

2019 v.1.0

POLICY AND PROCEDURES MANUAL



STATE OF MARYLAND
DEPARTMENT OF HUMAN SERVICES
FAMILY INVESTMENT ADMINISTRATION

OFFICE OF HOME ENERGY PROGRAMS

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Exhibits

Agency Goals and Objectives

Application Intake

- Data entry will be accurate and complete based on the documentation collected from the Applicant.

Benefit Access

- Agencies will strive to ensure customers receive the benefits they are eligible for by providing excellent customer service.

Timeliness

- Applications will be reviewed for completeness within 7 days of receiving the application.

Application Documentation Scanning

- All applications and supporting documentation will be scanned into ECMS no later than May 31 of each year.

Eligibility Determination (Accuracy)

- LAA will ensure that eligibility determinations are accurate. The payment error rate will be less than 5% of all applicants receiving benefits.

Eligibility Determination (Timeliness)

- Applicants will be certified or denied no later than 45 days after receipt of the application

Payment Processing

- Benefits will be paid (EDSed) no later than 55 days after the receipt of the application .

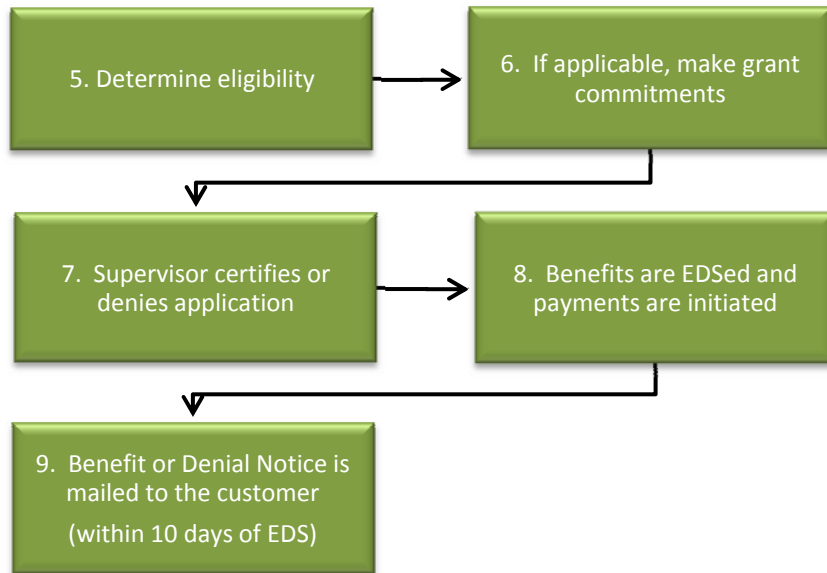


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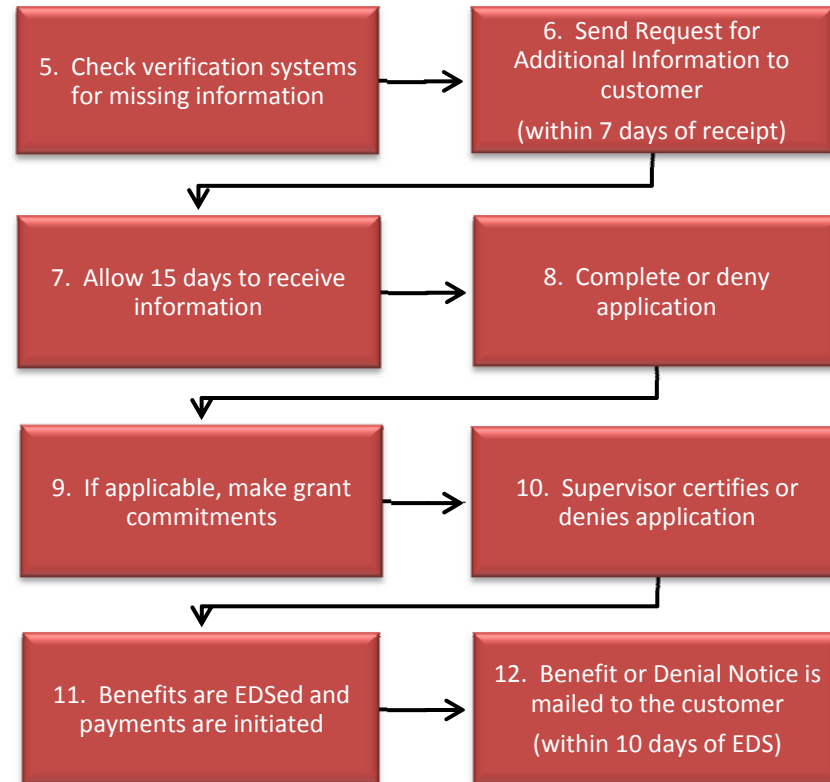
OHEP Application Work Flow



