

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

DETAILED MODEL PLAN

PUBLIC LAW 97-35, AS AMENDED

FISCAL YEAR (FY) 2014

GRANTEE Michigan Department of Human Services for the State of Michigan

EIN: \_\_\_\_\_

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PLEASE CHECK ONE: TRIBE \_\_\_\_\_ STATE X INSULAR AREA \_\_\_\_\_

Department of Health and Human Services  
Administration for Children and Families  
Office of Community Services  
Washington, DC 20447

August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01

OMB Approval No. 0970-0075

Expiration Date: 04/30/2014

THE PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13)

Use of this model plan is optional. However, the information requested is required in order to receive a Low Income Home Energy Assistance Program (LIHEAP) grant in years in which the grantee is not permitted to file an abbreviated plan. Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Assurances

The State of Michigan/Department of Human Services agrees to:  
(Grantee Name)

(1) use the funds available under this title to--

(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

(D) plan, develop, and administer the State's program under this title including leveraging programs, and the State agrees not to use such funds for any purposes other than those specified in this title;

(2) make payments under this title only with respect to--

(A) households in which one or more individuals are receiving--

(i) assistance under the State program funded under part A of title IV of the Social Security Act;

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of—

(i) an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income; except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income.

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that—

(A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

(B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;

(7) if the State chooses to pay home energy suppliers directly, establish procedures to --

(A) notify each participating household of the amount of assistance paid on its behalf;

(B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

(C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and

(D) ensure that the provision of vendor payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;

(8) provide assurances that,

(A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and

(B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that--

(A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a fiscal year; and

(B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));

(10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");

(11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

(12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);

(13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and

(14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15) \* beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs.

**\* This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Neither territories with annual allotments of \$200,000 or less nor Indian tribes/tribal organizations are subject to Assurance 15.**

(16) use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

Certification to the Assurances: As Chief Executive Officer, I agree to comply with the sixteen assurances contained in Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended.\* By signing these assurances, I also agree to abide by the standard assurances on lobbying, debarment and suspension, and a drug-free workplace.

Signature of the Tribal or Board Chairperson or Chief Executive Officer of the State or Territory.\*\*

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**\* Indian tribes/tribal organizations, and territories with annual regular LIHEAP allotments of \$200,000 or less, are not subject to assurance 15, and thus must only certify to 15 assurances.**

**\*\* If a person other than the Chief Executive Officer of the State or territory, or Tribal Chairperson or Board Chairperson of a tribal organization, is signing the certification to the assurances, a letter must be submitted delegating such authority. (PLEASE ATTACH DELEGATION of AUTHORITY.) The delegation must include authority to sign the assurances, not just to administer the program.**

**\*\*\* HHS needs the EIN (Entity Identification Number) of the State, territory or Tribal agency that is to receive the grant funds before it can issue the grant.**

In the above assurances which are quoted from the law, "State" means the 50 States, the District of Columbia, an Indian Tribe or Tribal Organization, or a Territory; "title" of the Act refers to Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), as amended, the "Low Income Home Energy Assistance Act"; "section" means Section 2605 of OBRA; and, "subsection" refers to Section 2605(b) of OBRA.

## INTRODUCTION

The Low Income Home Energy Assistance Act of 1981 (title XXVI of the Omnibus Budget Reconciliation Act of 1981), as amended, authorizes grants to states "to assist low-income households, particularly those with the lowest incomes, that pay a high proportion of household income for home energy, primarily in meeting their immediate home energy needs." This document is based on anticipated federal funding for Michigan. However, all State Plan components, funding allocations, and benefit levels indicated within this document are subject to change.

The Michigan Department of Human Services (DHS), as the designated lead agency responsible for the administration of these funds, has, in cooperation with other agencies, prepared this State Plan. The plan calls for the utilization of services from the Department of Human Services and the Department of Treasury. The components of Michigan's energy assistance effort and the responsible agency for each are as follows:

- Home Heating Credit: Department of Treasury
- Crisis Intervention and a \$1 LIHEAP pilot program: Department of Human Services
- Weatherization: Department of Human Services

The above multi-component structure is similar to previous Michigan energy program designs which have worked well in this state. Basic maintenance benefits are issued through the Home Heating Credit. Crisis intervention is provided through State Emergency Relief (SER) energy services. The \$1 LIHEAP pilot program provides a small LIHEAP benefit for heat but results in a much larger benefit for households that receive food assistance by allowing a higher standard utility allowance and resulting increased food benefits. Weatherization services round out Michigan's strategy to meet the energy assistance needs of the state's low income population.

Through this comprehensive program design, Michigan will serve the varied needs of the state's low income population in an equitable manner. This structure allows households to receive the types of energy assistance which best meet their needs, while utilizing delivery mechanisms that have proven effective in past energy programs.

statutory  
references

2605(a)

2605(b)(1) → Please check which components you will operate under the LIHEAP program.  
(Note: You must provide information for each component designated here as requested elsewhere in this plan.)

(use of funds)		<u>Dates of Operation</u>
	<input checked="" type="checkbox"/> heating assistance	<u>Oct. 1, 2013 - Sept. 30, 2014</u>
	<input type="checkbox"/> cooling assistance	_____
	<input checked="" type="checkbox"/> crisis assistance	<u>Year Round as Funding Allows</u>
	<input checked="" type="checkbox"/> weatherization assistance	<u>Year Round as Funding Allows</u>
	<input checked="" type="checkbox"/> \$1 LIHEAP Pilot Program	<u>Oct. 1, 2013 – Sept. 30, 2014</u>

2605(c)(1)(C) → Please estimate what amount of available LIHEAP funds will be used for each component that you will operate: **The total of all percentages must add up to 100%.**

(use of  
funds)

	<u>33.46</u> % heating assistance
	<input type="checkbox"/> % cooling assistance
	<u>56.16</u> % crisis assistance
2605(k)(1)	<input type="checkbox"/> % weatherization assistance
	<input type="checkbox"/> % carryover to the following fiscal year
2605(b)(9)	<u>10</u> % administrative and planning costs
2605(b)(16)	<input type="checkbox"/> % services to reduce home energy needs including needs assessment (assurance 16)
	<input type="checkbox"/> % used to develop and implement leveraging activities (limited to the greater of 0.08% or \$35,000 for States, the greater of 2% or \$100 for territories, tribes and tribal organizations).
	<u>.38</u> % \$1 LIHEAP Pilot Program
	<u>100%</u> <b>TOTAL</b>



statutory  
references

2605(c)(1)(C)

➔The funds reserved for winter crisis assistance that have not been expended by March 15 will be reprogrammed to:

(alternate use  
of crisis assistance  
funds)

\_\_\_\_\_ heating assistance

\_\_\_\_\_cooling assistance

\_\_\_\_\_weatherization assistance

X  Other(specify): Michigan’s crisis assistance operates under the State Emergency Relief (SER) program. This program provides assistance from Nov. 1 to May 31. LIHEAP funds may also be used to support the Energy Direct Program.

