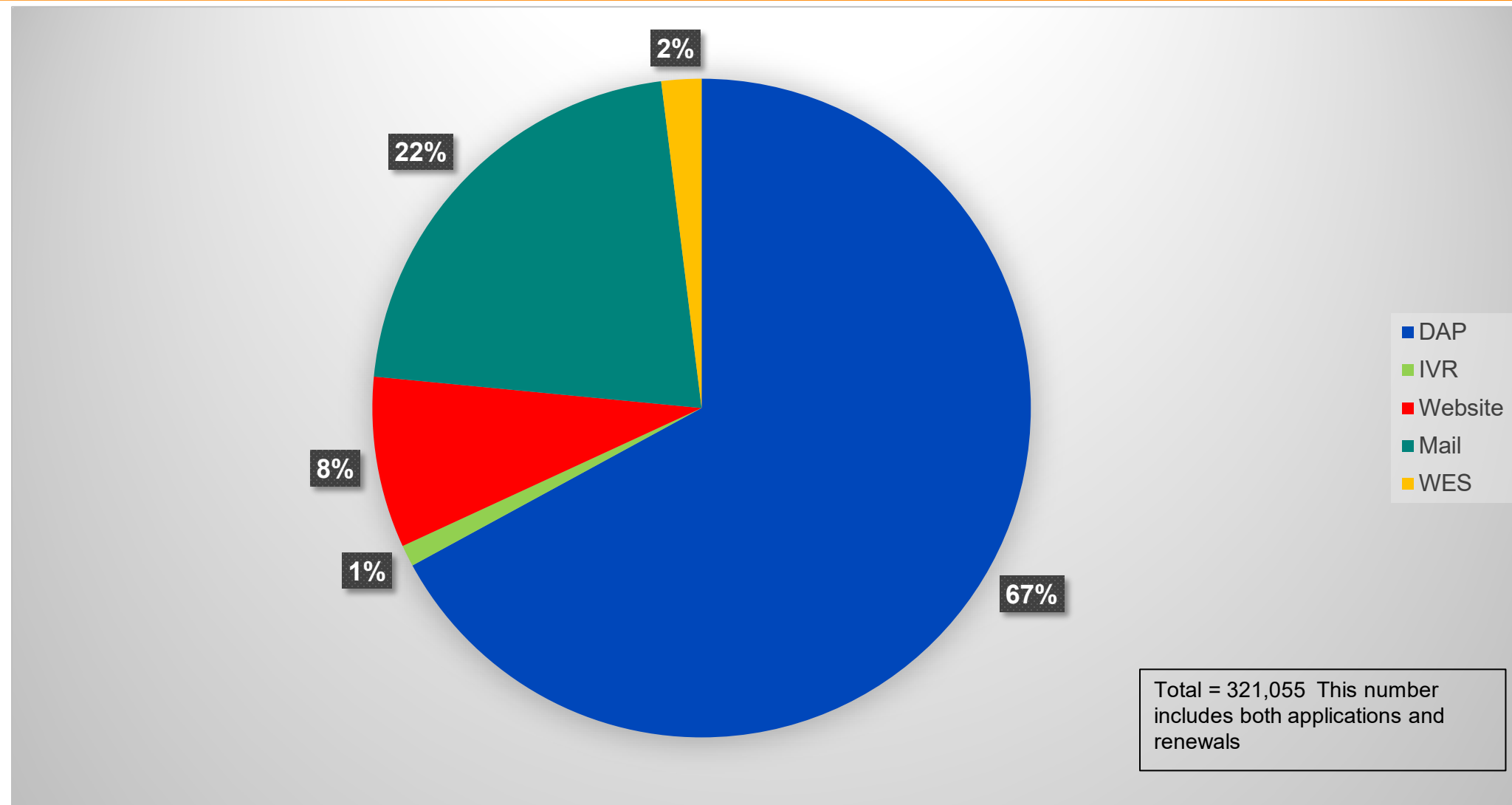


New Requests Breakdown:

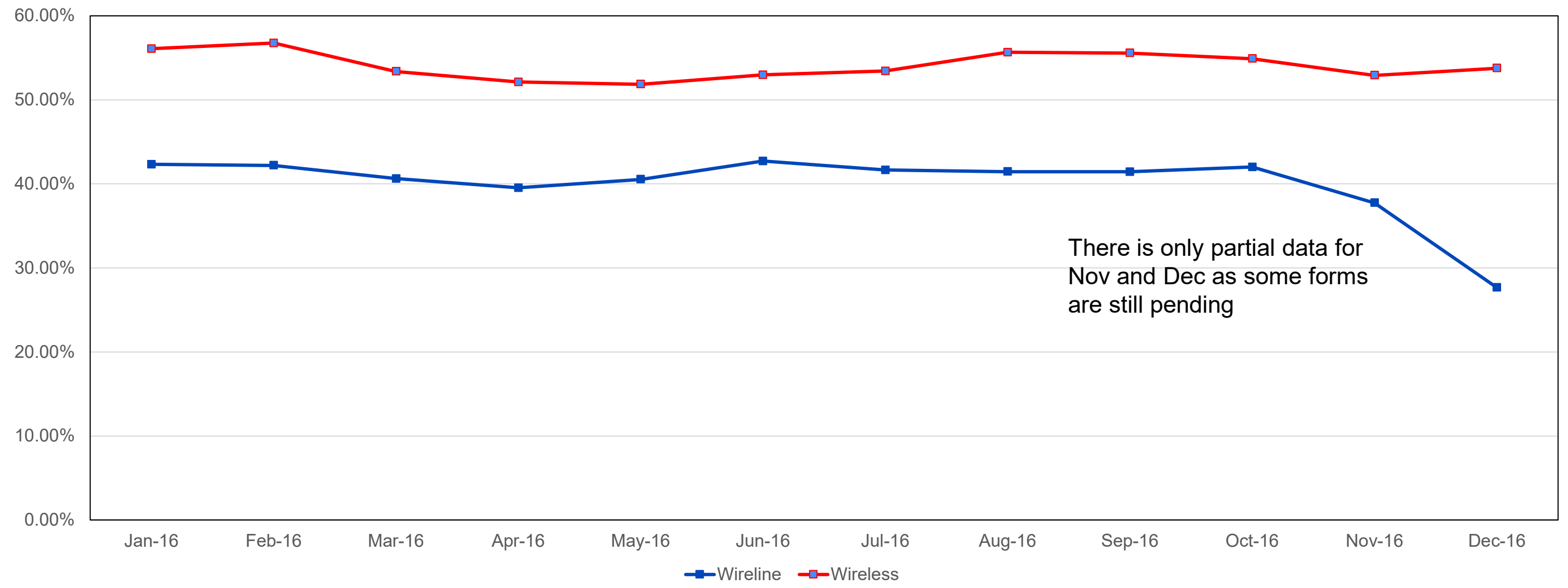
- 90% DAP
- 10% Mail

■ DAP ■ Mail

Customer Enrollment Method – December 2016

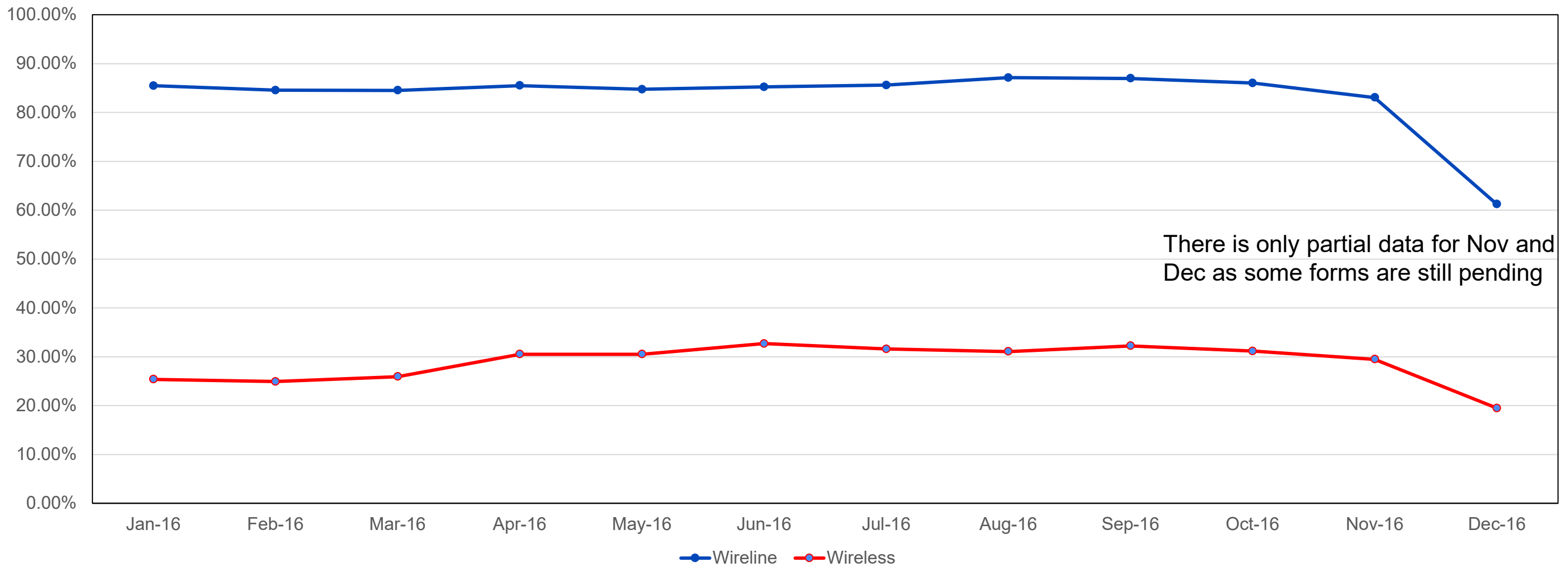