If Application is Complete



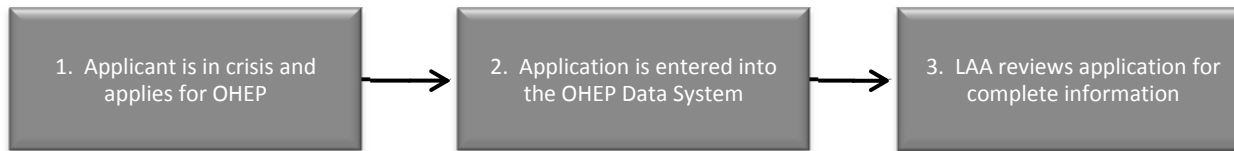
If Application is Incomplete



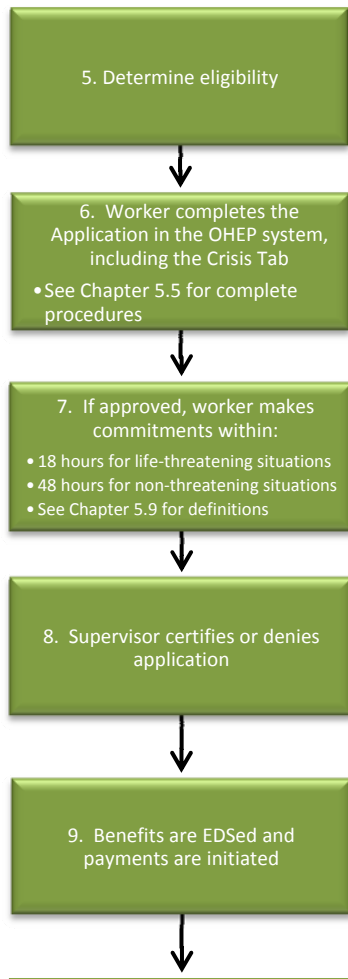


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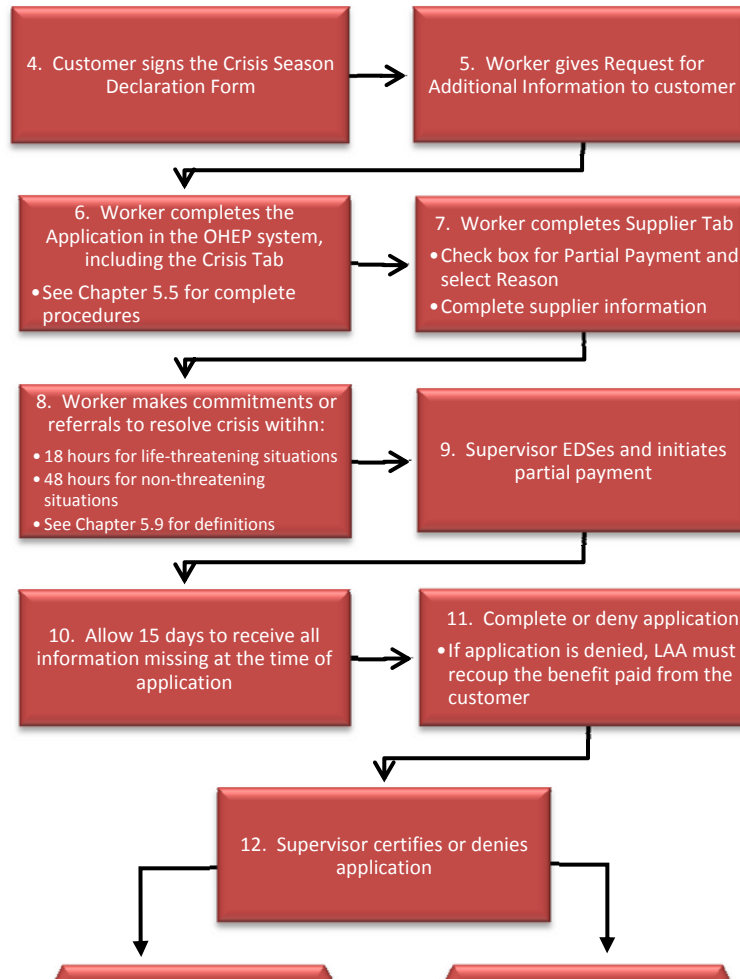
Crisis Application Work Flow (November 1 – March 31)



If Application is Complete



If Application is Incomplete





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Tips for Timely and Complete Application Processing

The following are best practices observed throughout the OHEP network that help Local Administering Agencies (LAAs) process applications most effectively.

Prioritize Applications

- Process crisis and emergency applications first
- Place a hold on the electric account, if applicable
- Process applications by date received and determine if any documents are missing within 7 days

Designate Staff for Specific Tasks

- Scan applications and all documentation into ECMS
- Data Entry
- Review application for missing information
 - Pull recurring documents forward from previous year's file (SS cards, photo id, award letters, etc.)
 - Utilize verification systems first (CARES, Work Number, MABS, SVES, etc.)
 - Print utility bills from web portals
 - Send Request for Additional Information from OHEP system
- Check mail, email, and fax -- match application with documentation received
- Complete data entry and processing for certification
- Certify application for benefits
- Make commitments to utility or bulk fuel vendor, if necessary
- Initiate payments (EDS and prepare checks for bulk fuel)

Utilize Tools in the OHEP Data Management System



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- Utilize reports built into the OHEP Data Management System to manage applications
 - See OHEP Reports Guide
- Update Notes Tab
 - Only include notes pertinent to the application or benefit payment
 - Do not use abbreviations, unless they are commonly used in OHEP (e.g. MEAP, VPW, CMNP, etc.)
 - Do not include personal perceptions; only state the facts
 - Do not include HIPAA information
- Utilize the Referral Source field for Outreach tracking purposes
- Verify programs applied for (e.g. MEAP, EUSP, ARA programs, WAP, etc.)

Tips for Certifying Applications

Overview (For full Certification policy refer to 4.18)

- Certification is a critical check on the accuracy of the information provided by the customer, the data entry work, the eligibility work, supplier information, and benefit determination.
- Take your time and be thoughtful about certifying each and every application.
- Do not hesitate to send the application back to a worker to address issues or provide clarifications.
- Clearly sign and date every application being certified. Initials or last name only are not acceptable. #

Data Entry Checks



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- **Verify that all programs applied for by the customer have been entered in the OHEP Data System.**
- **Did the applicant provide information for a program but fail to check a box? Did the worker follow up with the customer to clarify the intent?**
- **Verify all household members on the application are in the system and vice versa. Discrepancies must be explained and documented.**
- **Verify all supplier information from fuel type to account number.**

Reports Guide

Report	Description	Menu	Frequency
Application List#	A comprehensive list of all applications received YTD. The list may be filtered by program and application status.	Management	As often as needed
Assigned Worker Detail#	Allows applications to be tracked by a specific worker. This report only works when a worker is assigned to each application. Local agencies may choose to run this report by the status of the application to see which cases are in pending status under a particular worker.	Management	As often as needed
Auto Denial Report#	Shows the number of applications that have been automatically denied by the OHEP system. Only those applications that have a Request for Additional Information notice generated from the	Dashboard Report	Daily or Weekly



