

19.6 LOW-INCOME ENERGY ASSISTANCE PROGRAM (LIEAP)

A. Introduction

The goal of the Low Income Energy Assistance Program (LIEAP) is to provide financial ASSISTANCE to eligible households that are affected by rising costs of home heating that are excessive in relation to household income. It is not the purpose of this program to meet the entire cost of home heating during the winter season. Instead, the program is designed to partially offset the continuing rise in costs of home heating.

1. State Administration

The program will be administered on the State level by the West Virginia Department of Health and Human Resources, Bureau for Families and Children Services, Office of Family Support. The West Virginia Department of Health and Human Resources will have the final responsibility of program planning, implementation, operation and management.

2. Local Administration

On the local level, the LIEAP Program will be administered through the county offices of the Department of Health and Human Resources. Local administration will consist of receiving applications, determining eligibility for program benefits, receiving referrals via outreach activities and generating payment to or on behalf of eligible recipients.

B. LIEAP Program Operation

An overview of the main operational components of the LIEAP Program is provided below.

1. Mail-Out Application Kit

The mail-out application kit consists of an application form and an instruction sheet. This kit will be mailed

completeness, performing required verification tasks and forwarding the application to the local Department of Health and Human Resources Office. Departmental staff will determine eligibility and the amount of payment. Finally, this function will include accepting applications from those who wish to apply but have not received the mail-out application kit.

- Information and Referral - Instead of receiving or accepting applications, the agency will simply inform interested persons about the program. Such information will consist of providing the LIEAP fact sheet and providing information about how and where they may apply. For example, all persons who wish to apply for emergency LIEAP will be referred to the local Health and Human Resources office.

3. LIEAP Forms

The OFS-LIEAP-1, Application Form, will be used to determine program eligibility and generate payment of benefits.

The ES-LIEAP-3, Repayment Agreement, is used to initiate the repayment process.

The ES-LIEAP-4, Zero Income Heating cost Verification form, is used when the applicant reports zero income.

DF-67, Authorization For Payment is used to authorize regular "Emergency" payments on behalf of the applicant.

The OFS-LIEAP-5, Authorization for Delivery and Payment of "Emergency" Regular LIEAP, is used as an option to the DF-67 Authorization For Payment form when desired by the local LIEAP staff and accepted by the vendor.

The month in which the application is received from the applicant will be the month in which gross income will be counted. If the date of application is December 31 (or December 1), for example, the gross monthly income for December will be considered in determining income eligibility.

(2) Determining the Gross Monthly Amount of Income

The amount of earned and unearned income from each source must be converted to a monthly amount as follows:

- Convert weekly income by multiplying it by 4.3.
- Convert bi-weekly (every 2 weeks) income multiplying it by 2.15.
- Convert semi-monthly (twice per month income by multiplying it by 2.

When the applicant is not expected to receive a full month's income, the gross amount of income is multiplied by the number of times it is anticipated that it will be received.

EXAMPLE: The applicant began working on the third Monday of a month and she earns \$300/week. She expects to be paid only once during the month of application. Her countable gross income for the month is \$300.00

(3) Benefit Group

The benefit group will consist of any individual or group of individuals who are living together as one economic unit for whom residential home heating is customarily purchased in common or who include payment

An illegal alien(s) who exists within a benefit group of otherwise eligible persons must be excluded from the benefit group for determining LIEAP eligibility of the remaining group members. Income received by persons who are not included in the benefit group is not counted when determining income eligibility for the benefit group.

(4) Sources of Income

ALL sources of income will be considered in determining income eligibility.

- Income from Self-Employment

Self-employed individuals will be entitled to deductions for identifiable costs of doing business. Therefore, gross monthly profit will be considered in determining income eligibility for self-employed persons. To determine gross monthly profit, deduct 20% from the gross monthly income or annual income.

- Income from Farm Employment and
Individuals Employed Under an Annual
Contract. (Refer to the instructions
above.)

(5) Income Exclusions

The following payments received by members of the LIEAP benefit group will not be counted as income in determining eligibility for LIEAP:

- Payments made to volunteers under Title
II (RSVP), Foster Grandparents and
others).

