

# LIHEAP 101: The Basics and Beyond



# What is LIHEAP?



- Federal program enacted in 1981 to assist low-income households with energy needs.
- Grantees (states, tribes, territories) receive allotments of funds from the federal government.
- Grantees have quite a bit of discretion to determine:
  - How to use funds
  - Which households are eligible (while staying within federal guidelines)



# Block Grant = Flexibility



- **LIHEAP Statute Section 2605(b):**
  - “The Secretary may not prescribe the manner in which the State will comply with the provisions of this subsection.”
    - The subsection contains the 16 assurances
- **Block grant regulations at 45 CFR 96.50(e)**
  - Grantees are primarily responsible for interpreting statute
  - Individual grantees may reach different interpretations of the statute
  - HHS defers to grantee’s interpretation unless it is clearly erroneous

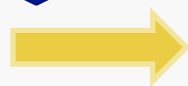


# Use of LIHEAP Funds



## Assurance One

- ✓ Conduct outreach and provide assistance to help low-income households meet their energy needs
- ✓ Intervene in energy crisis situations
- ✓ Provide low cost weatherization



Most grantees spend the majority of funding on heating and cooling expenses



# LIHEAP Program Components



- **Historically speaking:**

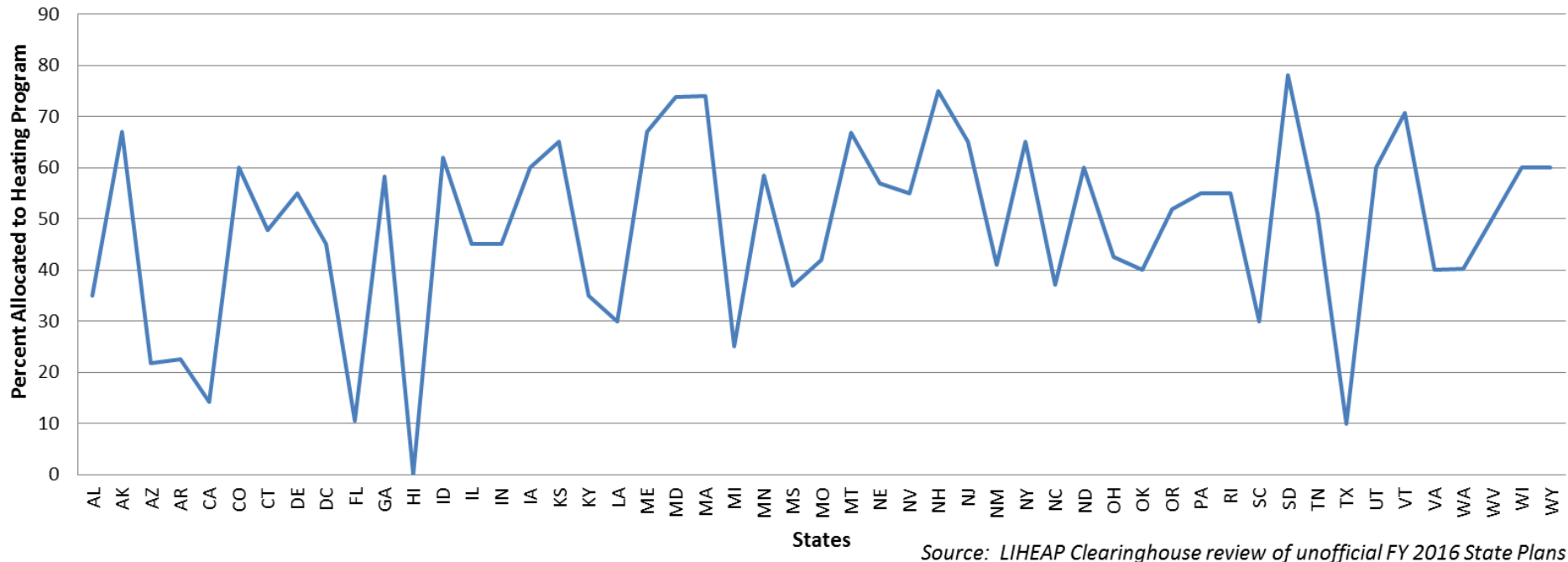
- Most state and tribal grantees provide heating assistance
- About half of state grantees provide cooling programs

| <b>FY 2016: States and Washington DC</b> |                    |
|--|--------------------|
| Component                                | Grantees Providing |
| Heating                                  | 50                 |
| Cooling                                  | 22                 |
| Crisis                                   | 51                 |
| Weatherization                           | 47                 |
| Assurance 16                             | 33                 |

