Low Income Home Energy Assistance Program (LIHEAP)

Overview of Program

Missouri Department of Social Services Family Support Division

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## INTRODUCTION

The Department of Social Services (DSS) Family Support Division (FSD) administers the Low Income Home Energy Assistance Program (LIHEAP) in Missouri.

# LIHEAP

## Roles and Responsibilities

Low Income Home Energy Assistance Program (LIHEAP) is a block grant program. It is designed to assist low income individuals, particularly those with the lowest income who pay a high proportion of household income for home energy, in meeting their immediate energy needs. The grant is administered by the U.S. Department of Health and Human Services (HHS), Office of Community Services (OCS) within the Administration for Children and Families (ACF). LIHEAP was designed to provide help to low income households targeting the elderly, disabled and households with young children as insufficient heating and cooling can cause health and safety issues for these homes.

The State of Missouri Family Support Division (FSD) applies for and receives LIHEAP funding and then contracts with Missouri Community Action Agencies (CAA), or other agencies, to conduct the eligibility determination for LIHEAP applications.

## Federal Laws and Regulations

The legal basis for the administration of LIHEAP and requirements are set forth in Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (P.L. 97-35), amended by the Human Services Reauthorization Act of 1984 (P.L. 98-558), Human Services Reauthorization Act of 1986 (P.L. 99-425), Augustus F. Hawkins Human Services Reauthorization Act of 1990 (P.L. 101-501), Human Services Amendments of 1994 (P.L. 103-252), and the Coats Human Services Reauthorization Act of 1998 (P.L. 105-285). <http://www.acf.hhs.gov/programs/ocs/resource/liheap-statute-and-regulations>

Administration of LIHEAP was entrusted to the Department of Social Services (DSS) under provisions of House Bill 1009 enacted by the 80th General Assembly.

**Additional Federal Regulations of interest include**:

The HHS regulations for the LIHEAP block grant are found in Title 45 (Public Welfare) of the Code of Federal Regulations, Part 96 (Block Grants), [Subpart H](http://www.acf.hhs.gov/programs/ocs/resource/block-grant-regulations-subpart-h) (LIHEAP), cited as 45 C.F.R. § 96. [Subparts A-F](http://www.acf.hhs.gov/programs/ocs/resource/block-grant-regulations-subparts-a-f) of the HHS block grant regulations also pertain to LIHEAP.

**Program Structure**

LIHEAP has two components: Energy Assistance (EA) and Energy Crisis Intervention Program (ECIP). Eligibility requirements for LIHEAP are based on income, household size, available resources and responsibility for payment of home energy costs.

**Energy Assistance (EA)**

EA is designed to provide financial assistance to help pay primary fuel source heating bills for Missourians during the months of October, November, December, January, February and March. The EA benefit amount is based upon household size, income and the type of fuel used for home heating. **NOTE:** A supplemental payment is an additional EA payment made to identified applicants during a program year should FSD LIHEAP receive additional funding.

**Energy Crisis Intervention Program (ECIP)**

ECIP is designed to provide financial assistance to households in a verifiable energy crisis. This crisis is defined as: 1) receipt of a termination or disconnect notice indicating a specific disconnect date; 2) a final billing statement advising the account has been terminated; 3) a propane tank is filled at less than 20% capacity; 4) the customer is a cash on delivery (COD) customer; or 5) pre-paid electric customer indicates their pre-paid usage is about to run out. ECIP funds can be used for primary or secondary fuel sources.

**Winter ECIP**

Winter ECIP is primarily used to restore or prevent disconnection of service for at least thirty (30) calendar days when the amount of assistance available through EA and any other state or local program is not adequate to secure this commitment from the supplier.

* Is available from October through May, based upon funding.
* Benefit amount is to be the amount required to resolve crisis.
* Maximum Benefit amount is $800.

**Summer ECIP**

Summer ECIP is primarily used to restore or prevent disconnection of services for at least thirty (30) calendar days of a cooling energy source during the summer months.

