

NATIONAL VERIFIER ANNUAL REPORT AND DATA

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I. BACKGROUND

In March 2016, the Federal Communications Commission (FCC) adopted the Lifeline Reform and Modernization Order (*2016 Lifeline Order*), which included changes to eligibility verification for enrollment and recertification.¹ Prior to the *2016 Lifeline Order*, eligible telecommunications carriers (ETCs) or state administrators were responsible for verifying the eligibility of potential households. The FCC recognized that this structure was complex, burdensome, and had the potential for waste, fraud, and abuse. With the adoption of the *2016 Lifeline Order*, the FCC directed the Universal Service Administrative Company (USAC) to establish a system for independent, third-party eligibility determinations. To accomplish this, USAC built the National Lifeline Eligibility Verifier (National Verifier) to automate, where possible, and standardize eligibility verification across all states and territories.

USAC deployed the National Verifier in groups of states and territories on a rolling basis beginning in June 2018. By December 2020, the National Verifier had fully launched in all states, territories, and the District of Columbia. In addition to Lifeline, the National Verifier has been used to administer the Emergency Broadband Benefit (EBB) Program in 2021 and the Affordable Connectivity Program (ACP), which replaced the EBB Program at the end of 2021 and ran through June 1, 2024. The ACP is discussed further in Section II.

In 2024, the National Verifier received and made eligibility decisions on 36 million Lifeline and ACP applications.

This annual report provides a summary of the National Verifier and its functionality, and it outlines how the National Verifier meets the FCC's key objectives: to protect against waste, fraud, and abuse; to lower costs to the Universal Service Fund (Fund) and service providers through administrative efficiencies; and to better serve eligible beneficiaries by facilitating choice and improving the enrollment experience. This report also provides an update on the use and performance of the National Verifier, including a discussion of system enhancements.

II. AFFORDABLE CONNECTIVITY PROGRAM (ACP)

On January 14, 2022, the FCC adopted the Affordable Connectivity Program Report and Order (*ACP Order*), which established program rules for the ACP.² The program retained many of the requirements of the EBB Program but also made several modifications, including changes to the eligibility criteria and a reduction of the monthly discount amount for non-Tribal households.

¹ *Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42 *et al.*, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962 (2016) (*2016 Lifeline Order*).

² Press Release, FCC, FCC Adopts Rules to Implement Affordable Connectivity Program (Jan. 14, 2022), <https://www.fcc.gov/document/fcc-adopts-rules-implement-affordable-connectivity-program>; *Affordable Connectivity Program*, WC Docket No. 21-450, Report and Order and Further Notice of Proposed Rulemaking, FCC 22-2 (2022).

By utilizing existing Lifeline application and enrollment systems for EBB Program and ACP enrollments through the National Verifier, USAC and the FCC leveraged well-tested processes and automation. For example, many of the National Verifier's existing data connections with state and federal agencies were used to verify EBB Program and ACP consumers' participation in qualifying programs like Medicaid and SNAP.

On January 11, 2024, the FCC released an Order³ announcing the winddown of the ACP due to lack of funding. The Order set out procedures for the ending of the ACP, important dates, and the impacts on consumers and providers. These procedures included the process for notifying enrolled ACP households about the impact of program termination on their broadband service and bills and the freezing of new enrollments in the program starting February 8, 2024. The Order also offered guidance to providers regarding advertising, awareness, and outreach requirements; the timing of claims submissions; and participation during the final, partially-funded month of ACP.

The National Verifier accepted about 8 million ACP applications from January 1, 2024, through February 7, 2024, when USAC stopped accepting new applications. The ACP ended on June 1, 2024.

III. NATIONAL VERIFIER OVERVIEW

The National Verifier prioritizes automation, with most eligibility decisions made using connections to state and federal databases and without human review of eligibility documentation. Automated eligibility decisions are made swiftly, at a lower administrative cost, and with the highest level of program integrity by using source data from our state and federal partners.

In 2024, USAC partnered with officials to leverage 26 state & territory database connections, providing an automated check for participation in SNAP in each of those states, as well as checks of Medicaid and Supplemental Security Income, where available. Twenty-three of the 26 connections were also used for ACP eligibility verification. USAC and the FCC continue to work with states to achieve additional database connections. See the Appendix for more information.