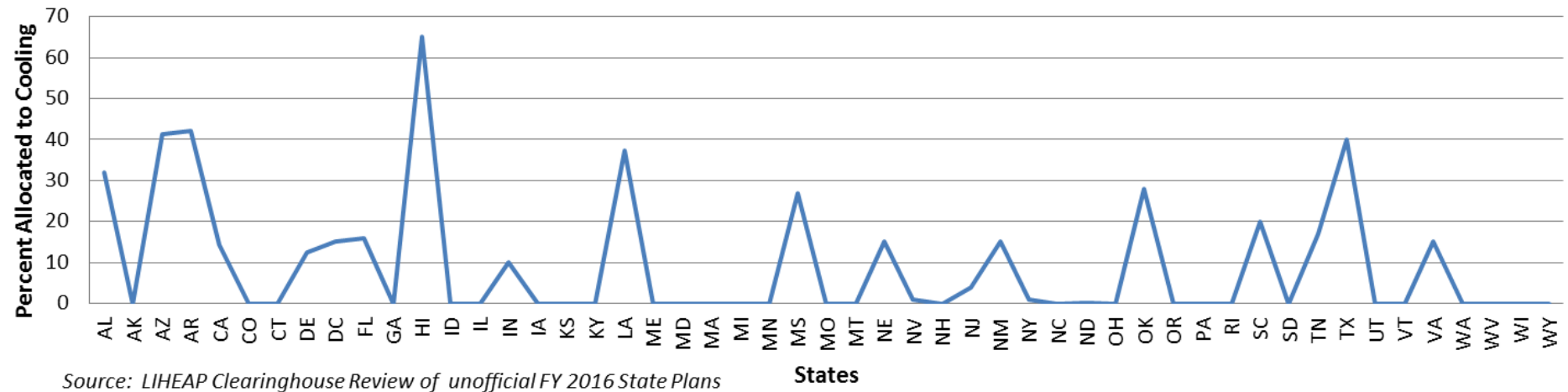
Source: LIHEAP Clearinghouse review of unofficial FY 2016 Plans



## FY 2016: State Grantee Percentage of Funds Allocated to Heating Program



## FY 2016: State Grantee Percentage of Funds Allocated to Cooling Program



# Crisis Assistance



- **LIHEAP Statute Section 2603:**

- “The term ‘energy crisis’ means weather- related and supply shortage emergencies and other household energy-related emergencies.”

