U-21939: Rulemaking Process
Session 1: The Milestones of the Critical Care Collaborative Customer Journey

9/18/2025

Michigan Public Service Commission

Charge and Goals

On June 12, 2025, in U-20757-0743,the Commission supported the Critical Care Collaborative (CCC) – Staff Report Recommendation 1.3, U-20757-0729, requiring customers who participate in the protection to seek energy assistance, enter into a payment plan, and if the customer defaults, the customer may be disconnected. At which point, it was agreed to move forward with the rulemaking process. Then on August 7, 2025, the Commission ordered Staff in U-21939, to establish a workgroup to review and recommend rulemaking for the critical care shut off protection, under R 460.130a.

The discussion will outline the Critical Care Customer Journey focusing on assistance, payment plan options and default process, while keeping services:

- Detailing steps for customers to seek assistance
- Outline payment plan options
- Outline a default process

This collaboratives recommendations will assist MPSC Staff in preparing a report outlining a draft ruleset to be filed by March 2026 in Case No. U-21939.

Keep an open mind, respect other's viewpoints and be mindful of the scope and goals of this group.

Agenda

Educate and Review - R 460.130a

2024 CCC Staff Report* – Recommendation 1.3

1. Customer Engagement
2. Unmanageable Accounts
3. Customer Journey: Assistance, Payment Plan, & Default Process

Homework Assignment

* U-20757-0729

Tools that shaped CCC next steps

- Discussion on MI medical vulnerable programs
- Current struggles with existing Critical Care Program
- Other state medical vulnerable programs
- MPSC complaint data metrics
- Utility data metrics
- Customer lived experiences
- Staff Reports: 2023 Data Analysis & Regulatory Review (2.10) & 2024 CCC (1.3) Recommendation Solutions

The Path Towards Rulemaking

Overall Goal: To find a way to keep medically vulnerable customers protected but continue to keep them engaged during the protection and beyond the enrollment and renewal period, ultimately resulting in success.

U-20757 Staff Report (#0729)

"to require customers who participate in the critical care shut off protection to seek assistance (if income eligible) or enter into a payment plan. This recommendation is consistent with protection plans in other states as mentioned in this report. If the customer defaults under the payment plan, the customer may be disconnected. This change would keep the customer engaged during the critical care shut off protection and aid with managing account arrearages. The CCC is requesting opening up the billing rules for rulemaking. The rule revision would encourage both engagement from the utility and the customer by specifically requiring the utility to work hand-in-hand with the customer, providing guidance with assistance and payment plan options. The customer's responsibility, if in arrears, is to seek assistance or make a payment."

U-20757 Commission Order (#743)

"The Commission supports this recommendation. The proposed customer journey chart considers different scenarios and outcomes and provides a balance between utilities keeping vulnerable customers engaged through participation in a payment plan or by seeking assistance and requiring engagement from the utility in how it assists customers in this journey."

Critical Care Shutoff Protection Journey

Current Definition: Any customer due to an inability to pay a utility bill, who requires, or has a household member who requires, home medical equipment or a life support system, and who, on an annual basis, provides a commission-approved medical certification form* from a physician or medical facility to the utility identifying the medical equipment or life support system and certifying that an interruption of service would be **IMMEDIATELY** life-threatening.

Italicized = current rules

Notify utility of request. A 3-day hold will be placed onto account to postpone shutoff and allow time to get the certification form completed.

R 460.130a(3)

Submit the approved medical form to the utility: medical condition, medical equipment needed, and specific time period*

R 460.102(n)

*Review documentation. Once approved**, the utility will notify customer on application status.*

R 460.130a(4)

* *Medical form can be found via utility and Commission website (R 460.130a(4))*

** Once a customer's Medical Certification Form is approved, a customer will NOT have to resubmit a new Medical Certification Form until it expires, even if the customer defaults. A customer only has to submit a form certifying the critical care shut off protection once annually.

Critical Care Shutoff Protection Journey

Notifications & Holds:

Italicized = current rules

Utilities will identify critical care customer within their systems ensuring that service is provided for as long as the customer remains enrolled.

R 460.130a(5)

When a planned service interruption occurs, the utility will notify the customer and not shutoff service using remote shutoff capability without first providing personal contact. (Throughout protection)

R 460.130a(6)

After approval: if the household is identified as low-income or in arrears, a **temporary 60-day hold*** will be placed onto the account. If household is neither, the account will be automatically protected for one-year.

ADD: A utility shall not require payment of an after-hours reconnect fee or a deposit as a condition of restoring service for a critical care protection hold under this rule. (similar to R 460.130(2)

* Temporary 60-day hold is defined as: a customer, that is income qualified or in arrears, who is awarded a grace period during which they shall seek assistance and/or enter into a payment plan.

Critical Care Shutoff Protection Journey

If low-income or in arrears: seek assistance/payment plan

The customer will be responsible to 1) if income qualified, the customer needs to seek assistance & 2) make appropriate payment plan. If neither is needed, household will be protected.

