

## **2015 Michigan Energy Assistance Program Frequently Asked Questions**

### **1. What is the Michigan Energy Assistance Program?**

[Public Act 615](#) of the Michigan Public Acts of 2012 created the Michigan Energy Assistance Act that requires the Michigan Department of Human Services (DHS) to establish and administer the Michigan Energy Assistance Program (MEAP). The purpose of the MEAP is to establish and administer programs statewide that provide energy assistance to eligible low-income households. Energy assistance programs must include services that enable participants to become or move toward becoming self-sufficient, including assisting participants in paying their energy bills on time, assisting participants in budgeting for and contributing to their ability to provide for energy expenses, and assisting participants in utilizing energy services to optimize on energy efficiency.

[Public Act 95](#) of the Michigan Public Acts of 2013 created the Low-Income Energy Assistance Fund (LIEAF) charging the Michigan Department of Human Services with expending money from the fund as provided by the Michigan Energy Assistance Act. The Act allows the Michigan Public Service Commission (MPSC) to annually approve a low-income energy assistance funding factor, not to exceed \$50,000,000, to support the LIEAF.

On July 22, 2014, in Case No. [U-17377](#), the MPSC adopted a funding factor of \$.97 per meter per month for all Michigan electric utilities that have opted to participate in the funding of the LIEAF, effective for the September 2014 billing month.

### **2. What is the DHS State Emergency Relief (SER) Program?**

The State Emergency Relief (SER) Program provides immediate help to individuals and families facing conditions of extreme hardship or for emergencies that threaten health and safety. Through a combination of direct financial assistance and contracts with a network of non-profit organizations SER helps low-income households meet emergency needs such as:

- Heat & Utilities
- Home Repairs
- Relocation Assistance
- Home Ownership Services
- Burial

The SER program is primarily designed to maintain low-income households who are normally able to meet their needs but occasionally need help when unexpected emergency situations arise. The SER program is not an appropriate solution to ongoing or chronic financial difficulties.

### **3. What is the difference between SER and MEAP?**

SER is supported by federal LIHEAP (Low-Income Home Energy Assistance Program) funds. The SER funds administered by DHS are intended to avoid emergency situations (i.e., loss of a utility connection posing a risk to health and safety). Under DHS policy, SER funds are only available when there has been a shut off or threat of a shut off. DHS policy provides as follows: “When the group’s heat or electric service for their current residence is in past due status, in threat of shut off or is already shut off and must be restored, payment may be authorized to the enrolled provider. The amount of the payment is the minimum necessary to prevent shut off or restore service, not to exceed the fiscal year cap. Payment must

resolve the emergency by restoring or continuing the service for at least 30 calendar days. Current bills that are not subject to shut off should not be included in the amount needed.”

To be eligible to receive SER benefits an individual must be at or below 150% of the federal poverty level, and be in threat of having his/her power shut off or loss of utility connection due to shut off. The SER cap per household is \$450 each for natural gas and non-heat electric service, and \$850 for deliverable fuel.

MEAP is supported by a combination of LIEAF and LIHEAP funds. MEAP funds are intended for preventative programs designed to help low-income customers reach energy self-sufficiency. These funds are subject to the limitations set forth in 2012 PA 615. To be eligible to receive assistance from a MEAP provider an individual must be at or below 150% of federal poverty level, and must have a past due notice or past due balance on an energy bill for his or her household. The amount of energy assistance available per household varies from one MEAP provider to another.

#### **4. How does a low-income household apply for or gain access to MEAP assistance?**

Below is a list of MEAP providers; click on the organization name for additional information. Low-income households can also contact [United Way 2-1-1](#) for information regarding MEAP providers in their county.

- [Barry County United Way](#)
- [Consumers Energy Company](#)
- [DHS – Bureau of Community Action and Economic Opportunity](#)
- [DTE Energy](#)
- [Flat River Outreach Ministries, Inc.](#)
- [Lighthouse Emergency Services](#)
- [Michigan Community Action Agency Association](#)
- [SEMCO ENERGY Gas Company](#)
- [Society of St. Vincent de Paul of the Archdiocese of Detroit](#)
- [Superior Watershed Partnership](#)
- [The Heat and Warmth Fund](#)
- [The Salvation Army](#)
- [TrueNorth Community Services](#)

#### **5. What is the “crisis season,” what is the “heating season,” and when are customers of opt-out utilities protected from shut off?**

The “crisis season” is the period from November 1 through May 31. State law requires that 70% of MEAP grant funds must be spent during that time.

