



WELCOME!

California LifeLine Program

Workshop

October 14, 2016

9:30 a.m. to 4 p.m.



California **LIFELINE** program

California LifeLine Team
October 14, 2016
www.californialifeline.com





Quick Overview of Relevant Rules





47 C.F.R. § 54.411 & FCC 16-38 ¶¶385-394 Condensed

- Limits participants' ability to transfer their federal Lifeline discounts from one service provider to a different service provider
- FCC's rationale = incentivize investment in high-quality federal Lifeline service offerings
- Transfer freeze duration (voice service) = 60 days
- Transfer freeze duration (broadband service) = 365 days (or 12 months)
- Participants are not required to again prove their eligibility to transfer their federal Lifeline discounts between service providers
- Losing service provider must share the participants' eligibility records to the participant or the winning service provider
- 4 exceptions to enable transfers between service providers before the end of the transfer freeze duration





California Public Utilities Code

- **§ 878.5**

The commission shall adopt a portability freeze rule for the lifeline program by **January 15, 2017**. The commission shall consider including all of the following in the rule:

- (a) A **60-day duration** of the portability freeze.
- (b) A period of time when a subscriber would be able to **terminate lifeline service without penalty**, similar to provisions established in Section 4.13.5 of commission Decision 14-01-036 (January 16, 2014), Decision Adopting Revisions to Modernize and Expand the California Lifeline Program.
- (c) A requirement that the administrator of the lifeline program provide a telephone corporation providing lifeline service with **real-time information** concerning whether a subscriber has enrolled with another telephone corporation during the period of the portability freeze adopted by the commission pursuant to this section and, if the subscriber enrolled during this period, the date of enrollment.





General Order 153

- § 4.2.1

California LifeLine Service Providers shall ask the customer whether he/she is **currently or within the last 30 days** has been **enrolled** in California LifeLine by another California LifeLine Service Provider.

- § 4.2.1.1

If yes, the California LifeLine Service Provider shall then contact the California LifeLine Administrator to validate the customer's approved status. The California LifeLine Service Provider shall inform the customer that the California LifeLine Administrator will notify the customer and the customer's current California LifeLine Service Provider once it determines whether or not the customer is **currently or within the last 30 days** has been enrolled in California LifeLine. If the California LifeLine Administrator **cannot confirm** the customer's **continued eligibility**, the customer will be treated as a new California LifeLine applicant and be **subject to the Application Process**.





General Order 153

- § 5.4.5

A subscriber changing his/her California LifeLine Service Provider **shall not be required to undergo the Application Process**, provided that the subscriber initiates California LifeLine service with his/her new California LifeLine Service Provider **within 30 days of disconnecting** California LifeLine service with the previous California LifeLine Provider and the subscriber maintains eligibility in all other respects. If a subscriber **changes his or her principal place of residence**, while maintaining eligibility in all other respects, the subscriber shall not be required to go through the Application Process again





Volume and Characteristics of Transfers (March 2014 to March 2016)

- Two types of transfers: (1) inter-carrier and (2) intra-carrier
- About 1.97 million inter-carrier and intra-carrier transfers
- A majority of transfers (about **75%**) occurred after 30 days while more than half (about **58%**) happened after 60 days
- Transfers predominantly comprised of...
 - Inter-carrier transfers (about **98%**)
 - Transfers between California LifeLine wireless telephone service providers only (about **92%**)
 - Transfers occurring after 7 days (about **94%**)
 - One and two time transfers (about **80%**)