* Is available from June through September, based upon funding.
* Benefit amount is to be the amount required to resolve crisis.
* Maximum Benefit amount is $300.

ECIP funds can also be used for emergency repairs or purchases needed to maintain or restore heating and/or cooling. This includes purchasing wood stoves, air conditioners, providing temporary shelter and weatherization materials not covered under the Weatherization Assistance Program (WAP) which can include repairing furnaces, broken windows, and purchasing caulking and weather stripping. **NOTE:** This is limited to 2% of the contract agency’s total ECIP Direct Service Funding. Emergency Services are deducted from the ECIP Direct Benefit maximum allowed per applicant of $800 for Winter ECIP and $300 for Summer ECIP. If an applicant has already received their maximum ECIP benefit for the season, these services cannot be provided. The only exception to this requirement is in regards to a furnace or central air replacement/repair. An additional amount over the Direct Services limits of $800 for Winter ECIP and $300 for Summer ECIP in the amount of $400 (if needed) is allowed for furnace and central air replacement/repair, as long as funds are available.

**Eligibility**

## Citizenship and Legal Permanent Resident Status: All household members must be a citizen of the United States or be a Legal Permanent Resident admitted to this country for permanent residence.

## Resources: Each household’s resources may not exceed $3,000.00.

## Responsibility for Heating/Cooling Costs: Each household must establish that they have an account in their name or meet the definition of a renter/landlord applicant and are incurring heating/cooling costs.

## Income Based on Household Size: Each household must meet specified income guidelines (135% of the federal poverty level) based on their household size and fuel source.

## Ineligible Households

## A household that is located outside the State of Missouri. NOTE: This does not include a household that has a mailing address of a surrounding state but actually lives in Missouri.

## A household which resides in a professional, practical or domiciliary nursing or boarding home and does not pay a home energy supplier directly for heating/cooling costs.

## A household which resides in a hotel, motel, dormitory or temporary shelter and does not pay a home energy supplier directly for heating/cooling costs.

## A household which resides in government subsidized housing, unless they are paying a home energy supplier or are billed by the landlord/housing authority for any out-of-pocket heating/cooling costs.

## A household in a transitional living situation. These households have their heating/cooling costs paid for by the Department of Mental Health.

## A household that has a credit balance with their fuel supplier in excess of $500. NOTE: This will not apply to households that pre-pay for their fuel.

## Households that cut their own wood.

## Households residing in a Recreational Vehicle (RV), travel trailer or tent, regardless of where these are set up. NOTE: LIHEAP funds cannot be used to provide fuel for an RV.

## INELIGIBLE INDIVIDUALS

## Individuals meeting the following conditions will be considered ineligible:

## Individuals that are not citizens of the United States or a Legal Permanent Resident.

## Individuals that are not living in the home at the time of application. NOTE: This policy does not apply to individuals temporarily out of their home due to service termination. Service terminated procedures will be followed.

## Individuals that are incarcerated.

## Individuals defined as roomers, boarders or live-in-attendants. Roomer/boarder is defined as an individual who pays a household for lodging and/or food expenses only and who is not responsible for any household expenses. Live-in-attendant is defined as an individual living in the household who receives wages to provide medical/child care and who is not responsible for any household expenses. NOTE: A relative (by blood or marriage) cannot be considered a roomer, boarder or live-in-attendant.

## Individuals that have been approved in a Missouri EA case or individuals moving into a household that has previously received EA in the current program year at the same address. NOTE: Eligibility will not be affected for individuals who have received LIHEAP benefits from another state in the same program year. NOTE: Individuals that have been approved for EA in another household, but require a new application due to change in address or supplier, may be eligible for ECIP only benefits as long as all other LIHEAP eligibility requirements have been met.

## Only one individual on a multiple named fuel bill account will be eligible to receive LIHEAP benefits.

## Funding

DSS/FSD administers LIHEAP in Missouri on behalf of the DHHS. LIHEAP is 100% federally funded. Missouri legislation may fund Utilicare through general revenue which also supports LIHEAP.