Certification Approval Rates - 2016



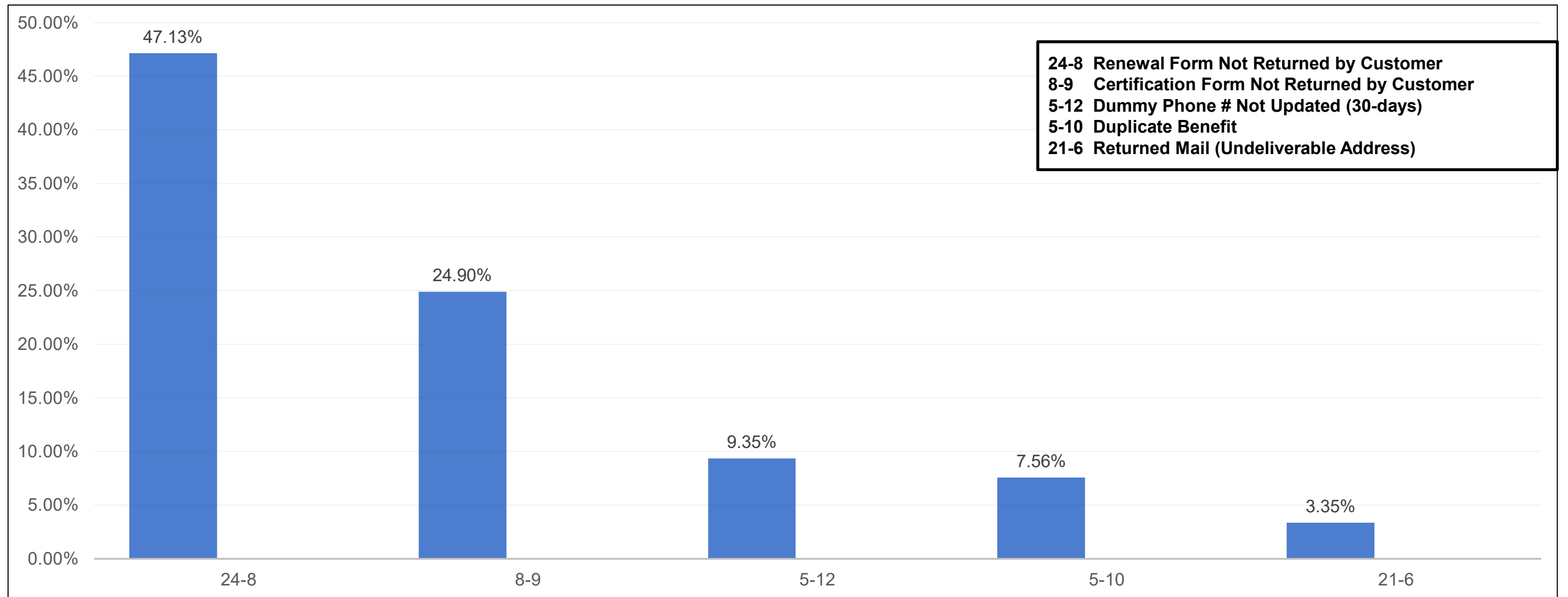
Average approval rates for 2016 – Wireless – 54.12% and Wireline – 41.45% (Covers January thru October)