The National Verifier also has database connections with three federal agencies. In 2018, USAC built a connection to the U.S. Department of Housing and Urban Development (HUD), providing real-time participation results for qualifying Federal Public Housing Authority (FPHA) programs in all 50 states, the District of Columbia, and U.S. territories. USAC expanded this capability in 2023 by connecting to an additional HUD database to further confirm FPHA participation. In 2019, USAC implemented a similar real-time connection to HHS Centers for Medicare and Medicaid Service (CMS), providing a check of Medicaid participation in all 50 states, the District of Columbia, and in the territories of Puerto Rico and the U.S. Virgin Islands. The CMS connection has the largest impact of any single connection, accounting for 60% of all automated eligibility passes in 2024. In 2022, USAC implemented an automated database connection with the U.S. Department of Veterans Affairs to verify participation in qualifying Veterans Pension and Survivors Benefit programs. In addition to these databases for Lifeline and ACP, in 2023,

³ *Affordable Connectivity Program*, WC Docket No. 21-450, Order, DA 23-24 (WCB, rel. Jan. 11, 2024).

the National Verifier obtained a connection with the Department of Education to confirm Pell Grant participation for consumers seeking to participate in the ACP. USAC continues to work towards identifying and achieving additional federal database connections.

The National Verifier is more than just a collection of state and federal database checks, however. It is a complex system of technical and operational processes that are designed to achieve the highest level of program integrity while reducing burden and confusion for ETCs and consumers. Aside from automated checks for program eligibility, the National Verifier has Application Programming Interface (API) connections with the United States Postal Service's Address Matching Service (AMS), a Third-Party Identity Verification (TPIV) service, and geolocation services. The National Verifier also utilizes Business Process Outsourcers (BPOs) to conduct manual reviews, to help with customer service, and to receive and send mail. USAC works very closely with these partners to ensure quality standards are met in all areas.

The National Verifier is a benefit for both program consumers and service providers. Throughout the development and continuous improvement of the National Verifier, USAC communicates with stakeholders and incorporates feedback to provide a better user experience. See Section VI for an overview of the enhancements USAC has made to the National Verifier in 2024 in response to consumer and stakeholder feedback.

IV. DESCRIPTION OF NATIONAL VERIFIER PROCESSES

The key processes that the National Verifier supports—application, recertification, reverification, continued eligibility checks, enrollment & claims, and opt-out state processes—are summarized below.

APPLICATION

The purpose of the application process is to determine whether an individual is eligible for Lifeline benefits. Applicants can enroll via the National Verifier consumer portal, receive help from a service provider using the National Verifier service provider portal, or mail the application to the specific program support center. Applicants can also apply through service providers that have access to the National Verifier through the eligibility check API. Applications are validated through available automated eligibility data sources and undergo checks to confirm identity, validate address, confirm one-per-household compliance, and verify that the consumer is not already enrolled in the program. If an individual's eligibility cannot be validated automatically, they can upload supporting documentation to the National Verifier portal or mail it to the program support center. The National Verifier utilizes a BPO who, in very close coordination with USAC, conducts manual reviews for Lifeline. Upon completion of the application, the consumer is either deemed qualified for the program benefit or is required to submit more information. Qualified individuals can contact a service provider in their area to enroll in the program.

RECERTIFICATION

Households must annually certify that they are still eligible for the Lifeline program to continue to participate. During recertification, households are checked against available

automated eligibility data sources. If a household's eligibility cannot be validated, they are prompted to recertify in the National Verifier consumer portal, on the phone via an interactive voice response (IVR), or via mail. Some households are required to submit eligibility documentation while others may self-certify their eligibility. If the household does not recertify within the 60-day recertification window, they will be de-enrolled and lose their program benefit.

REVERIFICATION

Reverification was the one-time, National Verifier eligibility validation of households who were initially enrolled in Lifeline prior to the National Verifier. The purpose was to ensure that Lifeline households who were previously deemed eligible by an ETC or state administrator (except in opt-out states) have been deemed eligible by the National Verifier. It occurred after a state or territory was rolled into the National Verifier. Reverification was like recertification, except households could not self-certify and were required to provide documentation to prove eligibility if their eligibility could not be validated through automated data sources. Reverification was on hold until after the COVID-19 waivers were lifted, and the final reverification batches were completed in 2024.

