GAO@100 Highlights

Highlights of GAO-21-235, a report to congressional requesters

Why GAO Did This Study

FCC's Lifeline program discounts phone and internet service for eligible low-income consumers. In 2019, FCC authorized \$982 million in support for 6.9 million eligible consumers. FCC created the Verifier with the stated goals of reducing fraud and costs and improving the consumer experience. The Verifier includes an online application, connections to state and federal benefits databases, and a standardized manual review process.

GAO was asked to review FCC's implementation of the Verifier. This report examines: (1) the status of the Verifier; (2) FCC's coordination with stakeholders and efforts to educate consumers and facilitate tribal stakeholders' involvement; and (3) the extent to which the Verifier is meeting its goals.

GAO reviewed FCC orders and documentation; analyzed Verifier performance and Lifeline subscriber data; interviewed FCC and other agency officials, and selected industry, state, tribal, and consumer stakeholders; and surveyed state officials. Stakeholders were selected to obtain a variety of non-generalizable viewpoints.

What GAO Recommends

GAO is making six recommendations, including that FCC develop a consumer education plan, provide quality information to tribal organizations, and collect information on consumers' experience with the manual review process. FCC agreed to take steps to address all of GAO's recommendations.

View GAO-21-235. For more information, contact Andrew Von Ah at (202)-512-2834 or vonaha@gao.gov.

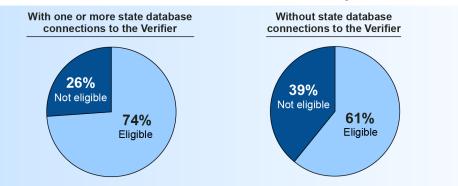
TELECOMMUNICATIONS

FCC Has Implemented the Lifeline National Verifier but Should Improve Consumer Awareness and Experience

What GAO Found

As of June 2020, the Federal Communications Commission (FCC) required consumers nationwide to use the Lifeline National Verifier (Verifier), a centralized process and data system, to check their eligibility for Lifeline. Because consumers who participate in certain federal benefits programs qualify for discounted phone and internet service through Lifeline, the Verifier checks state and federal benefits databases to verify consumers' eligibility. The Verifier also includes a manual review process for consumers to submit documents proving their eligibility if they cannot be found in a database. As of November 2020, the Verifier had connections with databases in 20 states and 2 federal agencies. GAO found that although consumers in states without state database connections had the same likelihood of actually meeting eligibility requirements as consumers in states with such connections, they were less likely to be found eligible for Lifeline through the Verifier (see figure).

Average Eligibility Determination for New Lifeline Applicants in States with and without State Database Connections to the Lifeline National Verifier, June 2018 through June 2020



Source: GAO analysis of Federal Communications Commission data. | GAO-21-235

FCC coordinated with state and federal stakeholders to implement the Verifier. However, stakeholders told GAO that many eligible consumers are not aware of the Verifier or Lifeline. Consumers may lack this awareness because FCC's consumer education planning did not always align with key practices, such as developing consistent, clear messages and researching target audiences. As a result, eligible consumers may not apply for Lifeline. Moreover, while FCC originally envisioned tribal governments and organizations assisting residents of tribal lands with the Verifier, it has not provided them with quality information to effectively do so.

Although FCC reported that the Verifier is meeting its goal of improving the consumer experience, GAO found that the manual review process, which FCC used to determine the eligibility of more than half of applicants in many states, is challenging for consumers. However, FCC does not collect complete information on consumers' experience with this process, and thus is limited in its ability to identify and address the challenges consumers face. Such challenges likely contributed to eligible consumers giving up on their applications. For example, we found that more than two-thirds of applicants who underwent manual review between June 2018 and June 2020 did not complete their applications.