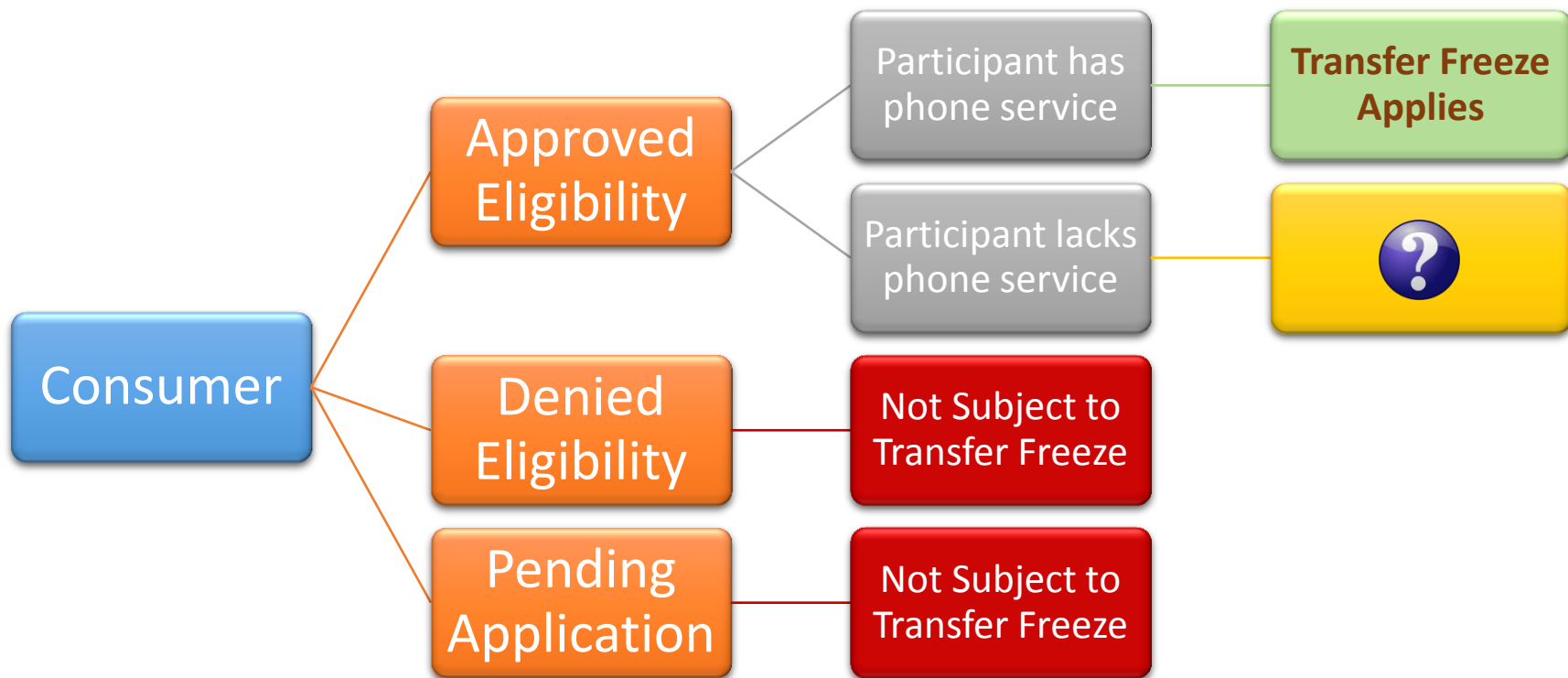


Details of Implementing a California LifeLine Discount Transfer Freeze





Which Consumers are Subject to Transfer Freeze?