The “heating season” is the period from November 1 through March 31. The MPSC rules and state law require all regulated natural gas and electric companies, municipally owned utilities and some electric cooperatives to provide shutoff protection for senior citizens and low-income customers who are enrolled and meeting the requirements of a Winter Protection Program.

From November 1 through April 15 residential customers of electric utilities, municipally owned electric utilities, or cooperative electric utilities that elected to not collect a low-income energy assistance funding factor are protected from shut off.

**6. Is a DHS decision letter required before a low-income household can seek energy assistance from a MEAP provider?**

No, that is a benefit of MEAP; a decision letter from DHS is **NOT** required.

**7. Are low-income households required to seek energy assistance services from SER prior to seeking energy assistance from a MEAP provider?**

No. In the past low-income households were required to seek SER assistance prior to seeking energy assistance from other agencies.

With the creation of the MEAP, low-income households are encouraged to first seek energy assistance from MEAP providers and continue working with one MEAP provider through the heating season.

**8. Can an eligible low-income household go to DHS and receive an energy payment through SER, and if the household remains in crisis then go to a MEAP service provider for the remainder of the crisis season?**

It may not be a conflict for a household to receive SER assistance and subsequent assistance from a MEAP provider, depending on an applicant's proposed energy assistance program. There are instances where the DHS-established SER cap for fiscal year 2015 may not resolve the emergency; in these cases the low-income household would be referred to a MEAP provider if additional assistance is needed.

If the MEAP provider has established a cap on the amount of energy assistance that a client may receive during the crisis season, the sum of the SER assistance payment and the MEAP assistance payment should not exceed the MEAP provider's cap.

It is anticipated that if a household works first with a MEAP service provider, the household will continue working with that provider for any energy assistance needed during the 2015 crisis season.

The ultimate goal is that one MEAP service provider will resolve a low-income household's energy crisis in full resulting in a convenient, customer-friendly system for distributing energy assistance to eligible low-income households.

Low-income households enrolled in a provider-sponsored program through Consumers Energy, DTE and SEMCO, do not qualify for SER for the fiscal year even if they become ineligible for CARE, LSP or MAP.

If a low-income household needs additional SER support after seeking assistance from a MEAP energy assistance provider, efforts to access those funds should be coordinated between the MEAP agency, DHS and the client.

**9. Is there a cap on the dollar amount of MEAP assistance a low-income household can receive?**

2012 PA 615 does not impose a cap on the dollar amount of energy assistance available to an eligible low-income household. The dollar amount of energy assistance available per household varies from one MEAP provider to another.

**10. Can a low-income household be assisted more than one time during the crisis season?**

The number of times a low-income household can be assisted during the crisis season varies from one MEAP provider to another.

**11. Can a low-income household be assisted with an electric crisis whose home is not heated with electricity?**

Yes, the intent of the grant is to provide energy assistance program services that will help eligible low-income households meet home energy costs for their primary residence through payment or partial payment of bills for one or more of the following: 1) electricity; 2) natural gas; 3) propane; 4) heating oil; or 5) any other deliverable fuel used to provide heat.

**12. Can MEAP funds be used to pay a water bill when the household is heated with steam?**

No, households that have received a water shut-off can be referred to DHS for SER assistance. Water, sewer and cooking gas are services covered by SER.

**13. If a low-income customer has contacted their utility prior to contacting a MEAP agency for assistance and the utility has put them on a winter protection plan, shut off protection plan or budget plan, is the customer eligible for MEAP assistance even though they are not in immediate crisis?**

Customers that are on a utility winter protection plan, shut-off protection plan or budget plan are eligible to receive assistance from a MEAP agency. Even though the customer is not in immediate crisis, they still have an arrearage or past due balance on their utility bill.