Assistance - Step 1

Option 1: Income Qualified

Customer seeks assistance:

1) If accepted, agency will award monies to account.
2) If denied or the customer does not seek assistance as requested, customer will then proceed without assistance and then make appropriate payment plan. (assistance will lower required payment plan amount).

Option 2: Not Income Qualified

If needed, the customer would proceed to a payment plan.

Critical Care Shutoff Protection Journey

If low-income or in arrears: seek assistance/payment plan

The customer will be responsible to: 1) if income qualified, the customer needs to seek assistance* & 2) make appropriate payment plan. If neither is needed, household will be protected.

Payment Plan - Step 2

1

Household will be required to enter into a payment plan reflecting **%% of the household's annual usage**.

2

Household will be required to make a **payment of %%** of **current usage** and **??? of the outstanding bill**.

3

Household will be required to pay up to **10%** of delinquent balance upfront. The household will then be required to pay **%% of arrearage balance each remaining month** of the protection period. (Portions from WA)

4

Other options

Critical Care Shutoff Protection Process

Temporary Hold Removed & Protected

Italicized = current rules

Once obligation has been fulfilled, the temporary hold will be removed from account. The household will switch to be protected from date of application. If the household, DOES NOTHING the customer will default to the payment plan.

Customer continues to make appropriate payment plan (agreed in previous step). **If payment is not made, customer enters into the default process***

At any point, if the protected household member status changes the household needs to notify the utility. (R 460.130a(2))

If an unsafe condition is observed at the customers location caused by unauthorized use, the utility is required to cure or address the unsafe connection. (R 460.130a(8))

Critical Care Shutoff Protection Journey

Default Process

When a payment has **NOT** been made by the customer during the protection period, once the temporary hold has been lifted.

Number of Missed Payment Plan Options

- Household would be allowed two missed payment plans* within the annual protection, during this time services will remain on. If payment is not made, the account will be removed from the protection and proceed with the dunning process.
- Other options

Default Notification Process

After every missed payment, the utility will be required to notify the customer.

* Default grace period: Allow a customer two documented payment plans over the protection period (similar to the Payment Plan rule in R 460.146 & APP) within a 12-month period.

Critical Care Shutoff Protection Journey

Renewal Period

Italicized = current rules

Prior to the protection period end date, the utility will notify the customer outlining:

1) When the protection period ends

2) Provide a link to the Medical Certification Form with instructions

3) Information where to seek assistance.

At renewal, customer must resubmit application and if applicable, assistance, and payment plan.

R 460.130a(2)

What is needed to move forward …

Next steps:

- Reactions
- Comments

Open Forum

Homework

Bring solutions to the next session or via Suggestion Box by September 30th

- Payment plan options, while being protected?
- What is an acceptable default process? Outline a notification process.

What's next ….

- Next meeting: October 8, 2025

<u>Solutions to Rulemaking:</u>

- Create a roadmap for affordable payment plan and default process options.
  - During these steps, outline responsibilities for both the utility and customer

Questions? Comments? Concerns?

Resource Guide:
https://www.michigan.gov/mpsc/commission/workgroups/energy-affordability-and-accessibility-collaborative/critical-care-collaborative

- Suggestion Box
- Goals
- Bios
- Timelines

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Appendix

R 460.130a Critical care customer shut off protection

Rule 30a. (1) A utility shall restore or refrain from shutting off utility service to a critical care customer due to an inability to pay a utility bill where an interruption of service would be immediately life threatening.

(2) On an annual basis, a critical care customer shall provide the utility with an updated commission-approved medical certification form certifying his or her continued status as a critical care customer. If the customer's status as a critical care customer ends, a customer or occupant of the household shall notify the utility of the change in status.

(3) A utility shall provide a critical care customer with a grace period of 3 business days during which it shall postpone the shutoff of utility service to the critical care customer to allow the customer time to obtain a completed commission-approved medical certification form.

4) Upon request, a utility shall provide and make available on its website a commission-approved medical certification form for use in obtaining a physician's or medical facility's certification demonstrating the customer's status as a critical care customer. Upon receipt of the medical certification form, the utility shall notify the customer that it has received the form.

(5) A utility shall maintain a special file on critical care customers and an appropriate identification of such customers for the purpose of ensuring that utility service is provided for as long as the customer remains a critical care customer and the customer's inability to pay continues.

(6) When a utility has notice of a critical care customer for whom a planned service interruption would be immediately life threatening, the utility shall notify the customer of the planned service interruption and shall not shut off service using remote shutoff capability without first initiating person-to-person contact with the customer.

(7) Nothing in this rule relieves the customer of his or her obligation to pay for utility service. A utility may require that the customer enter into a reasonable payment plan.

(8) Nothing in this rule shall prohibit a utility that observes an unsafe connection at a customer's location caused by unauthorized use of electric or natural gas service, from implementing measures to cure or address the unsafe connection pursuant to section 9d(1) of 1939 PA 3, MCL 460.9d(1).