

DATE: October 31, 2018

OPERATIONS MEMORANDUM #18-10-01

SUBJECT: 2017-18 Low Income Home Energy Assistance Program (LIHEAP) Turn-On Supplement

TO: Executive Directors
LIHEAP Coordinators

FROM: Inez Titus
Director
Bureau of Operations

PURPOSE

To inform County Assistance Offices (CAOs) about the LIHEAP Turn-On supplement.

BACKGROUND

The Department of Human Services (DHS) is collaborating with utility companies and fuel vendors to finalize the implementation of a LIHEAP Turn-On supplement. This initiative will provide a one-time LIHEAP supplement to assist certain households prior to the start of the 2018-19 LIHEAP season, as well as additional assistance for other households once the season opens. Households must have received a regular LIHEAP Cash or Crisis grant during the 2017-18 season to be considered for this supplement.

Phase 1: Participating utilities provided DHS with a list of customers on September 19, 2018, who received a 2017-18 LIHEAP grant to that utility and who had an active termination notice or were already terminated. An extraordinary Crisis payment of up to \$500 was sent to the utility company to have the emergency resolved and service connected through March 31, 2019. These Turn-On supplements were issued with Reason Code 15. Notices to eligible households were sent starting October 15, 2018. To be eligible for Phase 1, the household:

- Must have been terminated or had an active termination notice sent 06/28/2018 to 08/27/18; and
- Received a LIHEAP benefit during the 2017-2018 LIHEAP season; and
- Required \$500 or less to resolve the crisis, or if the necessary amount was more than \$500, the utility company was willing to accept \$500 to resolve the crisis.

A Summer Fill supplement will be issued for 2017-18 LIHEAP recipients who received a LIHEAP grant to a participating deliverable fuel vendor. These households will receive an extraordinary Cash payment of \$100 sent to their vendor to assist with a fuel delivery. Notices to eligible households were sent starting September 29, 2018.

Households who received LIHEAP grants during the 2017-18 season to two different utilities can potentially receive two Phase 1 supplements of up to \$500 each if they meet the criteria for both. Households who received LIHEAP grants during the 2017-18 season to both a deliverable fuel vendor and an electric utility could also potentially receive up to \$500 for their utility and the \$100 Summer Fill supplement sent to their deliverable fuel vendor.

CAO staff will not have to take any action to issue these payments. Payments were issued directly to the utilities on October 24, 2018. Payments were issued directly to the deliverable fuel vendors on October 10, 2018.

Phase 2: DHS is setting aside extra Turn-On funds for households who received LIHEAP in 2017-18 and who are experiencing a home-heating emergency with their utility company, but who did not receive a 2017-18 Turn On supplement during Phase 1, either because the amount needed to resolve the crisis exceeded \$500 or because they were not in crisis at the time of Phase 1. Beginning November 1, 2018, these households may be eligible for a Turn-On Phase 2 supplement up to \$500 to resolve their emergency with their natural gas or electric company, in addition to their 2018-19 Cash and Crisis grants.

DISCUSSION

CAO staff should evaluate households for Phase 2 eligibility when they apply for LIHEAP Crisis for a utility. A household may be eligible for a Turn-On supplement if they:

- received LIHEAP in 2017-18;
- are experiencing a home-heating emergency with a utility company;
- have not yet received a Turn-On issuance;
- Are reasonably sure to be eligible for a 2018-19 LIHEAP Cash and/or Crisis grant (need not be residing at the same residence as where the 2017-18 grant was received). This includes appropriate verifications such as a heating responsibility with a utility vendor.

NOTE: If all criteria is met, Turn-On funds should be used first towards the resolution of the household's utility emergency, followed by available funds from the 2018-19 Cash grant, and finally, any remaining funds from the household's 2018-19 Crisis grant.

To determine if a household qualifies for Turn-On Phase 2, the CAO will follow the following steps:

Step 1: Verify if the household is in a Crisis situation following the same procedures used for a normal Crisis request. If the Crisis is verified, go to Step 2; if there is no Crisis, the household is not eligible for a Turn-On supplement.

Step 2: Review case history and determine if the household received a LIHEAP grant during the previous season. If the household was approved for a 2017-18 LIHEAP benefit, proceed to Step 3; if the household was not approved for LIHEAP in the 2017-18 season, the household is not eligible for a Turn-On supplement.

NOTE: A 2017-18 household may only receive one Turn-On supplement. If the household composition has changed, whichever member of the household applied first will be considered for the Turn-On supplement. If additional members have moved into the household, the household may still be considered for Turn-On, provided no one in the household has previously received a Turn-On supplement.

Step 3: Review Financial Management (FM) to determine if a Turn-On supplement was issued after October 1, 2018 as an extraordinary pay. The extraordinary pay will be specifically designated as a Turn-On issuance in FM. If there is no previous issuance, the household is eligible for Turn-On; if a previous issuance exists, the household is ineligible for the Turn-On supplement.