48 Hours: Intervene to resolve a crisis after eligible household applies

18 Hours: Intervene to resolve a crisis situation that is life threatening

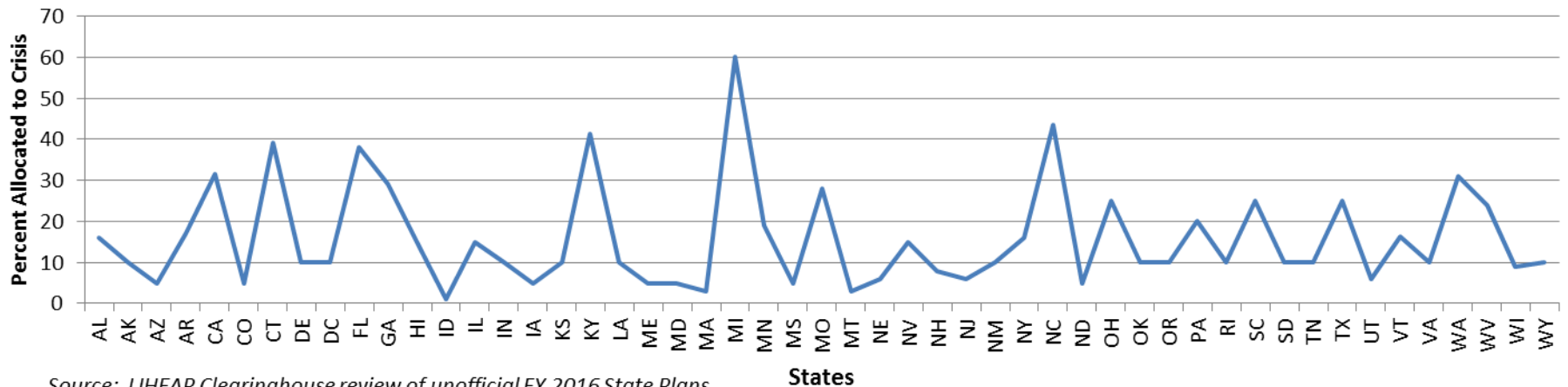
Grantees define crisis and set eligibility criteria




# Crisis Assistance



**FY 2016: State Grantee Percentage of Funds Allocated to Crisis Program**



Source: LIHEAP Clearinghouse review of unofficial FY 2016 State Plans

For more on crisis programs, see this report: 



**Report**

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**LIHEAP Crisis Components:  
*Requirements, Variations, Innovations***

**MAY 2014  
Report #2**





# Weatherization



- Optional: Up to 15% of funds or 25% with waiver
- Most state grantees provide weatherization.
- For many state grantees, same state agency administers the LIHEAP and DOE weatherization programs



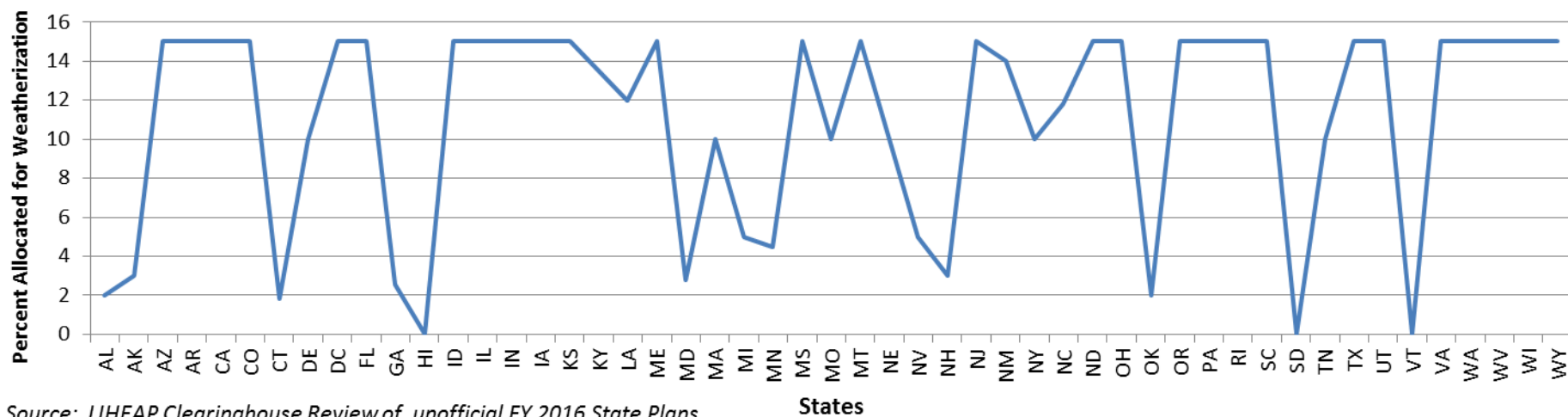
Photo courtesy of NCAT's Energy Corps Program