CONTINUED ELIGIBILITY CHECKS

When USAC has reason to believe that a consumer may no longer be eligible for Lifeline, the consumer may undergo a Continued Eligibility check. Continued Eligibility checks are similar to applications except they are initiated by USAC, not by the consumer. Consumers have 30 days to demonstrate their eligibility, which may require the submission and review of documentation. If they are not found eligible and their Continued Eligibility check fails, the consumer is de-enrolled from Lifeline.

ENROLLMENT & CLAIMS

The National Lifeline Accountability Database (NLAD) is the database that houses the enrollment information of all consumers in Lifeline and prevents duplicate enrollments of a single consumer or household. NLAD existed prior to the National Verifier but was integrated with the National Verifier as part of the National Verifier implementation.

When an ETC attempts to enroll a consumer in NLAD, NLAD matches the consumer's information against application data in the National Verifier. NLAD will only allow the consumer's enrollment if the system identifies a current, qualified application for the consumer in the National Verifier and if there are no duplicates found within NLAD already.

The Lifeline Claims System (LCS) within NLAD manages claim activity. NLAD takes a snapshot of all current subscribers on the first of each month, and NLAD opt-out states each send a monthly snapshot of their subscribers to USAC each month, which USAC uploads to LCS. The snapshots of every ETCs' subscribers are the basis for monthly claims. All ETCs in all states, territories, and the District of Columbia use the LCS to submit claims for reimbursement for federal Lifeline support.

OPT-OUT STATE PROCESSES

California, Oregon, and Texas have managed eligibility verification and duplicate checking for the federal Lifeline program for many years. Pursuant to the process adopted in the *2012 Lifeline Order*, ETCs in these states largely do not enroll their Lifeline households in NLAD. Due to the unique circumstances in these states, the National Verifier launched in these states using a modified approach. The FCC determined that it is appropriate to continue relying on the existing state functions, which include application determinations and enrollment tracking. As part of the National Verifier's implementation, USAC strengthened its partnerships with the opt-out states, working closely with them by sampling eligibility decisions and sharing best practices.

V. NATIONAL VERIFIER MEETS 2016 LIFELINE ORDER OBJECTIVES

The three objectives for the National Verifier in the *2016 Lifeline Order* are to: (1) protect against waste, fraud, and abuse; (2) lower costs to the Fund and ETCs through administrative efficiencies; and (3) better serve eligible beneficiaries by facilitating choice and improving the enrollment experience.⁴⁵ These goals are being met through the design of the National Verifier system and the administration of related processes.

One of the key features of the National Verifier that furthers all three objectives is automated access to eligibility data sources. USAC has built direct, automated connections to eligibility data sources that are managed by the state and federal agencies that administer the relevant qualifying programs. Automation reduces the need for manual reviews, which are more expensive administratively, increase the burden to service providers and consumers, and can be subject to human error or manipulation. In 2024, the National Verifier used its automated eligibility database connections to confirm the program eligibility for almost 94% of all applicants who qualified for Lifeline.

As mentioned above, the National Verifier leverages automated connections with 26 states and territories, along with three federal connections. Though some connections existed prior to the National Verifier, those connections were very limited to certain ETCs in certain states. The National Verifier levelled the playing field, giving a high likelihood for an automated pass of an eligible consumer. In addition, the National Verifier's number and quality of connections greatly exceeds what was available previously, especially when considering the National Verifier's nationwide connection for Medicaid. The Medicaid connection has made the biggest impact in maximizing automation in the National Verifier.

