Administration of Public Benefit and Centralized Lifeline Eligibility Programs

March 9, 2011
Who is Solix?

- A proven neutral administrator of state and federal public benefit programs that provide almost $6 billion in annual support
- Headquartered in Parsippany, New Jersey with subsidiaries in Missouri and Illinois
- A privately-owned corporation that employs 400 workers in New Jersey, and almost 1,000 throughout the U.S.

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Solix’ Core Competencies

- Adeptly translating complex legislative and regulatory requirements into documented and user-friendly systems and processes
- Determining and verifying program eligibility using secure, web-based systems and tools
- Implementing controls and reviews to ensure program integrity and minimize waste, fraud, and abuse
- Providing complete customer care, including multilingual call center and fulfillment services
- Collecting, investing, and distributing funds
Solix Program Administration

- Federal E-Rate, Rural Healthcare, and Rural Healthcare Pilot Programs

- Centralized Low-Income Discount Programs
  - California (Telephone)
  - Texas (Telephone & Electric)

- State Universal Service Funds (USFs)
  - Arizona
  - Indiana
  - Nevada
  - New Mexico
  - Oklahoma
  - Oregon
  - Pennsylvania
  - Puerto Rico
  - Texas
  - Texas

- Intrastate Telecommunications Relay Service Funding
  - Connecticut
  - Hawaii

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Examples of Solix Managed Work

- **Federal E-Rate Program**: Solix serves as the “back office” for the Universal Service Administrative Company (USAC), processing approximately 50,000 annual applications requesting funds from the $2.25B program to support Internet access for schools and libraries throughout the nation.

- **California LifeLine Program**: On behalf of the California Public Utilities Commission, Solix annually processes more than 1M applications to determine initial LifeLine eligibility and more than 1.7M to verify ongoing eligibility. We audit 60K+ customers annually to test the validity of self-certifications.

- **Texas Low Income Discount Administrator**: Solix works for the Texas Public Utility Commission to determine the eligibility of more than 1.25M residents for telephone and electric service discounts. Solix interfaces with the Texas Health & Human Services Comm. and 170 service providers to analyze more than 10M customer records each month.

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Examples of Solix Managed Work

• **Arkansas Lifeline Individual Verification Effort (ALIVE) Administrator:** Solix performs Federal Lifeline verification, re-certification, program assistance, training, and reviews for a consortium of rural local exchange carriers in Arkansas.

• **Wireless Lifeline Service Providers:** Solix performs eligibility certification and verification reviews to support prepaid wireless Lifeline service provider operations. Our turnkey solutions include call center services, application review, scanning, fulfillment, and website hosting.

• **Wireline Lifeline Service Providers:** Solix provides Lifeline eligibility certification and verification services to 39 wireline service providers operating in states that do not have a centralized administration process.
As administrator of public benefit programs, Solix is subject to numerous annual audits, including audits by:

- The Universal Service Administrative Company (USAC)
- The U.S. Government Accountability Office (GAO)
- The FCC Office of Inspector General (OIG)
- State utility commissions
- Regional and national public accounting firms

In 2011, Solix successfully completed a voluntary SAS 70 audit of our E-Rate and Rural Healthcare operations.

Solix conducts compliance reviews of program participants on behalf of state utility commissions in California, New Mexico, Nevada, Oklahoma and Texas.
Solix Supports Lifeline Eligibility Administration by...

- Determining initial and verifying ongoing program eligibility

- Deploying proven systems and platforms to quickly implement **reliable and tested** solutions

- Employing **skilled and experienced personnel** to work with regulatory agencies to ensure policy goals are met

- Using **web-based systems** to securely collect, process, and protect applicant and service provider data

- Ensuring **program integrity** through process controls, audits, and reviews to **minimize waste, fraud, and abuse**
FCC NPRM
National Lifeline Database

Database Design Considerations

– Federal/State Eligibility Criteria
  • Program-based Certification & Verification
  • Income-based Certification & Verification
– Initial Lifeline Customer Load Process
– Database Scrubbing
  • Address Cleansing/Standardization
  • Elimination of Duplicates
– Data File Exchange Formats
  • Flat Files (via SFTP) for Periodic File Retrieval
  • Web Services for Near Real-Time Data Exchanges
– Ongoing Maintenance/Reconciliation
  • Annual Verifications
  • Termination of Eligibility
  • Discontinued Service/Non-Usage
  • Opt-outs
  • Customer Moves
  • Service Provider Changes
National Lifeline Database Example Process Flow

1 This example depicts the National Lifeline Database as a central repository of Lifeline subscriber data. Variations could also incorporate a centralized eligibility determination process.

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Solix Value Proposition

- **Program Compliance.** We are adept at translating regulatory rules and requirements into effective processes with comprehensive internal controls.

- **Cost Effectiveness.** We process millions of eligibility applications each year; economies of scale result in applied efficiencies.

- **Proven Platforms.** Our technology solutions are secure, operational, and proven to satisfy market needs and regulatory requirements.

- **Neutral, Transparent, and Auditable Processes.** We are an independent and neutral third-party administrator. We maintain fully documented procedures and eligibility decisions that support transparency, reviews and audits.

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Solix is an Award-Winning Company

- 2010 & 2011 NJBIZ Best Places to Work in New Jersey
- 2007, 2008 & 2009 Alfred P. Sloan Award for Business Excellence in Workplace Flexibility
- 2009 AARP List of Best Employers for Workers Over 50
- 2009 Morris County Economic Development Corporation: Business Expansion Award
- 2009 NJBIA Awards for Excellence Winner: Outstanding Employer
- 2008 Employers Association of NJ Harold R. Hawkey Exceptional Employer Award
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