

MICHIGAN DEPARTMENT OF HEALTH & HUMAN SERVICES		Item 1101	Page 1 of 8
Community Services Policy Manual	SUBJECT: Deliverable Fuel INCOME ELIGIBILITY GUIDELINES		EFFECTIVE DATE 9/1/2016 ISSUE DATE 7/26/2016

REFERENCES

- LIHEAP Crisis Assistance (LCA) Agreement
- State of Michigan LIHEAP State Plan

PURPOSE

To provide income eligibility guidelines for the Deliverable Fuel Program (LCA) funded by LIHEAP.

POLICY

LCA-LIHEAP crisis assistance establishes an assistance cap per household that is not to be exceeded within the program year. The caps per household are as follows:

- \$1200.00 for fuel oil, propane, and/or coal.
- \$850.00 for wood, pellets, and/or cherry pits.

The maximum allowable assistance is \$1200.00 per household, within the assistance caps identified. This includes any pre-purchase of propane.

EXAMPLE 1: If a household received propane assistance in January in the amount of \$600.00, they would only be eligible to receive an additional \$600.00 in propane assist in that program year.

EXAMPLE 2: If a household receives wood assistance in January in the amount of \$850.00, they would have reached their allowable cap or wood, pellets, and/or cherry pits. If that customer returned in February and requested propane assistance, the customer would be eligible to receive \$350.00 in propane assistance. At which point, the household would have reached the \$1200.00 CAP.

Grantees may also use funding in the summer to pre-purchase propane only for eligible households with propane companies offering a pre-purchase program as long as the pre-purchase does not exceed the set assistance caps in a program year.

TEN DAY STANDARD OF PROMPTNESS

Agencies shall observe a 10 day standard of promptness in the process of eligibility determination and benefit issuance for complete and timely filed applications

ELIGIBILITY REQUIREMENTS

A household is income eligible with an income of not more than 150% of the federal poverty guidelines. (See CSPM 208 for Federal Poverty Guidelines)

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A household does not have to be denied State Emergency Relief (SER) assistance by the local MDHHS office in order to be eligible. Grantees **cannot** require documentation of a denial for assistance from MDHHS or any other service agency as a condition of eligibility.

The household deliverable fuel must be at 25% or less to qualify for LCA-LIHEAP (With the exception of the Summer Fuel Program).

Grantees may use LCA-LIHEAP funds to pay for deliverable heating fuel assistance for eligible households that have been denied SER benefits by the local MDHHS office. They may also use LCA-LIHEAP funds to assist households in becoming eligible for deliverable fuel services through SER by assisting the household with missed required payments or co-pays.

As a condition of eligibility, households must provide the social security number (SSN) for each household member.

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

Households with Undocumented Alien(s)

Undocumented aliens are not eligible, but their presence does not disqualify the household. The following applies to all households containing one or more undocumented aliens:

- Any member of the household may apply
- Include all household members for purposes of determining eligibility
- Include the income of all household members

Prorate the benefit for the U.S. citizens and legal aliens only. To determine the prorated payment:

- Count the income of all household members including the undocumented alien(s)
- Include all household members when determining required payments, affordability, and other eligibility requirements
- The portion of the final payment is prorated to remove the undocumented aliens' share. That share is the prorated amount that the households must pay toward the cost of service.

INCOME GUIDELINES

Income refers to total cash receipts before taxes from all sources and for all household members. Exceptions are listed in the "Income Excludes" section that follows. The income guidelines are applicable to both farm and non-farm families.

Countable Earned income includes:

- Earnings from work as an employee (wages, salary, college work-study, commissions, tips)

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- Earnings from self-employment
- Training allowances paid to persons enrolled in sheltered work-shops
- Rental income, room and board
- Child Development and Care (CDC) and Chore services payments to providers paid by MDHHS

Allowable Expenses for Earned Income

Net income from employment or self-employment must be determined by deducting allowable expenses of employment from the gross amount received.

Expenses of employment are **limited** to the following:

- Apply a 25% deduction for mandatory withholding taxes to **all** gross earned income.
- Deductions required by the employer as a condition of employment. (See Note below)
- Deductions for health insurance (which includes dental insurance and vision insurance if payment is verified).
- The cost of dependent care (up to \$200 per qualifying child) for either of the following:
 - A dependent child who is less than 13 years old.
 - A person who is 13 years old or older who needs care due to a mental or physical impairment.

***NOTE:** Deductions for garnishment actions or expenses of **producing** self-employment income (such as capital expenditures, labor costs, transportation costs while on the job, materials, loan and property payments, taxes, insurance, etc.) are not allowed.

