

Universal Service Administrative Company

Lifeline Program Overview



Universal Service
Administrative Co.

Who is USAC?

The Universal Service Administrative Company

As established by the Telecom Act of 1996, USAC is an independent, not-for-profit corporation designated by the FCC as the permanent administrator of the Universal Service Fund and its four programs

Works as a *partner with the FCC* to protect the integrity of universal service through:

- Informing and educating program audiences
- Collecting and distributing contributions
- Promoting program compliance

The Mission of Universal Service

Ensuring that all people in the United States have access to quality, affordable connectivity services through these four universal service programs:

- Connect America Fund
- E-rate Schools and Libraries Program
- Lifeline Program
- Rural Health Care Program

What is Lifeline?



Monthly discount on phone & broadband service

Subscribers prove eligibility through participation in qualifying program or demonstrating income at or below 135% of federal poverty guideline

Available in every state, territory, commonwealth & on Tribal lands

13 million U.S. households participate in the federal Lifeline program

Program Rules



Lifeline is available only to subscribers who can document their eligibility

Only one Lifeline benefit is permitted per household

Subscribers are required to recertify their eligibility every year

How does it work?

The federal Lifeline program provides a \$9.25 benefit per month to eligible low-income consumers, or up to \$34.25 to Tribal/Native land residents

Subscribers may receive a discount on either:

Fixed voice (home phone)

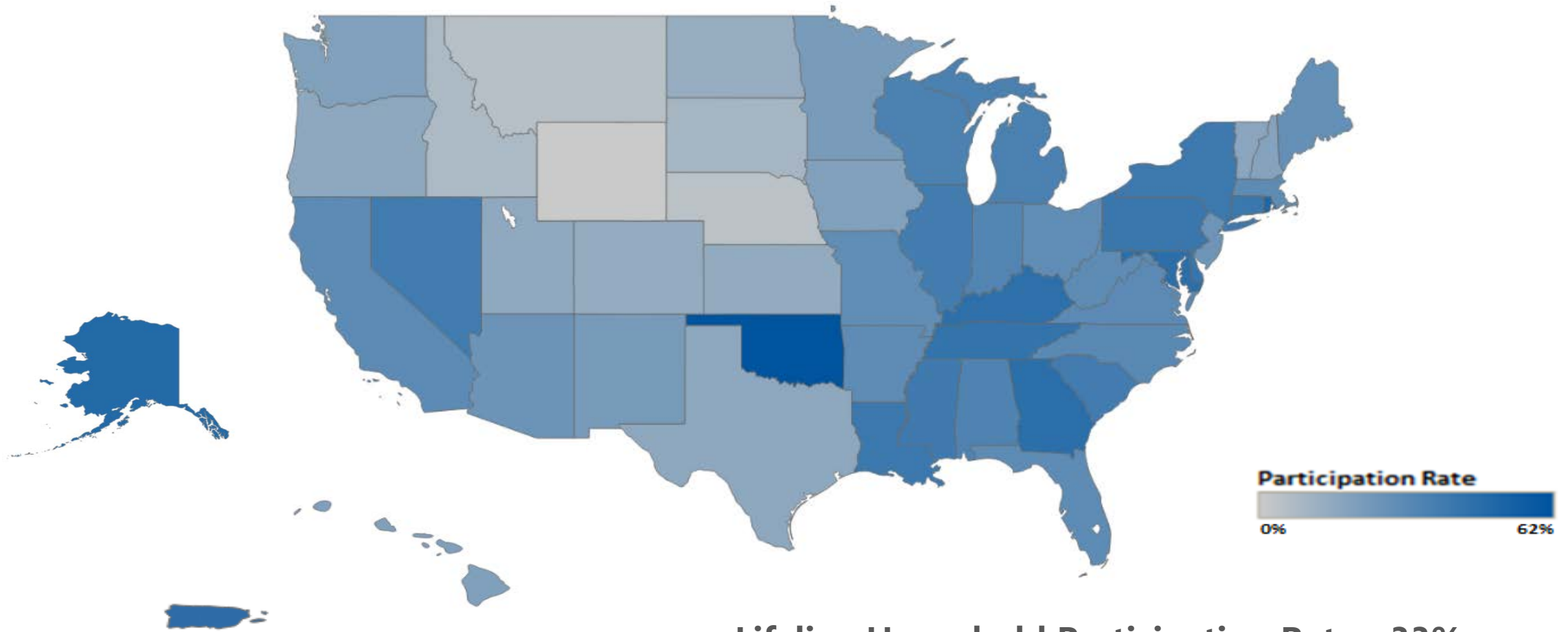
Mobile voice (cell phone)