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	<p>system will be automatically denied. Denials occur when the application is not set to awaiting within 25 days of generating the notice. It is important for the LAA to run this report to ensure customers were not wrongfully denied (i.e. customer has returned information, but the worker has not completed the application in the system).</p>		
<p>Clients Not Applying This Year#</p>	<p>This list shows the customers who applied last program year, but not in the current program year. This report is extremely helpful when performing mass mailings, so as to avoid duplicate applications.</p> <p>To run this report, choose MEAP under the “Program” field and “ALL Customers” under the “Receive Benefits” field. It is rare that a customer applies for EUSP only, therefore choosing MEAP should show the most comprehensive list of customers who have not yet applied for OHEP in the current program year.</p> <p>This report may also be filtered by customers who received benefits last year or those who were denied.</p>	<p>Management</p>	<p>As often as mass mailings</p>
<p>Denied Applications Summary#</p>	<p>Shows the number of applications that have been denied by denial reason. LAAs may use this report to strategize how to lower denial rates.</p>	<p>Management</p>	<p>As often as needed</p>
<p>Duplicate Applications#</p>	<p>Shows any applications for the same applicant two or more times in the same program year. When a duplicate application is created, it is imperative that the local agency identify the application immediately to avoid duplicate payment of energy assistance benefits to the household.</p> <p>LAA will need to click on the arrow next to the agency’s name to view the applicants’ names and click the “Edit” button in order to reconcile the duplicate records. See Chapter 10.2 Identifying</p>	<p>Management</p>	<p>Weekly</p>



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	Applicant Fraud for further instructions on this report.		
Duplicate Payment#	Shows any applicants that have received more than one benefit per program in the current year. LAA must review the list and verify whether an actual duplicate payment was made. LAA is responsible for contacting the utility or vendor to return the duplicate payment. LAA will need to click on the arrow next to the agency's name to view the applicants' names and click the "Edit" button in order to reconcile the duplicate payments.	Fiscal	Weekly
Energy Delivery Record#	This report is run at the end of the year and sent to each bulk fuel vendor. Follow close-out instructions.	Fiscal	Yearly at Close Out
Incomplete myDHR Applications#	This report shows the LAA how many myDHR applications are currently in the myDHR staging table and are waiting to be worked/transmitted into the OHEP system. To run this report, the LAA should click on "Detail" in the Report Type field.	myDHR	As often as needed
Local Agencies Processing Time Report#	Shows a summary of the number of applications that took longer than 45 days to process. LAAs may also choose to view a list of customers whose application is still pending for more than 45 days or is approaching the 45 day mark.	Management	Daily/Weekly
Minimum Delivery Report#	Shows a list of customers that received a minimum delivery and allows for timely follow up in order to issue the remaining payment, if applicable.	Management	Weekly - during crisis season
myDHR Statistical Report#	This report allows the LAA to view the total number of myDHR applications per status (e.g. pending, awaiting, certified, denied).	myDHR	As often as needed
Production Report#	Shows the number of cases that were data entered, certified, or denied within a specific time frame, or year-to-date. It also shows the total grant amounts that have been awarded during the same time frame.	Statistical	As often as needed
SSN Validation Report#	Local Administering Agencies (LAAs) must run the SSN Validation Report in the OHEP database weekly to review and resolve invalid social security numbers no later than thirty days from the date the invalid number is determined. LAA will need to click on the arrow	SSN Validation	Weekly



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	next to the agency's name to view the invalid SSN and click the "Edit" button in order to reconcile. See Chapter 10.2 Identifying Applicant Fraud for further instructions.		
55 Day Extension Report#	Shows those customers for whom a 55-day hold has been placed.	Management	Weekly
55 Day Extension Delinquent Report#	Shows those customers for whom a 55-day hold has been placed and has since expired.	Management	Weekly



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Income Overview

The following table provides an overview of the types of income counted and those that are excluded when determining eligibility for OHEP. See [Chapter 4.2 Income Eligibility](#) for complete policy guidance.

Countable Income/Resources	Excluded Income/Resources
Gross wages, tips and commissions #	Third-party payments over which the household has no control
Employment income of part-time college students.#	Employment income of a child under 18 or a full-time students
Net income from self-employment#	"In-Kind" contributions
Monetary gifts and loans (excluding student loans). #	Loans on assets such as home equity loans, reverse mortgages, and hypothecated loans.
Social Security or Supplemental Security Income (SSI)#	Retroactive SSDI payments (only the current month is to be counted)
Pensions, veteran's compensations; workmen's compensations#	Medicare payments and Medicare Prescription Drug Plan deducted from Social Security grants and Health Insurance Premiums deducted from pensions
Interest on savings or checking accounts#	Assets or the sale of assets
Interest or dividends received from the redemption of bonds#	Stocks and bonds, as these are considered assets
Disbursements from annuities, individual retirement accounts (IRAs) or other retirement accounts#	Reinvested interest and dividends from individual retirement accounts (IRAs) or other retirement accounts
Dividends#	State of Maryland Homeowners'/Renters' Tax Credit Program payments.
Estate or trust income#	Federal Earned Income Tax credits or payments and federal and state tax refunds.
Rental income#	Department of Housing and Urban Development (HUD) direct payment subsidies
Royalties#	Food Supplement Program benefits
Inheritance and lottery#	Welfare Avoidance Grant (WAG)
Temporary Cash Assistance (TCA) and Temporary Disability Assistance Program (TDAP) grants#	Temporary Disability Asst. Program (TDAP) Flex Rent Payments
Child or Alimony/spousal support#	Payments under the Federal Action program made to participants in the Retired Senior Volunteer Program, Foster Grandparents and Senior Companion Program.
Strike funds where there is no employee contribution #	Payments to employees on strike where the strike funds consists of employee contributions.



