

A SMART STEP IN THE RIGHT DIRECTION

You may have already noticed some changes on recent bills from your local and long distance telephone companies. These changes are the result of a pricing reform plan approved by the Federal Communications Commission. The plan went into effect on July 1, 2000 and impacts nearly all telephone customers.

Under the new plan, some charges disappeared, some moved from your long distance bill to your local service bill, and others changed. The bottom line is that nearly all consumers are now paying less when their local and long distance telephone bills are added together.

The National Access Fee (also known as the Presubscribed Interexchange Carrier Charge or PICC) that appeared on your long distance bill (or in some cases on your local bill) has been eliminated. And many long-distance telephone companies now offer plans that do not have a minimum usage fee.

On your local phone bill, the Federal Subscriber Line Charge has increased. There is also a new charge for Federal Universal Service Fund. This federally approved fund helps keep local phone service affordable for all people and gives a discount to schools, libraries and low-income families.

SMART RESOURCES

- Contact your state public service or utility commission
- Contact your telephone company
- Check these web sites: (Don't have Internet access? Visit your local library to check out these web sites!)

www.fcc.gov

www.nclnet.org

www.phonebillcentral.org

Published by the Coalition for Affordable Local and Long Distance Service (CALLS), which includes AT&T, BellSouth, SBC, Sprint, and Verizon (formerly Bell Atlantic and GTE). CALLS seeks to develop and disseminate essential messages to inform and educate consumers. At the coalition's request, the brochure was reviewed by the Federal Communications Commission Consumer Information Bureau. This review does not imply endorsement of all of its messages or the products and services.

A Smart Consumer's Guide to Telephone Service

Telephone service is an important part of our lives. We use it every day to keep in touch. You should know all you can about the services you have chosen and the charges that appear on your telephone bill. This brochure can help you identify ways to be a smarter telephone consumer.

BE SMART ABOUT YOUR PHONE BILL

The telephone industry is changing rapidly. There are more companies competing for your business and more services to choose from every day. Understanding your options - and your phone bill - may take a little more time than it used to, but it's worth it.

You may use one company for long distance and another for local service. Or, you may get all your service from one company. Each company may bill you individually, or all companies' charges may appear on a single bill. Look at your phone bills carefully every month. Make sure you understand the charges that appear. If you have questions, call your phone company.

The Federal Communications Commission, state public service commissions, and many phone companies are working to help make telephone bills easier to understand. But being a smart consumer is the best way to use phone service wisely.

SMART WAYS TO GET THE MOST FOR YOUR MONEY

It's smart to shop around! Take a few moments to comparison shop for local and long distance service.

Look at your last three telephone bills to identify your calling patterns. Ask yourself:

- What days do I use the phone? Some plans offer "discount days," either the entire weekend or one day.
- What times of day do I make the most telephone calls? Many companies offer discounts at certain times of day.
- How long do I talk when I make phone calls?
- Whom do I call most often?
- Where do I call most often? Ask if there is a plan that would offer special calling rates for those areas.
- Are my calls local or long distance? Are they state-to-state or in-state?
- Are they to one country (International) or one state? Targeted discounts may be available.

Armed with the answers to these questions, you can shop for the best plan. You may want to call more than just one phone company to compare plans. Remember:

- Companies may use different terms to describe similar services. Combinations of services may differ as well.
- Don't just look at the per-minute rate. Ask about additional fees or charges.
- If you make a lot of phone calls, ask about plans that offer better rates for high usage.

SMART TIPS

- BASIC doesn't necessarily mean lowest cost. If you are on a basic rate plan, you may be paying too much. An advertisement promising "50 percent off the basic rate" isn't always a good deal because the "basic" rate is sometimes the highest rate available.
- Some long distance companies offer plans with no monthly fees.

SMART SAVINGS FOR LOW-INCOME CONSUMERS

Did you know that you or someone you know may qualify for Lifeline? Lifeline is a program that helps make telephone service more affordable for low-income consumers by waiving certain charges. If you are on Lifeline, you will save at least \$5.25 a month on your local phone bill – and maybe more!

Lifeline is administered by each state, and each state has different eligibility requirements. You may qualify for Lifeline if you receive Supplemental Security Income or Food Stamps. There is also a program to help you pay to get telephone service installed, called Link-Up. If you don't have phone service, this program may help you.

Some long distance companies offer special Lifeline programs with additional savings for consumers that qualify.

1. For more information on Lifeline and Link-Up, call:

- Your state public service or utility commission
- Your local telephone company
- Your long distance company
- Your local library, senior center, community center or church

2. Look at the consumer information pages in your telephone book

3. Go online at www.lifelinesupport.org