Fixed broadband

Mobile broadband

Bundled voice + broadband

Current Lifeline Participation



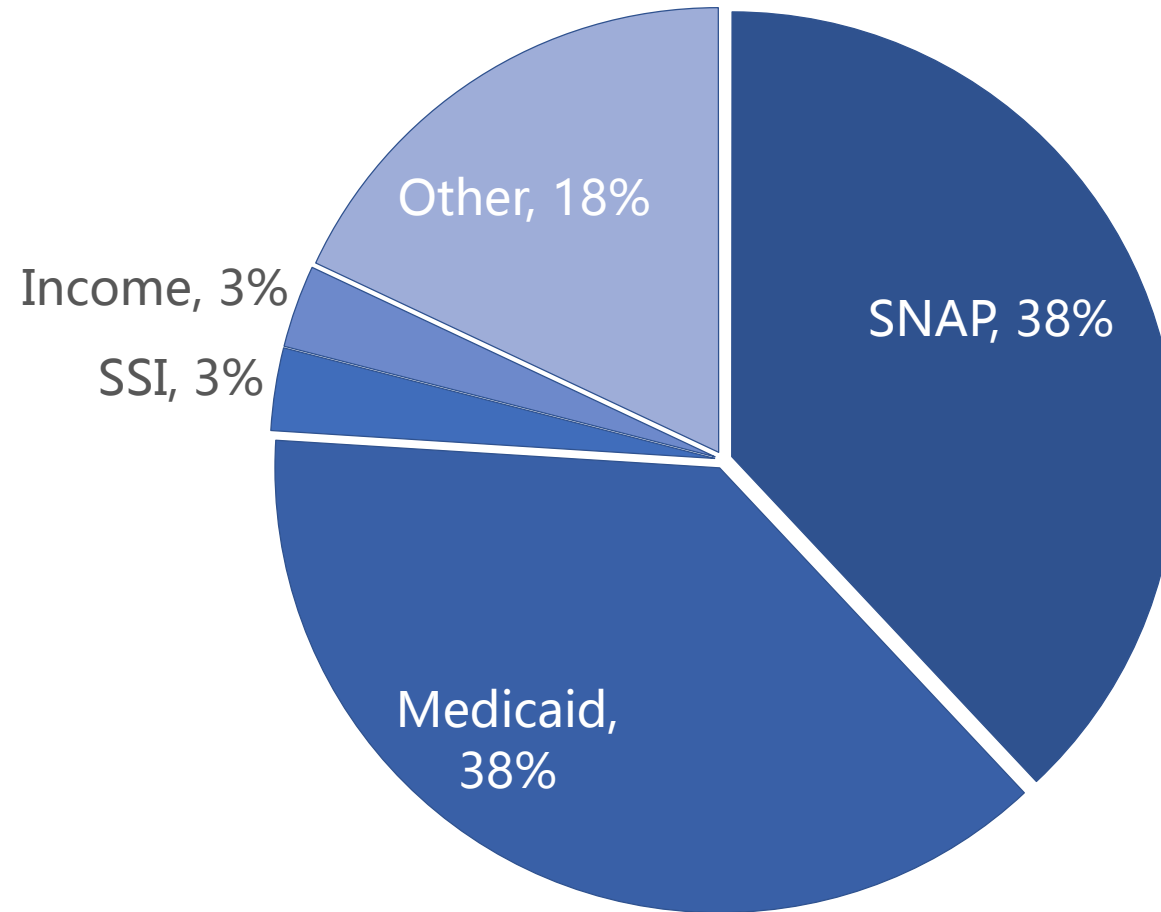
Lifeline Household Participation Rate - 33%

*Numbers derived from data in the 2014 American Community Survey (ACS), U.S. Census Bureau

Current State

Consumer Participation

Almost 10 million (76%) of Lifeline subscribers qualify through SNAP or Medicaid¹



¹Lifeline Program participation rate at the end of October 2015 was approximately 33%, consisting of 13 million enrolled households (includes 50 U.S. states, District of Columbia, and Puerto Rico)

2016 Lifeline Modernization

Changes to the program

- Broadband
- Streamlined eligibility programs
- National Lifeline Eligibility Verifier



Broadband

- Fixed or mobile broadband
- Minimum service standards
- Cannot apply benefit to equipment
- 12 month benefit port freeze (60 days for voice)



Streamlined Eligibility

Consumers are eligible for a Lifeline benefit if enrolled in:

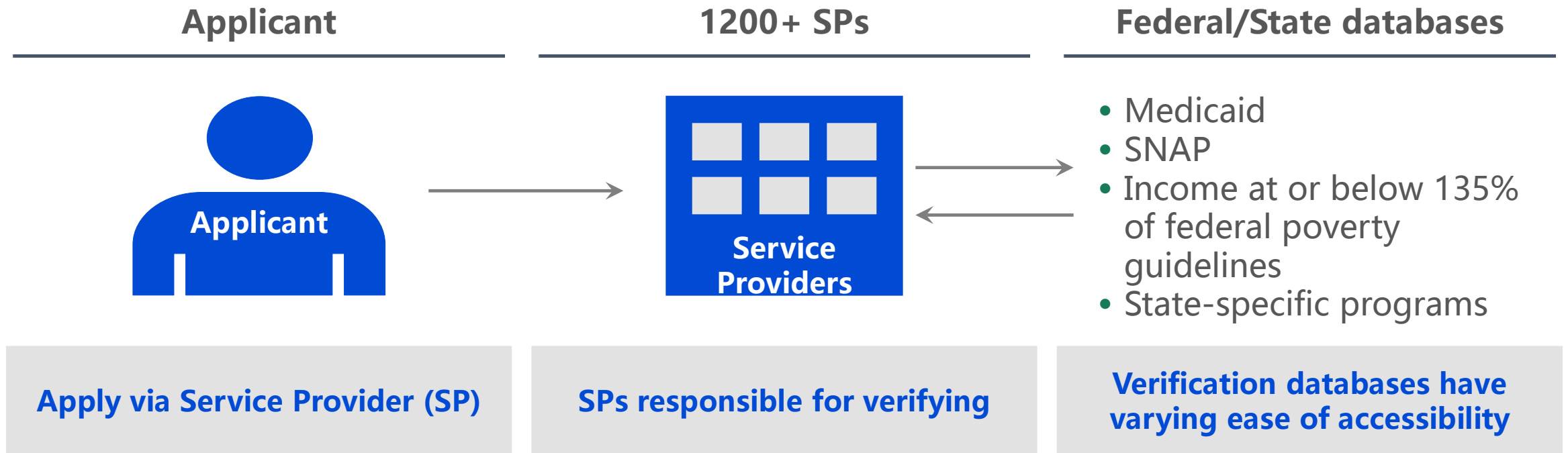
- Medicaid
- Supplemental Nutrition Assistance Program (Food Stamps or SNAP)
- Supplemental Security Income (SSI)
- Federal Public Housing Assistance
- Veterans Pension and Survivors Benefit
- Income-based eligibility (at or below 135% of the federal poverty guidelines)

OR

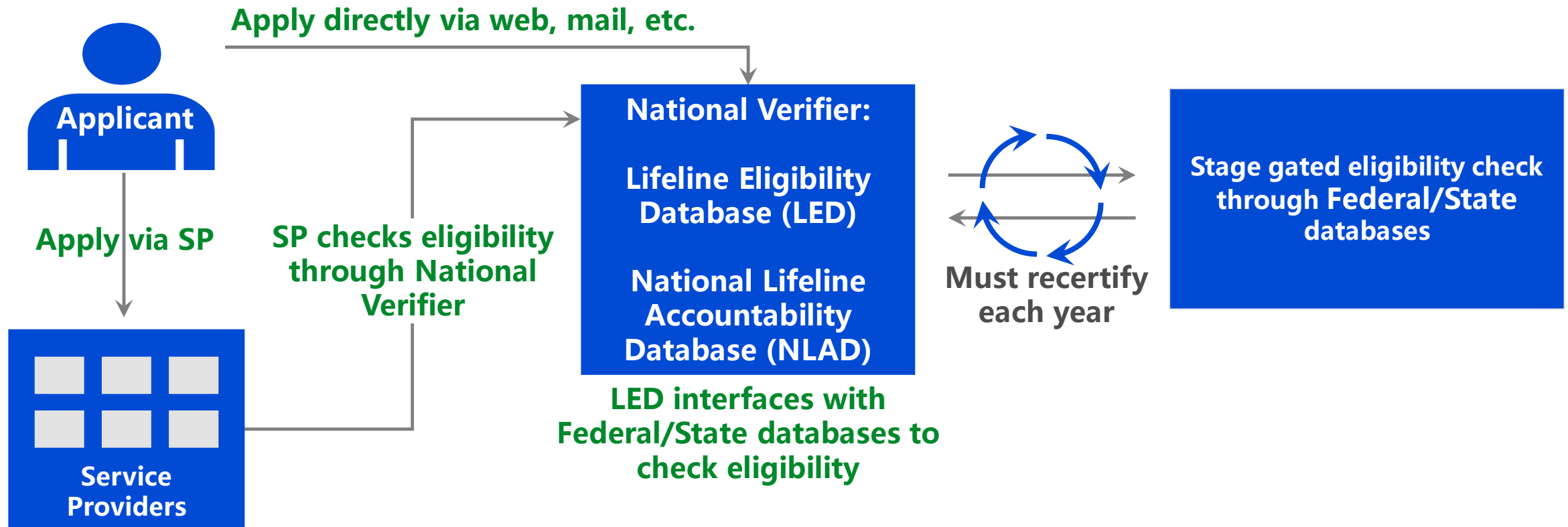
Reside on Tribal lands and participate in a federal or state assistance program such as:

- Bureau of Indian Affairs General Assistance
- Head Start
- Tribal Temporary Assistance for Needy Families (Tribal TANF)
- Food Distribution Program on Indian Reservations

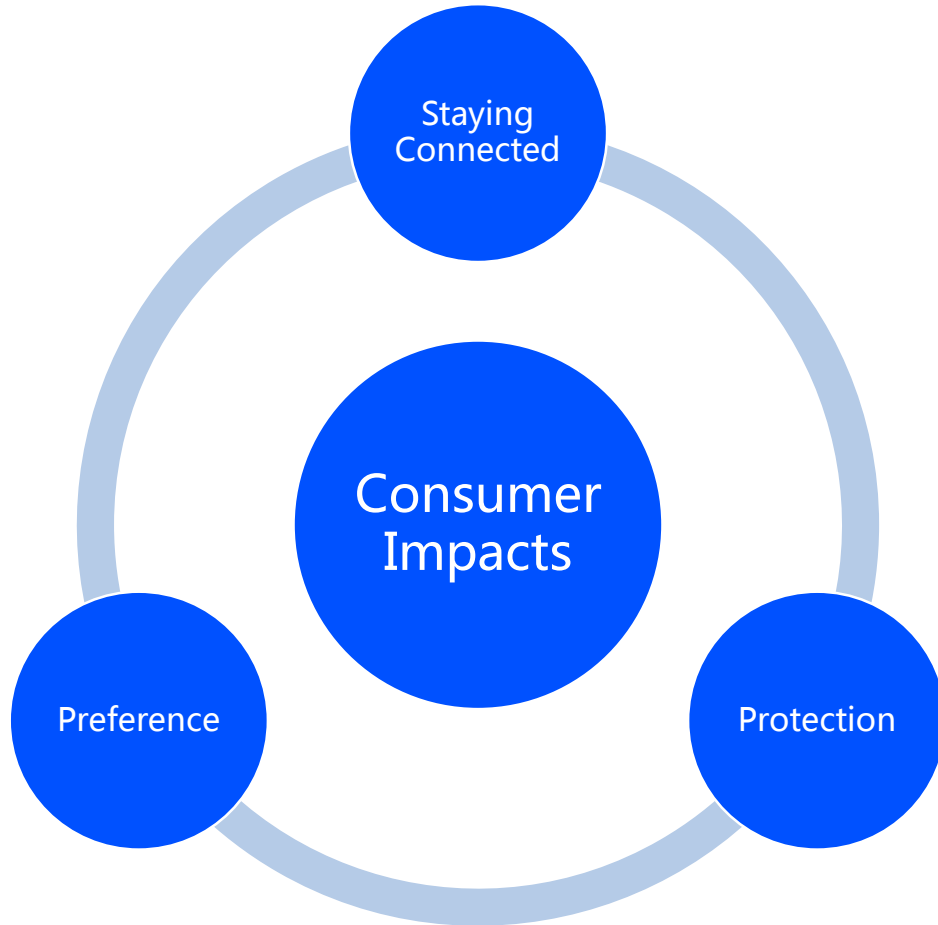
Current Verification Process



Future State: National Verifier



Our End User: The Consumer



- Keeping America connected
- Promoting consumer choice
- Bridging the digital divide

Supporting Lifeline Customers

Common consumer issues (e.g. phone trouble, internet not working)

- Contact carrier first

Consumer facing materials

- www.LifelineSupport.org

Contact USAC

- LifelineSupport@USAC.org
- 888-641-8722 then press "1"

Lifeline News

Please contact Aamina.Amin@usac.org if you have additional questions about the federal Lifeline program

To sign up for emails about the Lifeline Program including news, updates, and events;

- Go to www.usac.org and click “subscribe” in the upper-right corner



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