

Operations Memorandum
LIHEAP
OPS101002

October 13, 2010

SUBJECT: 2010-11 Low-Income Home Energy Assistance Program (LIHEAP) Policy, Procedures and Form Changes
TO: Executive Directors
FROM: Joanne Glover, Director, Bureau of Operations

Purpose

To provide County Assistance Offices (CAOs) with LIHEAP policy, procedures and form changes for the 2010-11 program year.

Background

As in previous years and prior to the start of LIHEAP, staff is provided with an Operations Memorandum that provides policy, guidance, procedures and form changes that concern LIHEAP for the upcoming season.

In addition, below is a timeline for this year's LIHEAP:

- Mailing of bar-coded applications to households whose members are currently active on CIS and who received LIHEAP during the previous program year (September 13, 2010);
- Mailing of bar-coded applications to remaining households who received LIHEAP during the previous program year (September 27, 2010);
- System available (September 20, 2010);
- Paper application supply available to CAOs (October 25, 2010);
- COMPASS and paper applications will be accepted (November 1, 2010);
- Cash Component (November 1, 2010 through March 31, 2011);
- Crisis Exception Payment (November 1, 2010 through January 2, 2011);
- Crisis Component (January 3, 2011 through March 31, 2011).

Discussion

LIHEAP has two main components: Cash and Crisis. In addition, to help those who are without heat and whose cash benefit alone will not restore service prior to the start of the Crisis component, there will be available a "Crisis Exception Payment." Following is the specific information regarding this LIHEAP season:

I. Policy Issues

Income Guidelines

The income eligibility limit is set at 160 percent of the Federal Poverty Income Guidelines (FPIGs).

Household	Limit
1	\$17,328
2	\$23,312
3	\$29,296
4	\$35,280
Each additional person	\$ 5,984

Minimum Cash Benefit Amount

The system benefit tables were revised to reflect the updated cash component benefit amounts and income eligibility limits. The minimum cash benefit is set at \$300.

Maximum Cash Benefit Amount

The maximum cash benefit amount is set \$1,000.

Crisis Benefit Amount

The maximum crisis benefit amount is \$400.

II. Cash Component

Application of the Cash Grant

A cash benefit will be applied to the main heating source. The household may have the cash grant applied to a secondary heating source only if the secondary heating source is needed to run the main heating source (e.g., electricity to run an oil furnace).

Supplemental Payments to Vulnerable Households

A supplemental cash benefit of \$100 will be issued to vulnerable households who qualify for a LIHEAP cash grant. A vulnerable household is defined as a household containing at least one member who is elderly (age 60 or over), disabled, or age five and under. The age of the household members is determined by their age at the time their LIHEAP cash application is submitted.

Payment of the supplemental cash benefit will be handled automatically by the system.

III. Crisis Component

LIHEAP Crisis Exception Policy

CAOs may begin issuing Crisis Exception Payments to households without heat when the LIHEAP cash component opens on November 1, 2010. Households must meet the following criteria to be considered "Without Heat":

- A household's main heating source or second heating source (a source that is used to operate the main heating source or used if the main heating source is not working) has been completely shut-off;

OR

- A household is completely without their main heating fuel (coal, fuel oil, kerosene, propane, wood, etc.).

Important: LIHEAP Crisis Exceptions will be considered "Crisis grants" and will be restricted to the maximum and minimum crisis grant limits.

To apply and be eligible for a LIHEAP Crisis Exception, a household must:

1. Be determined eligible for LIHEAP benefits following established LIHEAP eligibility procedures (applying and providing all necessary verification).

2. Verify that the household's main or second heating source has been completely shut-off (verification from a utility) or they are completely without their main heating fuel (can be verbal verification from household). Note: A shut-off notice does not meet the definition of "Without Heat". Termination of service will be verified by the CAO.
3. Be authorized for a cash grant amount that is insufficient to restore heat to the household.

What are the steps a CAO follows to process a Household's LIHEAP Crisis Exception?

Please refer to Section IV of the LIHEAP User Manual for the procedure to be used in processing Crisis Exception payments.

Application of the Crisis Grant

A household may receive more than one crisis benefit during the program year, subject to the minimum and maximum amounts allowed under the current LIHEAP State Plan. The amount of a crisis grant cannot exceed the amount necessary to resolve the crisis.

Weatherization Referrals

CAOs can begin making crisis referrals for the Weatherization Assistance Program when LIHEAP opens on November 1, 2010. Please refer to Section III(C) of the LIHEAP User Manual for procedures related to weatherization referrals.

Off-Hour Coverage

Federal policy mandates that the Crisis component must be available 7 days a week, 24 hours daily. The CAOs must continue this practice when the crisis component opens on January 3, 2011. For procedures related to after-hours

crisis requests, please refer to Section III(C) the LIHEAP User Manual.

IV. Forms

PWEA 1 - LIHEAP Application Form (Changes)

The PWEA 1 was revised as follows:

- The “DPW Use Only” box has been revised. Caseload number has been removed and Worker ID has been added.
- Instructions for the questions have been revised for clarity and placed in bold red uppercase text.
- Per state requirements, two questions have been added to the application concerning U.S. Military Service. The first question asks whether anyone in the household is currently serving or has served in the U.S. Military. The second question asks whether anyone in the household is a widow, spouse or child of someone who is serving or has served in the U.S. Military. **Answers to these questions will be data entered in eCIS, but will have no effect on eligibility.**
- Applicants are instructed to provide a written description of how the household meets their basic living needs if they report minimal or no income.
- Certification has been revised to include the energy assistance affidavit (PWEA 4). If Social Security numbers for all household members are not provided, the applicant must complete the energy assistance affidavit in the certification.
- The section for worker and authorized signatures has been removed from the application.
- The “Did you Remember to....” section of the application has been revised and expanded.

V. Vendors

LIHEAP Compliance Unit

The LIHEAP Compliance Unit is available to handle all issues concerning vendors and can be reached at 1-877-537-9517, Monday through Friday, 8:00 AM to 4:00 PM.

Vendors have the option to receive payments and/or Remittance Advices electronically. Vendors wishing to sign up for Electronic Funds Transfer (EFT) must complete the PWEA 41, which is available on Docushare. If vendors have

any questions concerning EFT or wish to sign up for the Electronic Remittance Advice (RA), please instruct them to contact the LIHEAP Compliance Unit.

Payments to vendors will be made on the 13th calendar day after the close of the Voucher for a given week. Since Vouchers close on Thursday evenings, the payment dates should always fall on a Wednesday.

Vendor Agreement

The PWEA 34 Vendor Agreement was changed to reflect the following:

Public Utilities that operate Customer Assistance Programs (CAPs) will apply the LIHEAP cash grant to the customer's account in full for past, current or future CAP payments.

All signed vendor agreements are returned and stored with the LIHEAP Compliance Unit.

Next Steps

1. Implement the policy, procedures and form instructions in this memorandum for the 2010-11 program.
2. This Operations Memorandum will become obsolete on June 30, 2011.