T-Mobile Will Pay $200 Million to Settle Sprint's Alleged Lifeline abuse

The carrier also has to abide by certain rules.

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T-Mobile is paying the price for the reported misdeeds of its recent acquisition. The carrier has agreed to pay a $200 million settlement over FCC allegations Sprint abused the Lifeline program for low-income communications, claiming subsidies for 885,000 customers that weren't using the initiative.

The agreement also requires that T-Mobile honor the rules of a consent decree.The provider has to reform company procedures and training to ensure that it only makes legitimate Lifeline claims. A senior manager has to ensure T-Mobile complies with the order, and the company has to submit periodic reports for three years after the start of the decree.

We've asked T-Mobile for comment.

Sprint previously denied any deliberate abuse. It contended that it made an "error" in 2017 when implementing FCC-related changes. The company said it actively investigated issues and raised them with the FCC, and was "committed" to compensating federal and state governments.

The settlement is ultimately small and won't significantly affect T-Mobile's future. It might serve as a warning to

carriers, however, if just to ensure they double-check that they’re making claims for customers who genuinely ask for help.

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