Customers that are enrolled in DTE's LSP program, Consumers Energy's CARE program, or SEMCO's MAP program are not eligible for assistance from other MEAP agencies unless the MEAP agency has specifically included a provision in its proposal to assist customers that have defaulted or are struggling to stay on one of the utilities' MEAP programs.

**14. If a low-income household fails to complete a MEAP provider's program, would the household be eligible for the Winter Protection Program?**

Enrollment in a MEAP provider's program or failure to complete a program does not preclude a low-income household from enrolling in a Winter Protection Program.

**15. Are low-income customers limited to receiving assistance from a certain number of agencies, including not-for-profit and DHS, during the heating season?**

Low-income households are not required to seek energy assistance services from SER prior to seeking energy assistance from a MEAP energy provider.

It is anticipated that eligible low-income households will work with a single MEAP provider throughout the entire heating season. This will enable the MEAP provider to identify the needs of the household and work with the household to provide energy assistance and other wrap around services, as needed.

- 16. Are MEAP funds allowed to be spent by two or more agency for one household? Is a household only allowed to receive one payment? Are households allowed to be assisted by more than one agency with MEAP funds during the grant cycle if it is a separate crisis?**

It is anticipated that eligible low-income households will work with a single MEAP provider throughout the entire crisis season. This, however, does not prevent MEAP providers from working together to resolve a low-income household's crisis/emergency. Any payment made on behalf of an energy customer must resolve the crisis/emergency for at least 30 days.

The number of payments that a low-income household can receive during the grant term may vary depending on the MEAP provider's program.

A household can receive assistance from more than one MEAP agency during the grant cycle if it is for two different energy types, e.g., one MEAP agency assists with an electric bill and another MEAP agency assists with a propane bill.

- 17. If low-income households cannot receive combined SER and MEAP assistance over and above the cap implemented by the MEAP provider that is assisting the household, should low-income households that have received SER assistance be precluded from enrollment in utility programs such as LSP, CARE and MAP?**

Not necessarily; this will depend on the cap requirements, if any, set forth in each MEAP provider's program.

- 18. If a household receives assistance from both SER and MEAP, how far back should agencies look to determine if a client has received SER assistance?**

The beginning of the State fiscal year which runs October 1 through September 30 each year.

- 19. How will an agency know or verify if a client has received SER assistance?**

Agencies can contact the energy provider or vendor to determine if a SER payment has been made on behalf of the client, and/or the client can access his/her MI Bridges account and provide a screen shot of his/her account history. The anticipated release date for the Heat Energy Solutions Project Shared Database is unknown at this time.

- 20. If an agency's energy assistance payment combined with a previous SER assistance payment exceeds the agency's cap, is the agency responsible for recouping the overpayment.**

If an agency does not exercise due diligence during the eligibility process to determine if a SER payment was previously made on behalf of a client, the agency may be responsible for recouping any overpayment.

- 21. Are agencies responsible for overpayments if due diligence is exercised during the eligibility verification process, and all efforts are made to ensure that an overpayment does not occur?**

Consideration will be given to those situations where an agency would have no way of knowing that they are making an overpayment at the time they commit to the client assist.

**22. Are customers who are served by opt-out utilities eligible to receive SER assistance?**

The SER funds administered by DHS are intended to avoid emergency situations (i.e., the loss of a utility connection posing a risk to health and safety). Under DHS policy, these funds are only available when there has been a shut off or the threat of a shut off, except in special cases involving health and safety concerns. DHS policy applicable to SER (ERM 301) provides in pertinent part:

“When the group's heat or electric service for their current residence is in past due status, in threat of shut off or is already shut off and must be restored, payment may be authorized to the enrolled provider. The amount of the payment is the minimum necessary to prevent shut off or restore service, not to exceed the fiscal year cap. Payment must resolve the emergency by restoring or continuing the service for at least 30 calendar days. Current bills that are not subject to shut off should not be included in the amount needed.”

In some situations, a customer with a past due notice may be in threat of shut off, but that would not be the case if the provider is legally precluded from disconnecting the customer. Accordingly, DHS does not provide emergency relief in these situations. Rather, a customer in that situation would be advised to seek assistance from the MEAP funds. This is not a new policy. What is new is the number of providers who are legally precluded from shutting off customers during the winter months. In past years, a provider on the Wisconsin-Michigan border was under the same restriction and DHS did not provide SER during the time period when disconnection was not possible.