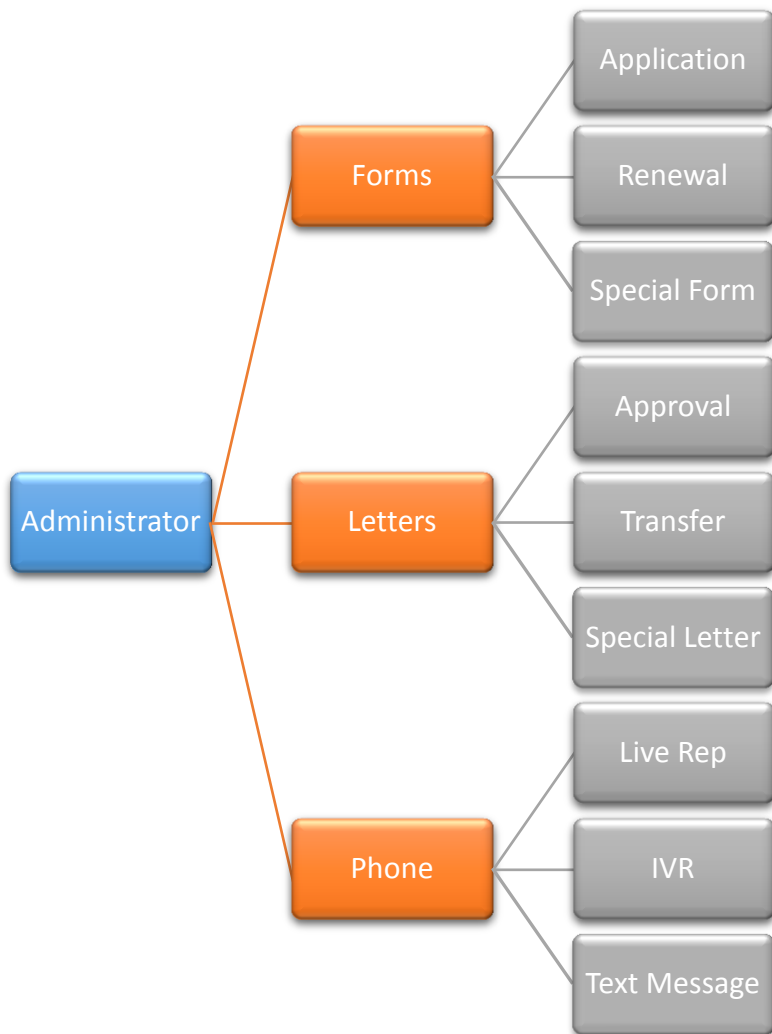


Determining When to Start the Transfer Freeze



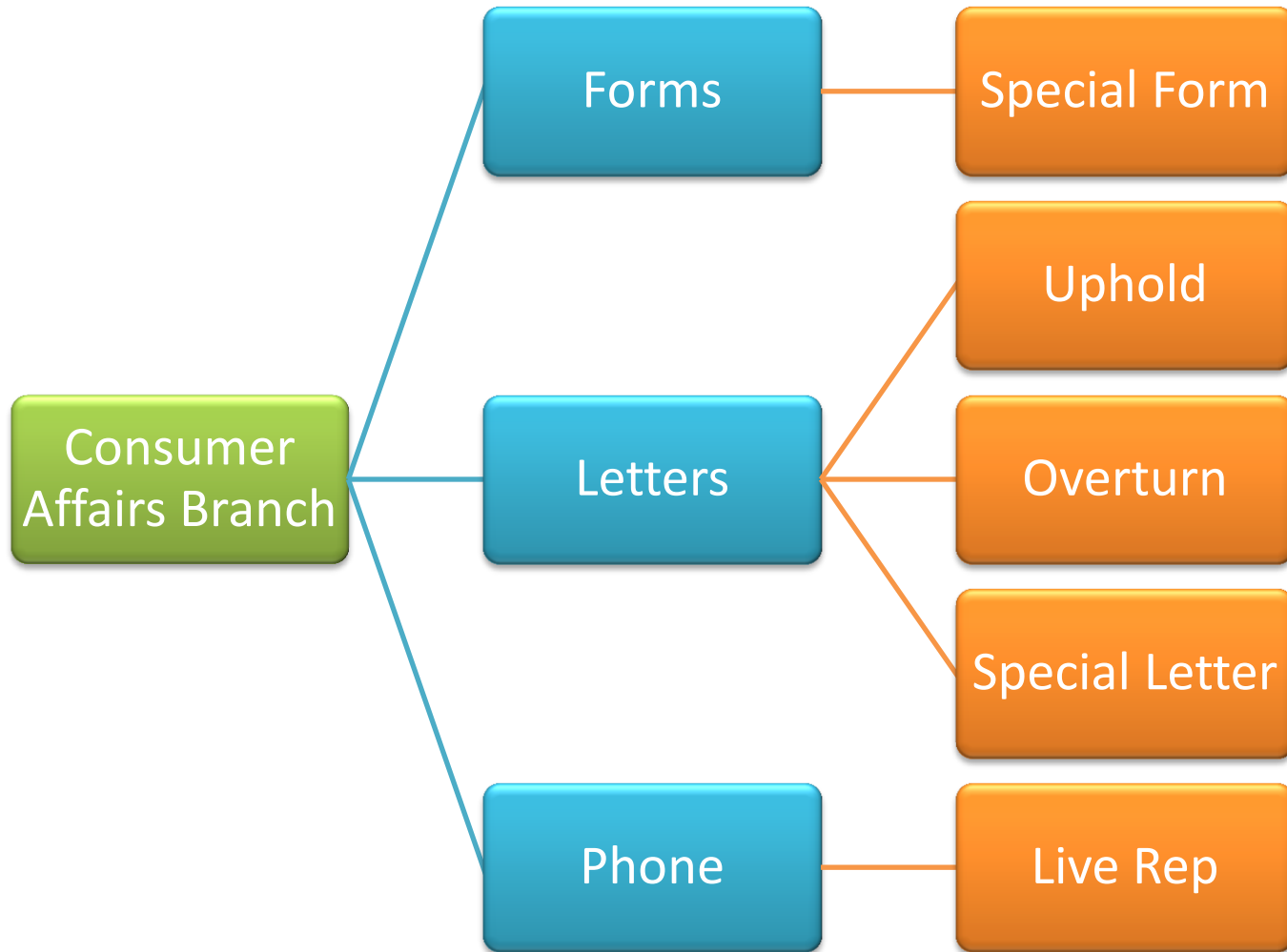


Sources and Modes of Communicating Transfer Freeze and Possibility of Exceptions to Consumers





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Sources and Modes of Communicating Transfer Freeze and Possibility of Exceptions to Consumers