# Weatherization



**FY 2016: State Grantee Percentage of Funds Allocated to Weatherization**



Source: LIHEAP Clearinghouse Review of unofficial FY 2016 State Plans

For state and tribal plans, see  
<https://liheapch.acf.hhs.gov/stateplans.htm>

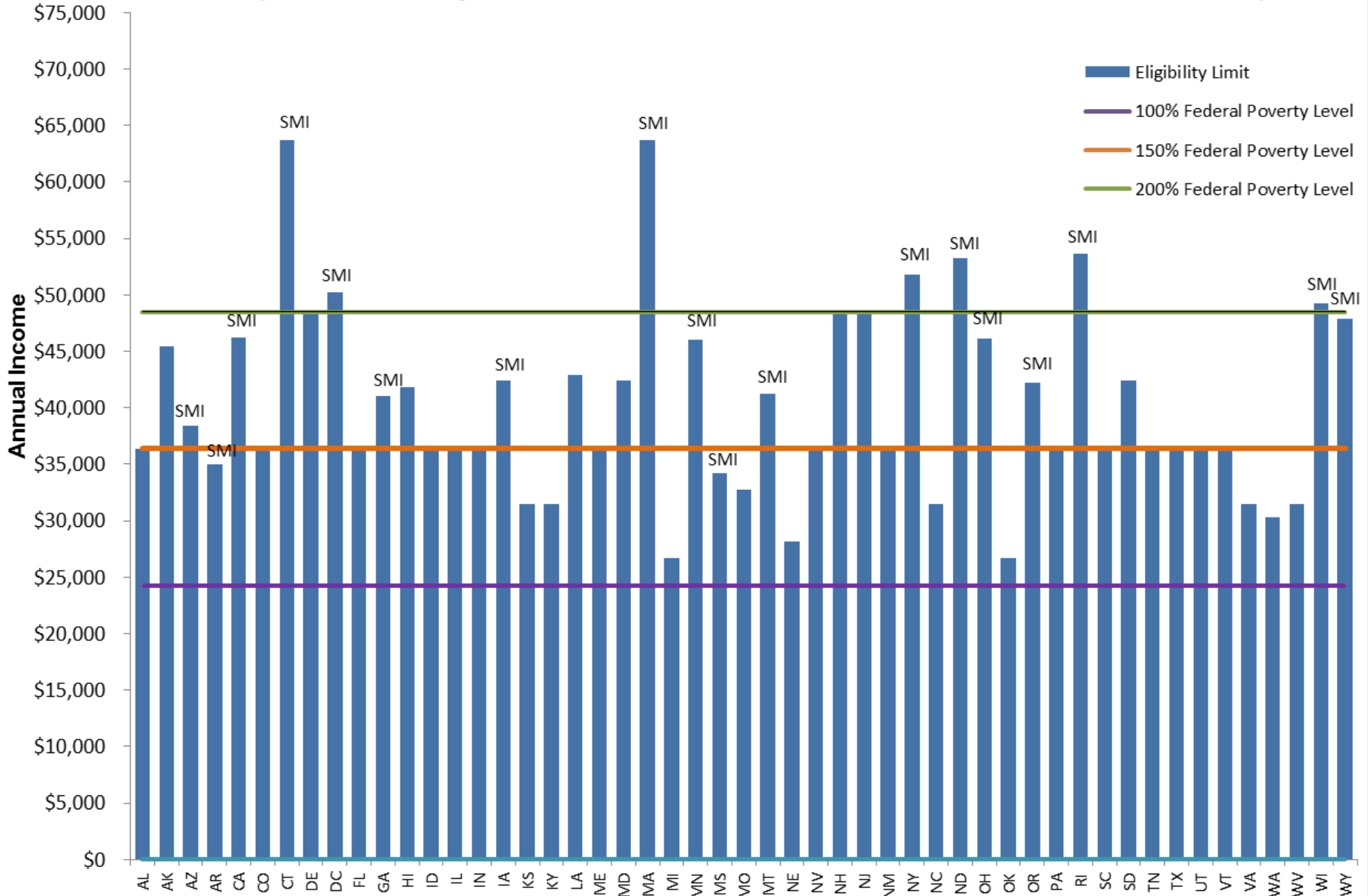
and

<https://liheapch.acf.hhs.gov/Tribes/trplans.htm>



# State LIHEAP Income Eligibility Limits - FFY 2016

(Federal Poverty Guidelines or State Median Income for a Household of Four)



