

**Universal Service Administrative Company (USAC)
RFI for Automated Income-Based Eligibility Verification Tool**

Questions and Answers

No.	Questions	Answers
1	<p>In the case of multiple household members is there a need to consider all the incomes of each person in the household if they live together and share income or is the only income considered is the one which made the request?</p>	<p>Yes, the total household income is the qualifying criteria, not just the income of the applicant. In the application process today, if the applicant is seeking to qualify via income, they tell USAC the number of individuals in their household and submit documentation to evidence that the total household income is at or below the income requirements described below:</p> <p>Applicants can qualify if their household's income is at or below 135% (for Lifeline) or 200% (for ACP) of the Federal Poverty Guidelines. The FCC defines a "household" as any individual or group of individuals who are living together at the same address as one economic unit. A household may include related and unrelated persons. An "economic unit" consists of all adult individuals contributing to and sharing in the income and expenses of a household. An adult is any person eighteen years or older. If an adult has no or minimal income, and lives with someone who provides financial support to him/her, both people shall be considered part of the same household. Children under the age of eighteen living with their parents or guardians are considered to be part of the same household as their parents or guardians.</p> <p>USAC only collects the applicant's PII. Where an applicant is seeking to qualify through a child or dependent, USAC will also have the PII for their benefit qualifying person. If a consumer is seeking to qualify via income, USAC collects their household size but does not collect any additional information on the household, like PII for each member of the household.</p>
2	<p>Would USAC consider both a system integration through an established and proven API and a Web based portal both providing real time or near real time for income eligibility requests using the PII information of an applicant?</p>	<p>USAC is seeking an automated income verification solution that does not require a manual web lookup using a web-based portal. For example, if use of a web-based portal requires human interaction to manually enter in PII and interpret an eligibility response on a web page that would not be an example of an automated solution USAC is looking for.</p>

3	<p>Would USAC consider using income verifications for multiple time periods to include 3 months, 6 months, 1 year, 3 year or all income and employment records available?</p>	<p>“Income” means gross income as defined under section 61 of the Internal Revenue Code, <u>26 U.S.C. 61</u>, for all members of the household. This means all income actually received by all members of the household from whatever source derived, unless specifically excluded by the Internal Revenue Code, Part III of Title 26, <u>26 U.S.C. 101 et seq.</u></p> <p>During the document review process today that USAC uses to verify income, if the documented income does not cover a full year, it must cover at least three consecutive months within the last 12 months. USAC uses the three consecutive months to calculate the annual income.</p> <p>Therefore, three years of income records are unnecessary. One year or less can be used to calculate annual income.</p>
4	<p>Is USAC determining if there is a vendor(s) that has a proven track record of delivering similar services in size and scope to this requirement, specifically with respect to benefit determinations?</p>	<p>Yes, the specifications and information gathered from responses to this RFI will be used to evaluate the offerings from vendors with experience providing products/services of similar size and scope and may lead to the development and preparation of a formal Request for Proposal (RFP).</p>
5	<p>Does the program leverage different data in support of possible life changing events that may impact eligibility such as address changes for households members, incarceration impacts, household size and or income changes?</p>	<p>If an applicant is seeking to qualify via income, USAC will collect information on their household size. After an applicant enrolls in the program, they can update their address. However, USAC does not anticipate sharing information on a consumer’s previous address when checking an income database to verify their eligibility.</p> <p>Eligibility via income is based on the annual household income at the time the applicant applies. Today, this is evidenced by income documentation that covers a full year or at least three consecutive months within the last 12 months. USAC also performs an annual recertification process where an applicant may need to evidence their continued income eligibility.</p>
6	<p>Does the program perform recertification/renewals of eligibility and if so are these based/triggered on expiration dates?</p>	<p>Yes, subscribers undergo annual recertification which must be completed by the end of each calendar year. Therefore, recertification occurs on a rolling basis throughout the year. When recertification starts for a subscriber, USAC checks them against available automated eligibility databases. If their eligibility cannot be confirmed, the subscriber must complete a recertification form and may need to provide proof of their eligibility.</p>