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Payments made to home care providers for the care of adults who cannot care for themselves. #	Foster Care Grants, subsidized adoption and Kinship Care Payments
Armed Forces Dependents' Allowance and Support Payment#	AmeriCorps of VISTA payments
Criminal Injuries Compensation Board Payments#	Nazi Restitution payments to victims of Nazi persecution.
Severance pay #	Reimbursement of expenses incurred as a result of employment
Monetary settlements #	Overpayments
Mine Workers Benefits and Railroad Retirement Benefits#	Educational assistance funded under Title IV of the Higher Education Act or under the Bureau of Indian Affairs;
Unemployment benefits#	Stipends provided to participants in State and federally funded job training programs.
Stipends for fellowships (educational or research) for living expenses excluding that portion that covers tuition and required fees#	<p>Educational assistance, such as grants, scholarships, fellowships, educational loans on which payment is deferred, work-study, and veteran benefits, to pay for tuition, books, and other required materials and fees:</p> <ul style="list-style-type: none"> • At a recognized institution of postsecondary education; • At a school for individuals with disabilities; • In a vocational education program or technical school; or • In a program that provides for obtaining a secondary school diploma or an equivalent.



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Program Snapshot

	Maryland Energy Assistance Program (MEAP)	Electric Universal Service Program (EUSP)	Arrearage Retirement Assistance (ARA)	Gas Arrearage Retirement Assistance (GARA)
Frequency of Grant	Annual (State fiscal year)	Annual (State fiscal year)	Every 7 years (certain exceptions may apply)	Every 7 years (certain exceptions may apply)
Grant Requirement	Account does not have to be in the Applicant's name	<ul style="list-style-type: none"> Account <u>must</u> be in the Applicant's name Requires Budget Billing 	<ul style="list-style-type: none"> Applicant <u>must</u> receive EUSP grant to be eligible Applicant must have a past-due electric balance of at least \$300 	<ul style="list-style-type: none"> Applicant must receive MEAP grant to be eligible Applicant must have a past-due gas balance of at least \$300
How Benefit is Applied	One-time credit to the fuel supplier	<ul style="list-style-type: none"> Pays a portion of customer's current electric bill Grant is applied in monthly credits to electric supplier* See Chapter 1.1.2 for exceptions 	<ul style="list-style-type: none"> Assists customers with large past-due electric bills, up to \$2,000 Grant is applied as a one-time credit to electric supplier 	<ul style="list-style-type: none"> Assists customers with large past-due gas bills, up to \$2,000 Grant is applied as a one-time credit to gas supplier
Funding	Federal Low Income Home Energy Assistance Program	<ul style="list-style-type: none"> Utility ratepayer fees Regional Greenhouse Initiative via Maryland Strategic Energy Investment Fund 	<ul style="list-style-type: none"> Regional Greenhouse Gas Initiative via Maryland Strategic Energy Investment Fund 	Federal Low Income Home Energy Assistance Program
How Benefits are Determined	<ul style="list-style-type: none"> Household size Total household income Annual energy usage Heating source Geographic area 	<ul style="list-style-type: none"> Household size Total household income Annual energy usage Geographic area 	<ul style="list-style-type: none"> Amount past due, up to \$2,000 Eligible arrearage amount is confirmed with the electric company 	<ul style="list-style-type: none"> Amount past due, up to \$2,000 Eligible arrearage amount is confirmed with the gas company



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Abbreviations

CAA	Community Action Agency
CARES	Client Automated Resource and Eligibility System
COMAR	Code of Maryland Regulations
CSBG	Community Services Block Grant
DHCD	Department of Housing and Community Development
DHHS	United States Department of Health and Human Services
DHS	Department of Human Services
DLLR	Department of Labor, Licensing and Regulation
EAFIC	Emergency Assistance to Families with Children
EDR	Energy Delivery Record
EDS	Energy Delivery Statement
EITC	Earned Income Tax Credit
EUSP	Electric Universal Service Program
FES	Family Energy Services
FFM	Fuel Fund of Maryland
FIA	Family Investment Administration
FY	Fiscal Year
LAA	Local Administering Agency
LIHEAP	Low-Income Home Energy Assistance Program
MABS	Maryland Automated Benefits System (DLLR)
MEAP	Maryland Energy Assistance Program
NEADA	National Energy Assistance Director's Association
NEUAC	National Energy & Utility Affordability Coalition
OHEP	Office of Home Energy Programs
OPC	Office of People's Counsel
PL	Public Law
PSC	Public Service Commission
myDHR	Online application for benefits through the Department of Human Services (DHS)
SOLQ	State Online Query
SSA	Social Security Administration
SVES	State Verification Exchange System
TCA	Temporary Cash Assistance
USPP	Utility Service Protection Plan
VA	Veteran's Administration
WAP	Weatherization Assistance Program



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Chapter 1: Program Overview

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- [Coordination with Other Programs](#)
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1.1 Program Background and Overview

The Office of Home Energy Programs (OHEP) is responsible for the administration of the Maryland Energy Assistance Program (MEAP) and the Electric Universal Service Program (EUSP). It is also designated to take applications for the Utility Service Protection Plan (USPP). A single application is made available for all programs. These programs are implemented through agreements or contracts with local agencies operating in each jurisdiction across the State of Maryland.

1.1.1 Maryland Energy Assistance Program

The Low-Income Energy Assistance Act of 1981, Title XXVI of Public Law 97-35; the Omnibus Budget Reconciliation Act of 1981, as amended by the Human Services Reauthorization Act of 1984, Public Law 98-558, the Human Services Reauthorization Act of 1986, Public Law 99-425 and the Human Services Reauthorization Act of 1990, Public Law 101-501 (42 USCA Section 8621-29) authorizes the federal Department of Health and Human Services to provide grants to the States to assist eligible households to meet their costs of home heating and/or cooling energy.



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The Maryland Department of Human Services (DHS) is the agency authorized to receive funds under this Act. OHEP, an operating unit within the Family Investment Administration, has designed a program to assist Maryland residents with home heating costs. Programs serve homeowners, renters, and roomers/boarders by paying part of the cost for electricity, utility gas, oil, kerosene, propane, coal or wood.