If a household is determined eligible for Phase 2 Turn-On funds, CAOs must narrate the reason in detail and fill in the columns on the Turn-On Phase 2 spreadsheet ([Attachment 1](#)). Similar to when Crisis is being authorized, the CAO should contact the utility vendor to pledge and explain what LIHEAP grants are being authorized to resolve the household's crisis situation. Turn-On Phase 2 spreadsheets will be sent weekly to the LIHEAP Vendor Unit by close of business each Monday. A CAO supervisor/LIHEAP Coordinator will review Turn-On Phase 2 lists to ensure the households meet eligibility criteria before submitting the spreadsheet to the Vendor mailbox at RA-LIHEAPVendors@pa.gov. Turn-On Phase 2 supplements will not require an authorization number so vendors will not have a data entry requirement in PROMISe. Turn-On Phase 2 lists will be processed weekly.

The Turn-On supplement is separate and in addition to the standard LIHEAP Cash and Crisis components. Phase 1 households may still be able to receive, if otherwise eligible, a LIHEAP Cash grant and up to a season maximum of \$600 in LIHEAP Crisis if the household is in crisis during the season.

Records of these payments can be found in the Financial Management module in eCIS. Payments will be identified as an extraordinary Cash or Crisis payment for the 2017-18 season. Staff should be aware that Turn-On supplements made to utilities cannot be re-issued to any other utility; however, households may request that the Summer Fill supplement issued for deliverable fuels may be sent to a different deliverable fuel vendor.

CAOs should send any questions or problems regarding Turn-On supplements, to the LIHEAP Vendor mailbox at RA-LIHEAPVendors@pa.gov.

Examples

- A household applies for LIHEAP Crisis because they have a shut off notice due to owing their natural gas provider \$650. The CAO reviews the household's previous eligibility and determines that the household received LIHEAP cash during the 2017-2018 LIHEAP season. The CAO also checks FM and sees that no previous Turn-On supplement has been issued. This household is eligible for \$500 in Turn-On. When the household is determined to be eligible for LIHEAP for 2018-19, their LIHEAP cash grant can be considered to fully resolve the shut off notice, without using any LIHEAP Crisis funds, provided they choose to send their Cash grant to the vendor with whom they have the Crisis. The Turn-On supplement would cover \$500 and the Cash grant would then cover the remaining amount needed to resolve the crisis and any additional Cash grant would remain on the household's account as a credit with that utility. If they've chosen to send their Cash grant to a different fuel type, LIHEAP Crisis will be used to fully resolve the Crisis.
- A household applies for LIHEAP Crisis because their electricity is shut off due to a past due balance of \$1500. The CAO reviews the household's previous eligibility and determines that they received LIHEAP during the 2017-2018 season and have not received a previous Turn-On supplement. The CAO processes the LIHEAP cash and determines that the household is eligible for \$600 in LIHEAP cash and they designated that utility company to receive their Cash grant. This household is eligible for \$500 in Turn-On, \$600 in LIHEAP cash, and \$400 in LIHEAP Crisis to fully resolve the crisis.

- A household applies for LIHEAP cash and states they are behind on their utility bill but has not yet received a termination notice. This household is not eligible for Turn-On because they are not yet in a crisis.
- A household applies for LIHEAP Crisis because they have a termination notice for their electricity for \$350. The CAO reviews the household's previous eligibility and determines that the household received LIHEAP during the previous season. The CAO checks FM and sees that the household received a Turn-On supplement to their natural gas provider as a part of Phase 1 for \$400. This household is not eligible for a Turn-On Phase 2 supplement as they already received a Turn-On supplement.
- A household applies for LIHEAP Crisis because they have a termination notice for their electricity and their natural gas has already been shut off. They owe \$700 to the electric company and \$600 to the gas company. The CAO reviews the Turn-On criteria and determines that the household would qualify for Turn-On. When the CAO reviews LIHEAP cash eligibility, they determine that the household is eligible for \$200. The Turn-On supplement and the 2018-19 LIHEAP Cash grant will resolve the crisis with the electric company and the \$600 available in 2018-19 LIHEAP Crisis will resolve the crisis with the gas company.
- A household applies for LIHEAP crisis because they have a shut off notice for their electric of \$250 and a shut off notice for their natural gas of \$250. The household has heard about the Turn-On supplement and wants the \$500 to be split to cover both bills. The CAO reviews and determines the household qualifies for Turn-On. The CAO explains to the household that the Turn-On supplement may not be split, so they can choose whether the Turn-On supplement is sent to their electric or gas provider. The CAO then reviews and determines if the household is eligible for LIHEAP Cash (and Crisis, if necessary) that can be issued to the second utility provider.
- A household applies for LIHEAP Crisis because their natural gas has been shut off because they have a balance of \$2500. The household meets Turn-On criteria and qualifies for \$1000 in LIHEAP Cash and \$600 in LIHEAP Crisis. Because the amount owed is more than the Turn-On (\$500), LIHEAP Cash (\$1000), and LIHEAP Crisis (\$600) combined (\$2100 total), the household must have a way to finish resolving the crisis situation. The household states they have no additional funds available to them and the gas company will not restore service unless the balance is paid in full. This household does not qualify for the Turn-On or the Crisis

grants because they cannot fully resolve the crisis with funds available to them. If they choose, they may have the LIHEAP Cash issued to the gas company towards the \$2500 that is owed.

NEXT STEPS

1. Share this information with appropriate members of your staff.
2. Refer any questions to your area manager.