- Value of supplemental food program for women, infants and children (WIC), Public Law 94-105.
- Value of National School Lunch Program, Public Law 90-302.
- Reimbursement for expenses incurred in connection with employment and training limited to mileage, tools and clothing.
- Reimbursement for medical expenses or for round trip transportation costs incurred to obtain medical treatment.
- Grants and loans from HUD Community Development Block Grant Funds made to individuals to rehabilitate their private residence.
- All JTPA payments except those considered as wages for on-the-job training.

b. Assets

There are no asset eligibility requirements for the LIEAP Program.

c. Vulnerability

Vulnerability refers to whether the benefit group is affected by the costs of home heating. To be affected by the cost of home heating simply means the benefit group must pay the cost of home heating. When the benefit group is affected by the cost of home heating, the case is considered vulnerable and meets the eligibility requirement of vulnerability. When the benefit group is not affected by the cost of home heating, the case is invulnerable and is ineligible for LIEAP benefits

(3) Invulnerable

Invulnerability means the benefit group has no home heating costs.

Examples of invulnerability include individuals who live in state institutions, hospitals and certain group living facilities, such as halfway houses and domestic violence centers. Although foster homes and adult family care homes are considered vulnerable, vendor payments received for the care of such individuals must be counted as income.

In addition, certain benefit groups living in single family dwellings do not have home heating costs and are therefore invulnerable. This would include payment(s) made directly to the home heating supplier by someone who does not live in the household or by an agency on behalf of the group. Examples of such payments would include alimony or child support agreements, parents who pay home heating bills on behalf of their dependents living in separate dwellings, and agencies such as HUD that make vendor payments for home heating bills on behalf of benefit groups found eligible for this type of assistance. In situations where only partial home heating payments are made on behalf of the household, the household will be considered vulnerable to the cost of home heating. (Refer to item 2 above.)

Finally, benefit groups in dwellings when home heating service has been terminated prior to the date of application will be considered vulnerable if the home heating supplier agrees to restore service upon the approval of regular LIEAP or in combination

payments for home heating costs to the housing authority or to the home heating supplier.

(5) Vulnerability of Zero Income Applicants

When zero income applicants report that their home heating costs are being paid by someone else, VULNERABILITY CAN BE DETERMINED BY THE MANNER IN WHICH THE HEATING COSTS ARE BEING PAID.

Applicants who report zero income but have someone else not living in the household who make payment for the ENTIRE COST OF HOME HEATING TO THE VENDOR (on behalf of the applicant) are considered invulnerable and ineligible for LIEAP benefits.

Zero income applicants who receive a direct CASH PAYMENT from someone not living in the household (or not otherwise a member of the benefit group) for the purpose of paying for home heating costs are vulnerable. However, the cash payment means that they are not zero income applicants since the payment must be counted as income.

(6) Non-Discrimination Against Renters

The eligibility requirements of vulnerability will be applied consistently and equally without regard to the method in which LIEAP applicants pay for shelter costs.

d. Residence and Citizenship

(1) Residence

Please refer to Chapter 8.2 of the Income Maintenance Manual in determining

- a. Income, Assets, Vulnerability, Citizenship and Residence and Customer Account Numbers

The eligibility guidelines regarding the six items under this sub-heading for Emergency LIEAP are identical to regular LIEAP. (Please refer to item C, 1-a-f.)

- b. Emergency Home Heating Need

In order to be found eligible for emergency LIEAP benefits, the applicant must have an emergency home heating need. An emergency home heating need shall be defined as individuals and families who are without home heating or who are imminently faced with the prospect of being without home heating.

- c. Regular LIEAP Payment

When Regular LIEAP is simultaneously available with Emergency LIEAP, the applicant must always apply for Regular LIEAP first.

Clients who are approved for direct payment of regular LIEAP benefits must be informed by the Worker that the direct payment must be used to pay for home heating costs and that receipts which verify these payments must be submitted with the Emergency LIEAP application. FAILURE TO SUBMIT THIS VERIFICATION OF PAYMENT FOR HOME HEATING COSTS WILL CONSTITUTE GROUNDS FOR DENYING THE EMERGENCY LIEAP APPLICATION.

