

## **Senate Health & Welfare Committee Testimony Notes**

**Testimony by: Kathleen Smith  
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### **1. What is the need for this bill?**

The reason this bill is needed is to fulfill the requirements of the FCC waiver (see additional document), to provide more expedient service to qualifying participants and to ultimately ensure the safety of participant's confidential information. To elaborate, in October 2012, the FCC issued the Public Notice for the Opt Out database (see additional document). The State chose to ask for a waiver since use of this database would create confidentiality issues for participants. One stipulation with the waiver is that we had to provide the telephone companies (ETC) participant change information (i.e. phone number changes, address changes, etc.) within five business days. This presented unique challenges since it took time for the application to go from the Tax Department to ESD, especially during the busy tax season. So in order to comply with the waiver we need to find a way to process the applications more efficiently. This is a benefit to the client as well since it allows them to receive their discount in a timely manner.

### **2. What doesn't work about the current system?**

There is a lag time between receipt of the application at the Tax Department and receipt of the application at ESD. Furthermore, less than 10% of the applications need verification by the Tax Department, 90% of the applicants are already known to ESD as verified in the ACCESS management information system.

### **3. How will the change impact the Vermonters who access Lifeline?**

Telephone discounts will be issued quicker since the Tax department will no longer be the middle-man. Applications will come directly to the ESD, and the processing of the discounts will be done directly by ESD staff without passing through the Tax Department.

I've provided for your review a copy of the Lifeline application. Eligibility requirements are clearly stated, and are primarily based on age, or age and income.

ESD started getting applications directly from Tax Dept. last year since there were such long delays (weeks) in receiving applications. They have not reviewed these prior to us since last year. There are a small number that need verifying by the Tax Dept. since most applicants are already known to ESD, and the process no longer made sense. Previously, even though the Tax Dept. was getting the applications, they were just mailing them directly to us and we were then consulting them if we had questions or issues and needed verification we did not have.

### **4. How many Vermonters are currently receiving the Lifeline benefit?**

- People receiving Lifeline: 19,751
- Aged 65 and over: 11,559
- Aged under 65: 8,192