



June 2010

Summer Cooling Programs Get Underway

Virginia's cooling program began accepting applications June 15, geared to those age 60 or older, blind and disabled or households with children younger than 6. This year the benefit is \$100, compared to \$475 last summer, which was due to a record amount of federal funding. The money can be applied towards electric bills, security deposits for electricity to operate cooling equipment, air-conditioning repair and the purchase of fans or an A/C.

In New York, households that include a member who has an ongoing medical condition susceptible to extreme heat are eligible for assistance that could include installation of an air conditioner. Due to limited funding, assistance is provided on a first-come, first-serve basis. The program began June 14 and runs through August 13, or until funds are depleted.

Delaware's program operates June through August. In addition to receiving help with electricity bills, some households are eligible to receive a room-sized air conditioning unit.

Ohio's Summer Crisis Program operates July 1 through August 31. It provides a one-time payment of up to \$175 toward electric bills. Applicant households must be at or below 200 percent of the federal poverty guidelines and must include a member who is at least 60 years of age or older, or if under 60, have health issues verified by medical documentation. Some agencies may provide air conditioners or fans.

The Emergency Home Energy Assistance Program in Florida is targeted at those over the age of 60 who have trouble paying electric bills. Seniors who received a past-due, final, or disconnect notice on their electric bill can apply from April through September for up to \$600. Elder Care Services, a Tallahassee agency that administers the program, issued a plea for donations of financial aid and box fans because its federal funding is typically quickly depleted.

Rather than operating separate cooling components, states such as California, Texas, Nevada, Nebraska, Arizona and Utah operate year-round and provide benefits for electric bill payments during the summer. In Nevada, a household may request that its benefit go entirely to its heating provider, entirely to its cooling provider, or be split evenly between the two.

In Nebraska, cooling assistance is available to those who have a household member age 70 or older or someone with specific medical conditions that make the person susceptible to heat. The program also contracts with local agencies for distribution of free fans to eligible households.

In Texas, low-income electric customers can receive a 17 percent discount off their electric bill through LITE-UP Texas in addition to LIHEAP. Funded through a system benefits charge on electric bills, the program is applicable to bills from May through September. It served about 500,000 households last year and has a budget of \$119 million for 2010.

Low-income customers of Reliant Energy are eligible for summer electric bill assistance from the \$800,000 fund called, Community Assistance from Reliant Energy. The company also has a voluntary moratorium on disconnecting electricity service for low-income seniors, critical-care, and other low-income residential customers who contact Reliant Energy and agree to a payment plan.

Customers of CPS Energy in San Antonio can receive help through a \$2.5 million donation the utility received from a partner company. The money goes to CPS's Residential Energy Partnership Program and provides help this summer to low-income households with elderly or handicapped members, children or those requiring critical-care equipment.

HHS Releases Guidance on Program Integrity and Fraud Prevention

Evidence has emerged through a recent U.S. Government Accountability Office (GAO) investigation that there may be significant potential for erroneous eligibility determinations, improper payments and fraud in some LIHEAP programs. After reviewing LIHEAP data files in seven states, the GAO found that about 11,000 households received LIHEAP payments for which they were ineligible, including payments to deceased individuals, incarcerated individuals, and those above the income thresholds. The investigation also discovered that fraudulent vendors received improper payments through LIHEAP. The GAO released its report in June, 2010 and is available at: <<http://www.gao.gov/new.items/d10621.pdf>>.

The U.S. Department of Health and Human Services (HHS)/Administration for Children and Families (ACF) released two sets of guidance to LIHEAP grantees on issues related to the GAO report findings. LIHEAP-IM-2010-6 <http://www.acf.hhs.gov/programs/ocs/liheap/guidance/information_memoranda/im10-06.html>

On May 5, 2010, ACF distributed an Information Memorandum (IM) that strongly encourages grantees to require social security numbers for every LIHEAP applicant and every household member listed on the application. The IM also strongly encouraged grantees to verify social security numbers and income information through external systems, such as the Social Security Administration or state new hire databases, to prevent improper payments going to ineligible households or for ineligible household members. LIHEAP-AT-2010-06 <http://www.acf.hhs.gov/programs/ocs/liheap/guidance/action_transmittals/at10-06_1.html>

On June 8, 2010, ACF distributed an Action Transmittal (AT) which requires all LIHEAP grantees to supplement their FY 2011 LIHEAP Plans with a Program Integrity Assessment describing their systems and processes for preventing, detecting, correcting, and prosecuting waste, fraud, and abuse. A sample assessment can be found in Attachment 1 to the AT. The supplement is required regardless of whether the grantee is submitting a detailed or abbreviated LIHEAP plan. The

supplement is due to ACF with the LIHEAP plan by September 1, 2010. LIHEAP plans will not be considered complete, and funding will not be distributed, unless the Program Integrity Assessment supplement is received and addresses all of the questions required in the AT.

HHS/DEA will work with state LIHEAP programs and state governments to pinpoint areas of vulnerability and to disseminate best practices. For additional background information on improper payments, see Presidential Executive Order 13520, *Reducing Improper Payments and Eliminating Waste in Federal Programs* <<http://www.whitehouse.gov/the-press-office/executive-order-reducing-improper-payments>>, issued November 23, 2009. This Executive Order encourages federal agencies to take deliberate and immediate action to eliminate fraud and improper payments.

Several presenters at the 2010 National Energy and Utility Affordability Conference spoke about program integrity at a session titled, "Program Integrity: Internal Controls and Fraud Prevention Workshop." The handouts for the ACF speakers <http://www.energyandutilityconference.org/Assets/2010%20Conference/2010%20Presentations/5C_Abney%20&%20Christopher.pdf>are available at the conference website.

Low Income Energy Resources Affordable Home Energy and Health: Making the Connections <<http://www.aarp.org/money/low-income-assistance/info-06-2010/2010-05-consumer.html>>, by Lynne Page Snyder, PhD, MPH, National Energy Assistance Directors' Association, and Christopher A. Baker, AARP Public Policy Institute. June 2010.

This new report from AARP explores the connection between affordable home energy and the role it plays in helping older adults and people of all ages maintain economic security and good health. A literature review illustrates the health threats posed by exposure to heat and cold, and how affordable home energy protects health and reduces the cost of avoidable health care services. The report describes the energy burden faced by households, ways to trace the health impacts of unaffordable home energy, and evidence of these impacts documented through telephone surveys. Policy priorities for affordable energy, health services, long-term care reform and livable communities provide context for discussion between practitioners in energy and health fields.

2010 National Energy and Utility Affordability Conference Presentations.

Copies of presentations from the National Energy and Utility Affordability Conference (NEUAC), June 14-16, 2010, are on the conference website. The program booklet provides presentation descriptions and the presentations can be found by clicking on speakers' names. See: <<http://www.energyandutilityconference.org/2010%20Speakers.html>>

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