Accomplishments in Reducing Monetary Loss

1. Locked out 42 additional agents from Lifeline systems for committing potentially fraudulent transactions, bringing the total to 117. Mar-22
2. Supported continuation of COVID waivers. Mar-22
3. Withheld claims for approximately 8.1k subscribers in Q1 2022 who are potentially deceased. Mar-22

Goals towards Reducing Monetary Loss

1. Q2 2022 Conduct targeted programmatic reviews of ETCs non-usage compliance, including reviews of policies & procedures and non-usage data. On-Track Sep-22
2. Q2 2022 Analyze duplicate subscribers in California and provide results to the California PUC. On-Track Sep-22

FCC Universal Service Fund - Lifeline

Program or Activity: Universal Service Fund - Lifeline
Reporting Period: Q2 2022

Brief Program Description:
Lifeline is a federal program that lowers the monthly cost of phone and internet. Eligible customers will get at least $5.25 toward their bill. Residents of federally-recognized Tribal lands may receive an additional $25 per month.

Key Milestones

1. Develop mitigation strategies to get the payment right the first time, completed Nov-20
2. Evaluate the ROI of the mitigation strategy, completed Nov-20
3. Determine which strategies have the best ROI to prevent cash loss, completed Nov-20
4. Implement new mitigation strategies to prevent cash loss, completed May-21
5. Analyze results of implementing new strategies, on-track Sep-23
6. Achieved compliance with PIA, on-track Oct-22
7. Identified any data needs for mitigation, completed Mar-21

Payment Integrity Scorecard

Key Milestones Status ECD
1. Develop mitigation strategies to get the payment right the first time Completed Nov-20
2. Evaluate the ROI of the mitigation strategy Completed Nov-20
3. Determine which strategies have the best ROI to prevent cash loss Completed Nov-20
4. Implement new mitigation strategies to prevent cash loss Completed May-21
5. Analyze results of implementing new strategies On-Track Sep-23
6. Achieved compliance with PIA On-Track Oct-22
7. Identified any data needs for mitigation Completed Mar-21

Goals towards Reducing Monetary Loss Status ECD
1. Q2 2022 Conduct targeted programmatic reviews of ETCs non-usage compliance, including reviews of policies & procedures and non-usage data. On-Track Sep-22
2. Q2 2022 Analyze duplicate subscribers in California and provide results to the California PUC. On-Track Sep-22

Change from Previous FY ($M)

Change from Previous FY ($M)

Monetary Loss ($M)

<table>
<thead>
<tr>
<th>Year</th>
<th>Monetary Loss ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY16</td>
<td>$336M (21.93%)</td>
</tr>
<tr>
<td>FY17</td>
<td>$227M (18.47%)</td>
</tr>
<tr>
<td>FY18</td>
<td>$109M (9.32%)</td>
</tr>
<tr>
<td>FY19</td>
<td>$136M (13.81%)</td>
</tr>
<tr>
<td>FY20</td>
<td>$117M (13.72%)</td>
</tr>
<tr>
<td>FY21</td>
<td></td>
</tr>
</tbody>
</table>

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