Source: FFY 2016 State LIHEAP Plans

# Categorical Eligibility



Can decide some households are automatically eligible for LIHEAP if at least one member is enrolled in one of these programs:

- TANF
- SNAP
- Supplemental Security Income
- Means-Tested Veteran Programs



# LIHEAP Benefits



**Assurance 5:** Requires highest benefits go to:

Households with lowest incomes

Highest energy costs

Highest energy needs



Must take household size into account



# Payment Matrix and Benefits



| Propane |             |              |             | \$2,417     |             | Annual consumption |             |              |             |              | FY 2013 |  |
|---------|-------------|--------------|-------------|-------------|-------------|--------------------|-------------|--------------|-------------|--------------|---------|--|
| Vendor  |             |              |             | 1.79        |             | per                |             | 1350 Gallons |             |              |         |  |
|         | \$ 0 -5999  | 6000 – 11999 | 12000-17999 | 18000-23999 | 24000-29999 | 30000-35999        | 36000-41999 | 42000-47999  | 48000-53999 | 54000-59999+ |         |  |
| 1       | 40%<br>967  | 35%<br>846   | 30%<br>725  | 25%<br>604  |             |                    |             |              |             |              |         |  |
| 2       | 45%<br>1087 | 40%<br>967   | 35%<br>846  | 30%<br>725  | 25%<br>604  |                    |             |              |             |              |         |  |
| 3       | 50%<br>1208 | 45%<br>1087  | 40%<br>967  | 35%<br>846  | 30%<br>725  | 25%<br>604         |             |              |             |              |         |  |
| 4       | 55%<br>1329 | 50%<br>1208  | 45%<br>1087 | 40%<br>967  | 35%<br>846  | 30%<br>725         | 25%<br>604  |              |             |              |         |  |
| 5       | 60%<br>1450 | 55%<br>1329  | 50%<br>1208 | 45%<br>1087 | 40%<br>967  | 35%<br>846         | 30%<br>725  | 25%<br>604   |             |              |         |  |
| 6       | 65%<br>1571 | 60%<br>1450  | 55%<br>1329 | 50%<br>1208 | 45%<br>1087 | 40%<br>967         | 35%<br>846  | 30%<br>725   | 25%<br>604  |              |         |  |
| 7       | 70%<br>1692 | 65%<br>1571  | 60%<br>1450 | 55%<br>1329 | 50%<br>1208 | 45%<br>1087        | 40%<br>967  | 35%<br>846   | 30%<br>725  |              |         |  |
| 8       | 75%<br>1812 | 70%<br>1692  | 65%<br>1571 | 60%<br>1450 | 55%<br>1329 | 50%<br>1208        | 45%<br>1087 | 40%<br>967   | 35%<br>846  | 30%<br>725   |         |  |