➔Do you accept applications for energy crisis assistance at sites that are geographically accessible to all households in the area to be served? (This is required by the statute.)

Yes  X  No \_\_\_\_\_

2605(b)(2)

2605(c)(1)(A)

➔What are your maximum eligibility limits?  
(Please check the components to which they apply.)

**Current year guidelines must be used.**

(eligibility)

X  150% of the poverty guidelines:

heating \_\_\_\_\_ cooling \_\_\_\_\_ crisis  X  wx  X

\_\_\_\_\_125% of the poverty guidelines:

heating \_\_\_\_\_ cooling \_\_\_\_\_ crisis \_\_\_\_\_ wx \_\_\_\_\_

X  110% of the poverty guidelines:

heating  X  cooling \_\_\_\_\_ crisis \_\_\_\_\_ wx \_\_\_\_\_

\_\_\_\_\_60% of state median income:

heating \_\_\_\_\_ cooling \_\_\_\_\_ crisis \_\_\_\_\_ wx \_\_\_\_\_

X  Other (Specify), 60% of state median income:  
\$1 LIHEAP Pilot Program

\_\_\_\_\_ Households automatically eligible if all persons in the group are receiving: \_\_\_\_\_ TANF, \_\_\_\_\_ SSI, \_\_\_\_\_ Food Stamps, \_\_\_\_\_ Certain means-tested veterans programs (heating \_\_\_\_\_ cooling \_\_\_\_\_ crisis \_\_\_\_\_ wx \_\_\_\_\_)

statutory  
references

2605(c)(1)(A) → Do you have additional eligibility requirements for:  
2605(b)(2) **HEATING ASSISTANCE:** (  Yes  No)

(eligibility)

→ Do you use:	<u>Yes</u>	<u>No</u>
Assets test?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

→ Do you give priority in eligibility to:

Elderly?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disabled?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Young children?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other: (If Yes, please describe)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Home Heating Credit Application Criteria:

All low income households may apply for the Home Heating Credit. The Michigan Department of Treasury, via an agreement with the Michigan Department of Human Services, will be responsible for determining eligibility and processing payments.

Application forms and instruction booklets for the Home Heating Credit will be available from the Department of Treasury, DHS, tax preparers and public websites beginning in January of each year. The booklets are also mailed to all households that qualified for the Home Heating Credit in the previous year, to low-income and senior citizen households which appear eligible but did not apply for the credit last year, and to DHS cash assistance recipients. The application form may be completed in the applicant's home and submitted any time between January 1 and September 30 of each tax year to be processed for a possible LIHEAP-funded benefit.

Both homeowners and renters are eligible. By law, however, residents of congregate care facilities (e.g. adult foster care homes, nursing homes, homes for the aged and substance abuse treatment centers) are ineligible.

Many of the low income households which meet the income maximums for the Home Heating Credit are recipients of Family Independence Program (FIP – Michigan’s TANF program), Supplemental Security Income (SSI), Food Assistance Program (FAP – Michigan’s version of the federal Supplemental Nutrition Assistance Program otherwise known as SNAP) and certain means-tested Veteran's Benefits.

Most credit applications are processed within 30 days of receipt. However, during the peak income tax filing period beginning about March 15th, some applications may exceed the 30 day standard of promptness. If an incomplete application is received, the application will be pended and the applicant notified of the need for additional information. Upon receipt of the required information, the application will be processed, and eligibility determined. Assuming funds have not been exhausted; applications pending on September 30 will be processed for a LIHEAP-funded credit if all information is supplied by December 1. Applications processed after this date will be state funded.

Eligibility Criteria:

There are two Home Heating Credit calculation methods. The standard calculation considers income and number of exemptions in determining benefit amount. The alternate calculation takes into account income, number of exemptions, and household heating costs in determining benefits. An applicant is given the option of choosing the calculation method that is most advantageous.

Under the standard calculation, Home Heating Credits are issued to applicants with income at or below the following levels (all income maximums are below 60% of state median income and equal to or above 110% of federal poverty guidelines):

<u>Exemptions:</u>	1	2	3	4	5	6
<u>Income Maximum:</u>	\$12,642	\$17,071	\$21,500	\$25,929	\$30,328	\$34,757

Add \$4,422 for each additional exemption

Using the alternate calculation, a Home Heating Credit applicant must have income at or below the following amounts:

<u>Exemptions:</u>	1	2	3	4 or more
<u>Income Maximum:</u>	\$13,317	\$17,920	\$22,527	\$23,618

### \$1 LIHEAP Pilot Program Eligibility Criteria:

A \$1 LIHEAP pilot program was implemented to aid all Food Assistance households with their energy expenses. The Food Assistance Program (FAP) assists low-income individuals and families with the cost of food. Issuing this \$1 LIHEAP allows DHS to use the highest possible heat and utility deduction when determining the client's food assistance and may increase their benefit amount. The objective of the program is to generate additional resources for vulnerable households, increasing the likelihood that Michigianians will maintain affordable housing and sustain heat. The \$1 LIHEAP pilot program also reinforces outreach efforts as outlined in Section 2605(b)(3) and program coordination in 2605(b)(4) of the LIHEAP Statute.