If the MEAP funds are properly utilized as preventative measures, then DHS should not be “swamped” with SER requests in April, and providers will not have to wait until April, or shut off customers, in order to obtain payment.

**23. Are customers who are served by opt-out utilities eligible to receive MEAP assistance?**

Low-income customers of opt-out utilities are eligible to receive MEAP assistance. It does not matter if the utility is participating or opting out of the LIEAF funding factor, all utility customers are eligible to receive assistance through the MEAP grants as long as they meet the eligibility criteria. An electric utility, municipally owned electric utility, or cooperative electric utility that elects to not collect a low-income energy assistance funding factor under this section shall not shut off service to any residential customer from November 1 to April 15 for nonpayment of a delinquent account.

**24. Is the dollar amount of assistance ultimately available to a low-income customer the same regardless of whether or not he/she is a customer of an opt-out utility?**

The dollar amount of energy assistance available to eligible low-income households is the same regardless of whether or not the household is a customer of an opt-in or opt-out utility.

The MEAP requires that any payment made on behalf of an energy customer must resolve the crisis/emergency for at least 30 days.

The MEAP does not impose a cap on the dollar amount of energy assistance that can be provided to a low-income household, and does not impose a cap on the number of times a payment can be made on behalf of a low-income household. Individual MEAP providers, based on their specific program, may have a cap on the dollar amount of assistance provided or the number of payments that can be made on behalf of a household.

- 25. Do the local DHS case workers understand the MEAP program and how a low-income customer can gain access to MEAP assistance?**

Information has been distributed to DHS local office staff and management. They have received the MEAP provider fact sheets and other procedural information. The MEAP provider fact sheets are available on the MPSC website at [www.michigan.gov/energygrants](http://www.michigan.gov/energygrants).

- 26. Are DHS case workers advising low income customers of opt-out utilities they are not eligible for SER funds but not to worry, the utility cannot disconnect until April 15?**

The local offices have been provided the list of providers who opted out of the surcharge and have been instructed to refer those customers to 211 or to the participating MEAP providers in their area for help with the utility bill prior to April 15th. Local offices are not telling clients not to worry but telling them to contact the MEAP provider in their area for assistance prior to April 15.

- 27. Some opt-out utilities have had caseworkers tell them to continue referring low income customers to them and they will direct them to possible other agencies. They have been told by other caseworkers that they cannot refer these customers to other agencies because in April they will not be eligible for DHS funds if they have received funding from other agencies. Which caseworker is correct?**

Customers do not have to seek DHS assistance (or receive a denial for SER), prior to requesting assistance from a MEAP provider. DHS has not released any policy prohibiting a customer from receiving MEAP assistance and SER (LIHEAP) assistance.

- 28. What are DHS' plans for dealing with low-income households that come off shut off protection in April with large arrearages that apply for SER?**

It is anticipated that customers will seek assistance from MEAP providers, as needed, and prior to April. Energy providers may want to refer customers with large account arrearages to participating MEAP providers in their service territory. From a SER perspective, this is no different than it has been in the past for those coming off winter protection or senior protection plans, except with the benefit that MEAP funding is available to qualifying households prior to the end of winter protection programs.

- 29. Will there be adequate funding?**

The amount of SER/LIHEAP crisis funds is less than previous years since money was allocated to the MEAP program.

- 30. Is there information that opt-out utilities should be including in delinquent customers' utility bills that would increase their chances of accessing the SER funds in April?**

As previously stated, energy providers should advise customers that assistance is currently available through MEAP providers.

- 31. How far in advance of the April 15, 2015 date can low-income customers from opt-out utilities go to DHS for assistance?**

April 1, 2015.

**32. DHS normally requires a 10 day hold period to determine eligibility. When will the 10-day clock start for opt-out utilities?**

The Standard of Promptness for a SER application is 10 days which starts the date DHS receives the application.

**33. Should opt-out utilities advise their low-income customers to contact their DHS caseworker for a “denial” before they contact possible other agencies for help?**

No, that is a benefit of MEAP; a DHS denial is not needed to receive assistance.