Renewal Approval Rates - 2016

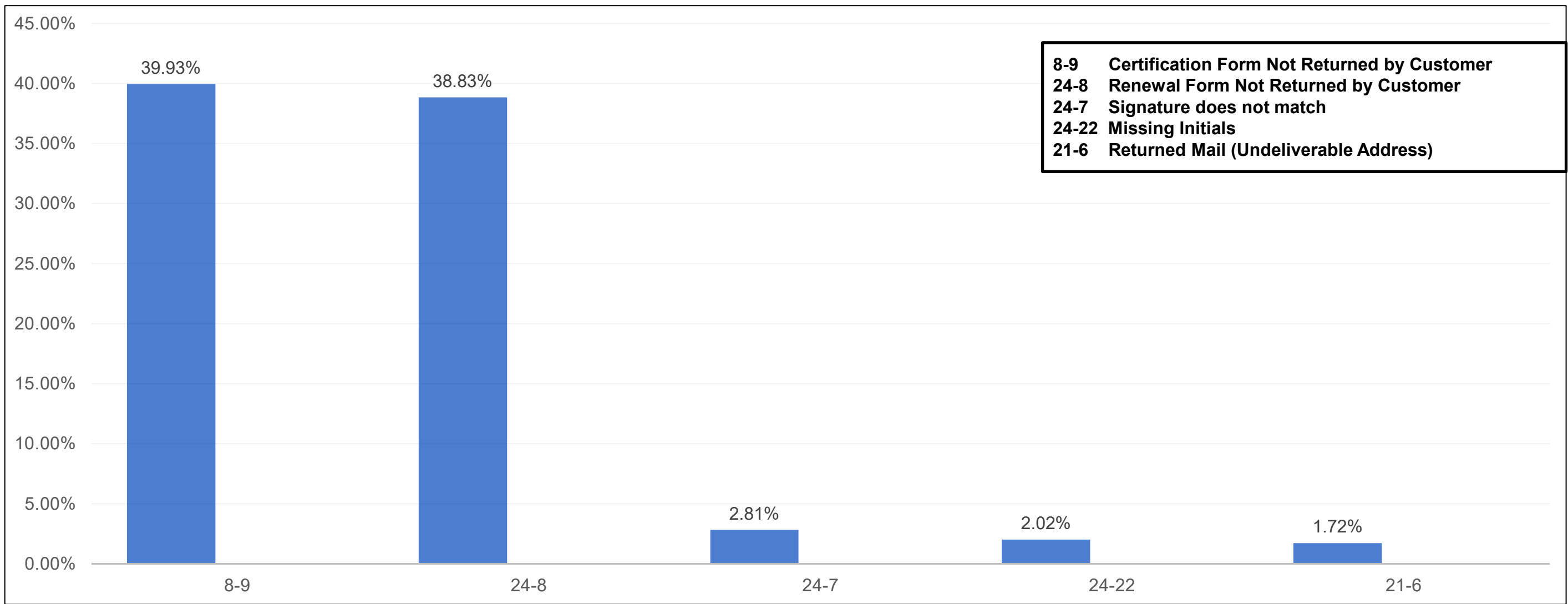


Average approval rates for 2016 – Wireless – 32.56% and Wireline – 85.56% (Covers January thru October)