Households determined eligible for FAP will receive a \$1 LIHEAP payment on their EBT card, in a cash account. Current fiscal controls and fund accounting procedures will be followed to assure proper disbursement of the funds used for the \$1 LIHEAP program. Applications are not required to be filed by the household for this program. For every \$1 LIHEAP case, a notice is generated. One letter is sent for all cases that are experiencing a change in benefits and a second generic letter is being sent to clients who do not have a change in their FAP amount. Clients are informed that the \$1 payment is to be used toward energy bills or weatherization.

statutory  
references

2605(c)(1)(A)  
2605(b)(2)

→Do you have additional eligibility requirements for:  
**COOLING ASSISTANCE**: (  Yes  No)

(eligibility)

→Do you use: Yes No

Assets test? — —

→Do you give priority in eligibility to:

Elderly? — —

Disabled? — —

Young children? — —

Other:  
(If Yes, please describe) — —

statutory  
references

2604(c)  
2605(c)(1)(A)

→Do you have additional eligibility requirements for:  
**CRISIS ASSISTANCE** ( X Yes \_\_\_\_\_ No)

(eligibility)

	<u>Yes</u>	<u>No</u>
→Do you use:		
Assets test?	<u>X</u>	—
Must the household have received a shut-off notice or have an empty tank?	—	<u>X</u>
Must the household have exhausted regular benefit? <i>(In order to receive an exception payment)</i>	<u>X</u>	—
Must the household have received a rent eviction notice?	—	<u>X</u>
Must heating/cooling be medically necessary?	—	<u>X</u>
Other (Please explain):	<u>X</u>	—
<i>A residential fuel tank must not contain more than 25% of its heating fuel capacity, A notice that the balance in a prepayment account is below a minimum amount, and the presence of a past due notice, not just a shut off notice, constitutes an emergency. Additionally, DHS will be implementing a crisis season which runs from November 1 through May 31.</i>		

**CRISIS INTERVENTION**

The LIHEAP crisis intervention component will be coordinated with Michigan's existing State Emergency Relief (SER) program and the Michigan Energy Assistance Program, Public Act 615. SER will also continue to provide a wide range of non-energy emergency services. Michigan's energy-related emergency services to low income households will be provided through the SER energy services component.

An automatic payment process (Energy Direct) for eligible FIP, SSI and FAP recipients will be completed with utilities that opt to participate in the process. The cost for SER energy services will be covered with LIHEAP and available state funds. This emergency component is available year-round as funding allows and is not subject to the crisis season described

above. Participating providers will enter into a contract agreement with the DHS.

Eligible Population/Application Process:

The SER energy services component is administered by DHS offices that perform intake, eligibility determinations and certain payment functions. With the exception of a few counties (where the local office operations are combined with an adjoining county), there is at least one local office in each Michigan county and multiple offices in metropolitan areas. Outreach will be conducted and applications will also be available at community-based organizations statewide. In-home applications are available to individuals who are physically infirm. Applications for the Home Heating Credit and crisis assistance are available on the public websites, [www.michigan.gov/heatingassistance](http://www.michigan.gov/heatingassistance) and [www.michigan.gov/dhs](http://www.michigan.gov/dhs). Applications obtained from these websites must be printed and mailed to the local DHS offices.

An electronic application for energy crisis assistance is also available through the MI Bridges website: <https://www.mibridges.michigan.gov/access>. Along with the electronic application, there is also a web service interface with participating energy providers. Applicants who apply through MI Bridges have the option to have their energy account information verified, during the application process, if their provider is an active participant in the web service feature.

Face-to-face interviews are required for persons who are applying for SER energy services and are previously unknown to the agency, unless waived by the local office director. Exceptions will be made for certain services when coordinated with other energy-related efforts, such as weatherization. The face-to-face interview is waived for individuals receiving program benefits and applicants using the electronic application process.

Eligibility will be determined within 10 calendar days after the date of application. Eligibility staff will contact the energy provider to secure a hold on the shutoff to resolve any immediate crisis. This allows staff time to obtain verifications and make a proper determination of eligibility. For those providers participating with the web service interface in conjunction with the electronic applications, there may be a hold placed at the time the applicant submits the application in MI Bridges. If the provider does not grant a hold electronically, the worker is able to contact the energy provider and request a hold on the account. In the case of a deliverable fuel need, staff will determine eligibility and authorize a delivery, if eligible, on the date of application. If a furnace repair/replacement is needed, staff will determine if the housing is safe. If not, payment is made for emergency shelter until repairs can be completed.

LIHEAP applicants determined to be in fugitive felon status with the Michigan State Police are not eligible for LIHEAP assistance. Their

presence disqualifies the group. An Electronic Document Management (EDM) system has been implemented as a pilot program. This capability allows the pilot county to become paperless. All documents and verifications submitted to the DHS office are scanned and electronically stored in the case record.

Eligibility Criteria:

Eligibility for the SER energy services component is based on the household's demonstration of immediate need for assistance with home heating fuel, electricity, or energy-related home repairs. Immediate need may be demonstrated by a declared need for a deliverable fuel such as fuel oil, LP gas, wood and coal; presentation of a notice that the balance in a prepayment account is below a minimum amount; past due or shut-off notice for natural gas or electricity; verified need for energy-related home repairs of a home owned or being purchased; or notification received from a participating provider via an electronic file or web service interface that a household's natural gas and/or electric account is in past due or shutoff status.

Agreements with certain utilities may specify other demonstrations of need. Some cash assistance clients, who are customers of those utilities, may voluntarily elect to have their required energy payment issued on their behalf directly to the provider.

Energy Direct is available for eligible FIP, SSI and FAP recipients of select utilities that opt to participate in the process. The energy direct process will be utilized for providers who have implemented low income pilot programs for energy customers. DHS will receive an electronic file from the participating provider which will include account details for those who qualify based on the contractual terms of the provider's pilot program. The participating providers guarantee no shutoff for a minimum of 30 days after payment is guaranteed.

Customers who voluntarily enroll in their provider's low income pilot program are not eligible to receive regular SER payments. Should a participant fail out of the pilot program, the local office staff may refer the group to a local community action agency for assistance.

Both homeowners and renters are eligible for energy assistance through SER energy services. Only homeowners are eligible for furnace repairs or replacements.

In addition to immediate need, SER energy services eligibility is based on income to be received in the 30-day period following application. Income is defined as the total income received by all members of the SER group. Certain forms of income, such as disaster relief, child foster care payments and educational benefits, are excluded. Clients that are receiving FIP, FAP and/or SSI are deemed to be income eligible as income verification was required at case opening, report of a change or via data exchange with the



payer. Clients that are not receiving FIP, FAP or SSI must verify the income they expect to receive in the 30-day period following application.

All households will have their income compared to the LIHEAP Income Limit established as 150% federal poverty level. Two results can occur:

1. The group's income will be less than or equal to 150% of federal poverty level, (the group will be eligible for SER energy services on the basis of income), or

2. The group's income will be greater than 150% of the federal poverty level, (the group will not be eligible for SER energy services on the basis of income).

All households meeting the LIHEAP income limit are income-eligible for this emergency component.