- d. Duplicate Payment

All eligible households will be entitled to one emergency LIEAP payment only. The emergency LIEAP benefit is a one-time only benefit. Subsequent applications received from persons that have already been found eligible for emergency LIEAP

EXAMPLE: A bulk fuel user applies for emergency LIEAP in July for an overdue bill that was incurred May 5. The purchase date on the bill is May 5 and usage of the fuel occurred that month. Therefore, the bill was incurred during the heating season.

EXAMPLE: A utility user applies for emergency LIEAP in August as a result of a termination notice. The utility company confirms that a portion of the bill was incurred prior to June 1.

f. Determining the Amount of Home Heating Service or Bulk Fuel

(1) Home Heating Suppliers Regulated by the Public Service Commission

In order to be eligible for an emergency LIEAP payment, the applicant's home heating supplier must agree to provide a minimum of at least 30 days of home heating as a result of an emergency LIEAP payment. "Thirty days of home heating" is defined as delaying or preventing the emergency from occurring for a period of not less than 30 days from the date the vendor is made aware of and accepts the Department's offer. Payment will be denied if the supplier fails to agree to or otherwise does not carry out this requirement.

(2) Bulk Fuel Home Heating Suppliers

Because bulk fuel cannot be transported to the household in the same manner as gas and electricity and because too many variables prevent the accurate determination of a 30-day supply for each type of fuel, the amount

Payment terms may be arranged with the vendor in either of the two methods referred to below:

- Credit Purchase

A credit purchase means that payment will not be made until final delivery. The supplier will be instructed in the recording section of form OFS-67, Authorization For Payment to notify the local county office of the final delivery.

Transmittal of the payment will be made upon notification. (Please refer to item E, 2 for instructions in completing the OFS-67 form.)

- Prepayment

If the vendor refuses to permit a credit purchase, form OFS-67 will indicate in the recording section that prepayment is being made for the specified amount of fuel. If possible, the unit amounts of fuel per delivery will be indicated on the OFS-67. Transmittal will be made for the total amount of payment and the vendor is paid in ADVANCE.

In either arrangement referred to above, only the total amount of payment is transmitted since only one payment can be made.

(4) Non-Elimination of the Emergency

In many situations, the amount required by the vendor to eliminate the emergency will exceed the amount of Emergency LIEAP the client is entitled to receive. When this occurs, the Worker should determine if the applicant is eligible for other program benefits in addition to LIEAP such as but not

a. Emergency Assistance

When an applicant for Emergency Assistance is requesting benefits to eliminate a home heating emergency, the regular and emergency LIEAP program must be used as a resource against the eligibility determination and/or amount of emergency assistance benefits.

b. 20% Utility Discount Program

The receipt of benefits under the 20% utility discount program will in no way affect one's eligibility and/or receipt of Emergency LIEAP.

c. Vendor-Supported Home Heating Assistance Programs

Certain vendor-supported home heating assistance programs such as Neighbor-to-Neighbor (American Electric Power) have limited funds that are restricted to customers of that vendor. Because funds in these programs are limited, eligibility for Emergency LIEAP is always considered first before these programs. For example, a customer of American Electric Power has an overdue bill of \$375.00. If the maximum allowable payment for Emergency LIEAP is \$300, the applicant would first be considered for Emergency LIEAP, then for Neighbor-to-Neighbor.

d. Food Stamp Standard Utility Allowance

Food Stamp recipients who receive LIEAP are entitled to the standard utility allowance to cover out-of-pocket expenses for home heating since LIEAP benefits only ASSIST in the cost of home heating.

limited only to those persons age 60 and over or severely handicapped persons of any age who live alone and who have no means of transportation to the county offices in order to apply for emergency LIEAP benefits.

It is permissible¹² but optional for Regional Administrators to allow outreach workers from Senior Citizen Centers and/or Community Action agencies to take the application and/or DF-67 forms to the applicant for completion and to obtain the necessary documentation to verify the emergency.

The Department will make the final decision regarding eligibility for and the amount of emergency LIEAP benefits. In no way will any other agency personnel be permitted to make this decision or inform the applicant about his eligibility.

If the Department permits employees from other agencies to transport the paperwork between the household and the county offices, these employees should be carefully trained to assist the homebound applicant to complete the application form, obtain the required verification and otherwise perform the necessary tasks required to permit Departmental employees to make a decision on the application.