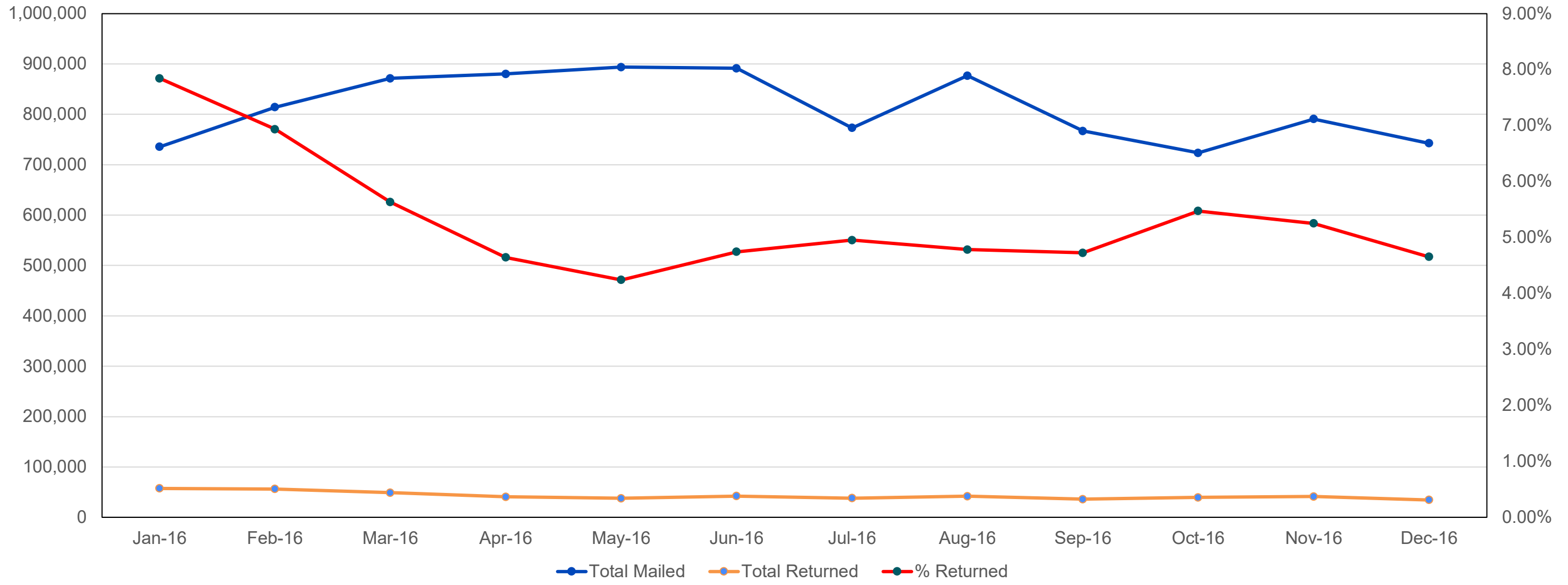
Top Denial Codes – Wireless: Dec 2016



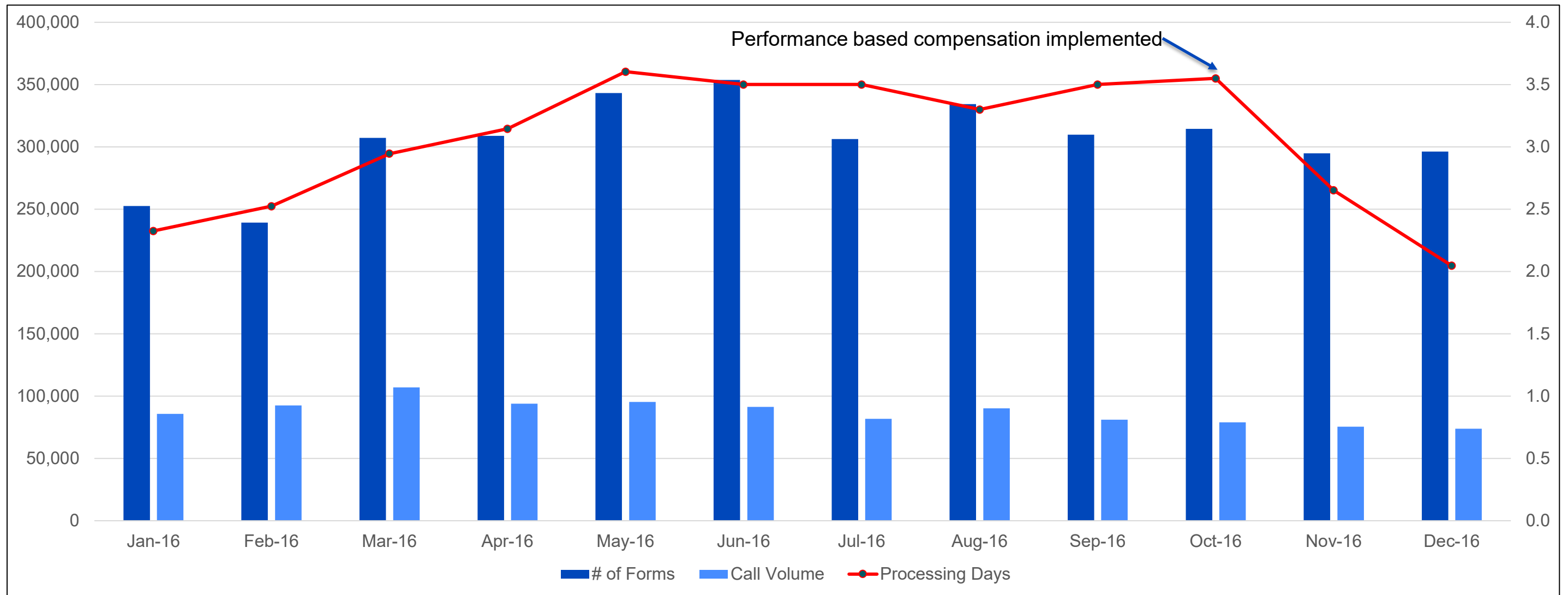
Top Denial Codes – Wireline: Dec 2016



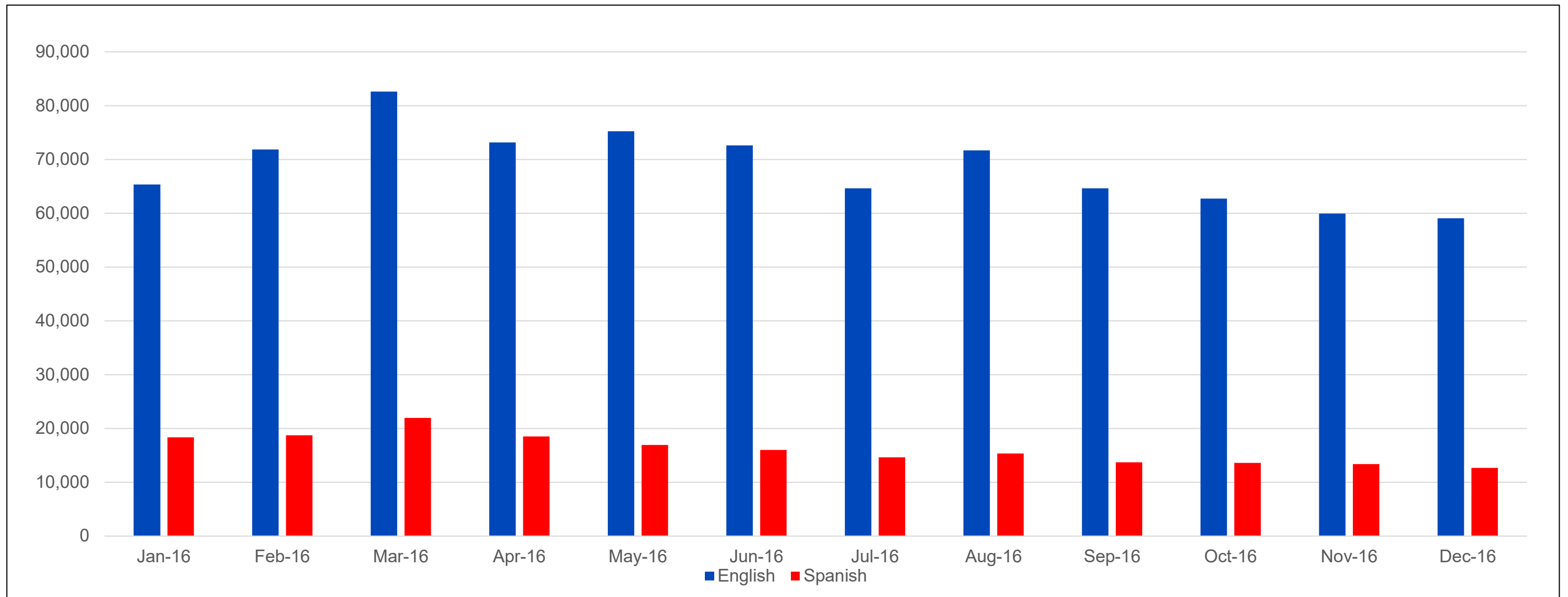
Return Mail Trends - 2016



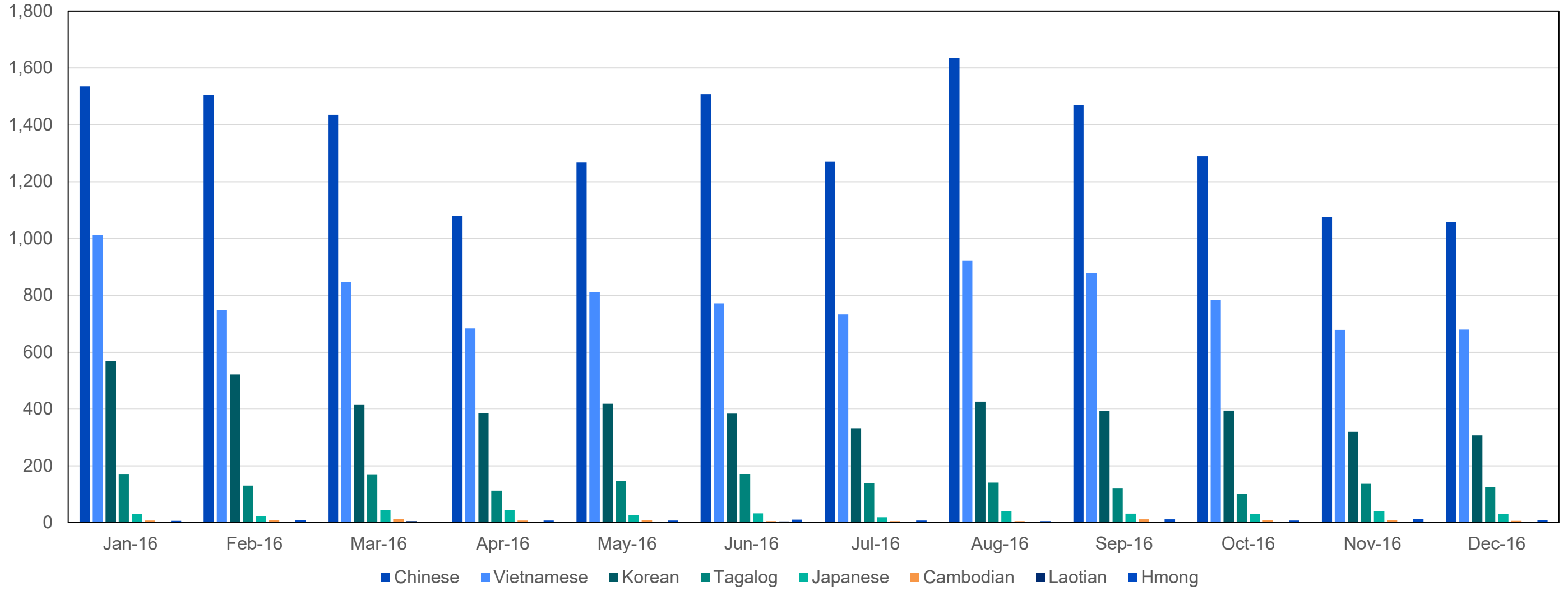
Call Center Throughput - 2016



Call Center Volumes – English and Spanish - 2016



Call Center Volumes – Asian Languages - 2016



Top Call Reasons

1. Status of application – Why was I denied?
2. Help with form
3. Transfer process issue
 - a) Waiting for a new application
 - b) Didn't want discount transferred
 - c) Being told to reapply for a new phone
4. Who is my discount with?
5. Receiving mail from CA LL for people that don't live at the address

UNIVERSAL SERVICE