Categorically eligible groups automatically meet income criteria. There is no requirement that the categorically-eligible household make required payments toward their energy bills prior to application. These households may receive crisis payments if the energy bill is in the name of the head of household or the head of household's spouse, the bill is for service received at the client's address, the client is not an ineligible or minor grantee and there are no household members who are disqualified from the FIP, FAP or SSI programs.

*(System changes are being scheduled to eliminate categorical eligibility in fiscal year 2014 in order to promote self-sufficiency as required by Michigan's Public Act 615.)*

➔What constitutes a crisis? (Please describe)

Eligibility for the SER energy services component is based on the household's demonstration of immediate need for assistance with home heating fuel, electricity, or energy-related home repairs. Immediate need may be demonstrated by:

- a declared need for a deliverable fuel such as fuel oil, LP gas, wood, and coal;
- presentation of a notice that the balance in a prepayment account is below a minimum amount, presentation of a past due or shut-off notice for natural gas or electricity;
- notification received from a participating provider via a web service interface that a household's natural gas and/or electric account is in past due or shut-off status or below a minimum amount if a prepayment account;
- notification received from a participating Energy Direct provider via an electronic file that a household qualifies for payment;
- a verified need for a furnace repair or replacement of a non-functioning furnace. This is allowed only if the home is owned, being purchased or a group member holds a life estate on the home with the responsibility

for home repairs and the home must be the group's permanent, usual residence.

GRANTEE State of Michigan/Department of Human Services

FFY 2014

statutory  
references

2605(c)(1)(A)

→Do you have additional eligibility requirements for:  
**WEATHERIZATION** ( X Yes \_\_\_ No)

(eligibility)

→Do you use:

Yes No

Assets test?

\_\_\_ X

Priority groups? (Please list)

X \_\_\_

Elderly, disabled, TANF (FIP) recipients, SSI recipients,  
FAP recipients, high energy use, high energy burden.

→Are you using Department of Energy (DOE) Low  
Income Weatherization Assistance Program (LIWAP)  
rules to establish eligibility or to establish priority  
eligibility for households with certain characteristics?

→If Yes, are there exceptions?

X \_\_\_

Please list below.

60% state median income or 200% of poverty level  
whichever is greater.

statutory  
references  
2605(b)(3)  
2605(c)(3)(A)  
  
(outreach)

→ Please check the outreach activities that you conduct that are designed to assure that eligible households are made aware of all LIHEAP assistance available:

     provide intake service through home visits or by telephone for the physically infirm (i.e. elderly or disabled).

     place posters/flyers in local and county social service offices, offices of aging, Social Security offices, VA, etc.

  X   publish articles in local newspapers or broadcast media announcements.

  X   include inserts in energy vendor billings to inform individuals of the availability of all types of LIHEAP assistance.

  X   make mass mailing to past recipients of LIHEAP.

  X   inform low income applicants of the availability of all types of LIHEAP assistance at application intake for other low-income programs.

  X   execute interagency agreements with other low-income program offices to perform outreach to target groups.

  X   other (Please specify):

Michigan informs low-income applicants of the availability of LIHEAP via notices to clients, State web-sites, letters, posters, publications, weatherization referrals, etc.

A \$1 LIHEAP pilot program was implemented to aid all Food Assistance households with their energy expenses. The Food Assistance Program (FAP) assists low-income individuals and families with the cost of food. Issuing this \$1 LIHEAP allows DHS to use the highest possible heat and utility deduction when determining the client's food assistance and may increase their benefit amount. The objective of the program is to generate additional resources for vulnerable households, increasing the likelihood that Michigianians will maintain affordable housing and sustain heat. For every \$1 LIHEAP case, a notice is generated informing the household that the \$1 payment is to be used toward energy bills or weatherization.

statutory  
references

2605(b)(4)

→ Please describe how you will assure that LIHEAP is coordinated with similar and related programs. The description provided applies to all components unless specifically noted.

(coordination)

The LIHEAP crisis intervention component will be coordinated with Michigan's existing SER program. SER will continue to provide a wide range of non-energy emergency services. Michigan's energy-related emergency services to low income households will be provided through the SER energy services component. The cost for SER energy services will be covered with LIHEAP and available state funds. This emergency component is available year-round, as funding allows.

LIHEAP weatherization will be coordinated with US Department of Energy Weatherization Assistance Program. Local weatherization operators coordinate the LIHEAP and DOE funds to meet weatherization needs at the local level.

The \$1 LIHEAP pilot project will be coordinated with the FAP program. The pilot program was implemented to aid all FAP households with their energy expenses. FAP assists low-income individuals and families with the cost of food. Issuing this \$1 LIHEAP allows DHS to use the highest possible heat and utility deduction when determining the client's food assistance and may increase their benefit amount. The objective of the program is to generate additional resources for vulnerable households, increasing the likelihood that Michigianians will maintain affordable housing and sustain heat.

statutory  
references

2605(b)(5)  
2605(b)(2)  
2605(b)(8A)

→The statute requires that there be no difference in the treatment of households eligible because of their income and those eligible because they receive benefits under TANF, Food Stamps, SSI, or certain means-tested veterans programs ("categorically eligible"). How do you ensure there is no difference when determining eligibility and benefit amounts? This applies to all components unless specifically noted below.

(benefit  
levels)

SER energy services are available to all low income households in Michigan. The household members may or may not be recipients of other forms of public assistance.

Energy assistance maintenance benefits are available to all low-income households through the Home Heating Credit.

All low-income households, including recipients of the Family Independence Program (FIP) may apply for the Home Heating Credit. The Michigan Department of Treasury, via an agreement with the Michigan Department of Human Services, will be responsible for determining eligibility and processing payments.

### **HEATING COMPONENT**

2605(b)(5) →Please check the variables you use to determine your benefit levels (check all that apply):

(determination  
of benefits)

- income
- family (household) size
- home energy cost or need
  - fuel type
  - climate/region
  - individual bill
  - dwelling type
  - energy burden  
(% of income spent on home energy)
  - energy need
  - other (describe)

statutory  
references

2605(b)(5)  
2605(c)(1)(B)

(benefit  
levels)

→ Describe how you will assure that the highest benefits go to households with the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size.

Please describe benefit levels or attach a copy of your payment matrix.