2. Completion of Form ES-LIEAP-1

The ES-LIEAP-1 form consists of four sections. Section I, Identifying Information, provides data concerning the benefit group. Section II, Home Heating/Other Assistance information, provides information related to the type of home heating used, plus vendor and benefit group data. Section III contains signatures and statements of liability. Section IV provides space to allow the Worker to summarize the action taken on the application.

carefully review the reasons for the switch. IF THE APPLICANT IS SWITCHING HEAT SOURCES TO AVOID PAYMENT OF A HOME HEATING BILL, THE EMERGENCY LIEAP APPLICATION MUST BE DENIED. Otherwise, the switch may result from a change in residence (with the home heating bill at the old residence settled) or a change in the heating source at the same residence. In these situations, the switch is permitted.

Section III - Signatures and Statements of Liability

Items A through F must be answered. If the applicant answers any questions by placing an "X" in "No", the Worker should resolve any confusion or misunderstanding on the part of the applicant.

If the applicant continues to answer "No" to any questions, he should be informed that his benefits may be delayed or possibly denied.

The applicant MUST sign and date the application. If someone else assisted the applicant, that person must also sign and date the form.

Section IV - For Other Agencies and Departments

This section is provided for the use of the Health and Human Resources Worker and if appropriate, the Worker from another agency. If the application was received by another agency, this must be indicated because a terminal entry code must indicate the agency that received the application. The appropriate space will be check marked to indicate whether the application was received through an office visit, another agency, or through the mail.

Items A, B, C, D and E

When the application is received by the Department directly from the applicant (via mail or office visit), items A, B and C will be answered either "YES" or "NO" and additional information provided as appropriate.

- If verification is required, the instructions outlined in item 3 below should be followed.
- Applicants should be allowed not more than ten days to submit documentation for verification.
- Applications ready for processing by the local Health and Human Resources office should be sent to that office on a daily basis with a signed and dated word processed or typewritten manifest containing a list of the name and address of each enclosed application.
- Applicants should be informed that Health and Human Resources staff will determine eligibility, provide written notification of the decision and make payment to or on behalf of eligible households.

IMPORTANT NOTICE:

LIEAP APPLICATIONS MUST BE USED FOR ALL REQUESTS FOR ASSISTANCE WITH HOME HEATING.

3. Verification

Verification is the process of documenting statements and information provided by the applicant. Although specific guidelines for verifying certain eligibility criteria are indicated below, the worker may request verification of any information provided by the applicant in determining eligibility for benefits under the LIEAP Program. In addition, the responsibility of the applicant in the eligibility determination process includes the effort to obtain required verifications. However, if the applicant is unsuccessful in his attempt to obtain the verification or if he has physical or mental limitations which limit his ability to perform this responsibility and he has no family members or other persons who will help him, the Worker will obtain the verification.

scholarships and payments from college work study programs are excluded from being counted as income, verification of the existence and amount of these payments plus any other sources of income MUST be verified for these applicants.

Documentation may include pay check stubs, award letters, written statements from employers, etc. Although documentation should include earnings from the month of application, it is permissible to use pay check stubs and other documents showing earnings during the month prior to the month of application. **In no instances may documentation of this type be earlier.** Documentation of student loans, grants, scholarships and payments from college work study programs should be obtained from the institution. Private or personal loans not verified by the institution must be verified via award letters, bank or loan company statements, etc.

When the applicant reports no household income during the month of application, he MUST verify how living expenses of the benefit group have been paid or how the benefit group members have managed without income 30 days prior to the date of application. "Living expenses" will be limited to food, clothing, shelter, light, heat and incidentals. **THEREFORE, THE APPLICANT MUST VERIFY HOW HE HAS PAID FOR THESE ITEMS IF ZERO INCOME IS REPORTED.** Form ES-LIEAP-4, Zero Income Heating Cost Verification Form, must be completed by the applicant.