Service Providers





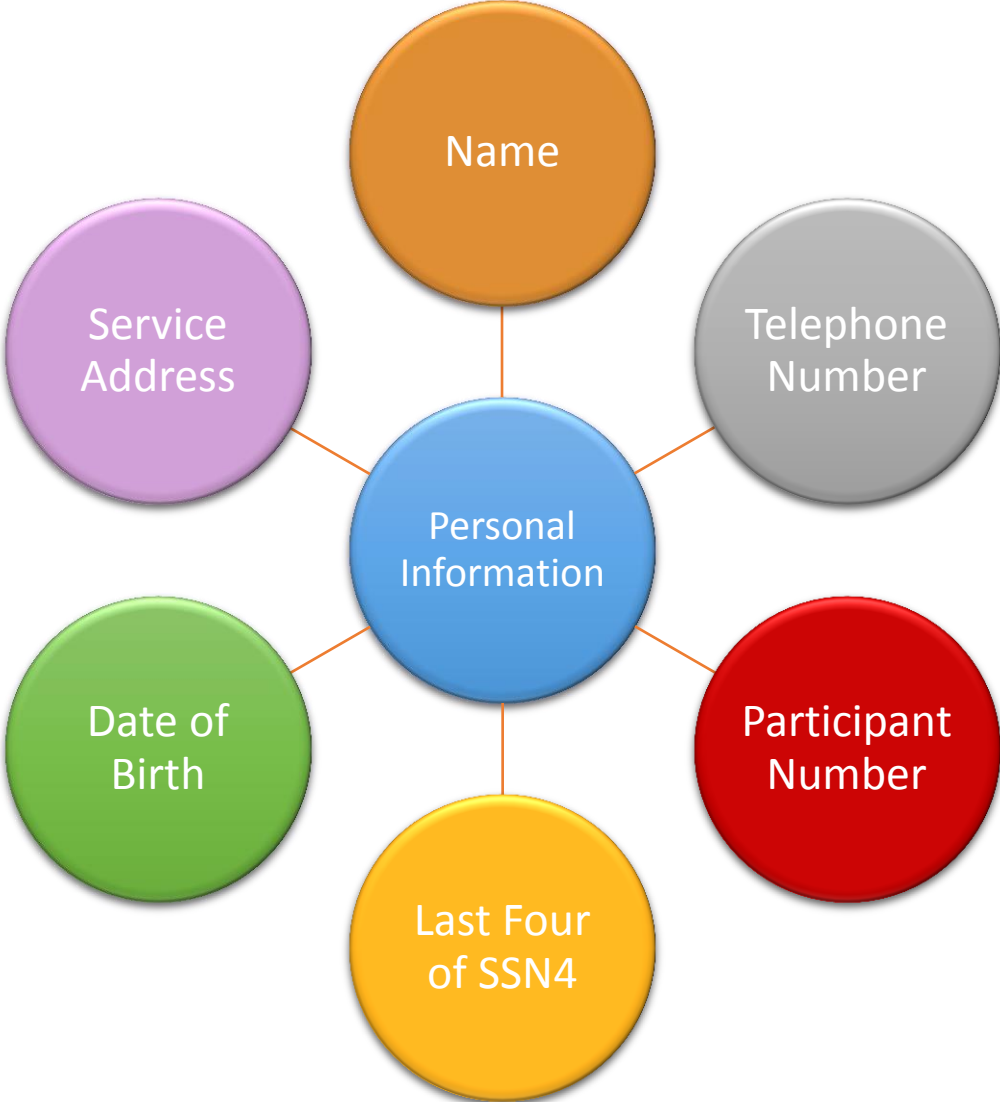
Matching Logic

- Matching process facilitates *instantaneous* transfers
 - Factors for Matching Process: **100% First Name and Last Name + (Service Address OR Phone Number/Prior Phone Number)**
- If there is no match resulting from the matching process, then the Administrator starts the application process
- If during the review of the new application, the Administrator determines that the applicant is a duplicate, then the Administrator will conduct a transfer, deny the request, or de-enroll the participant
- Address standardization improves the results of the matching process
- Service providers using the Direct Application Process *chose* to also provide the date of birth (DoB) and the last four digits of the Social Security Number (SSN4) to improve the results of the matching process





Possible Revisions to the Matching Logic





Possible Revisions to the Matching Logic

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FCC 16-38 ¶391

A provider that enrolls Lifeline-eligible subscribers cannot materially change the initial terms or conditions of that service offering without the consent of the subscriber until the end of the 12 months, except to increase the offering's speeds or usage allowances. Changes that lower the quality or speed of service, lower the offering's usage allowance, or increase the service's price are presumptively material changes to the terms or conditions of service, even if such changes are made in response to an amendment to the Commission's rules or a change to the Lifeline program's minimum service standards.

If a subscriber cancels service or is de-enrolled for non-usage, the Lifeline provider cannot continue to receive reimbursement for that subscriber, nor can the subscriber re-enroll in the program with another provider until the end of the initial 12-month period.

Where permitted by the terms and conditions of the service offering, a Lifeline subscriber at any time may move their Lifeline benefit to a different qualifying Lifeline service offered by the same provider, whether broadband, voice, or a bundled offering so long as the service is eligible for support by the Lifeline program. However, if the subscriber switches to another plan offered by the Lifeline provider that offers Lifeline qualifying voice telephony service but not Lifeline qualifying BIAS, the subscriber's 12-month port freeze will end immediately and the subscriber will instead be subject to a 60-day benefit port freeze.



