Tribal Outreach across USAC

2018 Tribal Applicant Training
Agenda

1. Rural Health Care
2. Lifeline
3. High Cost – Connect America Fund
The Four Universal Service Programs

- **Lifeline Program**: Reduced rates for telecom services to eligible low-income consumers.
- **High Cost Program**: Reduced rates for telecom and broadband services in eligible high-cost areas.
- **Schools and Libraries Program**: Funding for telecom and broadband services to eligible schools and libraries.
- **Rural Health Care Program**: Funding for telecom and broadband services to eligible rural health care providers.
Rural Health Care Program

Connecting health care facilities across America
Overview of the RHC Program

- The RHC Program provides discounts for telecommunications and broadband services to eligible health care providers (HCPs).

- The RHC Program is authorized by the Federal Communications Commission (FCC) to commit up to $581M for FY2018 (July 1, 2018 – June 30, 2019) and adjusts for inflation every year.
  - Order 18-82 released June 25, 2018 raised the RHC Program cap from $400M.

- This amount includes administrative expenses for Universal Service Administrative Company (USAC), the administrator of the programs, to administer the RHC Program per funding year.
What Does the Rural Health Care Program Do?

The RHC Program discounts support getting the facility connected; the money goes directly to the service provider who then offsets the facilities’ costs by applying the discount to their bill or a check.
Three Criteria for Eligibility

1. Status
   • Not for Profit
   • Public

2. Eligibility Category

3. Rural Location
   • Telecom Program: HCP applicants must be located in an FCC-approved rural location to be considered rural.
   • HCF Program: Individual HCP applicants must be located in an FCC-approved rural location to be considered rural. Non-rural HCP applicants may apply as part of a majority-rural consortium.
   • Use the rural look-up tool on the USAC website.

Each HCP site or location is considered an individual HCP for purposes of calculating support under the RHC Program. Each site must thus demonstrate that by itself it is an eligible entity.
Health Care Provider (HCP) Type

- Post-secondary educational institutions offering health care instruction, teaching hospitals, and medical schools
- Community health centers or health centers providing health care to migrants
- Local health departments or agencies
- Community mental health centers
- Not-for-profit hospitals
- Rural health clinics
- Dedicated emergency departments of rural for-profit hospitals
- Part-time eligible entities
- Skilled Nursing Facilities (SNFs)
- Consortia of the above entities
The Two Components of the RHC Program

There are two “subprograms” of the RHC Program:

1. **Healthcare Connect Fund (HCF) Program**
   - Supports broadband connectivity and broadband networks for eligible health care providers (HCPs)
   - Eligible services and equipment receive a 65% discount

2. **Telecommunications (Telecom) Program**
   - Funds urban/rural rate difference for telecommunications services for eligible rural HCPs.
   - Remained in place after adoption of the HCF Program.
## HCF and Telecom Programs Comparison

<table>
<thead>
<tr>
<th>Category</th>
<th>HCF Program</th>
<th>Telecom Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount</td>
<td>65% flat rate discount on all eligible expenses</td>
<td>Calculated as urban-rural differential of cost of services</td>
</tr>
<tr>
<td>Rurality</td>
<td>HCP can be located in a non-rural location as a member of an eligible consortium, as long as consortium is majority rural</td>
<td>HCP must be in a rural location</td>
</tr>
<tr>
<td>Off-Site Expenses</td>
<td>Connections associated with off-site data centers and off-site administrative offices used by eligible HCPs for health care purposes are eligible for funding</td>
<td>No off-site associated connections are eligible for funding</td>
</tr>
</tbody>
</table>
## HCF and Telecom Programs Comparison

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<tr>
<td>Eligible Expenses</td>
<td>• Broadband services</td>
<td>• Telecommunications services</td>
</tr>
<tr>
<td></td>
<td>• Network equipment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• HCP-constructed and owned network facilities</td>
<td></td>
</tr>
<tr>
<td>Application Options</td>
<td>• Apply as an individual HCP or as a part of a consortium</td>
<td>• Apply as an individual HCP</td>
</tr>
<tr>
<td></td>
<td>• Can obtain a multi-year funding commitment</td>
<td>• Must seek new funding commitment for each funding</td>
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<td></td>
<td></td>
<td>year</td>
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</table>
Rural Healthcare Program
Application Process