**HOME HEATING CREDIT:**

Payment Levels: Under the standard calculation, the credit is based on the number of exemptions claimed by the household and income. The number of household exemptions is the number of household members plus a special exemption for each person who is blind, deaf, disabled or blind, and a qualified veteran. The credit is calculated by subtracting 3.5 percent of household resources from the maximum credit available for corresponding household exemptions. The maximum credits are:

<u>Exemptions</u>	1	2	3	4	5	6
<u>Maximum Credit</u>	\$443	\$598	\$753	\$908	\$1,062	\$1,217

Add \$155 for each additional exemption.

As noted above, the alternate calculation is based on household resources, exemptions and heating costs. To compute the credit amount a household with income at or below the maximum corresponding to household exemptions would subtract 11% of household income from annual heating costs up to a maximum amount of \$2,598 and multiply the resulting amount by 70%.

For those who rent with heat included at the time of application, the Home Heating Credit is 50% of the amount they would have otherwise received.

Finally, Home Heating Credits, both those computed using the standard calculation and the alternate calculation will be uniformly reduced. The reduction is required to ensure that Home Heating Credit expenditures do not exceed available federal LIHEAP funds. The reduction factor will be 48% should federal LIHEAP funding meet current expectation. Therefore, as a last step, amounts arrived at by using the standard calculation or the alternate calculation will be multiplied by 48% to determine the final Home Heating Credit payment level.

Benefits will be issued as an energy draft or vendor payment if the household has a direct responsibility to an energy supplier for heating costs or as a warrant if heat is included in the rent.

→ Do you provide in-kind (e.g., blankets, space heaters) and/or other forms of benefits? ( \_\_\_ Yes  X  No) If Yes, please describe.

statutory  
references

2605(b)(5)  
2605(c)(1)(B)

**COOLING COMPONENT**

➔ Please check the variables you use to determine your benefit levels (check all that apply):

(determination  
of benefits)

- income
- family (household) size
- home energy cost or need
  - fuel type
  - climate/region
  - individual bill
  - dwelling type
  - energy burden  
(% of income spent on home energy)
  - energy need
  - other (describe)

2605(b)(5)  
2605(c)(1)(B)

➔ Describe how you will assure that the highest benefits will go to households with the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size. Please describe benefit levels or attach a copy of your payment matrix.

(benefit  
levels)

➔ Do you provide in-kind (e.g. fans) and/or other forms of benefits?

(  Yes  No) If Yes, please describe.

statutory  
references

2605(b)(5)  
2605(c)(1)(B)

(determination  
of benefits)

### **CRISIS COMPONENT**

➔How do you handle crisis situations?

- separate component  
 other (please explain)

➔If you have a separate component, how do you determine crisis assistance benefits?

- amount to resolve crisis, up to maximum  
 other (please describe)

#### CRISIS ASSISTANCE:

Households meeting the eligibility criteria (see crisis assistance eligibility above) are eligible for energy services under the SER program at the following benefit levels:

#### Payment Levels:

SER energy services covered by LIHEAP include:

Heating Fuel: Payment is provided for any type of fuel used to heat the dwelling unit up to an annual maximum as follows:

- \$450 for households which heat with natural gas or wood.
- \$850 for households which heat with deliverable fuel, other than wood (i.e. LP Gas/propane, fuel oil and coal.)

Electricity: Payment is provided for electricity needed to operate the heating system or to provide energy to the dwelling unit to make it livable, up to an annual maximum of \$450 per household.

Payment for heating fuel or electricity is made to prevent shut-off or to restore the service when it is essential to prevent serious harm. Payment is the minimum amount necessary to prevent shut-off or to restore service, and may include connection or hook up fees, which will not be waived by the provider. Payments in excess of the maximums may be made on an exception basis.



Home Repairs: Payment for energy-related home repairs is the minimum necessary to maintain a decent, safe, warm dwelling unit. Repair or replacement of a non-functioning furnace is currently the only allowable energy-related home repair. The lifetime maximum for energy-related home repairs is \$4,000. Exceptions may be granted for unique and unusual circumstances by a central authority. Unique and unusual circumstances may include: the household has no money to pay for the repair, the household may have used their money for employment-related expenses or some other crisis or the lives of household members may be in jeopardy.

Payments for SER energy services will be made within 30 calendar days of receipt of the authorization/invoice from the provider, however, resolution of the emergency occurs more quickly. Because of a close working relationship with providers, emergency situations are most often resolved by a commitment to pay. Resolution of the emergency situation occurs within 48 hours after eligibility determination or within 18 hours if the situation is life threatening.

Whenever possible, payments will be made directly to the heating fuel, electricity, or home repair provider. If an enrolled provider cannot be found to deliver the service, a payment will be made by the local DHS office to the head of the household for use in securing the needed service.

(benefit levels)

➔ Please indicate the maximum benefit for each type of crisis assistance offered.

heating                    \$ \_\_\_\_\_ maximum benefit

cooling                    \$ \_\_\_\_\_ maximum benefit

year-round                \$ varies based on service type (see payment levels above) maximum benefit

➔ Do you provide in-kind (e.g. blankets, space heaters, fans) and/or other forms of benefits?

Yes    No   If Yes, please describe.

statutory  
references

2605(b)(5)  
2605(c)(1)  
(B) & (D)

**WEATHERIZATION & OTHER ENERGY RELATED  
HOME REPAIR AND IMPROVEMENTS**

➔What LIHEAP weatherization services/materials do you provide? (Check all categories that apply.)

(types of  
assistance)

Weatherization needs assessments/audits.  
 Caulking, insulation, storm windows, etc.  
 Furnace/heating system modifications/repairs  
 Furnace replacement  
 Cooling efficiency mods/repairs/replacement  
 Other (Please describe)

(benefit  
levels)

➔Do you have a maximum LIHEAP weatherization benefit/expenditure per household?  Yes  No

If Yes, what is the maximum amount? \$ 6,600  
(See "Maximum Average Cost per Unit" described below)

➔Under what rules do you administer LIHEAP weatherization? (Check only one.)

(types of  
rules)

Entirely under LIHEAP (not DOE) rules  
 Entirely under DOE LIWAP rules  
 Mostly under LIHEAP rules with the following DOE LIWAP rule(s) where LIHEAP and LIWAP rules differ (Check all that apply):

Weatherize buildings if at least 66% of units (50% in 2 & 4 unit buildings) are eligible units or will become eligible within 180 days.

Weatherize shelters temporarily housing primarily low income persons (excluding nursing homes, prisons, and similar institutional care facilities).