USAC is continuously working to increase access to state and federal data sources. In addition to automated access to eligibility data sources, the objectives of the *2016 Lifeline Order* are further met through the design of the National Verifier systems and processes, as described below.

i. Protect Against Waste, Fraud, and Abuse

The National Verifier was designed to address one of the key program integrity concerns in Lifeline: relying on ETCs to determine household eligibility. For service providers, ensuring

⁴ See *2016 Lifeline Order*, 31 FCC Rcd at 4007, para. 128.

compliance with Lifeline household eligibility rules and obtaining/maintaining their customer base are goals that could be, or could be perceived to be, at odds with one another. Hence, creating an independent administrator with a centralized system to conduct eligibility determinations mitigates this conflict of interest. Since its initial launch in June 2018, the National Verifier has continuously improved USAC's capabilities to prevent fraud, waste, and abuse as identified in audits and investigations performed by the Government Accountability Office and FCC Inspector General. USAC, as a neutral administrator, now has visibility into each Lifeline application submitted to the National Verifier, including those where automated checks are not able to verify eligibility, and has visibility into all supporting documents submitted to the National Verifier that are relied upon for an applicant to qualify for the program. While USAC conducts the eligibility verification process, service providers are still responsible for ensuring their compliance with all program rules.

Though the opt-out states do not follow the typical National Verifier processes, eligibility determinations are still made by an independent third party, as the state reviews eligibility and performs all required validations, including duplicate checks. As described in Section IV, the FCC and USAC have also implemented enhanced program integrity measures in partnership with the states to prevent waste, fraud, and abuse.

In addition to validating eligibility for new Lifeline households, the National Verifier completed its reverification process in August 2024. Households who failed to demonstrate eligibility within the reverification process were de-enrolled in accordance with the FCC's and USAC's ongoing efforts to combat waste, fraud, and abuse.

In 2017, the FCC directed USAC to create the Representative Accountability Database (RAD) as an additional mechanism to guard against waste, fraud, and abuse.⁵ RAD is a registration system that validates the identities of enrollment representatives performing transactions in USAC systems, including the National Verifier and NLAD. As of May 25, 2020, all enrollment representatives are required to obtain a Representative ID to perform Lifeline transactions. USAC regularly monitors activity and has authority to lock representative accounts in instances of suspicious activity and/or misuse of the National Verifier and other USAC systems.

ii. Lower costs to the Fund and ETCs through administrative efficiencies

Centralizing the application process under an independent, third party reduces the overall cost to administer the Lifeline program. For Lifeline, the single, streamlined National Verifier process is very efficient compared to a patchwork process where each ETC develops and follows its own unique approach. In addition, the National Verifier has achieved greater automation than ETCs had previously. Prior to the National Verifier, ETCs in approximately 20 states benefited from automated connections or processes made available by states for eligibility verification. The National Verifier fills that gap for all ETCs in all states, as it has automated connections to nationwide data sources. In addition, the National Verifier has connections in additional states where ETCs did not previously benefit from automated connections.

⁵ See Letter from Ajit V. Pai, Chairman, FCC, to Vickie Robinson, Acting Chief Executive Officer and General Counsel, USAC (July 11, 2017).

The automation in the National Verifier reduces burdensome and complex manual reviews and decreases the likelihood of improper payments. Before the National Verifier, such manual reviews were the responsibility of ETCs, each with their own review process. In the National Verifier, manual reviews are completed uniformly by the Lifeline Support Center (Lifeline's BPO), with USAC providing close guidance and training.

iii. Facilitate choice and improve the enrollment experience

The National Verifier has a dedicated consumer portal where consumers can apply for Lifeline without needing to apply through a service provider. It provides a standardized application process for all households, no matter where they live or what service provider they ultimately choose. Upon qualification in the National Verifier consumer portal, the consumer is directed to a list of service providers located in their area, ensuring that they know their options and can pursue service from the provider they prefer.

For consumers who wish to apply with assistance from their service provider, there are two options: the National Verifier service provider portal and the eligibility check API. The API can be integrated within a provider's own website or online enrollment platform. Not all service providers utilize the eligibility check API, but all providers have access to the service provider portal. Using the service provider portal, a provider can help a consumer apply with an interview-style approach (the service provider's agent must be present with the consumer). The eligibility check API allows a consumer to apply through a service provider's website, if the provider uses this option, and it will route the consumer directly to the National Verifier to complete the required certifications. USAC deployed the eligibility check API in December 2019 in response to requests from service providers for more automated tools with which to interact with the National Verifier. Several Lifeline service providers have been authorized to access the API. Almost 26 million Lifeline applications were submitted through the eligibility check API in 2024, making up 93% of all Lifeline applications.

