

From: Mike Twomey [mailto:miketwomey@talstar.com]  
Sent: Tuesday, February 27, 2007 4:35 PM  
To: Samantha Cibula  
Subject: Re: Lifeline Post-Workshop Comments

Samantha,

Please accept this email as AARP's Post-Workshop Comments related to the rule development workshop held by staff on February 6, 2007.

AARP adopts as its own the comments of the Office of Public Counsel contained in the email message below sent to you earlier today by Charlie Beck of that office.

Additionally, AARP wants to remind all concerned that our 12.7 percent enrollment rate, aside from being one of the lowest in the nation, reflects the fact that over one million households in the state who are eligible for Lifeline financial assistance do not receive it. Were all of those families receiving assistance, they and the state of Florida would be enriched by approximately \$162 million annually.

Furthermore, a more respectable enrollment rate could stop the state from remaining the largest net contributor (or loser) to the national Lifeline fund. As you may be aware, in the most recent year for which records are kept, 2005, we had a net contribution to the Lifeline fund, alone, of \$41.1 million. For the five year period from 2001- 2005 the total net contribution was \$161.8 million, an embarrassingly large number contributed to by all of us with landline phone service, including the many low-income persons eligible for Lifeline assistance but not receiving it.

Best regards,

Mike Twomey  
For AARP

BECK.CHARLES wrote:

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> Samantha:  
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> This e-mail follows up on the rule development workshop held at the  
> Florida Public Service Commission on February 6, 2007. I want to  
> reiterate our overall support for the rules proposed by staff.  
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> More Must be Done to Increase Lifeline Enrollment  
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> According to the Florida Public Service Commission's report on  
> Lifeline submitted to Governor, President of the Senate, and Speaker  
> of the House on December 28, 2006, Lifeline enrollment as of

> September, 2006 stood at 145,734 participants, reflecting a 12.7%  
> participation rate. This participation rate barely exceeds the  
> participation rate of 12.4% recorded in September, 2005, and is lower  
> than the paltry participation rates recorded from 1998 through 2004.  
> /See/ Table 2, /Number of Customers Subscribing to Lifeline Service  
> and the Effectiveness of Procedures to Promote Participation/, Florida  
> Public Service Commission, December, 2006.

>  
> This is not to say that efforts have not been made by many to increase  
> awareness about the availability of Lifeline services. /See/ /Petition  
> to Implement Automatic Enrollment for Lifeline Service/ filed by the  
> Office of Public Counsel and AARP on October 11, 2006, at pages 2-3  
> for a brief overview of these efforts. Rather, despite these efforts,  
> the Lifeline participation rate still remains far too low -- and far  
> below the national average for Lifeline participation rates. The low  
> Lifeline participation rates in Florida compared to the rest of the  
> country should be kept in mind as the Commission considers rules  
> governing Lifeline service.

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> The Office of Public Counsel supports the rules proposed by staff  
> because the new rules should make existing Lifeline enrollment a more  
> user-friendly procedure for participants. However, the rules do not  
> address what we consider the most important step that must be taken to  
> increase participation: automatic enrollment. We remain convinced that  
> automatic enrollment will be the most effective means to increase  
> participation in Lifeline.

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> Lifeline Subscribers Should Be Allowed to Purchase Packages of  
> Services as Part of their Lifeline Service\_

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> One important way to make Lifeline more attractive to eligible  
> subscribers is to allow subscribers to purchase the types of services  
> they want to purchase while maintaining their eligibility for a  
> Lifeline credit. At the workshop Ms. White of the Office of Public  
> Counsel testified that many lifeline customers would like to subscribe  
> to packages of services. They may feel that a package contains the  
> most economical bundle of services that meets their needs. Elderly  
> lifeline eligible subscribers may want caller ID in particular to  
> avoid scams or telemarketers who target the elderly. Long distance is  
> a bundled feature desired by lifeline eligible customers because they  
> may have friends and family in other states with whom they want to  
> communicate.

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> From February 2005 through January 2007 the Office of Public Counsel

- > talked with approximately 170 Verizon Lifeline applicants who
- > expressed concern that Verizon would not allow them to subscribe to a
- > package and receive the Lifeline credit. Sometimes the applicants gave
- > up their package in order to get the credit, and others kept the
- > package while forfeiting the Lifeline credit for which they would
- > otherwise be eligible.
- >
- > All packages offered by the companies should be eligible for the
- > Lifeline credit in order to promote lifeline participation and to
- > provide Lifeline subscribers services which meet their needs. Offering
- > the Lifeline credit only with the basic bundled package would be an
- > improvement over the requirements which exist today, but it is still a
- > second best alternative.
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- > The Rules Should Require ETCs to Provide a Receipt to Applicants
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- > The Office of Public Counsel frequently receives complaints from
- > customers stating that they have not received a Lifeline credit, even
- > though they sent a Lifeline application to their ETC months before.
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- > Subsequent to the workshop, the following information was provided to
- > BellSouth, Verizon and Sprint:
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- > 1. On average, we receive 75 calls per week from people who tell us
- > that they have sent their Lifeline application to a company, but the
- > company claims to have not received it.
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- > 2. On average, we receive 77 calls per week from people who tell us
- > that they sent their Lifeline recertification to a company, but the
- > company claims to have not received it.
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- > 3. Approximately 10% of these calls are from BellSouth customers, 10%
- > are from Embarq customers, and 80% are from Verizon customers.
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- > It turns out that sometimes the Lifeline applicant sent their
- > materials to the wrong address, and the process of determining what
- > went wrong can take more than three months to resolve. Lifeline
- > applicants find these to be an extremely frustrating experience, and
- > many quit pursuing Lifeline or decide to apply for Lifeline through
- > the Office of Public Counsel rather than through the company.
- > Requiring the companies to provide a receipt to Lifeline applicants
- > when the companies receive the application would mitigate the
- > frustration experienced by Lifeline applicants in these situations.