LIHEAP:
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

<table>
<thead>
<tr>
<th>FY 2015: States and Washington DC</th>
<th>Component</th>
<th>Grantees Providing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heating</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>Cooling</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>Crisis</td>
<td>51</td>
<td></td>
</tr>
<tr>
<td>Weatherization</td>
<td>47</td>
<td></td>
</tr>
<tr>
<td>Assurance</td>
<td>16 34</td>
<td></td>
</tr>
</tbody>
</table>

Source: LIHEAP Clearinghouse review of unofficial FY 2015 Plans
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 2015: State Grantee Percentage of Funds Allocated to Crisis Program

Source: LIHEAP Clearinghouse review of unofficial FY 2015 State Plans

For more on crisis programs, see this report:

LIHEAP CLEARINGHOUSE

Report

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

For state and tribal plans, see
and
http://www.liheapch.acf.hhs.gov/Tribes/trplans.htm
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
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

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Propane</th>
<th>$2,417</th>
<th>Annual consumption</th>
<th>FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>per 1,79</td>
<td>per 1350 Gallons</td>
</tr>
<tr>
<td>0 - 5999</td>
<td>40%</td>
<td>35%</td>
<td>30%</td>
<td>25%</td>
</tr>
<tr>
<td>1087</td>
<td>967</td>
<td>846</td>
<td>725</td>
<td>604</td>
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<tr>
<td>1208</td>
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<td>1329</td>
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</table>

Benefit levels are determined by taking a percentage of the average annual consumption and considering household size and income level.
**Assurance 6:** If grantees use local administrative agencies, they must give special consideration to community action agencies.

<table>
<thead>
<tr>
<th>State Grantees’ Use of Local Administering Agencies (2015)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Action Agencies</td>
<td>28</td>
</tr>
<tr>
<td>County Government/Welfare Offices</td>
<td>13</td>
</tr>
<tr>
<td>Local Non-Profits</td>
<td>14</td>
</tr>
<tr>
<td>Central State Office</td>
<td>12</td>
</tr>
</tbody>
</table>

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

• Will be required to report FY 2016 data starting in January 2017

• Grantees continuing to build relationships with energy providers and get 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 a 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**

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

Non-Federal Leveraging

Most grantees continue major leveraging activities

Some non-federal sources pre-date LIHEAP itself.

For more, see profiles at: http://www.liheapch.acf.hhs.gov/dereg.htm

Source: LIHEAP Clearinghouse
Contact the Clearinghouse

LIHEAP Clearinghouse
http://www.liheapch.acf.hhs.gov/

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