7	How often do you perform ongoing eligibility reviews?	<p>Applicants can apply for the Lifeline or Affordable Connectivity Program at any time by submitting an application online or by mail. When USAC receives an application, USAC checks the available automated databases to verify a consumer's eligibility, identity, and address.</p> <p>USAC expects to call available income data sources in real-time as soon as a prospective or current Lifeline or ACP subscriber eligibility decision needs to be determined. Our system is available 24 hours per day, 7 days a week.</p> <p>USAC also recertifies all Lifeline and ACP subscribers annually. When recertification starts for a subscriber, we check them against available automated eligibility databases. If their eligibility cannot be confirmed, the subscriber must complete a recertification form and may need to provide proof of their eligibility.</p> <p>USAC is interested in automated income verification for both the initial application as well as the annual recertification.</p> <p>In addition to income criteria, households can also qualify via participation in other government programs. USAC has automated connections to a number of program databases (i.e. Medicaid and SNAP). Therefore, income verification will be one method of verification but not the only automated method.</p>
8	Does a scheduled renewal effort need to be performed regardless of a life event change?	<p>The FCC's rules require that subscribers recertify once every calendar year regardless of a life change event.</p>
9	What are your mechanisms for informing benefit recipients when a life event occurs that may impact the benefit being received?	<p>USAC would typically only learn about a life event such as a change of address after a subscriber or their service provider attempts to update their information in our system. Therefore, USAC does not conduct outreach to subscribers to inform them of a change like this but does utilize the subscriber's email address, home address, or mailing address (if provided) when conducting ad hoc outreach to the subscriber (e.g., recertification).</p> <p>If USAC has reason to believe that a subscriber may no longer qualify, we conduct outreach and give subscribers 30 days to provide supporting documentation.</p>

10	What level of verifications are required and performed when a life event occurs that may impact the benefit being received?	<p>Verifications are performed when the applicant applies for the program and during the annual recertification process.</p> <p>Also, if a subscriber changes their name they would be required to submit another application and therefore the verification would occur again. Address changes do not require another eligibility verification.</p> <p>If USAC has reason to believe that a subscriber may no longer qualify, we check eligibility via connections to program databases. If the subscriber is not found in those databases or we continue to have to reason to believe they may be not eligible (i.e. deceased), USAC conducts outreach and gives the subscriber 30 days to provide supporting documentation.</p>
11	Is it the program's intent that the solution's database be updated in real time and consist of the most recent pay period details as provided by the employer?	The database should include the prior year annual income or three months of consecutive income within the past 12 months so that annual income can be calculated.
12	Is there also a coverage expectation in terms of the current and prior employment and income records available in the database?	See #11.
13	What is the volume of verifications required? How many requests does the program expect to request on a monthly, quarterly or annual basis?	Volume will depend on the process and solution, but we estimate about 2 million requests each month.
14	Does the program need to determine if an applicant is participating as a member of more than one household?	No, duplicate participants or dependents would be identified through USAC's other processes.
15	What data sources does the program currently use for income determination and employment verification?	<p>Currently, USAC does not use any data sources for nation-wide income/employment verification. However, one of the Lifeline state connections allows for income verification based on 135% of the federal poverty guidelines.</p> <p>In addition to income criteria, households can also qualify via participation in other government programs. USAC has automated connections to a number of program databases (i.e. Medicaid and SNAP). Therefore, income verification will be one method of verification but not the only automated method.</p>

16	What are common examples which result in a redetermination of eligibility?	USAC will call the income data source in real-time as soon as a prospective or current Lifeline or ACP subscriber eligibility decision needs to be determined. Common examples for when we call an income data source are during the initial application and annual recertification.
17	Feasibility of the applicant's income verification based on the above information: Can a full SSN be provided to support strengthening identity verification and higher confidence level of returned income information?	No, USAC does not collect the full SSN.
18	Ability to verify the income of a household when only the PII for one individual is gathered: The requirements state returning income for the PII information provided and the household size. This requirement is stating the ability for household composition. Can you clarify if there is a use case for household composition?	<p>USAC gathers the PII for the applicant (name, address, date of birth, and last 4 digits of SSN) as well as the number of individuals in their household. We are interested in vendor solutions that could verify that the total household income meets the requirement, while only gathering PII for the applicant. This may not be possible in all cases, but we would like to explore options (i.e. household of two, same address, same last name).</p> <p>Verifying income for a household of one, or a household with multiple members that has income at or below 135% (Lifeline) or 200% (ACP) of the Federal Poverty Guidelines for a household of one, would be the simple use cases.</p>
19	What other information would be required to perform the income verification for the applicants: Would USAC consider requesting information on multiple SSN's and addresses within a household to establish total household income and or household size or no income?	USAC is not permitted to collect information on other members of the applicant or subscriber's household. The collection of such information would require formal rulemaking by the FCC.