The worker should begin the interview by asking the applicant when he and/or other benefit group members last received income and how he has paid for food, clothing, rent or mortgage, utilities and incidentals during the past 30 days. The applicant may respond by stating certain persons are assisting him in various ways. Or, the applicant may state

Zero Income Applicants

It is mandatory for all zero income applicants to verify vulnerability. Failure to provide this verification will result in a denial of the LIEAP application:

- (1) Bulk Fuel Vendors - The applicant must submit a signed and dated bill from the bulk fuel vendor which designates that a delivery was or will be made or when such verification cannot be provided, the applicant must submit the name, address or telephone number of a vendor who can verify that fuel deliveries have been made in the past or will be made for the current winter season.
- (2) PSC-regulated Vendors - Refer to the first paragraph in this sub-section (item b above).
- (3) Other - The worker must obtain written verification of all other arrangements not referred to above. Statements must be dated and signed.

Otherwise, the decision to verify vulnerability will be left to the Worker's discretion. However, it will be necessary for the LIEAP supervisor or worker to contact managers of public housing authorities in their areas to determine if the tenants are vulnerable or invulnerable. A screening procedure must be established with the Housing Authority to verify whether or not certain applicants live in public housing. The managers should be informed that the applicant signs a release (Item E in Section III of the application) that protects them from violating confidentiality.

In situations where home energy costs are included in the rent or some other special arrangement exists between the tenant and landlord, a written eviction notice that has been dated and signed by the landlord will suffice as verification of the emergency.

e. Age of the Head of the Household

Verification of the age of the head of the household will also be at the worker's discretion. Federal income tax returns can be used to verify who is head of the household.

f. Vendor Certification

If the Worker questions but is unable to verify the customer account number, the applicant may be required to submit a heating service bill in order to verify the customer account number.

g. Emergency LIEAP Heating Season

Verification of the emergency must be substantiated via termination notice for utility users. When bulk fuel users are involved and APPLICATION IS BEING MADE OUTSIDE THE HEATING SEASON, the applicant must submit a fuel bill that is at least 30 days in arrears. (Please refer to d above for required verification of bulk fuel users when they apply WITHIN the heating season.)

h. Home Heating Payments from Live-in Persons

The policy in item C, a (3) describes persons who "live-in" and make payment toward home heating costs for the privilege of living in the household. The Worker MUST request and obtain verification when the

5. Determining the Amount of Benefits the Household is Entitled to Receive

After it has been determined that the applicant has been found eligible for LIEAP benefits, the Worker must determine the amount of the LIEAP benefit:

a. Benefit Group Maximum Allowable Payment of a Combined Regular and Emergency LIEAP Benefit

The benefit group maximum allowable payment of a combined regular and emergency LIEAP benefit cannot exceed the maximum established for each program year. In no instances shall the combined total payment of a regular and emergency LIEAP benefit to an eligible benefit group exceed this maximum.

b. Regular LIEAP Benefits

The chart in the Appendix B illustrates the base amount of the regular LIEAP benefit. Regular LIEAP benefits are automatically determined by the computer based upon the income, number of persons in the benefit group and the type of energy used for home heating.

Percentage increments were devised for certain types of energy. These percentages will be applied to the base amount to arrive at the amount of increment for each type of energy. The base amount plus the incremental amount will represent the regular LIEAP benefit.

- The amount of the regular LIEAP payment that the household was found eligible to receive, and
- The amount of the maximum allowable payment of a combined regular and emergency LIEAP payment for each benefit group, and
- The amount of the payment required to eliminate the emergency.

The amount of the emergency LIEAP payment will be determined as follows:

STEP I - The amount of the regular LIEAP benefit is counted against or subtracted from the amount of the maximum allowable benefit. The remainder and the amount of payment required to eliminate the emergency is used to compute the amount of the emergency LIEAP payment.

STEP II - When the amount of payment required to eliminate the emergency is less than or equal to the remainder, that amount (the amount required to eliminate the emergency) will be the amount of the emergency LIEAP payment.

STEP III - When the amount of the payment required to eliminate the emergency exceeds the remainder, that amount (the amount required to eliminate the emergency) must be reduced by the amount of the excess. The result is the amount of the emergency payment.

EXAMPLES:

- Client receives a regular LIEAP payment of \$126 in January. In March, he is found eligible for emergency LIEAP. The amount required to eliminate the emergency is \$100, and the

d. Emergency LIEAP Home Heating Season

- (1) Persons who apply within the heating season
(Please refer to item c above).
- (2) Persons who apply outside the heating season.
There is no difference from policy outlined in
item c above in determining the amount of
payment for eligible clients who apply for
emergency LIEAP outside the heating season.
THEREFORE, THERE WILL BE NO ATTEMPT TO CONSIDER
FOR PAYMENT ONLY THAT PORTION OF THE BILL THAT
WAS INCURRED DURING THE HEATING SEASON.
- (3) Persons who apply for Emergency LIEAP outside
the heating season but who are making budget or
installment payments.