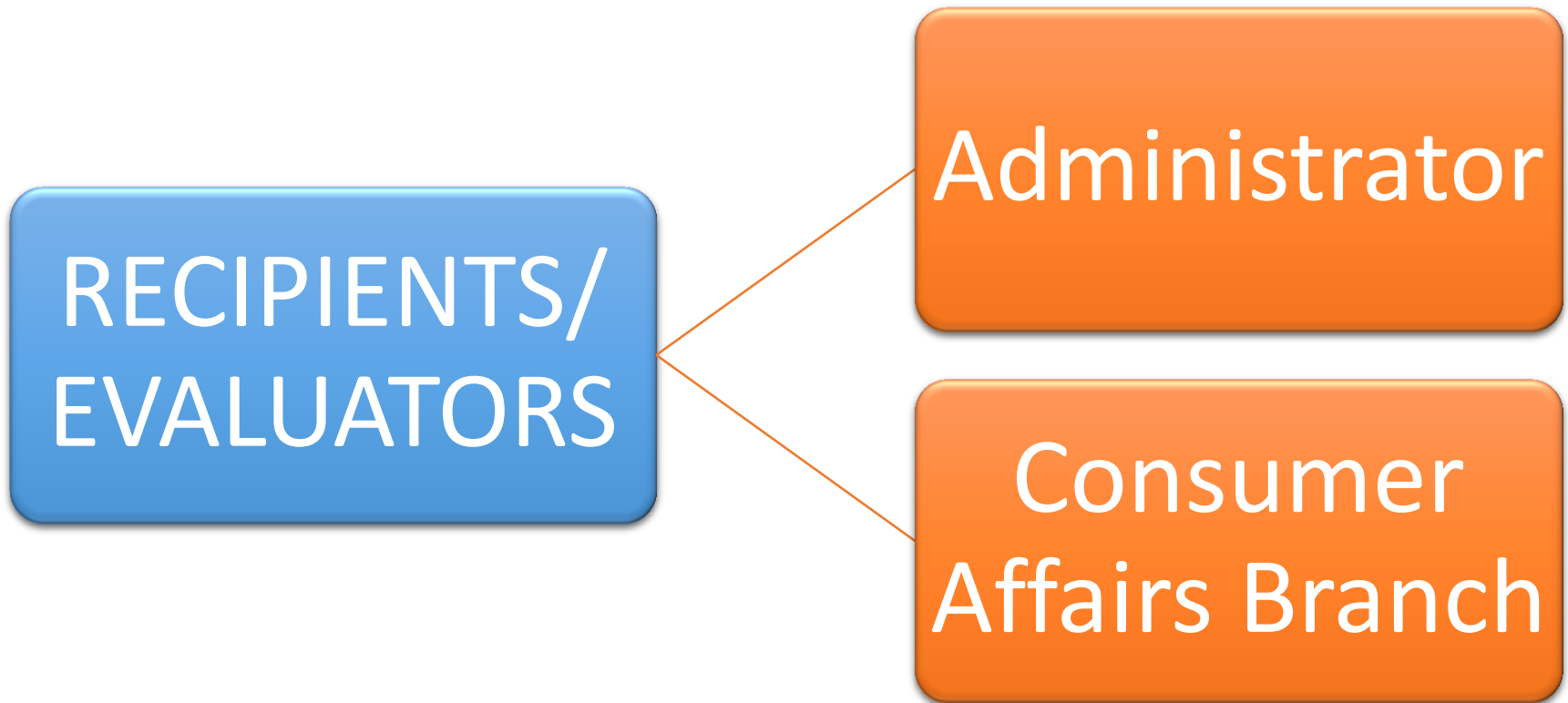


Mechanics of Implementing Exceptions to the California LifeLine Discount Transfer Freeze