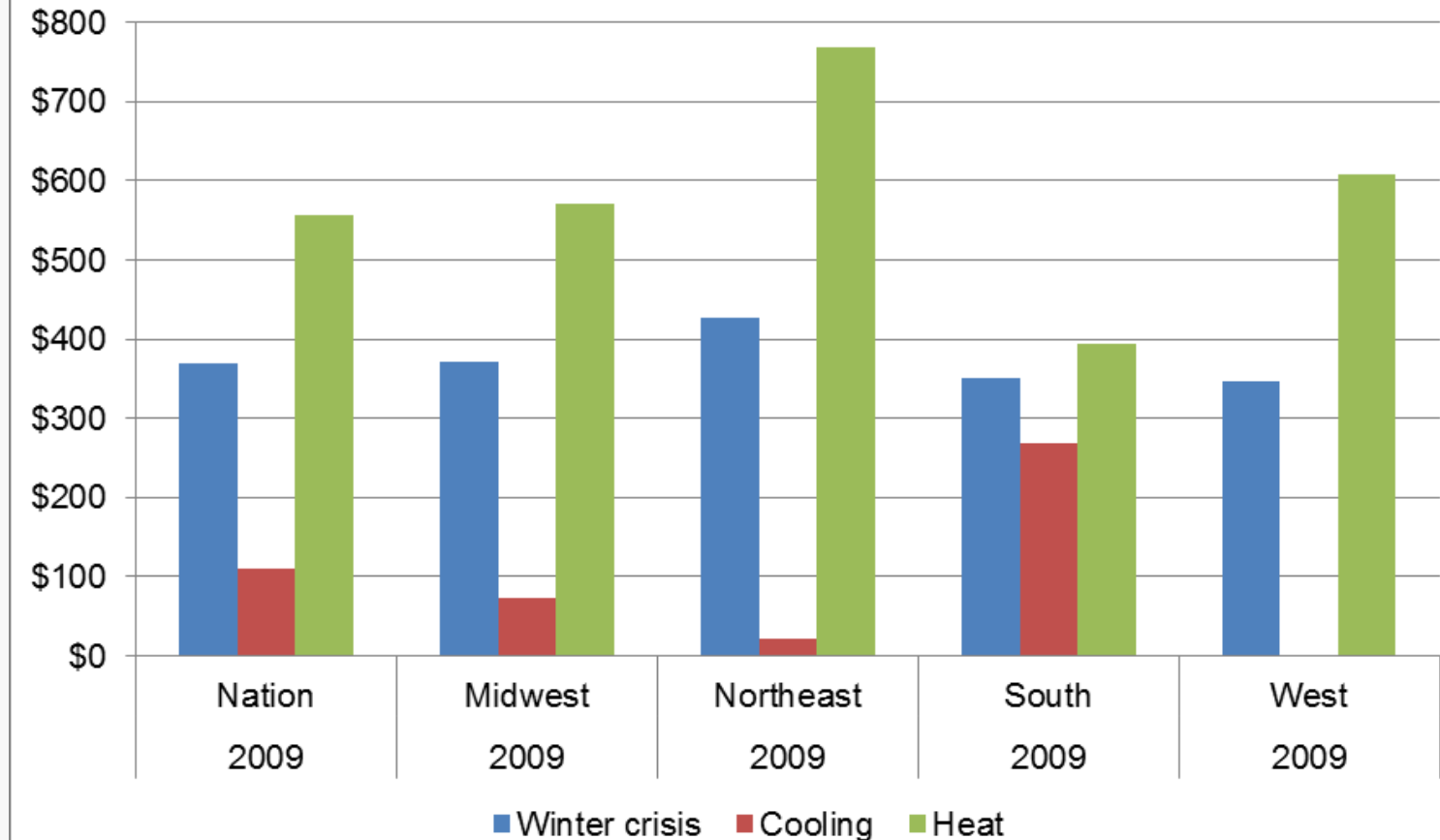
Benefit levels are determined by taking a percentage of the average annual consumption and considering household size and income level.



# Average Benefit by Region



## Grantee Benefit Level: Average by Region



# Who Administers LIHEAP?



**Assurance 6:** If grantees use local administrative agencies, they must give special consideration to community action agencies

| <b>State Grantees' Use of Local Administering Agencies (2016)</b> |    |
|---|----|
| Community Action Agencies   | 28 |
| County Government/Welfare Offices                                 | 11 |
| Local Non-Profits   | 11 |
| Central State Office  | 14 |

Tribal and territorial grantees generally run their programs through a centralized office





# Measuring Impact



## Performance Measurement Data Collection (States Only)

- Data for three Performance Measures:
  - Benefit Targeting Index and Energy Burden Reduction Index
  - Preventing Loss of Home Energy Service
  - Restoring Home Energy Service
- Required reporting of FY 2016 data (current year) starting in January 2017
- Grantees have been building relationships with energy providers and getting procedures in place to gather and report.