Other (Please describe)

Mostly under DOE LIWAP rules with the following LIHEAP rule(s) where LIHEAP and LIWAP rules differ (Check all that apply.)

Weatherization not subject to DOE LIWAP maximum statewide average cost per dwelling unit.

Other (Please describe.)

**LIHEAP WEATHERIZATION-****BACKGROUND:**

Grantees are required to administer the LIHEAP grant following U.S. Department of Energy Weatherization Assistance Program Regulations and the State of Michigan Annual LIHEAP State Plan.

**POLICY:**

LWOs are required to administer this grant following HHS LIHEAP regulations and U.S. Department of Energy (DOE) Weatherization Assistance Program (WAP) regulations.

**The Grantee will determine which weatherization measures will be completed on an eligible dwelling unit in accordance with the Technical Weatherization Policy Manual.**

LIHEAP funds may be used to:

- complete additional measures on DOE units. The DOE approved audit must determine the additional measures installed. These homes must be identified as DOE/LIHEAP units on the Monthly Programmatic Report.
- weatherize non-DOE units when the weatherization measures installed are determined by the DOE approved audit. These homes must be identified as LIHEAP Only units on the Monthly.
- provide client energy education services for low-income households at or below 150% of federal poverty level.

Water Heaters

- Water heaters may be replaced in compliance with the Technical Weatherization Policy Manual, Section 3600. To replace a water heater, the appliance must be inoperable or documented as faulty or inefficient by a utility or repairperson.
- An electric water heater meeting the criteria above can be replaced with either another electric water heater or a water heater using another fuel source. Any reasonable changes associated with conversion from electricity to another fuel source can also be included.
- Funds cannot be used to convert to an electric water heater from another fuel source.

Roof/Furnace Repairs or Replacements are permitted as follows:

- Roof repairs are permitted on owner and rental units.
- Roof replacements are only permitted on owner-occupied units.

- Furnace repairs/replacements are limited to \$1,500 per home. The Grantee may make an exception to this limit if the Grantee determines that circumstances warrant an exception. Documentation covering the reason for the exception must be placed in the client file

Examples of documentation include but are not limited to a health or safety issue, the home cannot be weatherized until the repair/replacement is completed; the home is in a historical preservation neighborhood or has other unique or costly features.

**Note:** Exceptions are to the \$1,500 limit only. No exceptions are allowed to income eligibility guidelines or the \$6,600 average unit maximum.

#### Maximum Average Cost per Unit

- The maximum allowable average cost per unit for LIHEAP expenditures for material and labor cost is \$6,600.

**Note:** If the cost of a roof repair or replacement is more than the Grantee can allow, in order to stay within the maximum average cost per unit, the Grantee should discuss with the home owner the option of paying the overage and refer them to their local CDBG provider for information on low or no-interest home repair loans.

#### Income Eligibility:

Income eligibility will be determined based on 200% of the poverty income guidelines or 60% of state median income, whichever is higher, following the eligibility determination procedures in CSPM Item 701, LIHEAP Income Eligibility Guidelines.

2605(b)(6) The state or tribe administers LIHEAP through the following local agencies:  
 X  county welfare offices  
 X  community action agencies (weatherization component only)  
 X  community action agencies (crisis for deliverable fuel as  
(agency funding allows)  
designation) \_\_\_\_\_ charitable organizations  
\_\_\_\_\_ not applicable (i.e. state energy office)  
\_\_\_\_\_ tribal office  
 X  other, describe: One Limited Purpose Agency (weatherization  
component only)

➔Have you changed local administering agencies from last year?  
\_\_\_\_\_ Yes  X  No

If Yes, please describe how you selected them.

➔What components are affected by the change?

2605(c)(1)(E) ➔Please describe any additional steps (other than those described elsewhere  
in this plan) that will be taken to target assistance to households with high  
home energy burdens. **(This applies to all components. If all steps to  
target households with high home energy burdens are described  
elsewhere in the plan, no further information is required here.)**  
(targeting of assistance) All steps are described elsewhere in the plan.

statutory  
references

2605(b)(7)  
(energy  
suppliers)

➔Do you make payments directly to home energy suppliers?

Heating  Yes  No

Cooling  Yes  No

Crisis  Yes  No

If Yes, are there exceptions?  Yes  No

If Yes, please describe.

Home Heating Credit: Benefits will be issued as an energy draft or vendor payment if the household has a direct responsibility to an energy supplier for heating costs or as a warrant if heat is included in the rent.

Crisis: Benefits will be issued directly to the energy supplier for the amount needed to resolve the crisis, up to the yearly maximum.

2605(b)(7)(A)

➔If you make payments directly to home energy suppliers, how do you notify the client of the amount of assistance paid? (Please describe)

Clients are issued a statement notifying them of the amount of assistance paid if a payment is made to their energy supplier.

2605(b)(7)  
(B) & (C)

➔How do you make sure the home energy supplier performs what is required in this assurance? If vendor agreements are used, they may be attached. Indicate each component for which this description applies.

#### HEATING ASSISTANCE (HOME HEATING CREDIT) & CRISIS ASSISTANCE

Department of Human Services: DHS has 3,000 active energy suppliers enrolled in the program. The suppliers are required to sign a participation agreement that assures non-discrimination against eligible households. Vendor payments for SER energy services and energy drafts may be accepted only by enrolled energy suppliers. Local offices have access to the provider file through online inquiry. Payments may only be authorized to

enrolled suppliers. The Department of Treasury will not redeem energy drafts submitted by non-enrolled energy suppliers.

Home repair service providers must agree to non-discrimination provisions before payment will be made from the SER energy services component. All home repair service providers must be licensed by the State of Michigan Department of Energy, Labor and Economic Growth. The Authorization/Invoice utilized for the program must be signed by the provider to assure the provider's agreement with these provisions. A notice is sent to all SER energy services recipients subsequent to the issuance of payment to notify the client of the date of payment, amount of payment, and provider paid on his/her behalf.

statutory  
references

2605(b)(8)(B) → Is there any difference in the way owners and renters are treated? If Yes, please describe.

(owners  
and  
renters)

**HEATING ASSISTANCE**

Yes  No

For those who rent with heat included at the time of application, the Home Heating Credit is 50% of the amount they would have otherwise received.

**COOLING ASSISTANCE**

Yes  No  N/A

**CRISIS ASSISTANCE**

Yes  No

Under the SER program, only homeowners are eligible for energy-related home repairs.