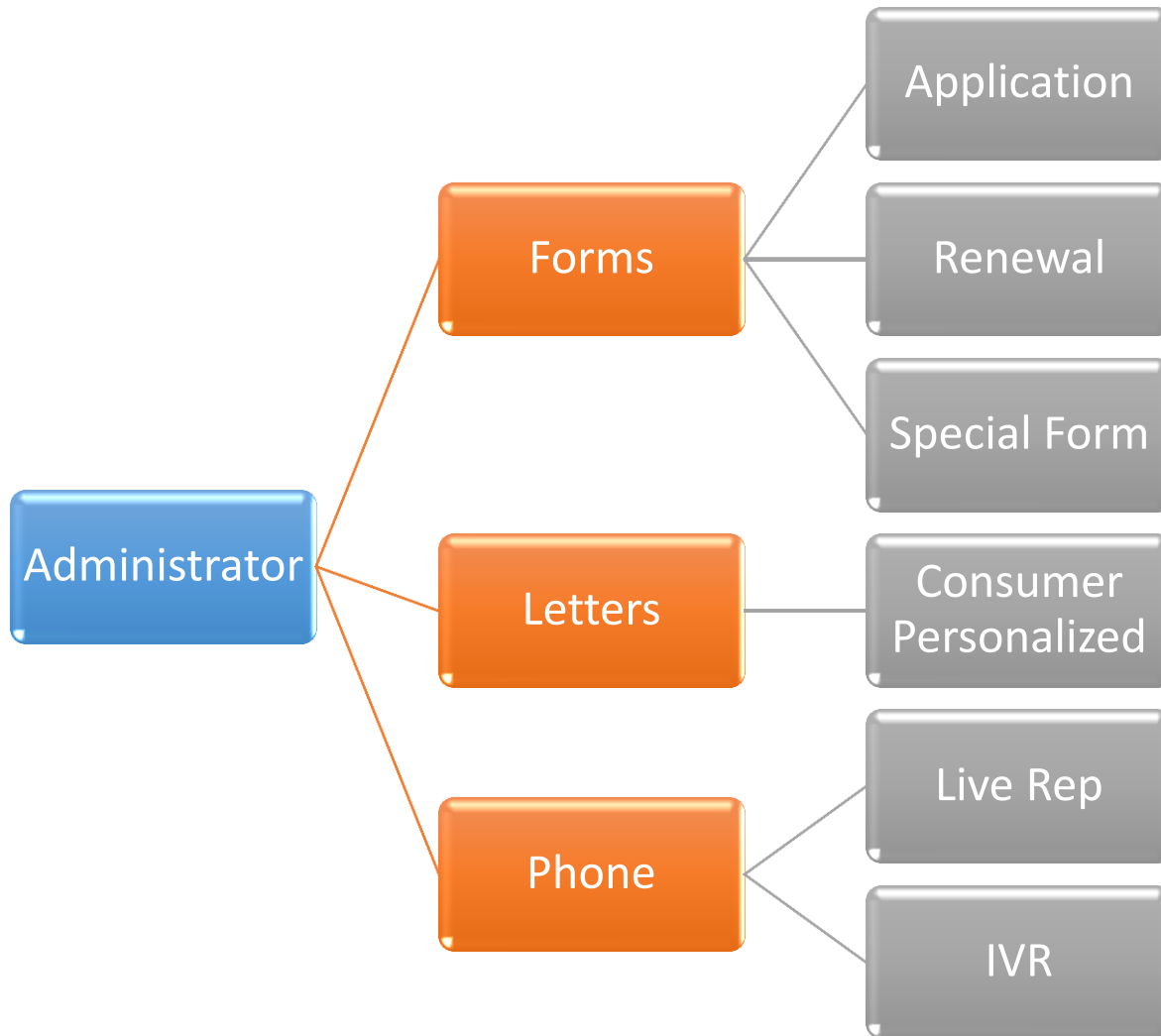


Recipients/Evaluators of Requests for Exceptions



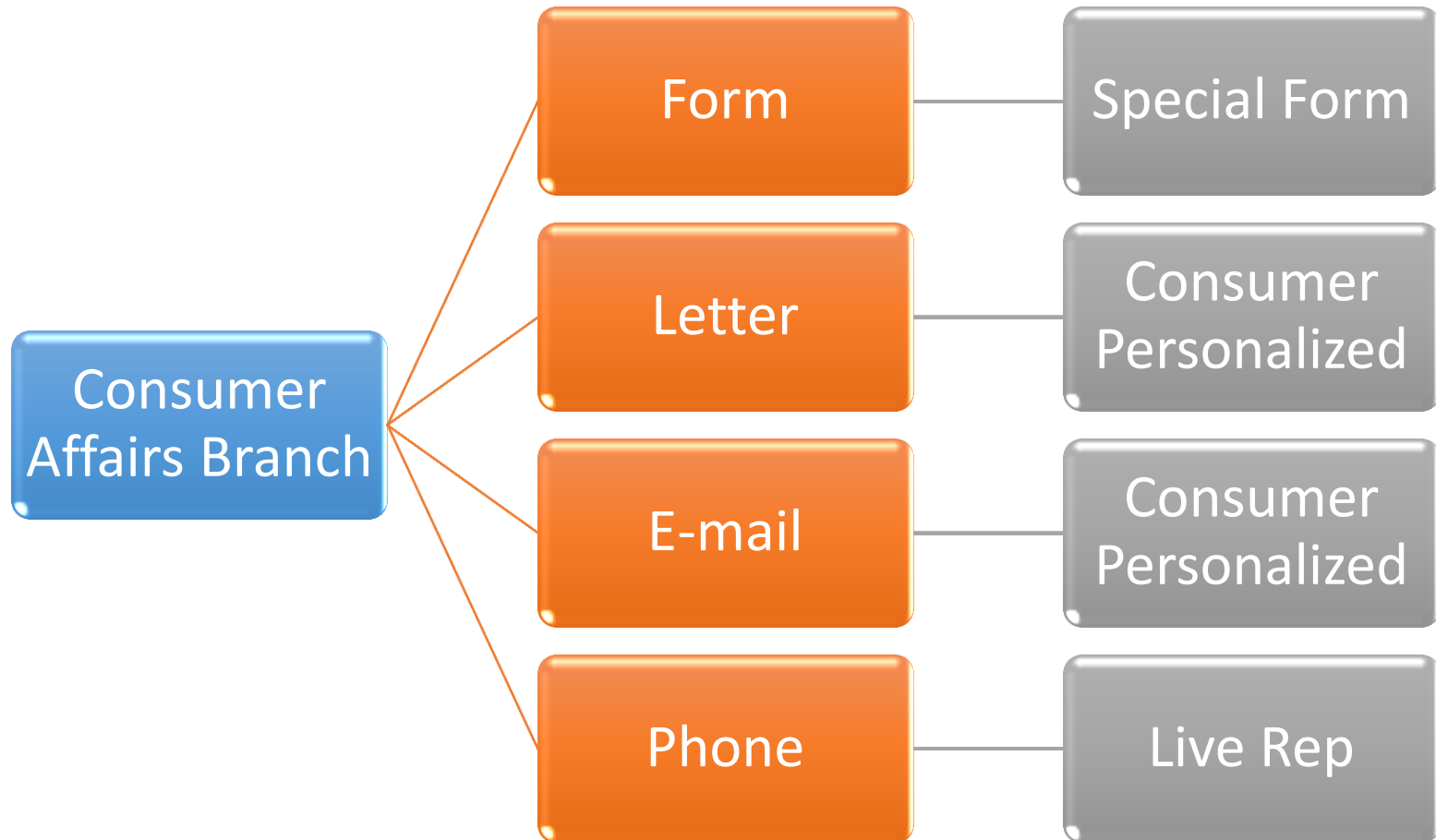


Modes of Submitting Requests for Exceptions to Transfer Freeze



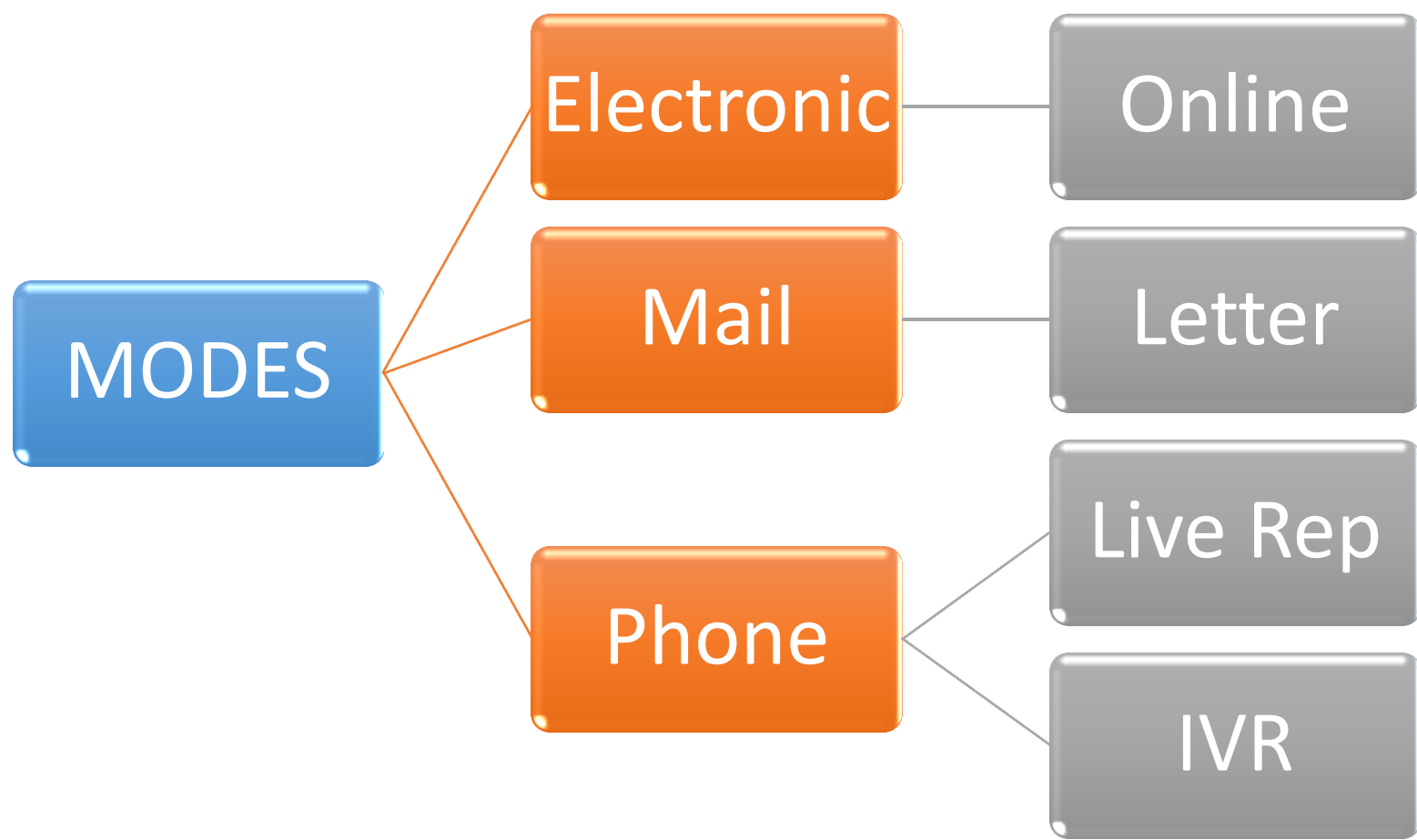


Modes of Submitting Requests for Exceptions to Transfer Freeze





Modes of Communicating the Status (Pending, Granted, Rejected) of Requests for Exceptions to Consumers





Consumer's Recourse After Rejection of Request for an Exception to the Transfer Freeze