# Example of LIHEAP Innovation



- **Assurance 16: New Hampshire**

- Track households in crisis for three years—move them to new level of security
- Early application, case management
- Results: 25% of these households applied early and 25% did not need to re-apply for LIHEAP.
- Overall crisis caseload has dropped by 10%

For more  
on A16  
programs,  
see this  
report:



 **LIHEAP** CLEARINGHOUSE 

Issue Brief

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Promoting Self Sufficiency for Low-Income Clients

*LIHEAP's Assurance 16*

MARCH 2014  
Issue Brief #2



# Example of LIHEAP Innovation



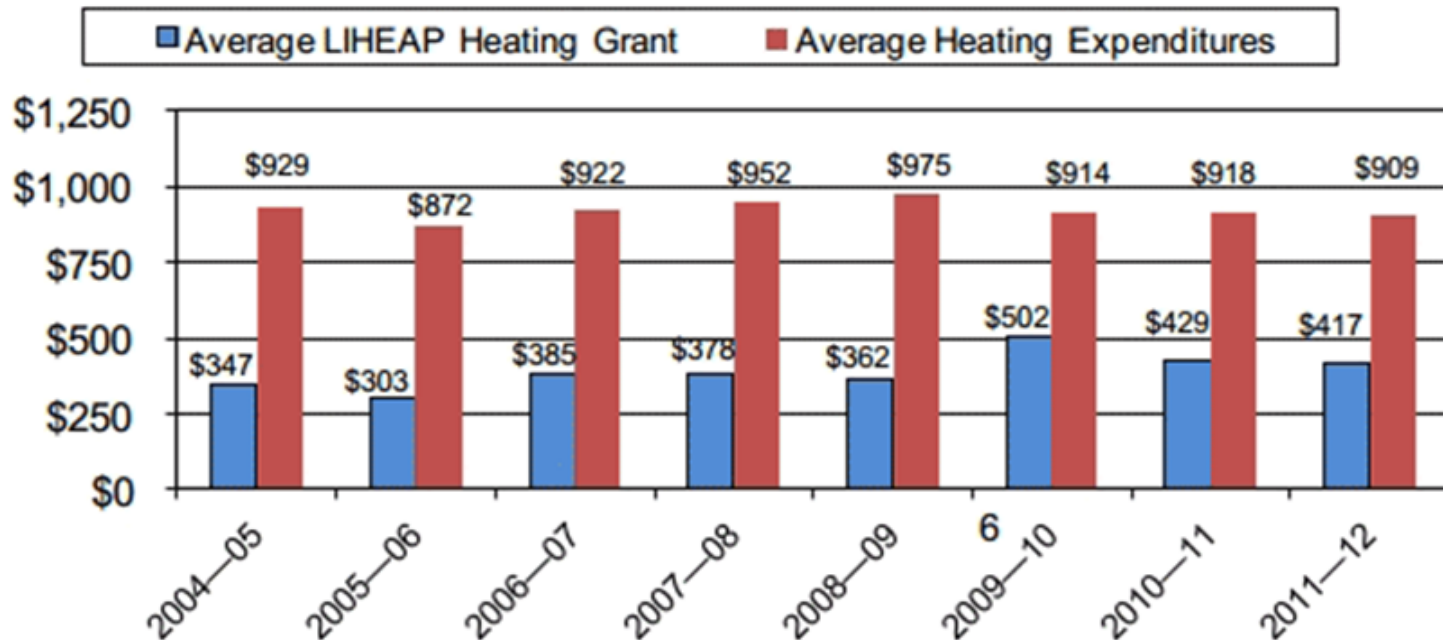
- **Leveraging Non-Federal Funds for Energy Assistance: Colorado**
  - Advocates successfully changed a state law
  - November 2012: PUC implemented Percentage of Income Payment Plans (PIPPs) for regulated utilities
    - Eligible households: Pay up to 4% of their income for gas and up to 6% for electric costs
    - Unaffordable portion of bill: LIHEAP and PIPP funds
  - All PIPP participants are LIHEAP recipients
  - Data sharing and communication between LIHEAP and utilities



# Additional Resources Needed



## Expenditures for Heating Fuels vs. Average LIHEAP Grants



Sources: Residential Energy Consumption Survey, 2005; *Short term Energy Outlook*, January 2013 (Table WF01); LIHEAP Home Energy Notebooks, 2005–2009; NEADA 2012 Energy Assistance Survey. Prepared by the AARP Public Policy Institute, January 2013.