Countable Unearned Income

- FIP (Family Independence Program).
- SDA (State Disability Assistance).
- Social Security benefits – use the net amount received (net amount is the benefit amount remaining after allowable deductions)
- RSDI – Retirement Survivor’s Disability Insurance.
- SSI - Supplemental Security Income.

Note: Do not count reimbursement of Medicare premiums.

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- SSI -State Supplemental payments.
- Alimony, child support and child support participation payments.
- VA benefits, except clothing allowance or the court ordered amount for aid and attendance.
- Lump sum payments of accumulated monthly benefits.
- Payments from sick and accident insurance plans.
- Pensions and retirement benefits.
- Unemployment benefits.
- Worker's compensation.
- Strike benefits.
- Income received from the sale of property.
- Military allotments.
- Investment income, such as dividends, interest, and royalties paid directly to the client.
- Income from annuities, bonds, stocks, and trusts.
- Adoption subsidy payments.
- Guardianship Assistance Program (GAP) payments.

Allowable Expenses for Unearned Income

Net unearned income must be determined by deducting all of the following from the gross amount received:

- Mandatory withholding taxes if withheld from gross unearned income.
- Deductions required by the employer as a condition of employment.
- Deductions for health insurance (which includes dental insurance and vision insurance if payment is verified, and Medicare premiums when deducted from the gross Social Security benefit).

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- Medicare prescription plans or deductions other than Medicare premiums are not allowable expenses and should not be deducted from gross Social Security benefits.
- Court-ordered child support paid, including arrears, not to exceed the amount ordered by the court. No deduction is made for paid, voluntary child support.
- The cost of dependent daycare (up to \$200 per qualifying child & not paid by DHHS)

Income Excludes:

Do not count or verify income from the following sources:

- Reimbursement of Medicare premiums.
- Federal income tax return monies.
- Income in kind (not in the form of cash).
- Earned income of a dependent child when both of the following conditions are met:
 - The accumulated earnings are held in a savings account of which the dependent child who earned the money is the sole owner.
 - The accumulated earnings are not commingled with money from any other source.
- Michigan Homestead Property Tax Credit and Home Heating Credit.
- Earned Income Credit.
- All services program benefits paid by DHHS on behalf of a household member, (such as foster care and Child Development and Care payments).
- Income of the applicant's spouse when the applicant is in an emergency shelter as a victim of domestic violence.
- Reimbursement for past, current or future training-related, medical or volunteer expenses.
- Compensation awarded for a particular use (such as Victim's Compensation Award).
- Disaster relief assistance.
- Educational grants, scholarships and benefits.

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- Michigan Department of Community Health family support subsidy payments.
- WIC program benefits.
- Title VII nutrition program for the elderly.
- LIHEAP energy assistance benefits.
- Child nutrition and school lunch benefits.
- Food assistance benefits (FAP).
- Housing assistance that is paid pursuant to any state or federal law, including:
 - Title II of the Uniform Relocation and Real Property Acquisition Act of 1970.
 - U.S. Housing Act of 1937.
 - This includes Experimental Housing Allowance Program made under Annual Contribution Contracts entered into prior to January 1, 1975.
 - National Housing Act.
 - Section 101 of the Housing and Urban Development Act (HUD) of 1965.
 - Housing Choice Voucher Program (previously known as Section 8 Housing).
 - A utility allowance that is part of state or federal housing assistance program.

NOTE: Household members who are absent from the home for 90 consecutive days or more are excluded from the household and therefore, their income is excluded.

INCOME COMPUTATIONS

Establish the LCA income computation period and determine the household's countable income for the period.

- Computation Period: The LCA income computation period is 30 days in the future. The 30 day period begins the date the agency receives a signed application for deliverable heating fuel assistance.
- Countable income: verify and determine all non-excluded gross income the household expects to receive during the income computation period.

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EXAMPLE 1: On March 16 the client signs an application at the agency requesting deliverable heating fuel assistance. The income computation period is March 16 through April 14. (March has 31 days.)

EXAMPLE 2: On August 15 the outreach worker interviews the client in the client's home and receives a signed deliverable heating fuel assistance application. The income computation period is August 15 through September 14.