Use Consumer's "Word" vs. Require Proof

TYPE OF EXCEPTION	Consumer's Word	Require Proof
Change of Residential Service Address	?	?
Failure to Provide Service	?	?
Ceases Operations	?	?
Imposition of Late Fees for Non-Payment	?	?
Violation of FCC rules	?	?
Violation of California LifeLine rules	?	?





Exception = Failure to Provide Service

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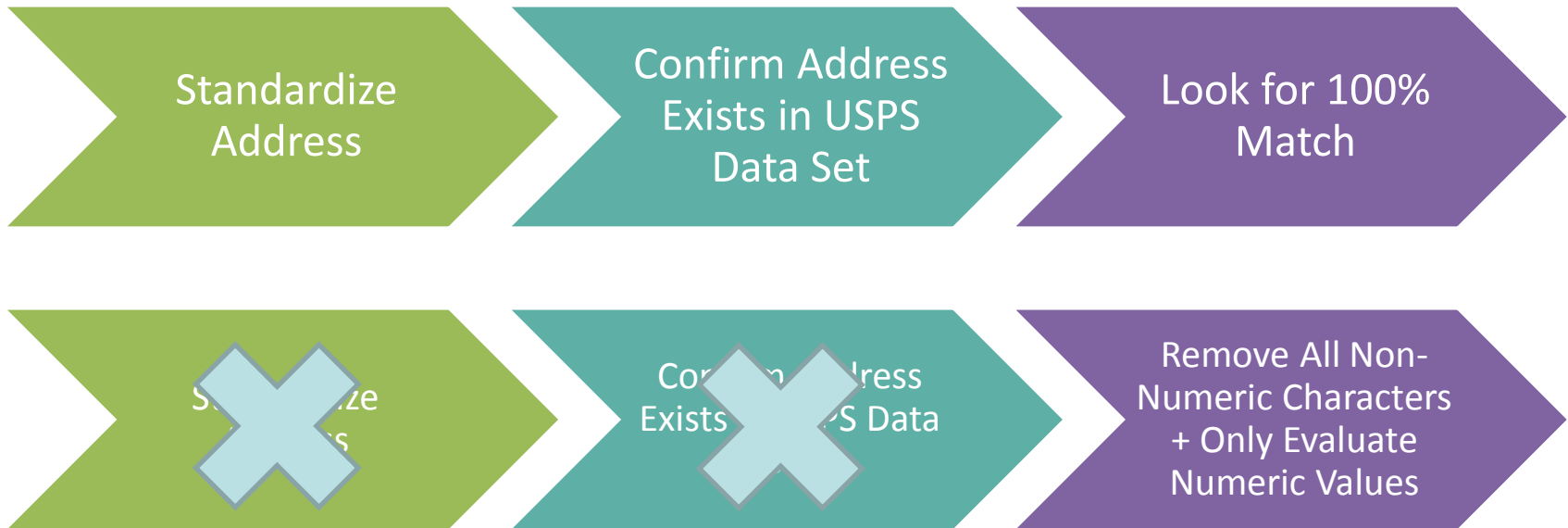
Exception = Change of Residential Service Address