Consumers may also submit applications through the mail, due to potentially limited internet access among the eligible population. Lastly, Lifeline consumers have the option to apply with assistance from state agencies and Tribal partners.

Lifeline's opt-out states each offer a streamlined eligibility process that include an automated state database eligibility check and duplicate check. Consumers in these states follow a single process to apply for both the federal Lifeline benefit and state benefits.

USAC has continued implementing enhancements to the National Verifier in 2024 to improve user experience across several systems, including the Lifeline online application. Comprehensive application instructions were released in English and nine additional languages to guide consumers effectively through the application process.

Lifeline program rules were temporarily waived in 2024 for consumers impacted by Helene Weather Events and Hurricane Milton. The FCC waived non-usage, de-enrollment for non-usage, annual recertification, and reverification requirements for existing households in the affected disaster areas. These waivers expired at the end of November 2024 and mid-December 2024,

respectively. The FCC also temporarily expanded the Lifeline eligibility criteria allowing consumers who receive FEMA's Individuals and Households Program (IHP) support to qualify for Lifeline. To advance these initiatives, Lifeline updated its systems and application, launched dedicated online resources, and hosted special office hours to provide targeted assistance to impacted communities.

On November 15, 2023, the FCC adopted the Supporting Survivors of Domestic and Intimate Partner Violence Report and Order which established rules implementing the requirements of the Safe Connections Act of 2022, which, among other priorities, allows qualifying survivors of domestic violence and related crimes to receive emergency communications support for a period of up to six months. In the Report and Order, the Commission designated the Lifeline program to provide discounted phone, internet, or bundled services to qualifying survivors, and in 2024, USAC implemented new processes to support survivors applying for and enrolling in the program. USAC updated application workflows, downstream systems, and implemented enhanced system controls to safeguard survivor confidentiality, reinforcing commitment to protecting vulnerable populations while delivering operational excellence. The Lifeline program undertook extensive outreach initiatives targeting affected communities, delivering impactful webinars, and releasing tailored resources to help raise awareness and guide survivors through the application process. These efforts supporting survivors included 12 newsletters, 5 webinars, and 2 office hours over 6 months.

In 2025, USAC will continue to implement enhancements to improve the consumer experience, similar to the National Verifier consumer portal redesign USAC completed in 2023 for ACP. These enhancements will streamline navigation by reducing text on various pages, enhance the PII collection process, and simplify the certifications page, allowing users to provide a digital signature instead of initialing each certification individually.

VI. CONCLUSION

USAC is committed to continuous improvement of the National Verifier and welcomes feedback from all stakeholders. Over the recent years, through newsletters, webinars, surveys, and other communication tools, we have created open channels to explain functionality and processes; to answer questions from service providers, consumers, and other stakeholder groups; and to obtain feedback on the user experience.

During 2024, the National Verifier State & Federal Partnership team at USAC focused on strengthening and expanding connections with both state and federal agencies to enhance the Lifeline program's efficiency. These efforts include building relationships with new partners, integrating additional data sources for improved eligibility verification, and establishing Computer Matching Agreements (CMAs) to ensure smooth collaboration. By leveraging these new partnerships, USAC aims to streamline processing times, improve data accuracy, and uphold program integrity. Continued outreach and collaboration with additional agencies remains a priority.

In 2025, USAC will continue to track the performance of the National Verifier system and the related operational processes, including those performed by the Lifeline Support Center, to

identify inefficiencies and areas for improvement. We are focused on optimizing the application process in the National Verifier, and in 2025 we expect to bring many of the enhancements implemented in the ACP application workflow to the Lifeline application.