**WEATHERIZATION**

Yes  No

Only owner-occupied homes are eligible for roof replacement.



statutory  
references

2605(b)(10)

➔How do you ensure good fiscal accounting and tracking of LIHEAP funds? (Please describe. Include a description of how you monitor fiscal activities.)

Michigan will cooperate with the Secretary with respect to data collection.

Department of Human Services: Fiscal control and fund accounting procedures will be established to assure proper disbursement of and accounting for all federal funds received. Inter-agency agreements (contracts) will specify the responsibilities of any state department and the DHS in the disbursement of federal funds and reporting the required data and fiscal information to the U.S. Department of Health and Human Services. Involved state departments will cooperate with federal investigations undertaken in accordance with section 2608 of the Low Income Home Energy Assistance Act of 1981, as amended.

Department of Treasury: Treasury personnel will regularly review the Home Heating Credit process and will submit monthly reports to DHS. The Department of Treasury will establish fiscal control and fund accounting procedures to assure proper disbursement of and accounting for all federal funds.

(program,  
fiscal  
monitoring,  
and audit)

➔How do you monitor program activities? (Please be sure to include a description of how you monitor eligibility and benefit determination.)

Monitoring will be completed by administrative or regional staff via local office visits and/or local administrative case reviews to ensure compliance with SER energy services policies as well as with outreach, public participation and administrative requirements of the program.

DHS will be responsible for assuring that an audit of all components of the energy assistance program as described within this plan is completed.

Community Action Agencies and Limited Purpose Agencies: Program and fiscal operations of sub-grantees are monitored using the following:

- Contracts with Weatherization and crisis assistance sub-grantees require compliance with mutually agreed upon budgets and established accounting procedures.
- DHS staff conduct on-site visits to each sub-grantee reviewing application processes, eligibility documentation, payment systems,

accounting procedures, service delivery, compliance with technical weatherization requirements and other contractual responsibilities.

- DHS Office of Monitoring and Internal Control review of sub-grantee A-133 Audit reports.
- Staff review of regularly submitted sub-grantee reports.
- Routine staff telephone contact with sub-grantees to answer questions regarding program operation.

➔ How is your LIHEAP program audited?

Under the Single Audit Act?  Yes  No

If not, please describe:

For States and Territories:

➔ Is there an annual audit of local administering agencies?  Yes  No

If not, please explain.

statutory  
references

2605(b)(12)

(timely and  
meaningful  
public  
participation)

➔How did you get timely and meaningful public participation in the development of the plan? (Please describe.)

In addition to the public hearings held (see below), a draft of the 2014 LIHEAP State Plan was made available to the public at all local DHS offices. The plan was also shared with the Michigan Legislative body and various community agencies and organizations statewide. Written comments on the state plan are accepted from July 16, 2013 through July 31, 2013.

2605(a)(2)

(public  
hearings)

➔Did you conduct public hearings on the proposed use and distribution of your LIHEAP funds? When and where?

Yes  No

**(Not required for Tribes and tribal organizations)**

Michigan published notices in five major newspapers announcing the availability of the State Plan for LIHEAP and soliciting public comment regarding plan provisions. The public comment period is from July 16 to July 31, 2013.

To facilitate review of and comment on the State Plan, copies were made available in all DHS local offices, to interested parties and on the state website: [www.michigan.gov/dhs](http://www.michigan.gov/dhs).

Two public hearings will be held during the public comment period on July 18, 2013 (10:00 am – 12:00 pm in Detroit) and July 19, 2013 (10:00 am – 12:00 pm in Lansing).

If further substantial revisions to the State Plan are required, copies of such revisions will be sent to all local DHS offices and will be available for the public to review and submit comments.

statutory  
references

2605(b)(13)

(fair  
hearings)

→ Describe your fair hearing procedures for households whose applications are denied or not acted on in a timely manner. When are applicants informed of these rights?

→ Denials

Department of Human Services: Individuals applying for SER energy services administered by DHS are provided with written notice of their hearing rights on applications for assistance. An individual may request a hearing because an application for assistance was denied or not acted upon within the 10-day standard of promptness.

Department of Treasury: Department of Treasury Home Heating Credit applicants will be advised of their rights to a hearing if their Home Heating Credit application is denied. They will also be afforded an opportunity to discuss any denial with Department of Treasury personnel. Applicants will be provided with a fair hearing which will be conducted by the Michigan Department of Treasury.

→ Applications Not Acted On In a Timely Manner

Department of Human Services: Individuals applying for SER energy services administered by DHS are provided with written notice of their hearing rights on applications for assistance. An individual may request a hearing because an application for assistance was denied or not acted upon within the 10-day standard of promptness.

Department of Treasury: Home Heating Credit applicants will be advised of their right to a hearing if their applications are denied or not acted on within 45 days. They also will be afforded an opportunity to discuss any denial with Department of Treasury personnel. This pre-hearing conference will not deny the household the right to a timely hearing. Home Heating Credit hearings will be conducted by the Michigan Tax Tribunal.

Community Action Agencies and Limited Purpose Agencies: Local sub-grantees are required to have an appeals procedure for applicants desiring to contest an eligibility decision or the timeliness of such a decision. Sub-grantees are required to establish written hearing procedures and maintain hearing records. Notice is given to applicants of their right to a hearing. If an applicant is denied assistance after a local hearing, decisions may be appealed to DHS.

statutory  
references

2605(b)(15)

**For States and Puerto Rico only** (not applicable to Tribes and tribal organizations, or to territories whose annual regular LIHEAP allotments are \$200,000 or less):

➔ Does the State agency that administers the following LIHEAP component also administer the State's welfare program?

(alternate  
outreach  
and intake)

### **HEATING ASSISTANCE**

  X   Yes        No

If Yes, describe alternate process for outreach and intake:

General Outreach: DHS and the Department of Treasury will coordinate outreach activities to inform all LIHEAP eligible households of the program, as well as inform such households of other major energy programs. Target groups are senior citizens, disabled residents, Native Americans, migrants and households with young children. To reach this goal Community Action Agencies, the Michigan Public Service Commission, the Office of Services to the Aging, the Commission on Indian Affairs and other advocate groups are informed of the LIHEAP program.

Examples of outreach efforts include posters, state website, media announcements and local agency outreach.

In addition, the Department of Treasury will mail a Home Heating Credit application to all households eligible for the program during the previous fiscal year, including households with high home energy burdens, low income senior citizens who filed a property tax claim during the previous fiscal year and to cash assistance recipients (primarily FIP households). Applications will also be mailed to recipients of the previous fiscal year Michigan property tax credits who appear to have been eligible but failed to apply for the Home Heating Credit.