**34. If a client is currently receiving DHS benefits and has been income verified by DHS, do agencies have to re-determine the income eligibility of the client?**

All MEAP applicants must be income verified regardless if they were previously income verified by DHS.

**35. What is considered to be acceptable identity verification documentation?**

See the examples provided in the MEAP 2015 Household Eligibility Verification Guidelines under Section D. The examples are listed in order of preference, e.g., a driver’s license would be the ideal form of identity verification. If the client cannot provide a driver’s license, the agency would then request a copy of a state-issued identification, and so on.

Agencies are responsible for verifying the identity of all clients and should exercise due diligence when reviewing and accepting documentation verifying identity that is provided by a client.

**36. Is the agency required to verify the identity of all members of the household or just the applicant?**

Only the identity of the applicant must be verified.

**37. Is the agency required to collect the ID for just the applicant or every member in the household, including minors?**

Only the identification of the applicant must be collected and verified. Social Security numbers can serve as identification for all other household members.

**38. Are address changes on the back of driver’s licenses required?**

An address change on the back of the driver’s licenses is not required. Agencies are required to include an explanation in the client’s file if the address on the client’s driver’s license is not the same as the address on the client’s utility bill.

**39. Are agencies allowed to make exceptions when verifying identity and income?**

Agencies must feel comfortable with the documentation that is provided by the client. Agencies are allowed to use their discretion and make exceptions if needed and justified.

If an exception is approved by a MEAP agency, the agency **must** include a written explanation in the client’s file to eliminate questions in the event the client’s file is randomly selected for audit.



**40. Are agencies required to retain a copy of the Society Security card for the applicant only, or for all members of a household?**

Agencies must retain a copy of the Social Security card for the applicant only, but must collect the social security numbers of all members of the household. The agency must exercise due diligence; if the agency has reason to believe that a social security number does not belong to a household member the agency should take steps to verify that the social security number is correct.

**41. What documentation is acceptable verification of a Social Security number if the applicant has lost or does not have a Social Security card?**

Official documentation received from the federal government that has an official seal or letterhead, e.g., the Social Security Administration (SSA), Internal Revenue Service (IRS), can be used in lieu of a Social Security Card; however, the full Social Security Number must be on the documentation. The applicant must have other identification to verify that the documentation from the SSA, IRS, etc. belongs to the applicant, i.e., documents listed in Section D of the 2015 Household Eligibility Verification Guidelines.

The MEAP agency must also encourage the applicant to apply for a replacement card. See MEAP 2015 Household Eligibility Verification Guidelines, Section E, paragraph 1.

If the applicant does not have his/her Social Security Card and alternate SSA documentation is collected in place of the card, the MEAP agency **must** include an explanation in the applicant's file.

**42. Would identification for health benefits, voter registration card, and birth certificate/record be collected for an adult or a child?**

Identification for health benefits for an adult or child; voter registration card for an adult; and birth certificate/record for an adult or child.

**43. Is an out-of-state driver's license an acceptable form of identification?**

Yes, as long as the applicant can provide additional support such as a utility bill in the applicant's name, lease agreement, etc.

**44. Can an agency use an expired identification card, for example an expired driver's license, to verify identity?**

An agency can accept an expired identification card as long as there is no question that the picture on the identification card is the individual that is applying for MEAP assistance. In these situations agencies should exercise due diligence and take additional steps to verify an individual's identity if necessary.

**45. Is a school identification card acceptable identification for an adult and a child?**

Yes.

**46. What would be acceptable identification for a qualified alien?**

A person must be a U.S. citizen or a qualified alien to be eligible.

- Qualified alien means an alien who is one of the following:
  - Amerasian.
  - Lawfully admitted for permanent residence under the Immigration and Nationality Act (INA).
  - Granted asylum under section 208 of the INA.
  - A refugee who is admitted to the U.S. under section 207 of the INA.
  - Paroled into the U.S. under section 212(d)(5) of the INA for a period of at least one year.
  - An alien whose deportation is being withheld under section 241(b)(3) or 243(h) of the INA.
  - Granted conditional entry pursuant to section 203(a)(7) of the INA.
  - A Cuban/Haitian entrant.
  - An alien who has been battered or subjected to extreme cruelty in the U.S. by a U.S. citizen or legal permanent resident spouse or parent, or by a member of the spouse or parent's family living in the same household, or is the parent or child of a battered person.
  - Nonimmigrant (student).

