



Pennsylvania Department of Human Services
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM
2019 VENDOR AGREEMENT - LIQUID OR SOLID FUEL

Vendor Name and Address

Vendor Number

This agreement is entered for the purpose of facilitating the provision of Low-Income Home Energy Assistance Program (LIHEAP) benefits to low-income households through the delivery or providing fuel for pickup of solid or liquid fuel products for heating purposes, from a participating LIHEAP vendor. The Commonwealth of Pennsylvania defines a LIHEAP vendor as a company or agent of the company that supplies home heating energy or service in exchange for payment. The term does not include landlords, housing authorities, hotel managers or proprietors, rental agents, and other parties who are not direct suppliers of home heating, energy, or service.

Eligible LIHEAP households receive one Cash grant based on the size, region, income, and fuel type of their household. LIHEAP Crisis grants are available to LIHEAP recipients who encounter a heating emergency. Subject to the availability of funds, the Department of Human Services (DHS) may opt to provide eligible LIHEAP households with additional LIHEAP Cash or Crisis grants.

By signing this agreement, the vendor agrees to communicate with DHS by phone and email and be responsive to DHS requests so that a customer's LIHEAP application or request for Crisis can be processed timely. The vendor also agrees to accept all LIHEAP grants and apply them to customer accounts according to the conditions of this vendor agreement and DHS instructions.

Participating LIHEAP vendors are paid through the Pennsylvania Treasury by check or direct deposit. A list of corresponding payments is posted to the LIHEAP Crisis Claim data entry system, identifying customer names, addresses, and the amount of LIHEAP Cash and Crisis payments each customer will receive, associated with a specific Treasury pay date.

The business or company written above, herein referred to as the "vendor", cannot enter into any subcontracts under this agreement with other subcontractors who are currently suspended or debarred by the commonwealth or other state or federal government. If any vendor enters into any subcontracts under this agreement with any subcontractors who become suspended or debarred by the commonwealth or other state or federal government during the term of this agreement or any extensions or renewals thereof, the commonwealth shall have the right to require the vendor to terminate such subcontracts to remain a LIHEAP vendor.

Vendors will adhere to LIHEAP policy and procedures as defined in the LIHEAP State Plan, will report any discovery of fraud, and address any questions regarding participation in LIHEAP to the LIHEAP Vendor Unit. A copy of the current LIHEAP State Plan can be obtained on the LIHEAP Vendor website at www.dhs.pa.gov/provider/informationforliheapvendors/index.htm.

Vendors will adhere to the guidance provided by the Department of Agriculture's Division of Weights and Measures as it relates to the sale of energy products to protect consumers from unfair business practices and assure equity in the marketplace. See www.agriculture.pa.gov/consumer_protection/weights_measures/Pages/default.aspx. The Weights and Measures Division is responsible for regulating an array of products and services, including those that pertain to coal, firewood, home heating oil, and liquid propane gas, as defined in Section 23.106 and 23.107 of Title 70 of the Pennsylvania Weights, Measures and Standards, and the Consolidated Weights and Measures Act of December 18, 1996, P.L. 1028, No. 155 (3 Pa.C.S.A. §§ 4101-4194).

By fully completing and submitting the signature page of the 2019 LIHEAP Vendor Agreement, the vendor agrees to comply with the following conditions to remain a LIHEAP vendor in good standing and receive LIHEAP payments through the commonwealth.

1. LIHEAP Cash grants received on behalf of a LIHEAP customer require no data entry by the vendor. LIHEAP Cash grants:
 - a) Will be used to cover customer fuel purchases only.
 - b) May only be used for purchases made on or after October 1st of the heating season for which they were authorized; and
 - c) Are available as a credit to the customer to cover the cost of fuel for the season in which they are authorized through the end of the following heating season. See additional information in Condition 6.

2. Apply LIHEAP grants to customer accounts in the following manner only:
 - a) Apply the full amount of each LIHEAP benefit to the respective account of each designated LIHEAP customer.

- b) Late payment charges must be frozen at the amount they are at the time notification of eligibility for LIHEAP is received by the vendor and may not be increased for the remainder of the LIHEAP program year, defined as the date that applications for LIHEAP benefits are no longer accepted.
 - c) LIHEAP Cash and Crisis grants will not be used for security deposits, service maintenance contracts, tank leases or rental payments, late payment fees, or other finance charges.
 - d) If a household is authorized for a LIHEAP Cash grant before the date of its request for Crisis benefits, any existing credit, **including the LIHEAP Cash grant that was authorized and not yet received**, is considered to be available and will be used first to resolve the Crisis. LIHEAP credits must be subtracted from the delivery or pickup before submitting a claim for payment in the Crisis Claim data entry system.
3. Pricing considerations for deliveries or pickups paid with LIHEAP Cash and/or Crisis grants:
- a) If the vendor offers a “cash price” or other discounted pricing associated with paying for fuel in a shortened time frame, this “lowest price” discount must apply to all fuel paid with LIHEAP funds, since the payment time frame is beyond the customer’s control.
 - b) Pricing based on quantity and fees associated with a delivery made with LIHEAP funds must not be greater than those charged for an identical delivery to a non-LIHEAP household.
4. LIHEAP Crisis grants and Cash grants that are used to resolve a Crisis may be used in the following manner:
- a) To provide solid or liquid fuel to a household that is out of fuel or who reports they are within 15 days of being without fuel with consideration of the following time frames:
 - Before the customer is without heat;
 - Within 48 hours if the customer is already without heat; or
 - Within 18 hours if a medical emergency or life-threatening situation exists.