### **COOLING ASSISTANCE**

       Yes        No   X   N/A

If Yes, describe alternate process for outreach and intake:

## **CRISIS ASSISTANCE**

Yes  No

If Yes, describe alternate process for outreach and intake:

The SER energy services component is administered by DHS offices that perform intake, eligibility determinations and certain payment functions. With the exception of a few counties (where the local office operations are combined with an adjoining county), there is at least one local office in each Michigan county and multiple offices in metropolitan areas. In-home applications are available to individuals who are physically infirm. An electronic application for energy crisis assistance is available through the MI Bridges website, <https://www.mibridges.michigan.gov/access>. Additionally, outreach will be conducted and applications will be available at community-based organizations statewide and online by visiting the MI Bridges website.

Face-to-face interviews are required for persons who are applying for SER energy services and are previously unknown to the agency, unless waived by the local office director. Exceptions will be made for certain services when coordinated with other energy-related efforts, such as weatherization. The face-to-face interview is waived for individuals receiving program benefits and applicants using the electronic application process.

statutory  
references

2605(b)(16)

→ Do you use LIHEAP funds to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance? (This assurance refers to activities such as needs assessments, counseling, and assistance with energy vendors.)

Yes  No

If Yes, please describe these activities.

If Yes, how do you ensure that you don't use more than 5% (statutory ceiling) of your LIHEAP funds for these activities?

statutory  
references

2607A  
(leveraging)

→ Please describe leveraging activities planned for the fiscal year. (**This entry is optional.**\*) Complete this entry if you plan to apply for LIHEAP leveraging incentive funds and to include in your leveraging report resources/benefits provided to low income households this fiscal year under criterion (iii) in 45 CFR 96.87(d)(2). Provide the following information for each:

- (1) Identify and described each resource/benefit;
- (2) Identify the source(s) of each resource; and
- (3) Describe the integration/coordination of each resource/benefit with the LIHEAP program, consistent with 1 or more of conditions A-H in 45 CFR 96.87(d)(2)(iii).

In addition to federally funded benefits, Michigan's LIHEAP provides considerable benefits which are paid from non-federal sources. These benefits from non-federal sources are available under LIHEAP to federally qualified households; are quantifiable in dollars; and represent a net addition to total energy resources that could otherwise be obtained at common prices with available federal energy funds. These benefits include:

Arrearage Forgiveness: Utility companies may offer arrearage forgiveness to encourage LIHEAP eligible households to participate in bill payment plans which include application for benefits under the SER energy services component of LIHEAP. Receipt of LIHEAP and state funds is critical to the companies' decision to extend arrearage forgiveness to participating households.

Private Energy Funds: Resources from private energy funds across the state are coordinated with the LIHEAP state plan to provide maximum coverage and to reduce duplication of effort. Payments from the private funds are made on behalf of federally eligible households to help meet the costs of home energy. In general, applicants for assistance from the private funds are required to demonstrate that they have made application for available state energy assistance before help is authorized. Private energy fund payments are a supplement to LIHEAP.

State Funded Heat and Electric Required Payments: Under the SER energy services component of Michigan's LIHEAP, state income assistance households that are not categorically eligible must meet required payment criteria to qualify for a federally funded benefit. A non-categorically eligible household is expected to pay the state-funded heat and electric required payment portion of its grant toward energy costs. If actual costs are greater than required payments, the household may qualify for a LIHEAP benefit. Households are given the opportunity to have the heat and electric portion of the grant sent directly to providers, and those electing direct



payment are assured of meeting required payments and expedited processing of LIHEAP benefits. State funded heat and electric required payments are coordinated with LIHEAP funds to meet the energy needs of LIHEAP eligible households.

Waived Late Penalties and Security Deposits: The cooperative arrangement between state government and some major utilities has produced a comprehensive low income energy assistance plan which provides for the waiver of late payment penalties and security deposits for federally qualified households. The availability of LIHEAP, state and other federal energy funds is crucial to the utilities' participation in the comprehensive plan and offer to waive fees. The waiver of late payment penalties and security deposits allows the state to secure additional home energy resources for federally qualified households .

Energy Direct Payment Program:

The Energy Direct program provides energy assistance to low income households who opt to participate in a pilot program offered by their energy provider. The program will be operated as funding allows. The program will be negotiated on a yearly basis and a contract will is required.

\* Leveraged resources/benefits that are counted under criterion (iii) in 45 CFR 96.87(d)(2) must be identified and described in the grantee's LIHEAP plan and distributed as indicated in the plan. In addition, leveraging resources/benefits that are counted under criterion (ii) must be carried out under one or more components of the grantee's regular LIHEAP program.

statutory  
references

2605(b)

➔ Please describe performance goals and measures planned for the fiscal year. **(This entry is optional.)**

(performance)  
goals and  
measures)

## ADDITIONAL CERTIFICATIONS AND REQUIREMENTS

Attached are additional certifications required as follows:

- \* **Lobbying certification**, which must be filed by all States and territories. If applicable, Form LLL, which discloses lobbying payments, must be submitted. **(Tribes and tribal organizations are EXEMPT.)**
- \* **Debarment and suspension certification**, which must be filed by all grantees.
- \* **Drug-free workplace requirement certification**, which must be filed by all grantees, unless the grantee has filed a statewide certification with the Department of Health and Human Services. **STATES ONLY:** If you have filed a statewide certification for the drug-free workplace requirement, please check here: \_\_\_\_\_
- \* One of the requirements included in the 1994 reauthorization of the statute is that state grantees must include in their annual application for funds a report on the number and income levels of households applying for and receiving LIHEAP assistance, and on the number of recipient households that have members who are elderly, disabled, or young children.  
  
**All Tribes and those territories with allotments of less than \$200,000** need only submit data on the number of households served by each component (heating, cooling, weatherization and crisis). The approval for the collection of information contained in the **LIHEAP Household Report** is covered by OMB approval number 0970-0060.
- \* Though not a part of this application, the report on funds to be carried over or available for reallocation as required by section 2607(a) for the preceding year must be submitted by August 1 of each year. A grant award for the current fiscal year may not be made until the carryover/reallotment report is received. The approval for the collection of information contained in the **LIHEAP Carryover and Reallotment Report** is covered by OMB approval number 0970-0106.