The following link provides examples of acceptable identification/documentation for qualified aliens:

[http://www.dhs.state.mn.us/main/idcplg?IdcService=GET\\_FILE&RevisionSelectionMethod=LatestReleased&Rendition=Primary&allowInterrupt=1&noSaveAs=1&dDocName=dhs16\\_159911](http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_FILE&RevisionSelectionMethod=LatestReleased&Rendition=Primary&allowInterrupt=1&noSaveAs=1&dDocName=dhs16_159911)

**47. What is considered to be acceptable income verification documentation?**

See the examples provided in the MEAP 2015 Household Eligibility Verification Guidelines under Section F, paragraph 7 (Documentation of Income). The documents are listed in order of preference, e.g., copies of checks or check stubs dated within the last 60 days would be the ideal form of income verification. If the client cannot provide checks or check stubs, the agency would then request a copy of the W-2, and so on.

Agencies are responsible for ensuring that clients are eligible to receive MEAP assistance, and should exercise due diligence when reviewing and accepting income verification documentation provided by a client.

**48. What is countable earned income, as referenced on page 7 of the Household Eligibility Verification Guidelines?**

Income that a household receives from employment or self-employment.

**49. What is countable unearned income, as referenced on page 8 of the Household Eligibility Verification Guidelines?**

Income that a household receives from sources other than employment or self-employment, e.g., social security, supplemental security income, pension, unemployment benefits, child support, etc.

**50. What is the purpose of the “allowable expenses for earned income” and “allowable expenses for unearned income” sections, as referenced on pages 8 and 9 of the Household Eligibility Verification Guidelines?**

Allowable expenses are expenses that can be deducted from a client’s gross earned or unearned income before calculating the FPL of the household.

**51. What does “excluded income” refer to, as referenced on page 9 of the Household Eligibility Verification Guidelines?**

Excluded income is income from sources that should not be included when calculating and verifying a household’s income.

**52. Please explain the 30-day computation period discussed on page 11, paragraph 6 of the MEAP 2015 Household Eligibility Verification Guidelines.**

The 30-day computation period is the 30-day period that the agency utilizes when determining a household’s income. The SER program looks at 30 days going forward, or the household’s expected income for the next 30 days, to ensure that the household income determination is most reflective of the household’s income situation at the time of the application. To clarify further:

Checks and/or check stubs provided as proof of income should be consecutive for the past 30 days. Please note that if a check stub is missing but the gross pay amount can be calculated using the year-to-date (YTD) income from the other checks provided, this is allowable. The YTD calculation must be documented in the case record along with any clarifications, for audit purposes.

Receipt of the annual Social Security award letters may vary among recipients. If a client applies in January 2015 but claims they have not yet received a 2015 Social Security award letter or other benefits statement, the Grantee may accept the 2014 document and note in the client’s file that the current year letter/statement has not been received. It is anticipated that most clients will have received a 2015 award letter/statement by the end of December. While Social Security, or RSDI, (Retirement, Survivors, Disability Insurance) benefit amounts can vary significantly, the maximum SSI (Supplemental Security Income) benefit amount will be increasing from \$721 per month to \$733 per month, effective January 2015.

Banks statements alone are not sufficient verification for earned or unearned income because it does not provide the gross income; however, bank statements can be used in conjunction with other proofs of unearned income. Example: a bank statement showing a Social Security deposit can be used in conjunction with the annual award letter to verify the amount has not changed.

When calculating earned income for new employment when the applicant has not received a full 30 days of paystubs, please use the (average) number of hours expected to work times the actual rate of pay. This amount should be multiplied by 4.3 if paid weekly or 2.15 if paid bi-weekly, (there are 52 weeks each year which is the equivalent to 4.3 weeks per month).

If an applicant claims that an income source has or will be ending, please verify the end date and project the income accordingly. If no income is expected to be received in the next 30 days, budget \$0 for that income source. The income end date must be verified to determine the correct FPL for the household.