1. Determine Eligibility
   - Must meet the three initial program criteria and make sure requested services are eligible

2. Develop Evaluation Criteria and Request Services
   - Develop scoring criteria to evaluate bids and describe service needs (posted on USAC website)

3. Evaluate Bids and Select a Service Provider
   - Choose the “most cost-effective” service provider

4. Submit Funding Request
   - Provide information about services and selected service provider

5. Certify Connection
   - Confirm service start and end dates

6. Invoice
   - Initiate invoicing process and submit to service provider for review (HCF Program)

Form 465
Form 460
Form 461

Form 466
Form 462

Form 467
N/A

Form 463
Participation by Program

Number of Tribal HCPs by Program

- **HCF**
  - YES: 11,443
  - NO: 276

- **TELECOM**
  - YES: 3,621
  - NO: 1,910
RHC Program Help Desk

• Email: RHC-Assist@usac.org
  • Email at any time to request a one-on-one appointment to learn more about the application process or ask specific questions.

• Phone: (800) 453-1546
  • Hours are 8:00 a.m. – 8:00 p.m. ET
Lifeline Program

People across the United States rely on phone and internet to stay connected to family, work, education, and essential services. The Lifeline Program provides a monthly discount for the cost of these services for qualified, low-income households.
As of September 2018, 9.3 million U.S. households participate in the federal Lifeline program, including 234,000 Tribal participants.

Subscribers prove eligibility through participation in a qualifying assistance program or demonstrating income at or below 135% of federal poverty guidelines.

Available in every state, territory, commonwealth & on Tribal lands.
Program Rules

- Subscribers must be able to prove that they qualify for the program.
- Only one Lifeline benefit is permitted per household.
- Subscribers are required to recertify that they are still eligible once per year.
About the Lifeline Program

• Lifeline is a federal benefit of $9.25/month toward phone, internet, or bundled service

• Goal: To make communications services more affordable for low-income customers so they can
  • Have access to emergency services, find/keep a job, and stay connected with loved ones

• Other Lifeline benefits are available:
  • Up to $25/month extra is available for subscribers on qualifying Tribal lands
  • Up to $100 “Link Up” benefit to connect telecommunications services from a carrier receiving high-cost support on qualifying Tribal lands once per residential address
  • Many states offer an additional Lifeline discount of $2-4/month
How to Qualify for the Lifeline Subsidy

- Medicaid
- Supplemental Nutrition Assistance Program (SNAP)
- Supplemental Security Income (SSI)
- Federal Public Housing Assistance (FPHA)
- Veterans and Survivors Pension Benefit
- Demonstrate income at or below 135% of the Federal Poverty Guidelines
How to Qualify for the Lifeline Subsidy

• Consumers may also qualify if participating in one of the following Tribal assistance programs:
  • Bureau of Indian Affairs General Assistance (BIA-GA)
  • Tribally-Administered Temporary Assistance of Needy Families (TTANF)
  • Head Start (must meet income qualifying standard)
  • Food Distribution Program on Indian Reservations (FDPIR)
Eligibility Checking

• Consumers apply for the Lifeline program through their service provider, state or the National Verifier

• Many states have their own eligibility checking process

• In general when applying:
  • Consumer fills out a Lifeline application and initials the Lifeline certifications
  • Currently, Tribal consumers self-certify that they are eligible for the enhanced tribal benefit
  • Service provider, state, or the National Verifier checks the consumer’s Lifeline eligibility by checking a database or reviewing documents
  • If consumer is eligible, the service provider begins phone or internet service
Eligibility Checking

• Currently consumers living in Colorado, Mississippi, Montana, New Mexico, Utah and Wyoming are required to apply for Lifeline through the National Verifier. Other states will be added in the coming months.

• Consumers in the six states listed above can apply online through the Consumer Portal at CheckLifeline.org, by mail using a paper application or in person through a service provider.