The Department of Human Services contracts with twenty Local Administering Agencies (LAAs) to administer the program. The LAAs, which may include Departments of Social Services, Community Action Agencies, local government agencies, and other public service agencies, are designated to administer the program based on their experience and expertise in energy assistance services for low-income populations.

OHEP is responsible for allocating funds to the LAAs and monitoring compliance with program regulations as set forth in the State LAA contract, the OHEP Operations Manual, the annual State Plan, and [Code of Maryland Regulations](#) (COMAR).

1.1.2 Electric Universal Service Program

The Electric Universal Service Program (EUSP) was established by the Electric Customer Choice and Competition Act of 1999, Section 7-512.1, for the purpose of assisting electric customers who have annual incomes at or below 175% of the federal poverty level.

EUSP is a state program that is administered by DHS to assist eligible low-income electric customers with their electric bills. Eligible electric customers may receive help in the following ways:

1. Help to pay current electric bills

EUSP pays a portion of the current electric bill. The grant is divided by 12 and applied to the electric bill in monthly credits for one year.

2. Help to pay past due electric bills

If arrearage funds are not received, or if the outstanding balance is greater than the arrearage grant, the EUSP grant is applied to the past due amount and the remaining balance is applied in monthly credits.

3. Help with energy efficiency measures to reduce future electric bills

The Public Service Commission has program oversight and reports annually to the Legislature on program activities. EUSP funding is not currently appropriated for energy efficiency measures. DHCD would administer any energy efficiency programs were they to be implemented with EUSP funding.



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1.1.3 Arrearage Retirement Assistance Programs

Arrearage Retirement Assistance helps customers with large, past due electric and gas bills. If eligible, customers may receive forgiveness of up to \$2,000 towards their past due bill. Customers must have a past due bill of \$300 or greater to be considered eligible. Customers may only receive an arrearage grant once every seven years, with certain exceptions. See Chapter [4.1.3 Arrearage Retirement Assistance](#) for eligibility requirements.

1.1.4 Utility Service Protection Plan

The Utility Service Protection Plan (USPP) is a program of the Public Service Commission established through [COMAR Title 20.31.05](#). These regulations set forth certain provisions pertaining to terminations of service for customers qualifying for MEAP. Upon qualifying for USPP, customers are placed on an equal monthly payment plan and, as long as the agreed upon monthly payment is made, their electric or gas service cannot be terminated between the months of November and March. Any amount not paid during the winter period is payable upon the end of the heating season. See [Chapter 3.9 Utility Services Protection Program](#).

1.2 Weatherization

OHEP works with the Department of Housing and Community Development's (DHCD) Weatherization Assistance Program (WAP) by providing referrals of applicants potentially eligible for weatherization or furnace repair or replacement services. The purpose of weatherization services is to reduce energy consumption through the identification of energy loss and installation of appropriate structural or energy conservation measures. See [Chapter 3.10 Weatherization and Energy Efficiency Services](#).

1.3 Coordination with Other Programs

OHEP coordinates the delivery of services for its programs with other similar and related programs to assure an effective and diverse energy service delivery system. Coordination is provided for as follows:

- A. Applications are taken through selected LAAs including Community Action Agencies and local DSS through a contract or agreement.
- B. Many LAAs partner with their local Department of Aging to conduct outreach and application intake for seniors.



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- C. At the time of application OHEP applicants are given printed information regarding weatherization, energy conservation, and related assistance and/or self-help programs available in the area.
- D. Applicants may indicate an interest in energy efficiency services administered by DHCD through the OHEP application. Upon certification, information is forwarded to DHCD for all applicants who choose to be referred to energy efficiency programs.
- E. The OHEP application allows utility customers to enroll in USPP.
- F. OHEP coordinates its program activities with the Fuel Fund of Maryland and related organizations throughout the state to ensure that appropriate referral is made when a household's need for help exceeds the OHEP benefit.
- G. OHEP provides referrals to DSS emergency assistance programs when necessary. DSS provides information and referral to customers for OHEP.

1.4 Public Participation

OHEP provides for public participation in the development of its program Plans as follows:

- A. Key issues are discussed with representatives of energy advocates, LAAs, energy suppliers, and others interested in low-income energy policy. OHEP also convenes the OHEP Advisory Board, which provides valuable input to OHEP in developing policy and planning for the coming year's program.
- B. Public Hearings and/or Regional Focus Groups are held in several locations throughout the state to solicit public comment and discussion on the proposed plan. Notification of public hearings is officially made through the [Maryland Register](#). OHEP maintains a mailing list to notify interested persons about the public hearings.

A request to be put on the list for notification of public hearings or submission of written comments regarding planning documents, policies, procedures, etc. should be addressed to:

Director
Office of Home Energy Programs
311 West Saratoga Street, Room 239
Baltimore, Maryland 21201-3500



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1.5 Eligibility

The primary eligibility determinant for these programs is income. Income guidelines are legislatively mandated and are based on the federal poverty level as published each year by the Federal government. For MEAP, the income guidelines may be set at up to 60 percent of the median income of the state or 175 percent of the published federal poverty level. Each year Maryland publishes a plan that establishes the income guidelines for MEAP. The plan has established those guidelines at a maximum of 175 percent of the federal poverty level.

For EUSP, the guidelines are legislatively established at 175 percent of the published federal poverty level of the State. Each year OHEP publishes the criteria in its EUSP Plan submitted to the Maryland Public Service Commission.

To establish eligibility, the household's total gross income received in the last 30 days prior to the date of application is reviewed. A household's gross 30-day income must be equal to or be less than the established poverty level to be considered eligible.

In addition to the income criterion, applicant-households are determined eligible for assistance if:

- A. the applicant-household is responsible for paying home energy costs; and
- B. the applicant-household has not already received energy assistance benefits during the program year at the time of application (see [Chapter 3.3 Application Requirements](#)); and
- C. the applicant is at least 18 years old or emancipated.