Complicating the heating season policy are
those situations in which the applicant has
made or is currently making budget or
installment payments. THE PROBLEM, THEREFORE,
IS DETERMINING WHETHER ANY PORTION OF THE
OVERDUE BILL WAS ACTUALLY INCURRED DURING THE
HEATING SEASON.

In order to determine the amount of payment,
the Worker~~s~~ needs to be aware of the following:

- The total amount of the last bill received
by the applicant prior to June 1.
- The total amount of the budget or
installment payments made by the applicant
after the last bill referred to above
until the date of the emergency LIEAP
application.

After the Worker obtains the amounts referred
to above, the following policy will be applied:

The same procedure referred to above will apply as well to bulk fuel users. The applicant will be expected to provide verification substantiating the amounts referred to above. Applicants who are ill, handicapped, or aged will be assisted by the Worker to obtain verification. FAILURE ON THE PART OF THE APPLICANT AND/OR HOME HEATING PROVIDER TO PROVIDE THE REQUIRED INFORMATION WILL RESULT IN A DENIAL OF THE APPLICATION.

6. Client Notification of Case Action Taken

Applicants must be notified of the decision made on the application within 30 days of the date of application. Notification will be accomplished by computer generated letter. The ES-NL-A Notification Letter may be used in special circumstances when the computer-generated letter is insufficient or inappropriate.

a. Pending Regular LIEAP Applications

Pending Regular LIEAP cases will be resolved when the Worker will complete Form ES-6 by specifically indicating what is required in order to make a decision on the case. The date the ES-6 form is sent should be entered in Item C in Section IV of the application form and an "X" placed in "YES" under Item C. The applicant should be allowed 15 days to respond. However, the Worker must take the appropriate case action in order that the client be notified within 30 days of the date of application.

b. Pending Emergency LIEAP Applications

If verification and/or additional information is needed in order to make a decision on the application, form ES-6 must be completed and given to the applicant at the time of the intake interview. Since a decision on an emergency LIEAP application should be made as soon as possible, the applicant must be given five government business days to return the requested information. Case action must be taken in time to allow the applicant to be

b. Vendor Payment

Vendor payments will be made only in the following circumstances:

- (1) The home heating provider is a PSC-regulated heating supplier that has entered into an agreement with the Department of Health and Human Resources.
- (2) The heating bill is in the name of someone not living in the household.
- (3) When it is necessary to make vendor payment of Regular LIEAP benefits to prevent emergencies. In determining whether it is necessary to make a vendor payment of Regular LIEAP benefits to prevent emergencies, the following guidelines must be applied:
 - The lowest amount required to eliminate the emergency is equal to or less than the regular LIEAP benefit; and,
 - The client verified that he will be without fuel for home heating PRIOR to the receipt of a direct payment check; and,
 - The fuel or home heating supplier will not make a delivery unless it is pre-authorized by the worker but agrees to provide heat for at least 30 days from the date he is made aware of and accepts the Department's payment; and,
 - The client agrees to the vendor payment instead of the direct payment.

Generally speaking, the procedure referred to above applies to certain clients who use bulk

- Form OFS-67 will be completed as instructed below in (2), Completion and Processing of Form OFS-67.
- The completed form will be given to the vendor to authorize the delivery of bulk fuel or to restore or continue the heating service.

NOTE: When payment is being authorized to PSC-regulated heating providers or to the landlords who are, in effect, the gas or electric supplier, the first day of the 30-day period of service begins on the date the vendor is made aware of and accepts the Department's payment. If possible, the client should sign the form on the date he receives it from the worker.

