

Policy Clarifications - LIHEAP PLA-18220-605

Submitted: 10/07/2016

Agency: CAOs

Citations: LIHEAP State Plan §601.31(2)

Subject: LIHEAP Cash Eligibility for Terminated Utility Service

If a household's utility service has been terminated, and the amount of their LIHEAP Cash grant will not restore the service, are they still eligible to receive LIHEAP Cash?

Response By: Division of Federal Programs/LIHEAP Date: 10/19/16

Yes, if a household meets all eligibility requirements for a LIHEAP Cash grant the household may be eligible for the grant even if their service is currently terminated. The requirement that the grant (alone or with other resources) would maintain or restore service is only applicable to LIHEAP Crisis grants. Cash grants are available for households who are responsible for paying for their main source of heat. A household whose service is terminated is still responsible to heat their home, but must meet the requirements in 605.27 Disconnected Service. Some examples are provided below:

1. Mary and her elderly mother have electric heat and apply for LIHEAP with their preseason application. Since there are no Crisis questions they don't indicate that their electric was shut off in May. None of their relevant information has changed, so the EAW processes the application with the primary heat, vendor, and account information from the previous season. Mary receives a \$200 LIHEAP Cash eligibility notice and calls the CAO to see if her electricity is being turned back on. The CAO calls the utility and learns that they owe \$700. The CAO advises Mary to call back on November 1 to request Crisis, which in combination with the Cash grant will be enough to restore her service. Since they have already been determined LIHEAP-eligible, they won't need to complete a new application at that time.
2. John and his son use natural gas to heat their home, but he's between jobs and his service was shut off. He owes \$1000, and the utility won't accept less. John has a heating responsibility but he is only eligible for a \$400 LIHEAP Cash grant. The CAO authorizes the Cash and advises John that he is potentially eligible for \$500 in LIHEAP Crisis if he is able to reduce his balance with the utility to \$500 or less. John is referred to other agencies

(Salvation Army, Dollar Energy Fund, etc.) to apply for additional assistance. He is advised to call once he has reduced the balance and request the Crisis assistance. Since he has already been determined LIHEAP-eligible, he won't need to submit a new application.

3. Steve and Megan had to move to a smaller apartment after his hours were drastically cut at work. They left their previous apartment with an outstanding gas bill of \$500, and now they need to establish service with the same company at the new address. They apply for LIHEAP Cash and Crisis. The company wants the entire previous balance paid before establishing an account at the new address. Steve and Megan are responsible to pay for the apartment's heat but they don't have an account at the current address. They would potentially be eligible for a \$200 Cash grant and up to \$500 Crisis, but the CAO can't authorize LIHEAP until an account is established. The CAO calls the gas company and offers to pay up to 50% of the balance at the previous address if the company will establish service at the new address. The company agrees, sets up an account, and requests to use Crisis first since Cash has not yet been authorized. The CAO approves a \$250 Crisis grant for 50% of the back balance and a \$200 Cash grant to be used towards future heating costs.
4. Garrett hasn't paid his electric bill in nearly a year, and his service was finally terminated in July after he accumulated a balance of \$1,500. He has a wood furnace but it needs electricity to operate. He applies for LIHEAP Cash and Crisis in November, requesting the benefit go to his electric provider. He is eligible for a \$200 LIHEAP Cash grant, but Crisis is not enough to restore service so LR is rejected and the CAO advises him to find a way to reduce the balance and reapply for Crisis. The CAO never hears from Garrett again, and the utility returns the grant to DHS three months later when a new household applies for service at the address.

NOTE: The CAO must refer households who are ineligible for Crisis benefits to community organizations or other programs that may be able to help.