Applications must be made to the jurisdiction of the applicant-household's delivery address. All delivery addresses must be within the State of Maryland.

If an individual applies at the incorrect office, it is acceptable for the LAA to take the application and then forward it to the correct location. The applicant should be instructed as to the location and all questions concerning the application should be directed to that office.

1.6 Benefit Levels

OHEP Benefit levels are determined in a manner that ensures that households with the greatest need receive the largest benefit. The benefit matrices are based on the following factors: income, household size, fuel type, annual average energy cost, and geographic area. Therefore, the largest families with the lowest incomes and the highest energy costs will normally receive the highest benefits.



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1.7 Crisis Assistance

The State provides energy crisis assistance to eligible applicants from November 1st through March 31st of each program year. Crisis assistance provides all or a portion of the energy assistance benefit that an applicant is eligible to receive in an expedited manner to ensure that applicants experiencing an energy crisis situation are able to obtain assistance and resolve their crisis within 18-48 hours depending on the nature of the crisis (see [Chapter 5.9 Delivery Requirements](#)). Applicants must meet the eligibility requirements for both energy assistance and crisis assistance in order to receive all or a portion of their grant in an expedited manner. Crisis assistance recipients do not receive any additional funding on top of the energy assistance they would normally qualify for. OHEP follows the guidelines outlined in the LIHEAP statute for the provision of crisis assistance and the resolution of crisis situations.

1.8 Outreach

Federal regulation requires that local agencies ensure that all low-income recipients, including the elderly and disabled, are aware of the program. [Chapter 2](#) includes an overview of outreach requirements and coordinating activities necessary to meet the requirement. Outreach is conducted by OHEP, LAAs, and energy suppliers to ensure that all potentially eligible households, particularly households with elderly and/or disabled individuals are made aware of energy assistance programs, along with other related services.

1.9 Application Process

Customers may apply for OHEP through a variety of channels. [Chapter 3.4.1](#) provides a list of application methods. Customers should choose the method that works best for them, but should apply in person at their local office if they have an emergency. Applications are processed by intake workers. A list of documents required to determine eligibility is outlined in [Chapter 3.3 Application Requirements](#). The LAAs, at their discretion, have the authority to request additional documentation from an applicant if documentation submitted is questionable. Applications are required to be processed within 45-days from the receipt of the application.

1.10 Denial Process

An application may be denied for the following reasons:

1. The applicant does not provide all documentation to their LAA within 15 days from the date the Request for Additional Information letter was generated.



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2. The applicant has provided complete documentation, but does not meet the eligibility criteria for the program.

Applicants who are denied receive a written notice of the denial. For additional information and denial procedures, see [Chapter 4.19 Denial Policy](#).

1.11 Review and Hearing Process

OHEP applicants have the right to appeal the eligibility determination made on their application. LAAs should attempt to settle all disputes in an informal and timely manner. However, OHEP applicants are guaranteed access to a formal review and hearing process if the matter cannot be resolved at the local level. Complete details on this process can be found in [Chapter 6 Fraud, Repayment, and Administrative Hearing Procedures](#).

1.12 Payments

OHEP benefit payments are made to eligible households' energy suppliers, who deliver fuel or apply credit to an existing account in the dollar amount of the benefit payment. Energy suppliers are required to sign an agreement with OHEP to participate in this program. The Agreement with each participating program energy supplier contains the provisions that must be met by each energy supplier. See [Chapter 8.1 Grant Funds Policy](#).

Payments are made on a weekly basis to utilities, non-utility energy suppliers, and landlords. OHEP is responsible for issuing payments to utilities. The LAA is responsible for issuing payments to non-utility energy suppliers and to landlords. When special circumstances require it, LAAs are also responsible for issuing payments to individual applicants. See [Chapter 8.3 Grant Payment Procedures](#) for complete guidance on making payments.

Eligible households are notified of the amount of assistance paid to the selected energy supplier on their behalf, and of their right to appeal any dispute regarding the benefit level.



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Chapter 2: Outreach

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- [Outreach Policy](#)
- [Local Agency Outreach Plan](#)
- [Local Outreach Responsibilities](#)
- [Outreach Log](#)
- [OHEP Advisory Board](#)
- [National Outreach Efforts](#)

2.1 Outreach Policy

The Low Income Home Energy Assistance Act of 1981 as amended, Section 2605 (B) (3) and Section 2605 (B) (15), requires outreach activities to be conducted to reach specific target populations. The first referenced section, referred to as Assurance Number 3, requires the State to:

“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;”

Sections 2505(b) (2) and (3) relate to the priority treatment or targeting of LIHEAP benefits to eligible high burden households and vulnerable households.

The Office of Home Energy Programs (OHEP) meets and implements these requirements in each of the Maryland's jurisdictions by designing its outreach activities to ensure that eligible households, especially the elderly and handicapped, are made aware of the availability of energy assistance and all related energy resources. Part of the outreach effort is to make available alternate intake sites and alternate intake options, such as home visits. No application shall be refused due to the lack of access to an intake site.

While the legislative and regulatory requirement for outreach is specified for LIHEAP efforts by OHEP and its LAAs, it shall encompass the Electric Universal Service Program as well.



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2.2 Local Agency Outreach Plans and Supplemental Funding

LAAs are provided funding to conduct activities to inform the public about energy assistance and other related energy resources. LAAs are allowed a line item in their administrative budgets each year specifically for outreach purposes. DSS administrative budgets are approved on an annual basis. Community Action Agency administrative budgets are approved as part of the RFP process.

Each year, State OHEP gives the opportunity for LAAs to request supplemental outreach funding for new and innovative ways to reach customers and increase the number of completed applications. Budgets are approved based on the application intake size of each jurisdiction.