• For help and step-by-step instructions, consumers can visit LifelineSupport.org

• Additional states will be added to the National Verifier in 2018 and 2019
When a consumer enrolls in the program, the service provider must enter the consumer in NLAD (National Lifeline Accountability Database)

- Service providers must indicate that a consumer is eligible for the enhanced Tribal benefit in NLAD

Phone and internet companies provide service to eligible consumers at a discounted rate

Each month, USAC uses NLAD to create a list of consumers who are eligible for reimbursement for each provider, providers cross check that list and identify anyone who isn’t eligible for reimbursement

USAC pays service providers $9.25 per eligible consumer who received Lifeline service that month, or up to $34.25 for consumers who live on qualifying Tribal lands

Service providers must pass the full benefit amount onto consumer
How to Identify Phone or Broadband Companies in Your Area that offer Lifeline:

- USAC’s “Companies Near Me” tool helps subscribers find a service provider near them
- Search by zip code for a printable list of phone and broadband carriers in your area
About the National Verifier

• The National Verifier will determine consumer’s Lifeline eligibility
• Service providers will no longer determine consumer eligibility for Lifeline
• The National Verifier will make eligibility determinations, and service providers must enter a consumer into NLAD to enroll the subscriber in Lifeline
• The National Verifier will handle the annual recertification process
• The National Verifier has been fully launched in six states and has been “soft launched” in an additional five states and one territory.
• The National Verifier is expected to be implemented in all states and territories by December 31, 2019.
Information, Feedback, and Updates

- For more information, visit LifelineSupport.org
- Webinars: Monthly Lifeline Program Update Webinars
- Send us Feedback: You can submit feedback any time via email to LifelineProgram@usac.org, or as a comment on the National Verifier Blog. And sign up for program updates.
High Cost and the Connect America Fund

Expanding access to modern communications networks across rural America
Connect America Program

Program Goals

• Preserve and advance universal availability of voice service

• Drive universal availability of modern networks capable of providing voice and broadband service to homes, businesses and community anchor institutions

• Drive universal availability of modern networks capable of providing advanced mobile voice and broadband service

• Ensure that rates for broadband and voice services are reasonably comparable in all regions of the nation

• Contain administrative costs and minimize the universal service contribution for consumers and businesses through efficient, effective program management
Connect America Program

Modernization of the High Cost Program Creates the Connect America Fund

Since 2011, a series of FCC modernization orders has radically transformed the High Cost Program to create the Connect America Fund.

Legacy
- High Cost
- Voice
- Maintaining service
- Cost-based funding
- Forms-based reporting requirements
- Beneficiary audits
- Compliance

Modernized
- Connect America
- Voice and broadband
- Maintaining and expanding service
- Incentive-based support
- Systems-based portal
- In-program deployment verification
- Success
# Connect America Program

## CAF Funding in Price Cap Areas

### CAF Phase I Incremental
- Interim program to spur broadband deployment
- $486 million
- Build out to locations unserved by 4/1 Mbps
- 523,753 locations deployed over two rounds

### CAF Phase II Model
- Provides support based on a cost model
- $1.7 billion annually
- Six-year support term
- Provide locations with speeds of at least 10/1 Mbps
- Deployed by Dec 2020, 3.5 million locations

### CAF Phase II Auctions
- Provides support through a reverse auction to areas declined in CAF II, extremely high-cost areas and certain other census block that were removed from model offer
- Ten-year term of support
- Build out to unserved locations with speeds of at least 10/1 Mbps to 1GB/500Mbps

### Rural Broadband Experiments (RBE)
- Provided support in Price Cap areas through an auction
- $41 million over ten years
- Build out to unserved locations with speeds between 10/1 Mbps and Mbps

### CAF Intercarrier Compensation (ICC)
- Allows recovery of revenues reduced due to ICC reforms in 2012
- Support intended to invest in broadband infrastructure
- Program will phase out for Price Cap carriers in July 2019
## Connect America Program

### CAF Funding in Rate-of-Return Areas

<table>
<thead>
<tr>
<th>Alternative Connect America Cost Model (A-CAM)</th>
<th>High Cost Loop Support (HCLS)</th>
<th>Connect America Broadband Loop Support (CAF BLS)</th>
<th>CAF Intercarrier Compensation (ICC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Support based on cost model</td>
<td>• Legacy program to support voice</td>
<td>• Supports voice, voice and broadband, and broadband-only services</td>
<td>• Allows recovery of revenue reduced due to ICC reforms in 2012</td>
</tr>
<tr>
<td>• Provide locations with speeds of at least 10/1 Mbps and 25/3 Mbps</td>
<td>• Provides support for the last mile of connection in areas where the cost to provide service exceeds 115 percent of the national average cost</td>
<td>• Replaced ICLS</td>
<td>• Support intended to invest in broadband infrastructure</td>
</tr>
<tr>
<td>• Some 4/1 Mbps and reasonable request</td>
<td></td>
<td>• Five-year deployment obligation milestone</td>
<td>• CAF ICC support recipients must provide broadband with minimum speed requirements of 4/1 Mbps</td>
</tr>
<tr>
<td>• 714,000 locations deployed by 2026</td>
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Connect America Program