- The vendor will return the form to the county office and payment will be processed by the Financial Clerk and/or her alternate as they clear the returned vouchers via RAPIDS.
- (2) Completion and Processing of Form OFS-67 for Emergency LIEAP Payments
- Completion of the Form
 - o The worker will enter the necessary case identification and the return address of the county DHHR office via RAPIDS.
 - o Recordings - The quantity of fuel must be entered in the recording section. When bulk fuel deliveries are being authorized, it is extremely important that the Worker, client and vendor understand the exact amount of fuel that is to be delivered. When

Vendor payment is then made to the home heating supplier when the DF-67 voucher is returned and is properly signed. When completing this form, the dollar amount authorized must be identical to the amount of the correct regular LIEAP payment. Please refer to the LIEAP income/benefit chart in Appendix D.

NOTE: This procedure can also be used to make payment to utility companies. For example, if the utility company did not enter into an agreement with the Department, this procedure would be appropriate when a DF-67 is demanded prior to the delivery.

OPTIONAL:

The OFS-LIEAP-5 form, Authorization For Delivery and Payment of "Emergency" Regular LIEAP, may be used on an optional basis for "Emergency" Regular LIEAP requests instead of the DF-67 form.

This form is fast and simple to use. However, the worker must observe the following when using the OFS-LIEAP-5.

- Prior to the use of the form, the worker must determine that the vendor accepts the form instead of the DF-67 and guarantees delivery.
- The worker must assure that VENDOR PAYMENT AND NOT DIRECT PAYMENT is made.
- It is not necessary for the vendor to return the form to the county office to process payment.

F. Case Maintenance and Corrective Action

Case maintenance and corrective action is defined as those activities in which certain adjustments are made regarding a case as a result of a Worker or clientele error and decisions in Fair Hearings. The instructions below concern only those corrective actions AFTER THE LIEAP CHECK HAS BEEN WRITTEN.

Regardless of whether the error was made by the agency or the client, corrective action must be taken on all cases in which an error has occurred. In situations where the client received payment (or any partial payment) to which he was not entitled, the agency must be reimbursed regardless of who caused the error (client or agency).

1. Cases Denied in Error and Underpayments

a. Cases Denied in Error

When it is determined that a case has been denied in error, it will be necessary to re-enter the case into RAPIDS as an approval in order that payment be generated. It will also be necessary to notify the client via ES-NL-A that his case was denied in error, the amount of payment and to whom payment will be made. This procedure will be appropriate for both regular and emergency LIEAP applications. Finally, a recording of the corrective action should be entered in the recording space in Section IV of the application form.

b. Underpayments

When it has been determined that a case has received an underpayment, the following corrective action will be taken:

- (1) The Worker will determine the correct total amount of the payment that the case is entitled to receive.

2. Cases Approved in Error

When it has been determined that an ineligible case has been approved via client/agency error, it will be necessary to take the action referred to in item 4 below (Repayment).

a. Overpayments

Overpayment will be handled similarly to cases approved in error. An overpayment is when the client has received a larger payment than he was entitled to receive. Please refer to item 4 below (Repayment).

b. Incorrect Payment

Incorrect payment is caused by entering the incorrect vendor number during the transmission. As a result, payment is sent to the wrong vendor or to the wrong client. When this occurs, please refer to item 4 below (Repayment).

c. Inappropriate Payment

Misrepresenting the primary source of home heating occurs when the LIEAP applicant indicates the incorrect method of home heating as the primary source on page 2 of the LIEAP application form (Item C under II, Home Heating Information) or otherwise conveys to the Worker the incorrect primary source of home heating. The Worker's guide for determining when misrepresentation has occurred is when the named method of home heating is not used as the primary source of home heating. When payment is made to or on behalf of a client based upon misrepresentation of the primary source of home heating, it will be defined as an inappropriate payment.

b. Operation of the Repayment Process

(1) ES-LIEAP-3, LIEAP Repayment Agreement

When the client and the Worker discuss repayment, the client must agree to repay by any of the three methods indicated on the form. The Worker must enter the client's name, the amount of repayment and the type of payment (regular or emergency LIEAP) and the type of error (overpayment, incorrect payment, duplicate payment, case approved in error, etc.).

The Worker should make sure the client understands the statement concerning the disposition of the remaining balance when not paid by the due date. The client must sign and date the form along with the Worker and the Worker's supervisor. The form will be prepared in duplicate unless additional copies are required. The original copy is given or mailed to the client and a copy is placed into the record.