If the vendor’s supply is insufficient or other circumstances prevent the vendor from resolving the heating emergency in these designated time frames, the vendor must tell the DHS representative immediately, so DHS can evaluate other ways to remediate the customer’s heating emergency.
 - b) Deliveries made to resolve a Crisis to customers may include reconnect fees, off-hour or off-route delivery charges, minimal costs (\$100 or less) to restart a furnace or leak-test propane tanks when deemed necessary;
 - c) Are authorized by DHS or its representatives who provide the vendor with a maximum “up to” dollar amount that is available to the household to resolve the heating emergency with consideration of previous Crisis authorizations and the LIHEAP season’s maximum Crisis amount.
 - d) Resolving the heating emergency is defined as providing:
 - The amount of solid or liquid fuel needed to fill the tank; or
 - The amount of solid or liquid fuel that the customer can haul (pick up) in one trip.
 - e) Every request for Crisis **must be made by the LIHEAP household to its designated DHS office**, which will evaluate eligibility and determine the amount the household has available to resolve the Crisis. A DHS representative will contact the vendor to convey eligibility.
 - LIHEAP Crisis grants are only guaranteed for authorizations approved by DHS or its representatives.
 - Customers who call the vendor to request delivery paid with LIHEAP funds should be told to contact DHS.
 - **Vendors who make a delivery without prior DHS authorization understand that LIHEAP may not pay for the delivery.**
5. To receive payment for a delivery or pickup paid in full or in part with **LIHEAP Crisis funds**, Crisis claim data must be entered into a web-based program and documentation of the delivery or pickup submitted by mail, fax, or electronic upload. Failure to provide adequate documentation will delay payment. Payment may be rejected if appropriate documentation is not provided.
- a) Data entry will be for no more than **the actual amount of Crisis funds** that are needed to resolve the Crisis after subtracting available credits from other LIHEAP Cash grants.
 - b) A Crisis delivery that includes credits from the LIHEAP Cash grant must be on one delivery ticket, indicating subtraction of the Cash grant to ensure the customer receives the benefit of quantity pricing based on the total quantity delivered.
 - c) An active work list of Crisis authorizations awaiting vendor action is available on the Crisis Claim data entry system.
 - d) Claims must be processed **within 30 calendar days** of the date a Crisis delivery or pickup is authorized by DHS, as prompt data entry allows DHS to process a subsequent Crisis Authorization if requested by the household. Exceptions to the 30-day rule may be granted for claims entered on or after the 31st day and up to 30 days after the close of the LIHEAP season if funds are available.

- e) Data entry must be the exact amount of Crisis funds needed after subtracting the LIHEAP Cash grant or other credits, and not rounded to the nearest dollar.
- f) A vendor will not bill the season maximum amount and keep the excess as a credit on the customer's account, nor may a vendor charge processing fees or late payment fees as a result of a vendor's failure to comply with conditions of this agreement.
- g) Acceptable Crisis documentation for solid or liquid fuels is based on fuel type and whether the fuel was delivered or picked up from the vendor, in compliance with the Department of Agriculture's Division of Weights and Measures. Documentation must include:
 - The vendor's name and address;
 - Date and time of delivery or transaction;
 - The purchaser's name and address;
 - Product identification; and
 - The price per unit or weight such as gallon, ton, pound, cord.

In addition to the items above, oil, propane, kerosene, and blended fuel deliveries must be recorded on a metered delivery ticket that includes:

- The driver's signature or employee number;
 - The delivery vehicle's permanently assigned company truck number; and
 - The volume to the nearest one-tenth of a gallon or other quantity if not measured in gallons.
6. Refund LIHEAP credits to DHS as required, by check or expedited recoupment, within 30 days from the date of discovery. A LIHEAP Refund Form (HSEA 37) must accompany payment. **It is also important to indicate the individual number of the customer that was provided on the LIHEAP Provider Payment List when payment was received** and a description of the reason the funds are being returned. A user-friendly form is located on the LIHEAP Vendor website. The commonwealth cannot return vendor funds or any portion thereof to the vendor. **For this reason, LIHEAP vendors should accurately evaluate their records and ensure the accuracy of LIHEAP refunds before submitting them to the commonwealth.** Vendors may contact the Vendor Unit at 1-877-537-9517 to verify dates and amounts of LIHEAP grants received by the households before sending a refund check.

NOTE: Vendors will never give or refund LIHEAP funds to a customer.