CPUC administers 6 legislatively mandated programs to ensure safe, reliable, affordable, and universal access to telecommunications services. These programs connect Californians to essential services such as public safety, public health, and education.

1. California Advanced Services Fund

Provides grants and revolving loans to bridge the “digital divide” in unserved and underserved communities in rural and urban areas (PU Code Sec. 281)

Connecting high-cost rural communities in **12 counties** to service **58,175 households** and **businesses**

Benefitting **291,882 households** and **4,024 public housing units**

2. California High Cost Fund A

Provides financial assistance to 13 small independent telephone companies serving “high cost” rural areas to keep rates affordable (PU Code Sec. 275.6)

Connecting **127,205 households** in high-cost rural areas

Connecting **3,245 schools**
419 libraries
7,334 community groups
152 hospitals & clinics
96 community colleges
1 telehealth network connecting to almost **300 rural sites**

3. California High Cost Fund B

Provides financial assistance to “carriers of last resort” to keep basic telephone service affordable in rural areas (PU Code Sec. 276.5)

Connecting **1.48 million relayed calls** to support **6.11 million conversation minutes** annually

Providing a **\$13.75** discount in addition to **\$9.25** from Federal LifeLine, connecting **1,654,427 wireless** and **512,102 wireline** customers

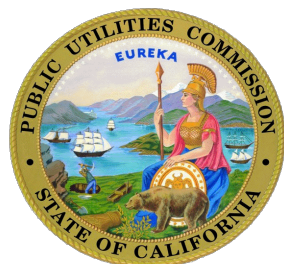
4. California Teleconnect Fund

Provides discounted communications services to schools, community colleges, libraries, public hospitals and non-profit organizations (PU Code Sec. 280)

5. Deaf & Disabled Telecom Program

Provides relay service and discounted assistive equipment to customers with hearing, vision, speech, cognitive, and mobility disabilities (PU Code Sec. 2881)