## Verification

At initial application, FSD verifies:

* Citizenship and Legal Permanent Resident Status
* Social Security Numbers
* Age
* Disability
* Resources
* Home Energy Source/Supplier
* Customer Account Information
* Income

Documentation is defined as:

* Legible photocopy of original source document(s), including agency file;
* Computer printouts from FSD and supplier data bases; or
* Verbal recording as specified in policy.

FSD validates information provided through hard copy documentation and information available to us via automated interfaces and exchanges of information with other state and federal resources.

**Payments**

Low Income Home Energy Assistance Program (LIHEAP) Energy Assistance (EA) payments will be made to either a participating home energy supplier or directly to the household in a one-time lump sum payment. Home energy supplier shall be defined as a public or private business engaged in the retail sale of home heating fuel and includes the following:

* Public or private investor owned utilities
* Municipally owned utilities
* Rural electric cooperatives
* Privately owned distributorships

Participating home energy suppliers sign an agreement with the State of Missouri, Family Support Division (FSD).

Energy Assistance (EA) payments are made to home energy suppliers that have a contract with the State of Missouri FSD or to the applicant directly. The payment process is different depending on who is to be paid.

The Home Energy Supplier Payment Process starts with the Customer Eligibility Listing. The supplier's response to this report determines the next step in the process. If the supplier accepts the payment, the payment will be processed to the supplier. If the supplier rejects the payment, the case will show on the Supplier Denial Responses Report – generated to the agency. A direct payment to the applicant may result from a supplier not submitting responses by the fifteen (15) calendar day deadline. A direct payment may also be issued to the applicant if the supplier does not participate in the EA program.

Low Income Home Energy Assistance Program (LIHEAP) Energy Assistance (EA) payments are made directly to participating suppliers. Participating suppliers receive payment information and send responses to the Family Support Division (FSD) through File Transfer Protocol (FTP), directly on the FSD LIHEAP website or by a paper process. The process used to send and receive information will determine a participating supplier’s amount of access that is needed in order to complete their business needs in the EA System.

Large suppliers participate through the FTP process because they have systems that can be programmed to pick up and return electronic files. Other suppliers utilize the FSD LIHEAP website to reduce the time it takes to receive an EA payment. Paper supplier payments can take longer to process due to mailing time and faxing of paper reports.

ECIP payments are made by LIHEAP contract agencies directly to participating suppliers.

**Usage and Consumption**

Participating Home Energy Suppliers in accordance with the Supplier Agreement and proposed Federal Performance Measurement Outcome reporting are required to collect energy usage, billing and consumption information.

**Hearing**

All LIHEAP applicants are entitled to request a hearing regarding the decision made on their application for services. Energy Assistance (EA) applicants will be notified of their hearing rights via the Energy Assistance Notification. Energy Crisis Intervention Program (ECIP) applicants will be notified of their hearing rights in writing on their approval/denial letter from the agency. Written notification concerning hearing rights is required by the Department of Social Services (DSS), Division of Legal Services (DLS).

**Claims and Restitution**

The Division of Legal Services’ Claims and Restitution Unit operates and manages the Claims Accounting Restitution System (CARS). This system tracks establishment and collection efforts for all claims involving public assistance programs administered by DSS, including the LIHEAP EA program.

The applicant has thirty (30) calendar days to make payment in full, enter into a repayment agreement, or request a hearing. After thirty (30) calendar days, if the applicant has not responded, FSD LIHEAP staff will enter a claim in the Claims Accounting Restitution System (CARS).

The EA component of LIHEAP interfaces with CARS. Once a household is approved for EA benefits, the Social Security Number of all household members are checked against CARS to determine if there is an outstanding EA claim against his/her Social Security Number. If the application is determined eligible for EA, the calculated EA benefit will be reduced by the amount of the claim.