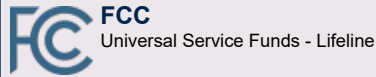


Goal: Getting Payments Right



Brief Program Description:

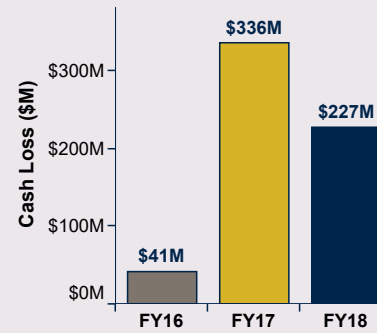
Lifeline is a federal program that lowers the monthly cost of phone and internet. Eligible customers will get at least \$9.25 toward their bill; residents of federally-recognized Tribal lands may receive an additional \$25 per month.

Change from Previous FY (\$M)

-\$109M



Cash Loss by FY (\$M)



Key Milestones		Status	ECD
1	Finalize cash loss estimation methodology	Completed	Oct-18
2	Identify cash loss amount for FY 2018	Completed	Oct-18
3	Identify true root causes of cash loss	Completed	Oct-18
4	Develop mitigation strategies to get the payment right the first time	Completed	Oct-18
5	Evaluate the ROI of the mitigation strategy	Completed	Oct-18
6	Determine which strategies have the best ROI to prevent cash loss	Completed	Oct-18

Quarterly Progress Goals			Status	Notes	ECD
1	Q4 2018	Established data connections with 4 additional states to automate eligibility checking for the National Verifier.	Completed	N/A	Dec-18
2	Q4 2018	Soft-Launch 10 additional states into the National Verifier.	Completed	N/A	Dec-18

Recent Accomplishments		Date
1	Rolled out and required the use of Universal Forms.	Jul-18
2	Began automated eligibility checking of current Lifeline subscribers for entry in the National Verifier for 16 states.	Nov-18
3	Began manual eligibility checking of current and prospective Lifeline subscribers in the National Verifier.	Nov-18

FY18 Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
\$222M	Insufficient documentation to determine	Inadequate Certifications - Carrier provided an inadequate enrollment certification.	Inadequate Certifications - Universal Forms went into effect on 7/1/18. All Eligible Telecom Carriers (ETCs) are required to use the Universal Forms, regardless of whether the ETC is in a state that has transitioned to the National Verifier.	Ineligible Certifications - Resolving improper forms that the ETCs are using through the Universal Forms will resolve the vast majority of the issue. Full implementation of National Verifier by 12/2019 resolves the issue entirely.
		Missing Certifications - Carrier failed to provide enrollment certification or re-certification form.	Missing Certifications - USAC collects and retains Lifeline subscriber certification and re-certification forms for the National Verifier, taking this requirement out of the service providers' hands.	Missing Certifications - USAC's independent collection, review and retention of the certifications will nearly eliminate this issue.
\$5M	Other reason	Ineligible Subscribers - Carrier allowed ineligible subscribers into the program or did not collect or retain proper documentation.	Ineligible Subscribers - USAC independently collects, reviews and retains necessary eligibility documentation for subscribers entering the National Verifier.	Ineligible Subscribers - USAC's independent collection, review and retention of necessary eligibility documentation will drastically reduce ineligible subscribers in the Program.