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> JUDYANN BIGBY, M.D. Secretary

> > JULIA E. KEHOE Commissioner

Field Operations Memo 2007-31 June 28, 2007

**Transitional Assistance Office Staff** 

From:

Re:

John Augeri, Assistant Commissioner for Field Operations

Food Stamp Heat and Eat (H-EAT) Fuel Assistance Program Initiative

**Background** Food Stamp Program rules at 106 CMR 364.400(G)(2) allow assistance units (AUs) receiving or anticipating receipt of Low Income Housing Energy Assistance Program (LIHEAP fuel assistance) payments to have food stamp benefits calculated using the maximum Heating/Cooling Standard Utility Allowance (SUA). These AUs are considered to be paying utility expenses even if there is no separate charge for utilities. Receipt of a fuel assistance payment also entitles these AUs to public utility discounts administered through the Department of Housing and Community Development (DHCD).

For the past year, DTA, DHCD and Massachusetts Law Reform Institute have collaborated to develop and implement a new fuel assistance program. This collaboration resulted in the H-EAT Fuel Assistance Program.

The H-EAT Fuel Assistance Program will provide certain FS AUs with a \$1.00 H-EAT fuel assistance check each year. This is a one-time benefit for 12 months. In July 2007, the first H-EAT fuel assistance payments will be mailed to approximately 39,000 FS AUs. July 2007 FS benefits will also be recalculated using the Heating/Cooling SUA for these AUs.

After this start-up phase, the H-EAT Fuel Assistance Program \$1.00 benefit will be issued two times per year, in April and November. FS benefits will be recalculated based on receipt of the H-EAT payment. FS AUs will receive *only one* H-EAT payment each year. *For example*, if a FS AU received the payment in April and remains active in November, another \$1.00 payment will not be issued, as the AU is already receiving the maximum SUA. DTA and DHCD estimate this collaboration will bring \$35 million federal dollars into the Commonwealth annually.

Overview of	This memo will identify H-EAT Fuel Assistance Program criteria, explain the
Memo	responsibilities of DTA and DHCD, discuss client benefits and describe the
	DHCD client brochure.

There will be minimal AU Manager impact since the H-EAT Fuel Assistance Program enrollment and FS recalculation processes are fully automated.

## **Role of DTA** DTA will:

- create a data file of active FS AUs, which meet the H-EAT Fuel Assistance Program criteria. H-EAT Fuel Assistance Program AUs must:
  - ➢ be active on FS;
  - ➤ have a gross income of 200% of the federal poverty level or less;
  - ▶ have the Non-Heating or Telephone SUA on file; and
  - receive less than maximum benefits for the household size.

*Note:* Homeless AUs and Bay State CAP AUs are not eligible for H-EAT Fuel Assistance Program benefits.

- transmit the H-EAT Fuel Assistance Program file to DHCD;
- recalculate July FS benefits of H-EAT eligible AUs using the Heating /Cooling SUA.
  - *Note:* This change will impact all eligible active FS AUs, including those FS AUs with a pending recertification or a case maintenance action. AU Managers and/or Supervisors must allow the H-EAT change as part of the recertification or case maintenance activity. If a pending authorization contains an SUA other than Heating/Cooling for a H-EAT recipient, a new Heating/Cooling SUA record must be created, wrapped up and authorized by the AU Manager.
- create a new utility expense verification type: *H-EAT Program Certified by DHCD Match* in BEACON;
- make an entry on the BEACON Narratives tab, *H-EAT Program benefits* recalculated; and
- establish an internal H-EAT eligibility tracking period in BEACON since the SUA is allowed for one year for each AU.
- send a H-EAT Fuel Assistance Program brochure (See Attachment A) and FS change notice to each H-EAT eligible AU which has a FS benefit increase.

*Important:* At reapplication or reinstatement, AU Managers must check for a 6/22/2007 BEACON Narrative tab entry indicating the AU was H-EAT eligible. The AU Manager must continue the Heating/Cooling SUA for the balance of the appropriate one-year period.

Role of DHCD	DHCD will:
	in July 2007, generate and mail a \$1.00 H-EAT fuel assistance check for each eligible household;
	send each H-EAT eligible household an informational brochure about the H-EAT Fuel Assistance Program. This brochure will discuss how to apply for utility discounts and LIHEAP Fuel Assistance benefits; and
	send a file back to DTA confirming the issuance of H-EAT payments.
Client Benefits	Most H-EAT eligible FS AUs will receive higher food stamp benefits. They are also eligible to apply for utility discounts through their utility companies. In addition, DHCD will send mailings to H-EAT AUs notifying them of the LIHEAP fuel assistance benefits.
	As a result of the H-EAT Fuel Assistance Program, H-EAT AUs will have more money available to purchase food and potentially stretch their budgets for other necessary items if utility discounts and LIHEAP fuel assistance benefits are accessed.
DHCD Client Brochure	The DHCD brochure is attached. This brochure informs H-EAT AUs about the program. It will also tell these AUs how to access utility discounts and LIHEAP fuel assistance payments. The impact on FS benefits is also discussed.
Questions	If you have any questions, please have your Hotline designee call the Policy Hotline at 617-348-8478.

## Executive Office of Housing and Economic Development Department of Housing & Community Development

## About the H-EAT Program

The Department of Housing and Community Development (DHCD) is pleased to tell you about the new Heat and Eat Fuel (H-EAT) Assistance Program. This is a special Fuel Assistance benefit provided to low-income households identified by the Department of Transitional Assistance (DTA). By receiving this special Fuel Assistance benefit you may qualify for a discount with your utility and telephone companies.

DHCD will automatically enroll your household in the H-EAT Program. You will be receiving your \$1.00 H-EAT payment in July 2007 from Vallev Opportunity Council, Inc. This check will be void after 90 days of its issue date, but you may still qualify for a utility discount and increased food stamps. This is a one-time benefit for 12 months. Depending on your situation, you may get another H-EAT Fuel Assistance payment next year.

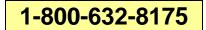
Your monthly food stamp benefits have increased because special rules allow Fuel Assistance recipients to have their food stamp income calculated using higher shelter costs. The enclosed letter from DTA tells you your new food stamp benefit amount.

You can show the food stamp letter to your utility companies and ask for a discount on your monthly bills.

If you are not currently receiving a utility discount for your electricity or heating bills, you may be able to qualify for such discount because you receive either food stamps and/or fuel assistance. You may get a telephone discount if you receive fuel assistance.

Depending on your individual situation, you may be eligible for regular Fuel Assistance benefits, which will start up again in November 2007. Fuel Assistance can help you with heating costs and, for some households, pay a portion of the rent.

If you have questions about the \$1.00 H-EAT benefit and utility discounts, you can call DHCD at:



## What is Fuel Assistance?

Fuel Assistance or the Low Income Home Energy Assistance Program (LIHEAP) provides eligible households with help in paying a portion of winter heating bills.

Payments for actual usage or fuel delivery are made directly to the heating vendor from November 1<sup>st</sup> to April 30<sup>th</sup> except when the cost of heating is included in the rent. In general, a subsidized housing tenant whose heat is included in rent and pays less than 30% of their income towards rent is <u>not</u> eligible for Fuel Assistance.

Eligibility must be determined at one of the local Fuel Assistance provider agency. To locate the nearest Fuel Assistance provider in your area, please call the DHCD Heat Line at:

1-800-632-8175



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