



# A LIFELINE FOR PUBLIC HOUSING RESIDENTS IN SUPPORT OF AFFORDABLE COMMUNICATIONS

In 2016, the U.S. Department of Housing and Urban Development (HUD) became the first Federal agency to partner with the Federal Communications Commission (FCC) and the Universal Service Administrative Company (USAC) to streamline Lifeline eligibility verification through the National Verifier on behalf of HUD residents living in Public Housing Agencies (PHAs). This partnership has significantly lowered the rates of fraud, waste, and abuse in the Lifeline program while providing easy access to HUD families.

Lifeline is one of the FCC's universal service programs to help make communications services more affordable for eligible consumers. Eligible households are awarded up to a \$9.25 monthly benefit when they purchase one of the following services from participating service providers: home or mobile phone service or high-speed broadband.<sup>1</sup> Lifeline is rooted in the principles of the Communications Act of 1934, which determines that telecommunication services should be available to all Americans.<sup>2</sup> As an independent not-for-profit designated by the FCC, USAC administers the Lifeline program.

#### What was the challenge?

For decades, validating an applicant's eligibility for the Lifeline program could be a cumbersome paper-based process. Before HUD partnered with the FCC and USAC, residents had to go through a number of steps, detailed below, to prove and keep their eligibility for the Lifeline benefit:

- 1. A member of the household had to:
  - 1. Visit a participating service provider at their brick-and-mortar location;
  - 2. Complete a paper application; and
  - 3. Present their printed proof of benefits for qualifying government assistance programs–such as a Federal public housing program, the Supplemental Nutrition Assistance Program (commonly known as SNAP), or Medicaid.
- 2. The **service provider** would then:
  - 1. Verify the applicant's eligibility; and
  - 2. Enroll the applicant in the Lifeline program.
- 3. Once the new subscriber began receiving the benefit, the service provider would file for reimbursement to USAC.

Re-certification for the Lifeline benefit was also required on a yearly basis by the subscriber. This meant that qualifying HUD residents had to go through a self-certification process each year to continue receiving the benefit. It was clear to all parties involved that everyone would benefit from a more streamlined process.

<sup>&</sup>lt;sup>1</sup> Households living on Tribal/Native lands may be eligible to receive a benefit up to \$34.25.

<sup>&</sup>lt;sup>2</sup> The Communications Act of 1934 regulates commerce in communication to provide services at reasonable rates. The Act is available at <u>https://www.fcc.gov/Reports/1934new.pdf</u>.



#### IMPROVING HUD'S EFFICIENCY AND EFFECTIVENESS



#### What was the solution?

The <u>Lifeline National Eligibility Verifier (National Verifier)</u> was created by the FCC as a centralized system to determine whether a subscriber is eligible for Lifeline.<sup>3</sup> USAC manages the National Verifier and its customer service department, and the Lifeline Support Center. The National Verifier cuts multiple steps in the eligibility determination process by directly connecting real-time to a specialized HUD database to confirm if an applicant is eligible for the Lifeline benefit. Additionally, the National Verifier closes one of the main avenues historically leading to fraud and abuse in the Lifeline program: Lifeline providers determining subscriber eligibility.

### What was the result?

HUD demonstrated that a Federal government agency can improve the efficiency of services available to their constituents by working across siloes to harness inherent capabilities. In just over 9 months, HUD was able to integrate the National Lifeline Eligibility Verifier into its IT systems through a computer matching agreement with the FCC and USAC. Typically, Federal agencies require upwards of 24 months of coordination to successfully connect separate databases and processes for nationwide programs like Lifeline.

There are 2.3 million households in public housing that are currently eligible for the Lifeline program, which helps its subscribers stay connected to jobs, family, health care, and emergency services. Between the National Verifier launch in June 2018 and June 1, 2020, HUD's partnership with the FCC and USAC has resulted in more than 153,400 successful matched requests for consumers checking or confirming their own Lifeline eligibility via the National Verifier. As of June 2020, there are nearly 46,000 active Lifeline subscribers in the program whose eligibility was confirmed via the HUD connection. The carriers providing broadband and voice services to these active subscribers are eligible to receive up to \$5,057,595 in annual Lifeline support. To date, Lifeline subscribers who are HUD residents have received an approximate \$10,115,190 in subsidies since the HUD connection went live.

## **Future Steps**

HUD will continue to look for ways to strengthen the partnership with USAC and the FCC in an effort to improve the National Verifier experience for public housing residents. The FCC and USAC also plan to continue pursuing computer matching agreements with other Federal agencies to further streamline the Lifeline eligibility verification process.

<sup>&</sup>lt;sup>3</sup> The National Lifeline Eligibility Verifier is a centralized system created to remove the burden of conducting eligibility checks from service providers and streamline the process. It was developed in response to the 2016 FCC Lifeline Modernization Order; available at <a href="https://docs.fcc.gov/public/attachments/FCC-16-38A1.pdf">https://docs.fcc.gov/public/attachments/FCC-16-38A1.pdf</a>.