6. California LifeLine Program

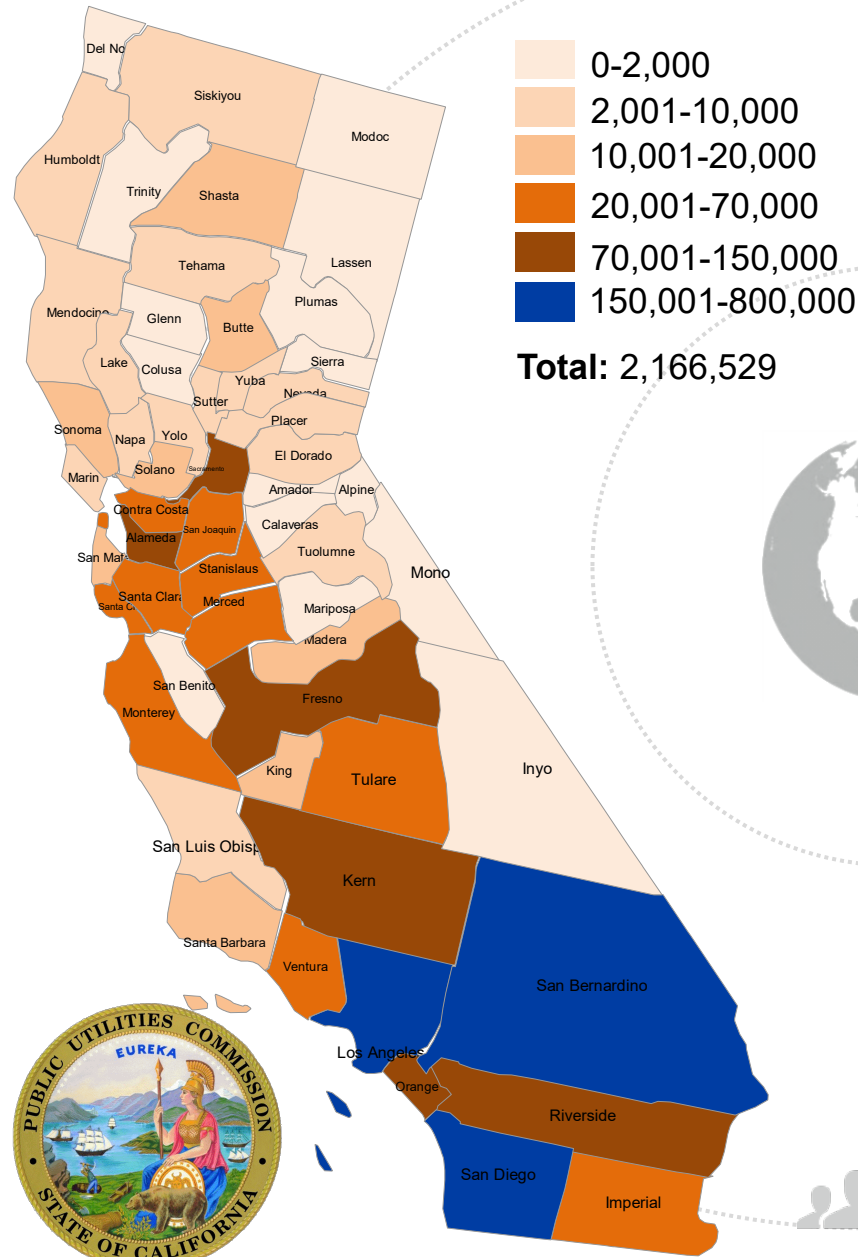


California LifeLine Program



PU Code Section 871 *et. seq.* requires the CPUC to promote universal service by making residential service affordable to low-income Californians. This program provides discounts to basic landline and wireless phone service to qualifying low-income residents to help them stay connected.

Number of Participants by County



FY 15/16 Enacted Budget	FY 16/17 Enacted Budget
\$483.5 Million	\$483.2 Million

PROGRAM ELIGIBILITY

Household Income Thresholds

1-2 members	\$25,900
3	\$30,100
4	\$36,500

For each additional member, add \$6,400

Each household must choose to get the discount either on a home phone or on a cell phone, but not on both.

or

Categorical Enrollment

Resident is eligible if already enrolled in Medicaid/Medi-Cal, Low Income Home Energy Assistance Program (LIHEAP), Supplemental Security Income (SSI), Federal Public Housing Assistance or Section 8, CalFresh, Food Stamps or Supplemental Nutrition Assistance Program (SNAP), Women, Infants and Children Program (WIC), National School Lunch Program (NSLP), Temporary Assistance for Needy Families (TANF), Tribal TANF, Bureau of Indian Affairs General Assistance, Head Start Income Eligible (Tribal Only), Food Distribution Program on Indian Reservations, or Federal Veterans and Survivors Pension Benefit Program

Discount Level

Each program participant receives a **\$13.75** discount from CA LifeLine in addition to a **\$9.25** discount from Federal LifeLine.

Multi-lingual Access

Enrollment process available in English, Spanish, Chinese, Korean, Japanese, Vietnamese, and Tagalog

CONDUENT