Each LAA must develop an Outreach Plan on an annual basis that reflects the unique character and conditions of their jurisdiction. The local Outreach Plan shall include the list of all activities planned by each local jurisdiction for the purpose of meeting outreach goals. It shall include an assurance that where the local jurisdiction is administered by a local Department of Social Services, additional outreach/intake sites are used. In addition to the list of activities planned by the LAA, the Outreach Plan shall also include an estimated budget necessary to complete the activities. LAA Outreach Plans are due to State OHEP by July 1st of each year. OHEP supplies a template for LAAs to complete.

State OHEP provides assistance to the LAAs to meet outreach requirements. Examples of activities undertaken by the State OHEP staff include:

- A. Printing and supplying posters, brochures, and fliers to local agencies to display in strategic locations throughout its geographic area;
- B. Issuance of press releases and articles on the program;
- C. Participation in public forums to increase the awareness of the availability of energy assistance;
- D. Development and production of informational material for use by other federal/private help programs including energy suppliers;
- E. Provision of a toll-free number 1-800-332-6347 for OHEP customers to receive specific information and inquire about the various programs; and
- F. Conducting special studies to target and enhance outreach activities

2.3 Local Outreach Responsibilities

The LAA maintains primary responsibility for all outreach activities within their jurisdiction. If a Local Department of Social Services (LDSS) administers the program, affirmation that additional



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outreach/intake sites are available including the name(s), locations, and total number of participants from the site(s) is required. Outreach Plans shall also demonstrate the establishment of relationships and partnerships with other organizations serving the community. Activities suggested for the LAA plan include but are not limited to:

1. Provide additional outreach/intake sites of which one is the local Senior Information Center (Required if program is administered by Department of Social Services)
2. Provide intake services for the physically infirm through home visits or by telephone
3. Send mailing to previous year's elderly and disabled (at a minimum) and to the previous years' recipients as determined by local management decision
4. Accept applications for regular and crisis situations at areas that are geographically accessible
5. Conduct special events to increase program awareness or to take applications
6. Inform the applicants of available energy assistance including weatherization, fuel funds, emergency assistance and private sponsored utility initiatives
7. Provide energy suppliers with information to use as bill inserts
8. Promote articles in local newspapers or broadcast media announcements
9. Place posters/fliers in strategic locations throughout local and county areas

Local agencies must indicate a variety of methods used to increase outreach activities that is widely spread out across its serving jurisdiction and include multi-cultural contacts (i.e. faith based, disabilities, seniors, non-English speaking participants, etc.).

2.4 Outreach Log

A detailed summary of outreach activities conducted by the LAA must be maintained using the monthly Outreach Log. Each LAA is required to forward the Outreach Log to OHEP by the first Friday after the end of the previous month. Outreach logs must contain detailed, accurate, and verifiable information demonstrating compliance with the approved outreach plan.

2.5 OHEP Advisory Board

OHEP organizes and maintains an Advisory Board whose purpose is to provide discussion and information on issues pertinent to the implementation and administration of OHEP programs. It serves



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as a way of fostering involvement in OHEP by identifying key issues etc. The Advisory Board meets quarterly or on an as needed basis. A current listing of members of the Advisory Board may be obtained from OHEP.

2.6 National Outreach Efforts

At the national level, high-energy burden households and vulnerable households are targeted for outreach through efforts of the Department of Health and Human Services. Non-profit organizations such as the National Energy Assistance Directors Association (NEADA) also provide periodic outreach assistance. Those efforts are incorporated into State and local strategies as appropriate.



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Chapter 3: Application Process

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- [Application Policy](#)
- [Application Period](#)
- [Application Requirements](#)
- [Application Procedures](#)
- [Application by Proxy](#)
- [Application Processing](#)
- [Pending Cases – Procedures](#)
- [55-Day Holds](#)
- [Referral to Energy Assistance Resources](#)
- [Utility Services Protection Program](#)
- [Furnace Repair and Replacement](#)
- [DHCD Energy Efficiency Services](#)

3.1 Application Policy

State law and regulations require that LAAs under contract with OHEP to operate the Maryland Office of Home Energy Programs provide confidentiality safeguards for the use of DHS client records and reports.

- A. All applicants for OHEP programs must complete the Application for Energy Assistance. Completion of the application form and the submission of requested documentation constitute a completed application for processing; exceptions are made for applicants concerned for personal safety as described in [Chapter 3.1.2 Personal Safety & Privacy Policy](#). The OHEP application process is designed to provide an opportunity for any individual/household requesting energy assistance to provide verification of household information for a fair and timely eligibility determination. Applicants whether they apply by mail or interview must be informed about the basic application requirements.
- B. The OHEP Application for Energy Assistance is used to determine eligibility for all programs administered by the Office of Home Energy Programs including:
 1. *Maryland Energy Assistance Program (MEAP);*
 2. *Electric Universal Service Program (EUSP);*
 3. *Electric Universal Service Program Arrearage Retirement Assistance (EUSP ARA); and*



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4. *Maryland Energy Assistance Program Gas Arrearage Retirement Assistance (MEAP GARA).*
- C. LAAs are to review applications for all MEAP and EUSP benefits and designate such in the computer system unless the applicant chooses not to apply for one of the programs. To be eligible for EUSP the applicant must have an electric bill in their name and agree to enroll in budget billing for 12 months with their electric company.
- D. The OHEP Application for Energy Assistance is also used to refer customers to the following programs:
 1. *Energy Efficiency Programs administered by the Department of Housing Community Development (DHCD). These programs include the Maryland Energy Assistance Program Furnace Repair and Replacement Program ([Chapter 3.10 Weatherization and Energy Efficiency Services](#)).*
 2. *Referral to the Utility Service Protection Plan (USPP). This is a program of the Public Service Commission and the regulated utilities within the state.*

Each of these programs requires an additional qualification process by the respective entity to determine eligibility.

- E. Customers completing the Application for Energy Assistance will apply for all grants (MEAP, EUSP, EUSP ARA, and MEAP GARA) at one time. If a customer is not eligible for one of the grants at the time of application, the customer will not be eligible for that particular grant the remainder of the program year. This procedure will be referred to as the "Point in Time" policy.