DOCUMENTATION OF INCOME

Projected income must be thoroughly documented and verified using third-party documentation. Client must provide proof of all income for the past 30 days. The following items are acceptable documentation:

- Copies of paychecks or pay stubs if dated within the last 60 days.
- W-2; Federal tax forms (1040, 1040EZ, etc.); Michigan state tax forms (MI-1040, etc.).
- Written statements from employers. Written statements from the department, organization or person administering the payment, which shows the monthly amount of the benefit, the amount of deductions, and confirming whether or not the deductions are mandatory.
- Written statements of persons paying money to a client member in cases where the client provides child care, chore services, room and board, or other services for pay.
- Alimony or spousal support statements/letters.
- Interest, annuities, or dividends statements/letters.
- Current award letters or benefit statements for unearned income that is only verified once per year such as SSI and Social Security benefits, Veterans benefits, or pension/retirement income. Letters or other documents from income sources (e.g., DHHS, Social Security, VA).
- Unemployment Compensation Benefit check stubs.
- If self-employed, accounting and other business records showing net income.
- Self-declaration of applicant, but only as a last resort. The intake worker should record the steps taken that will demonstrate a reasonable effort was made to obtain income documents.
- Other documents the program operator has reason to believe will verify the projected income of the household member(s).

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NOTE: Bank statements are NOT an acceptable form of income documentation. |

Client File

All household member documentation must be documented and scanned and uploaded into FACSPRO as one file under Customer Intake Documents. The client file must include the following (as applicable):

1. A copy of the Grantee client services application and/or FACSPRO Customer Report. The application/customer report must identify each member of the household as well as income sources and amounts for each member of the household being served. The client and the intake worker must sign the application.
2. A copy of all documents used to determine income eligibility; including self-declarations and documented phone conversations with caseworkers.
Note: If the household was prescreened by DHHS, retain a copy of the decision letter.
3. **Correct entry** for each income source for each individual in household for the next 30 days in FACSPRO.
4. Account Number
5. AwardPro in FACSPRO must be used to document payment to vendor for clients.
6. Demonstration of Need documentation showing household deliverable fuel is at or below 25% (not applicable for pre-buy).
7. If pre-purchasing propane for households, the documentation showing price per gallon and amount purchased agreement with vendor.
8. Completed Action Plan in FACSPRO.

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REFERENCES

- LIHEAP State Plan
- LIHEAP Crisis Assistance (LCA) Agreement

PURPOSE

The LCA Agreement requires the submission of programmatic reports. The report will indicate the total number of households served and the number of households served by demographics, and federal poverty levels. Additionally, the report will capture LIHEAP metrics, as required by the U.S. Department of Health & Human Services.

POLICY

BCAEO will use the LIHEAP Household Report in FACSPRO to report the unduplicated households and demographics upon request for each Grantee. The report requires Grantees to use Award Pro. BCAEO will also extract the following:

- Individual customer names
- Social Security Numbers
- Heating Fuel Type
- Award Amounts
- Demographics

This information will then be submitted to the Department of Health & Human Services LIHEAP program office.

BCAEO will utilize the LIHEAP Performance Measures FACSPRO System report for information on clients served with this program.

Reporting Schedule

All documentation and assistance files must be entered into FACSPRO using real time so that up to date information can be submitted as requested by the LIHEAP Program office.

The final report will be extracted from FACSPRO by BCAEO staff the first week of the end of the program year.

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Community Services Policy Manual	SUBJECT: Deliverable Fuel- Propane Summer Fuel Program		EFFECTIVE DATE 7/1/2016 ISSUE DATE 6/29/2016

REFERENCES

Low Income Home Energy Assistance Program: Crisis Assistance (LCA) Agreement
State of Michigan LIHEAP State Plan

PURPOSE

To provide guidelines for the Deliverable Fuel Program (LCA) Summer Fill Program, funded by Low Income Household Energy Assistance Program (LIHEAP).

POLICY

The Grantee may pre-purchase up to 850 gallons of propane or \$1200 in fuel (whichever is less) for LCA Summer fill eligible households by utilizing a propane company pre-purchase program.

The Grantee is required to use income that is at or below 150% of the poverty level, whichever is greater, to determine eligibility for LCA but priority must given to those households with elderly, children, disabled, and/or FIP.

Income eligibility is based on the total amount of household income expected to be received in the next 30 days which is determined by income received the last 30 days. The 30-day period includes the date of application.

INCOME GUIDELINES

See CSPM 1101 for income guidelines.

INCOME COMPUTATIONS

See CSPM 1101.

DOCUMENTATION OF INCOME

See CSPM 1101.

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Client File

1. A copy of the agency's client services application and/or FACSPRO customer report. The application must identify each member of the household as well as income sources and amounts for each member of the household being served. The client and the intake worker must sign the application.
2. A copy of all documents used to determine income eligibility; including self-declarations and documented phone conversations with caseworkers.
Note: If the household was prescreened by DHS, retain a copy of the decision letter.
3. **All** calculations for each income source for the next 30 days.
4. Award created in FACSPRO with account number and vendor.
5. Copy of signed pre-buy paperwork between customer (and/or agency) and vendor.