LIHEAP refunds will be sent by check payable to the **COMMONWEALTH OF PENNSYLVANIA, directed to:**

**Commonwealth of Pennsylvania
DHS–LIHEAP Vendor Refunds
P.O. Box 2675 (WOB Room 224)
Harrisburg, PA 17105-2675**

- a) **Examples of when the vendor will return LIHEAP credits include, but are not limited to:**
 - A customer's whereabouts are unknown,
 - A customer changes vendors,
 - A customer dies, departs the area serviced by the vendor, or the customer no longer has a heating responsibility,
 - The vendor receives a duplicate payment,
 - The vendor is deactivated and is no longer a participating LIHEAP vendor,
 - A LIHEAP Cash grant is received in error.
 - An overpayment is caused by vendor error. Vendor error includes but is not limited to: the vendor failing to provide appropriate or accurate customer account information, non-equitable pricing, LIHEAP funds were erroneously applied toward a security deposit, a billing error or other application of LIHEAP funding is detected, failure to provide service or using a communal account for LIHEAP funds. If this occurs, the vendor is responsible for reimbursement from the vendor's funds, not by removing LIHEAP credits from the customer's account.
 - The end of each LIHEAP program year. LIHEAP funds are available for two heating seasons, which includes the heating season of receipt and heating season immediately following. LIHEAP funds not expended must be returned to DHS by July 31 of that year. DHS will notify vendors of the need to identify accounts and return funds.
- b) DHS is authorized to recoup past-due LIHEAP balances. This is done by debiting any current or future LIHEAP payment for an amount equal to the outstanding un-refunded balance that is due to DHS from

the vendor. A record of the balance of funds owed is established by DHS who first contacts the vendor to request a refund and confirm the amount. DHS will send the vendor up to three dunning letters requesting payment of the funds. If the vendor fails to respond after the third notice, the amount of the balance of funds owed to DHS will be deducted from the vendor's next payment(s) until the funds are repaid. The vendor acknowledges that DHS will reduce vendor payments by the amount of the balance of funds owed to allow for the expeditious collection of these debts. If funds are unable to be recouped, outstanding balances will be referred to the Attorney General's Office for collection proceedings and all other legal remedies.

7. Provide all requested information established in DHS policies and procedures. This could include information on the annual heating usage and cost incurred by LIHEAP households necessary for compliance with federal reporting requirements if this information is gathered by customer name or account number and the customer has been served by the vendor at the same address for the entire annual period.
8. Vendors are holding, on DHS' behalf, federal money for the benefit of recipient customers. Vendors are prohibited from using LIHEAP funds for purposes other than home heating. This requirement does not supersede the provisions of the Federal Bankruptcy Act, 11 U.S.C., Section 366.
9. To promptly notify the LIHEAP Vendor Unit whenever discrepancies in approved fuel applications are found. Examples include a vacant residence, a request to deliver to an address other than what was indicated on the Remittance Advice, a request to provide a fuel type other than what was authorized or other situations when the vendor is aware of potentially fraudulent activity.
10. To not discriminate against any eligible household regarding terms and conditions of sale, credit, delivery, or price, nor treat adversely any household receiving LIHEAP because of such assistance.
11. To ensure the retention of LIHEAP customer confidentiality in the use of social media.
12. To notify DHS at least 120 days before filing for bankruptcy and return all funds not expended on LIHEAP clients at least 91 days before filing for bankruptcy.
13. To resolve any crisis payment disputes with DHS' Bureau of Hearings and Appeals if disputes cannot be resolved informally with DHS staff.
14. To present for review or reproduction records maintained by the vendor concerning overall pricing, conditions of sale, credit, and delivery, upon request by DHS for audit or investigation purposes, as provided in this agreement.
15. If DHS receives a notice of levy, DHS will turn over rights to property such as money, credit and deposits in accordance to the notice.
16. Vendors will retain all books, records and documents pertaining to LIHEAP payments **for four years from the receipt of payment** or until all questioned costs or activities have been resolved to the satisfaction of the commonwealth, or as required by applicable federal laws and regulations. All records must be maintained in a legible, readable condition. If records are maintained in a computer, the vendor must cooperate in providing printed versions of such records. Recipient-specific records should clearly identify both Cash and Crisis payments from LIHEAP, charges to the account, and documentation supporting these entries by individual household.

The commonwealth reserves the right for state and federal agencies or their authorized representatives to perform financial and compliance audits if deemed necessary by commonwealth or federal agencies. If an audit of this agreement will be performed, the vendor will be given 60 days advance notice.

A new LIHEAP Vendor Agreement is required every two years unless changes require this time frame to be shortened. **This agreement will terminate June 30, 2021, unless superseded by a new agreement, or terminated for convenience upon 30-day written notice by either DHS or by the vendor. Failure to comply with any of these conditions may result in removal from the approved vendor file and suspension of further payments to the vendor for client services.**

LIHEAP VENDOR HELPLINE
Toll Free Number 1-877-537-9517
Fax 717-231-5516
Email Address: RA-LIHEAPVendors@pa.gov

LIHEAP VENDOR WEBSITE
www.dhs.pa.gov/provider/informationforliheapvendors/index.htm