

# Payment Integrity Scorecard

**Program or Activity**  
Universal Service Funds - Lifeline

**Reporting Period**  
Q1 2021

**Change from Previous FY (\$M)**

**\$27M**

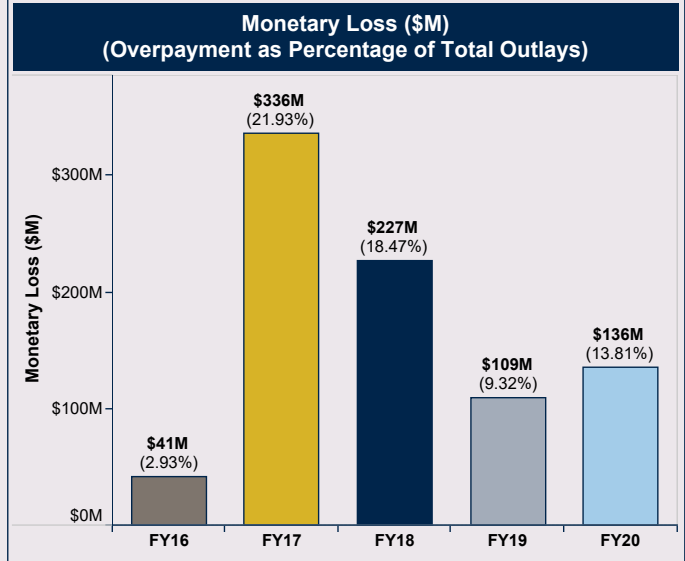


Universal Service Funds - Lifeline

**Brief Program Description:**

Please provide a brief 1-2 sentence high level description of your program. (250 character limit)  
Lifeline is a federal program that lowers the monthly cost of phone and internet. Eligible customers will get at least \$7.25 toward their bill; resident

Key Milestones		Status	ECD
1	Develop mitigation strategies to get the payment right the first time	Completed	Jan-21
2	Evaluate the ROI of the mitigation strategy	Completed	Jan-21
3	Determine which strategies have the best ROI to prevent cash loss	Completed	Jan-21
4	Implement new mitigation strategies to prevent cash loss	On-Track	Mar-21
5	Analyze results of implementing new strategies	On-Track	Dec-22
6	Achieved compliance with PIIA	On-Track	Nov-21
7	Identified any data needs for mitigation	On-Track	Mar-21



Goals towards Reducing Monetary Loss			Status	ECD
1	Q1 2021	Begin conducting targeted programmatic reviews of ETCs' non-usage compliance, including reviews of policies & procedures and non-usage data.	On-Track	Mar-21
2	Q1 2021	Establish an alert in LCS when an ETC claims an unusually high percentage of subscribers, which indicates potential non-usage non-compliance.	On-Track	Mar-21

Recovery Method	Brief Description of Plans to Recover Overpayments
1 Recovery Activity	Establish an alert in LCS when an ETC claims an unusually high percentage of subscribers, which indicates potential non-usage non-compliance. Begin conducting targeted programmatic reviews of ETCs non-usage compliance, including reviews of policies
2 Recovery Activity	See Actions Taken section regarding resolution of this issue.

Accomplishments in Reducing Monetary Loss			Date
1	Implemented additional state connections, bringing the automated program eligibility connections in the National Verifier up to two federal and 22 state/territory connections.		Nov-20
2	Began locking carrier agents who have been submitting potentially inauthentic or fabricated documentation out of Lifeline systems using Lifeline's Representative Accountability Database (RAD).		Dec-20
3	Implemented and continue to support actions taken in Lifeline COVID-19 waivers.		Jan-21

Amt(\$)	Root Cause of Monetary Loss	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$136M	Other reason	Missing or Insufficient Eligibility Documentation - Carrier failed to provide retained documentation to confirm a subscriber's initial eligibility.	Missing or Insufficient Eligibility Documentation - The launch of National Verifier all states.	Missing or Insufficient Eligibility Documentation - Full launch of all states in the National Verifier in 2020 virtually eliminates the issue.
		Non-Usage - ETCs failing to de-enroll subscribers who did not use their Lifeline service for 45 consecutive days (30-day usage period plus 15-day cure period).	Non-Usage - High claim alert in LCS; targeted Program Integrity reviews.	Non-Usage - Reduced improper payments through raised awareness and targeted reviews.
		Missing Certifications - Carrier omitted or failed to collect an enrollment certification.	Missing Certifications - Universal Forms and launch of National Verifier all states.	Missing Certifications - Universal Forms' release in 2018 mitigated the issue. Full launch of all states in the National Verifier in 2020 resolved the issue.

**Monetary Loss** - Monetary loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.