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Methodology for Matching Service Addresses



Example: Address 1 is 123 Main Street Apt 23, Sacramento, CA 95681 and Address 2 is 123 Main #23, Sac, 95681. Only evaluate 1232395681 and 1232395681 for a match.





How to Handle Bad Addresses?

ABSENT FROM USPS DATA SET

- 1) Between Jan. 1 and Sept. 30, 2016, about 78K (0.95%) of the 8.1 million requests received had service addresses that were absent from the USPS data set
- 2) About 27K of the 78K comprised of new and transfer requests

STATUS CODE 30 = MAIL COULD NOT BE DELIVERED

- As of Sept. 30, 2016, about 44K California LifeLine participants had a status code 30
- 95% of the California LifeLine participants with a status code 30 had matching billing and service addresses





How to Handle Bad Addresses?

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Exception = Ceases Operations

Seeking
Your
Input





Exception = Late Fee for Non-Payment

Seeking
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Exception = Violate FCC's Rules

Seeking
Your
Input





Exception = Violate California LifeLine's Rules

Seeking
Your
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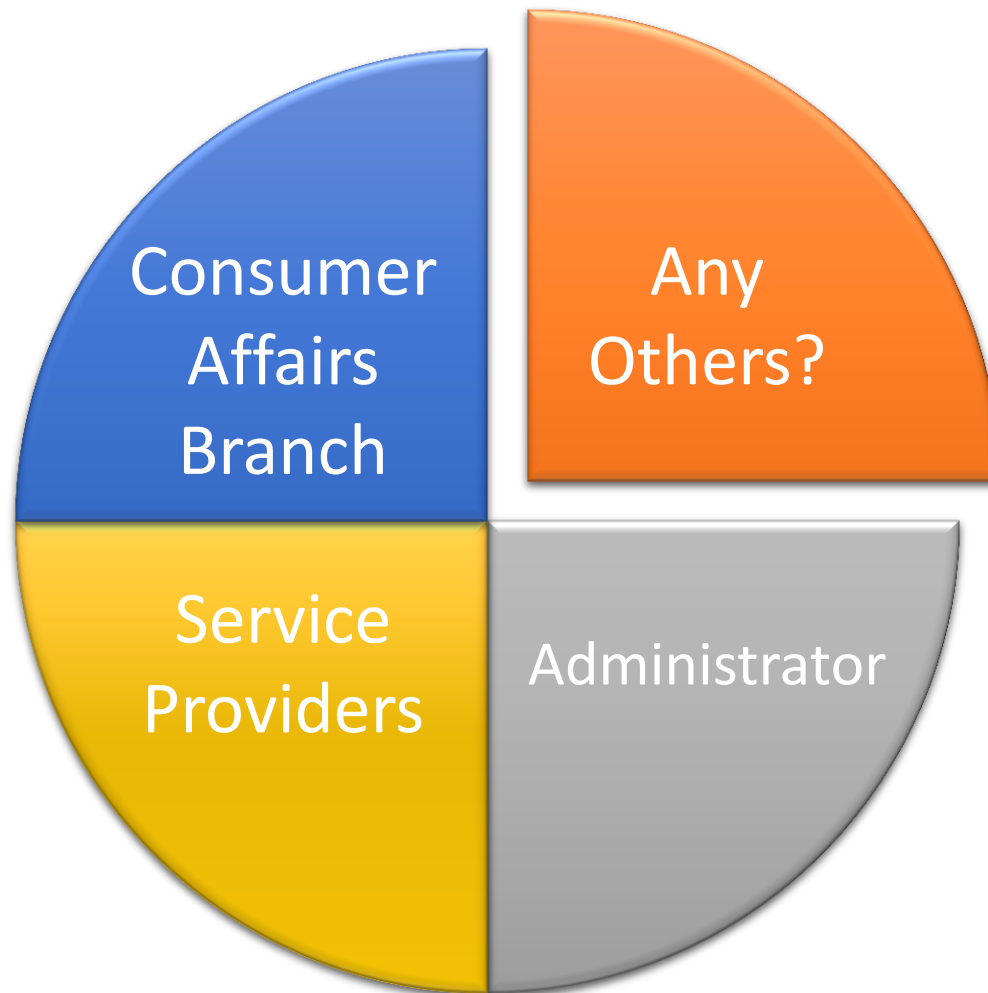


Challenges to Implementation





Potential Challenges for Worker Bees'





Transfer
Freeze



Summary of Parties' Common Issues

Exceptions



Challenges