**53. When calculating a household's income for purposes of determining the household's federal poverty level should an agency use gross or net income?**

When calculating a household's income, the agency should determine the household's gross income and take deductions based on the allowable expenses included in the Household Eligibility Verification Guidelines, Section F, Income Guidelines.

For example: a client's weekly gross income is \$500, and the client has \$50 a week deducted in court ordered child support. The agency would deduct 25% for mandatory withholding taxes and the \$50 in court ordered child support, leaving a weekly income amount of \$325.

To ensure that the federal poverty level for each household is accurately calculated and reported to the federal government, Grantees **must apply** the 25% deduction for mandatory withholding taxes to **all** gross earned income **before determining a household's federal poverty level (FPL)**.

The 25% deduction for mandatory withholding is **not automatically applied to unearned income**; the deduction is only applied if withheld from gross unearned income.

**54. Can an agency choose to use either gross or net income when determining the federal poverty level of a household? Would this be a parameter that the agency can set forth in its proposal as a component of its eligibility verification process?**

No. When calculating a household's income, the agency should determine the household's gross income and take deductions based on the allowable expenses included in the Household Eligibility Verification Guidelines, Section F, Income Guidelines. For consistency in reporting, the actual FPL based on gross income, minus deductions, must be reported.

**55. Are MEAP providers allowed to exclude Medicare premiums when calculating a low-income household's income?**

MEAP providers are allowed to deduct Medicare premiums when calculating a low-income household's income for eligibility purposes, if the premium is not being reimbursed.

**56. Are MEAP providers allowed to exclude Foster Care payments when calculating a low-income household's income?**

MEAP providers are allowed to deduct Foster Care payments (made by the State of Michigan) when calculating a low-income household's income for eligibility purposes.

**57. Are MEAP providers allowed to exclude DHS food assistance benefits when calculating a low-income household's income?**

MEAP providers are allowed to deduct DHS food assistance benefits when calculating a low-income household's income for eligibility purposes.

**58 Can MEAP providers assist eligible low-income individuals that receive and pay their utility bills through a third-party utility bill management company?**

Payment to a third-party billing company is not allowed. All payments must be in the form of a voucher or direct payment to the utility provider, cooperative, or distributor of deliverable fuel. Specifically, MEAP payments to residential landlords, residential management companies, billing service agencies, or collection agencies are not allowed.

**59. Section V-E(3) requests that applicants ensure that late payment fees assessed by regulated utilities and included on clients' monthly heating bills in compliance with R460.122(2) of the Michigan Administrative Rules. If a client seeks help with arrearages on a utility bill, how will the agency know the dollar amount of late fees that have been assessed on the arrearage?**

Rule 22(2) of the Michigan Administrative Rules states:

“(2) A [regulated] utility may assess a late payment charge that is not more than 2%, not compounded, of the portion of the bill, net of taxes, that is delinquent. A [regulated] utility shall not assess a late payment charge against a customer whose payments are made by the department of human services or who is participating in a shutoff protection program described in Part 9 of these rules.”

If it is unclear from the client's bill how much of the arrearage is late fees, agencies are encouraged to work with the regulated utility to make that determination. The MPSC will continue to work with the utilities regarding this rule and provide guidance to selected applicants prior to the start of the grant term.

Information regarding Michigan regulated electric and natural gas utilities is available on the MPSC web site as follows: regulated electric utilities - <http://www.dleg.state.mi.us/mpsc/electric/address.htm> ; regulated natural gas utilities - <http://www.dleg.state.mi.us/mpsc/gas/address.htm>.

**60. How will an agency know if a propane vendor has assessed late fees?**

Rule 22 of the Michigan Administrative Rules only pertains to regulated utilities. Propane vendors are not regulated by the MPSC.

**61. Are agencies required to deduct the late fees assessed on the utility bill that the client presents at the time of intake, and are agencies responsible for determining the amount of late fees that may have been assessed on arrearages included on the client's bill?**

Agencies should deduct the late fees assessed by the regulated utility that are showing on the bill presented at the time of intake. If the bill includes arrearages the agency should deduct 2% from the arrearages to account for late fees. It is anticipated that regulated utilities will work with agencies to ensure that any remaining balance on a client's bill that equates to late fees is reduced to zero.