CAF Funding in Non-Contiguous Areas

Alaska Plan

- Aims to provide 10/1 Mbps service to as many Alaskans as possible
- Given unique climate conditions and geographic challenges, deployment obligations are tailored to each Alaska carrier’s circumstances
- Filing obligations include both last-mile wireline locations served, as well as middle mile infrastructure (including fiber and microwave network maps)

Uniendo a Puerto Rico And Connect USVI Fund

- Almost $900 million in medium and long-term support to restore communications networks following 2017 storms and improve broadband access on the islands
- Immediate infusion of almost $64 million for near-term restoration efforts
- Proposing fixed broadband investment of $444.5 million for Puerto Rico and $186.5 million for the Virgin Islands over next decade
- Proposing investment of $259 million to expand 4G LTE service in Puerto Rico and Virgin Islands
Connect America Program

CAF Funding – Mobile Services

Mobility Fund Phase I

- $300 million in non-tribal areas
- $50 million in tribal lands – Tribal Mobility Fund
- Build-out of networks to support:
  - 3G – 50/200 Kbps
  - 4G – 200/768 Kbps
- Voice and broadband Services
- Letter of credit requirement

Mobility Fund Phase II

- $4.53 billion over 10 years
- Will reserve at least $340 million for tribal lands
- Will support build-out of 4G LTE wireless networks
- Will target funding at places that lack unsubsidized 4G LTE service with at least 5 Mbps-minimum-download speeds
- Voice and broadband services
- Letter of credit requirement
High Cost Universal Broadband (HUBB) Portal

A system that collects the geographic coordinates (latitude and longitude) of locations where carriers are deploying broadband using Connect America support

- A tool for collecting location-specific service availability data from carriers across all Connect America Fund (modernized) programs – millions of individual records
- Real-time validation of data submissions
- Serves as a platform for verification and compliance
- Provides the foundation for a public map that will show the impact of CAF funding on broadband expansion across rural America
- Began with the July 2017 filing for Price Cap carriers, followed by March 2018 filing for carriers in multiple modernized funds
HUBB Resources

For more information about the HUBB, please visit the HUBB Resources Page on the High Cost Website:

Resources include:
Links to FCC Public Notices and Orders
FAQs
A Guide to Geolocation Practices
Data Formatting Instructions
USAC has launched a new public map that shows the impact of Connect America Fund support on broadband expansion across rural America. The CAF Map:

- Displays the geographic areas eligible for CAF support, as well as the specific fixed locations where carriers participating in the program have built out broadband service (by latitude and longitude)
- Uses broadband deployment data submitted by carriers to the HUBB
- Displays USF-funded broadband network availability by location, technology, speeds
- Displays summary data by state, as well as individual broadband deployment location

The CAF Map is linked to USAC’s Open Data platform, which is where the data resides.
Broadband Deployment Data in the CAF Map

- CAF Map currently reflects broadband deployment as of Dec. 31, 2017, as certified in the HUBB as of March 1, 2018, by carriers participating in four funds:
  - Connect America Fund (CAF) Phase II Model-based Support
  - Alternative Connect America Cost Model (A-CAM)
  - Alaska Plan
  - Connect America Fund-Broadband Loop Support (CAF-BLS - less than 80 percent deployed)
**Broadband Deployment Data in the CAF Map**

- USAC will independently verify deployment to a sample of reported locations each year to monitor carrier compliance with CAF build-out obligations. The data currently in the map has not yet been subject to this process.

- CAF Map will be updated with additional broadband deployment information as it is filed and certified by carriers participating in these four funds and as more CAF programs are added.

- Data currently displayed on the map is subject to change as carriers increase speeds offered, refine latitude/longitude and address information and correct inaccuracies.
Questions?