# Non-Federal Leveraging

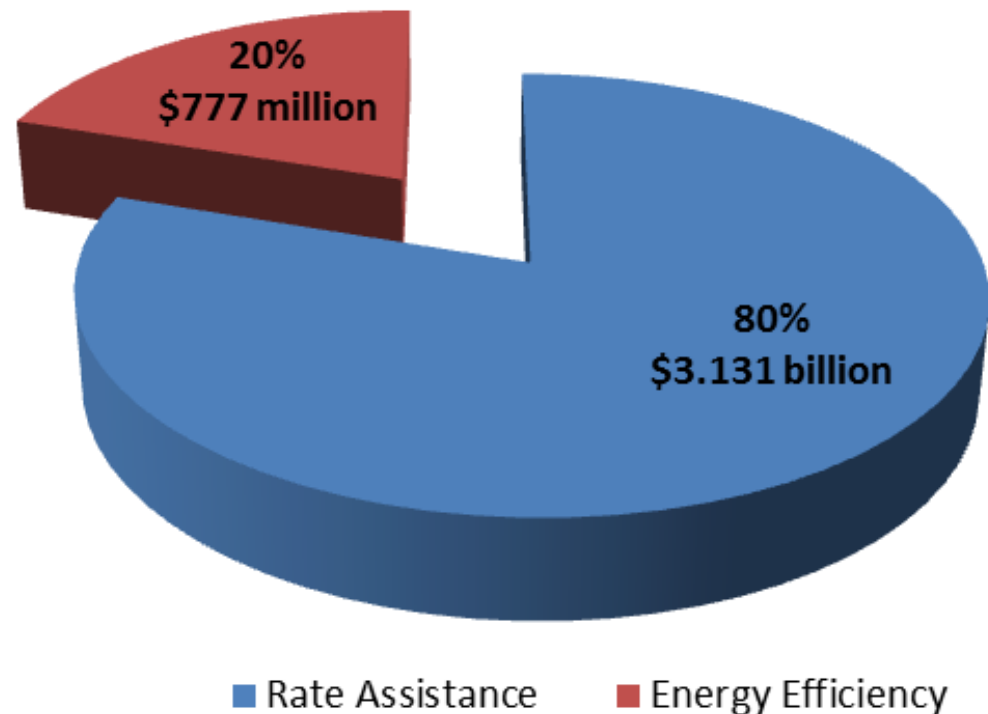


Most grantees continue major leveraging activities

Some non-federal sources pre-date LIHEAP itself.

For more, see profiles at:  
<https://liheapch.acf.hhs.gov/dereg.htm>

## 2013 Ratepayer Funded Low-Income Assistance



Source: LIHEAP Clearinghouse



# Contact the Clearinghouse



## LIHEAP Clearinghouse

<https://liheapch.acf.hhs.gov/>

Sherry Vogel, Project Director

[sherryv@ncat.org](mailto:sherryv@ncat.org)

Travis McAdam, Program Specialist

[travism@ncat.org](mailto:travism@ncat.org)

Marisa Larson, Program Specialist

[marisal@ncat.org](mailto:marisal@ncat.org)

|  |   |
|--|---|
|  <b>LIHEAP</b><br>CLEARINGHOUSE | <b>Issue Brief</b><br>MARCH 2016  |
| <b>Creating Efficiency,<br/>Maximizing Client Benefits<br/>Through Intake Coordination</b>                         | <br><b>Resources for<br/>Intake Coordination</b> |

|  |   |
|--|---|
|  <b>LIHEAP</b><br>CLEARINGHOUSE | <b>Issue Brief</b><br>MARCH 2016  |
| <b>Collaboration Between<br/>LIHEAPs and Public<br/>Utility Commissions</b>  | <br><b>LIHEAPs and PUCs:<br/>Resources for Collaboration</b> |

## Creating a Benefit Matrix

A Step-by-Step Interactive Guide