**62. Will the utility companies be responsible for providing information regarding charges for unregulated services on a client's utility bill? If not, what is the grantee's responsibility (assume grantee is not a utility) in obtaining this information?**

Agencies can deduct charges for unregulated services that are showing on the bill presented at the time of intake. It is anticipated that regulated utilities will work with agencies to ensure that any remaining balance on a client's bill that equates to charges for unregulated services is reduced to zero.

**63. Can MEAP providers use a portion of the funds allowed to be used outside of the crisis season to pay for utility bills for services provided to the customer outside of the crisis season, e.g., if a low-income customer is unable to pay for utility service provided in the month of July, can they be assisted using MEAP funds?**

The MEAP does not include a specific policy addressing these circumstances; however, 2012 PA 615 does specifically state that the intent is to assist low-income households with payment of bills for all sources of energy used to provide heat.

The requirement that not more than 30% of the funds received by the MEAP provider shall be spent outside of the crisis season means that “actual grant funds spent” after May 31 will count toward the 30%. Bills that are paid in November do not count toward the 30% because the grant funds are being spent between November 1 and May 31. However, bills paid in June will count toward the 30% because the grant funds are being spent after May 31.

**64. Can MEAP funds be used for cooling assistance?**

The MEAP does not specifically indicate that funding cannot be used for cooling assistance; however the act describes energy assistance as “a program to assist eligible low-income households in meeting their home energy costs for their primary residence through payment or partial payment of bills for one or more of the following:

- (i) Electricity
- (ii) Natural gas
- (iii) Propane
- (iv) Heating oil
- (v) Any other deliverable fuel used to provide heat.”

Additionally, Michigan does not use LIHEAP funds for cooling assistance.

**65. What are the TANF eligibility requirements?**

TANF eligible clients are low-income households with:

- (a) a related child under age 18,
- (b) an unemancipated child, age 18 or under, who is a full-time high school student living with an adult caretaker; or
- (c) a pregnant woman living in the home.

**66. What utilities opted out of the LIEAF funding factor for the 2015 program?**

The following utilities opted out:

- Bayfield Electric Cooperative
- Charlevoix, City of
- Chelsea Department of Electric and Water
- Cherryland Electric Cooperative
- Cloverland Electric Cooperative
- Coldwater Board of Public Utilities
- Croswell Municipal Light & Power Department
- Crystal Falls, City of
- Daggett Electric Department
- Detroit Public Lighting Department
- Dowagiac, City of
- Eaton Rapids, City of
- Escanaba, City of
- Gladstone, City of
- Grand Haven Board of Light and Power
- Great Lakes Energy Cooperative
- Harbor Springs, City of
- Hart Hydro, City of
- Holland Board of Public Works
- HomeWorks Tri-County Electric Cooperative
- L'Anse, Village of
- Lansing Board of Water & Light
- Marquette Board of Light and Power
- Ontonagon Co. Rural Electrification Association
- Paw Paw, City of
- Portland, City of
- Sebewaing, City of
- South Haven, City of
- Stephenson, City of
- Sturgis, City of
- Traverse City Light & Power
- Upper Peninsula Power Company
- Wakefield, City of
- Wisconsin Public Service Corporation
- Wisconsin-Electric Power Company d/b/a/ We Energies
- Wyandotte Department of Municipal Service
- Zeeland Board of Public Works

**67. What utilities are participating in the LIEAF funding factor for the 2015 program?**

The following utilities are participating:

- Alger-Delta Cooperative Electric Association
- Alpena Power
- Baraga, Village of
- Bay City, City of
- Clinton, Village of
- Consumers Energy Company
- DTE Electric Co. f/k/a Detroit Edison Company
- Hillsdale Board of Public Utilities
- Indiana Michigan Power Company
- Lowell Light and Power
- Marshall Electric Department
- Midwest Energy Cooperative
- Negaunee Department of Public Works
- Newberry Water and Light Board
- Niles Utility Department
- Northern States Power Company-Wisconsin
- Norway, City of
- Petoskey, City of
- Presque Isle Electric and Gas Co-op
- St. Louis, City of
- Thumb Electric Cooperative
- Union City Electric Department