Appendix: States/Territories Currently Providing Eligibility Database Checks to the National Verifier

State/Territory	Connection to State Data Source?	Automated Data Connections Established	Lifeline Applications Received in 2024
Alabama	No	FPHA, CMS, VA	491,870
Alaska	No	FPHA, CMS, VA	21,852
America Samoa	No	FPHA, VA	2,568
Arizona	Yes	SNAP, FPHA, Tribal TANF, CMS, VA	732,547
Arkansas	No	FPHA, CMS, VA	294,176
California	Yes	SNAP	170,542
Colorado	Yes	SNAP, Medicaid, FPHA, CMS, VA	373,204
Connecticut	Yes	FPHA, SNAP, Medicaid, CMS, VA	139,374
Delaware	No	FPHA, CMS, VA	33,899
District of Columbia	No	FPHA, CMS, VA	58,693
Florida	Yes	FPHA, SNAP, Medicaid, CMS, VA	1,833,912
Georgia	Yes	FPHA, SNAP, CMS, VA	1,131,569
Guam	No	FPHA, VA	606
Hawaii	No	FPHA, CMS, VA	86,742
Idaho	No	FPHA, CMS, VA	57,438
Illinois	No	FPHA, CMS, VA	736,867
Indiana	Yes	FPHA, SNAP, Medicaid, CMS, VA	499,120
Iowa	Yes	FPHA, SNAP, CMS, VA	173,607
Kansas	No	FPHA, CMS, VA	89,078
Kentucky	Yes	FPHA, SNAP, Medicaid, CMS, VA	639,662
Louisiana	No	FPHA, CMS, VA	827,909
Maine	No	FPHA, CMS, VA	42,138
Maryland	No	FPHA, CMS, VA	724,608
Massachusetts	No	FPHA, CMS, VA	316,719
Michigan	Yes	FPHA, SNAP, Medicaid, SSI, CMS, VA	1,664,132
Minnesota	Yes	FPHA, SNAP, Medicaid, CMS, VA	272,182
Mississippi	Yes	FPHA, SNAP, CMS, VA	347,738
Missouri	Yes	FPHA, SNAP, Medicaid, CMS, VA	453,740
Montana	No	FPHA, CMS, VA	17,620
Nebraska	No	FPHA, CMS, VA	36,609
Nevada	Yes	FPHA, SNAP, Medicaid, CMS, VA	636,163
New Hampshire	No	FPHA, CMS, VA	19,882
New Jersey	No	FPHA, CMS, VA	749,413
New Mexico	Yes	FPHA, SNAP, Medicaid, CMS, VA	111,864
New York	No	FPHA, CMS, VA	5,778,594
North Carolina	Yes	FPHA, SNAP, CMS, VA	408,806

North Dakota	No	FPHA, CMS, VA	22,012
Northern Mariana Islands	No	FPHA, VA	1,538
Ohio	No	FPHA, CMS, VA	1,139,403
Oklahoma	No	FPHA, CMS, VA	715,056
Oregon	Yes	Medicaid, SNAP, SSI	29,963
Pennsylvania	Yes	SNAP, Medicaid, FPHA, CMS, VA	1,927,176
Puerto Rico	Yes	FPHA, NAP/PAN32, CMS, VA	911,844
Rhode Island	No	FPHA, CMS, VA	87,017
South Carolina	Yes	FPHA, SNAP, Medicaid, CMS, VA	567,748
South Dakota	No	FPHA, CMS, VA	15,101
Tennessee	Yes	FPHA, SNAP, CMS, VA	538,970
Texas	Yes	Medicaid, SNAP	405
Utah	Yes	SNAP, Medicaid, FPHA, CMS, VA	198,298
Vermont	No	FPHA, CMS, VA	22,852
Virgin Islands	No	FPHA, CMS, VA	1,831
Virginia	Yes	FPHA, SNAP, Medicaid, CMS, VA	648,359
Washington	Yes	FHPA, SNAP, Medicaid, CMS, VA	547,757
West Virginia	No	FPHA, CMS, VA	205,320
Wisconsin	Yes	FPHA, SNAP, Medicaid, SSI, CMS, VA	372,779
Wyoming	No	Medicaid, FPHA, CMS, VA	12,130
TOTAL			27,941,002

Key:

FPHA: Federal Public Housing Assistance
 CMS: Centers for Medicare & Medicaid Services (Federal Database)
 VA: Veterans and Survivors Pension Benefit
 SNAP: Supplemental Nutrition Assistance Program
 TANF: Temporary Assistance for Needy Families
 Medicaid: State Medicaid (State Database)
 NAP/PAN: Puerto Rico's Nutrition Assistance Program

California, Texas, and Oregon have access to automated data sources and utilize them as part of their eligibility verification process. The National Verifier does not have direct access to these data source.