(2) Making Repayment Corrections Which Affect Other Cases

Situations will occur when repayment involves the energy needs of another case. This is particularly true in incorrect payment situations. For example, a LIEAP payment is incorrectly credited to a certain case. The benefit group that should have received payment must have the benefit before repayment can be completed. In these situations, it is

(1) Imposing the Penalty

A penalty for refusal to make repayment will be imposed by withholding payment of regular LIEAP. Therefore, penalties can only be imposed during a program year subsequent to the program year in which the client refused to make payment.

(2) Procedure

All regular LIEAP cases must be screened to determine if repayment is due from the previous year. When a case is approved for regular LIEAP and identified as one in which repayment is due, the applicant must be requested by the Worker to come to the office to discuss repayment. After the Worker explains the need for repayment, the following options can be given to the applicant:

- When the repayment amount is equal to the regular LIEAP payment:
 - o The applicant can make repayment in full and repayment will be fulfilled.
 - o The regular LIEAP payment can be withheld and repayment will be fulfilled. (Refer to e below.)
- When the repayment amount is less than the regular LIEAP payment:
 - o Same as the first statement above.

At the end of the program year or sooner if notified thereof, these applications will be sent to the Office of Family Support, Attention: LIEAP Coordinator.

f. Client Notification

The client must be provided with written notification of all decisions made upon the regular LIEAP payment/repayment. For example, if the client is requested to discuss his approved regular LIEAP application and repayment but refuses to do so, he must be notified in writing five days after the appointment date that his regular LIEAP payment was approved but will be withheld until repayment is discussed. Similarly, written notification must be provided for adjustment to the regular LIEAP payment and/or fulfillment of the repayment.

5. Returned Checks

For various reasons, checks are returned by clients or postal authorities. The following sections provide instructions regarding these situations.

a. Check Returned by Postal Authorities

Checks returned by the postal authorities are returned to the Office of Financial Services. That Office will contact the local office via the appropriate form or memorandum requesting a disposition of the check. If the worker has lost contact with the client, the appropriate information should be provided to the Office so the check can be disposed of. If the client has provided any forwarding address in the United States, the Office

account or the account is paid in full. In other situations, the vendor may return the amount of payment less the amount of the balance due in the account. When the location of the client is known, the check may be rewritten as a direct or vendor payment depending upon the client's wishes.

d. Client Refuses to Accept LIEAP Check

In situations where the client refuses to accept the LIEAP payment (or a vendor payment), the Worker should determine the reason for the refusal and clarify any confusion on the part of the client. If the client continues to refuse the payment, it will be returned to the Office of Financial Services via memorandum explaining why the check is being returned.

6. Lost, Stolen or Destroyed Checks

LIEAP recipients who claim that their checks were lost, stolen or destroyed must complete an affidavit attesting to the specific occurrence which prevented them from using the check. Form AA-36 with the appropriate changes in terminology to reflect the LIEAP check may be used for this purpose. It is extremely important to request a "stop payment" action as soon as possible by sending the affidavit plus a memorandum of explanation to Esther Crim, Office of Financial Services. Do not phone Ms. Crim when requesting this action. No action can be taken until the affidavit is received by Ms. Crim.

The client must be informed that he must wait up to 30 days from the date of the stop payment action in order to receive his check. NO CHECKS WILL BE WRITTEN AT THE COUNTY LEVEL TO REPLACE LOST, STOLEN AND DESTROYED

9. Fair Hearings

Individuals who apply for LIEAP benefits will have the right to a fair hearing if:

- The application is denied.
- Payment is less than the client believes it should be.
- The client receives payment in a lesser amount than previously notified.
- There was a delay in processing the application beyond 30 days of the date of application.
- The client believes that he has been discriminated against because of race, color, national origin, sex, age, religious or political beliefs, or because he is handicapped.

a. Procedural Rules

- The client has 60 days after receiving the notice of payment or denial to request a hearing.
- If denied, delayed, or payment amount is the

issue, the agency has 30 days after the hearing request is received to schedule the hearing, arrive at a decision and initiate the action necessary to carry out the decision.

- If the action by the Department is to decrease or stop the payment, the hearing must be scheduled and a decision made prior to any action by the agency.

b. Processing Requests for Fair Hearings

Please be advised that the computer-generated letter contains no instructions about how the applicant or client shall request a fair hearing except that he should consult the local Health and Human Resources office.