The only exception to the Point in Time policy is in relation to the arrearage grant (see [Chapter 4.1.3.2 Point in Time Waiver](#)).

3.1.2 Personal Safety & Privacy Policy

Applicants who experience domestic violence or are concerned for their personal safety may apply for OHEP while still maintaining their privacy. LAAs must ensure that the customer's personally identifiable information remains confidential and protected, but that enough information is provided in order to ensure proper payment of OHEP benefits. Documentation is required and based on completion of the Concern for Personal Safety Privacy form.

These customers will be exempt from the requirement to provide photo identification, proof of residence, and a copy of their utility bills.

LAAs must coordinate with State OHEP on all cases where a customer is not able to provide a delivery address due to safety concerns. If the customer is working through a domestic violence program, then



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the mailing address of the organization should be entered into the OHEP system. If the customer is not working with a program, the customer's real name must be entered, but "123 Fake Street" should be used for the address. The LAA, State OHEP, utility company, customer, and any assisting organization will coordinate to ensure that the payment is properly applied to the account.

3.2 Application Period

Applicants may apply at any time during the program year, July 1 through June 30. Applications are processed according to specific program guidelines and customer circumstance as detailed in the schedule below.

Application Periods*	
July 1 through May 15#	All applications (MEAP and EUSP)
May 15 through May 31 #	<ul style="list-style-type: none">• Complete applications only (MEAP and EUSP)• LAA should work with service-off customers to obtain a complete application and make commitments when appropriate.
June 1 through June 30#	<ul style="list-style-type: none">• All applications taken are processed for payment in the following fiscal year (MEAP and EUSP)• LAA should work with service-off customers to obtain a complete application and make commitments when appropriate.
November 1 through March 31#	Crisis applications (MEAP only)
November 1 through March 31#	USPP protection period (although USPP applications are taken year-round)

**These dates are subject to change by OHEP at any time if program requirements warrant.*

Applicants do not have to wait until the anniversary of their previous year application to apply. A person may apply in April and then apply again in July for the next program year. Applications received between June 1 and June 30 are considered applications for the following fiscal year and are dated with the received date of July 1 in the database. The LAAs should not change the date on the application to July 1.

3.3 Application Requirements

The applicant must be at least 18 years old or emancipated and maintain the primary residence at the service delivery address listed on the application, or has met the requirements necessary to apply as a proxy on behalf of a qualified Applicant (see [Chapter 3.4.5 Application by Proxy](#)). The LAA may request that the applicant (as defined above) must appear for an in-person interview if requested.



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The applicant must submit the following items in order for an application to be considered complete:

1. A signed and dated application form. An application can only be accepted as a valid and complete application if it is signed and dated by the applicant, proxy, or Power of Attorney. The application form is placed in the applicant file.

A. Applications may be submitted in person, through the mail, or scanned and submitted via fax or email. Original signatures are not required unless the document is questionable. Electronic signatures are not accepted, except for the online OHEP application through myDHR.

2. Names and Social Security numbers (SSNs) of the applicant and all household members. For the applicant and each household member, a copy of the Social Security card or other acceptable document with the Social Security number (see [Chapter 3.3.2 Social Security Numbers](#)) shall be placed in the applicant file. Social Security numbers already verified and documented in the case record do not need to be re-verified.

For non-citizens: Proof of citizenship status, or for aliens, registered resident (alien) status, except when previous recipients have verified this information and it is on file (see [Chapter 4.6 Alien Eligibility](#)).

3. A copy of the applicant's photo identification (see [Chapter 3.3.3 Photo Identification](#))
4. Proof of residence for the applicant, unless the residence of another household member is in question (see [Chapter 3.3.4 Proof of Residence](#))
5. Proof of all gross income for applicant and all household members received in the last 30 days (see [Chapter 4.2.2 Countable Income/Resources](#))
6. Copy of the utility bill or termination notice (if applicable)
7. Copy of heating bill or receipt (if applicable)

For returning customers with documentation already on file, a copy must be made again from the original or from the document in a previous year file, or the previous file must be readily available in the current file. Records up to three years old are subject to audit and must contain proper documentation.

3.3.1 Household Members

Any person currently residing in the household the day the application is signed must be listed on the application and all income they received in the last 30 days shall be counted. Where there is a question



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as to the residency of household members, documentation should be requested to ensure that the person is residing at the applicant's address (see [Chapter 3.3.3 Proof of Residence](#)).

To prevent households from receiving multiple benefits in the same program year by transferring the electric account from an Applicant to another household member that is a qualified Applicant, household members may not become Applicants in the same program year if the new Applicant still lives with the original Applicant. If a Local Administering Agency (LAA) receives an application from an individual that was listed as a household member on another application in the same program year, the LAA is responsible for ensuring that the original Applicant is no longer in the household. The LAA may request proof if they question that the original Applicant is still in the household. Acceptable forms of documentation to prove the original Applicant no longer resides in the household include:

- A new lease at another address with the original Applicant's name listed
- Rent Receipt that includes ALL of the following information:
 - Applicant's Name
 - Current Address
 - Landlord's Signature
 - Dated in the last 30 days from date of application
- A major utility bill at another address in the original Applicant's name (dated within last 30 days)
- Current Photo ID/Driver's License with new address listed (or change of address card)

Notarized letters may not be accepted. LAAs should do their best due-diligence to obtain documentation from the customer or through CARES and by reviewing case notes and previous years' OHEP applications in order to attempt to prevent program fraud.

If an applicant was approved for benefits, and within the same program year relocates to another household, the OHEP system will not allow the applicant to be entered onto another application. Under the household table, enter the original applicant's SSN as all zeros (000-00-0000). The system will generate a pseudo number in order to add the person to the household. In the household table, under the Citizen/Eligible columns, the individual should be marked as Citizen – Y and Is Eligible – Y so that the person and all income is counted in the household.

If the applicant who previously received benefits had other members in her/his household, the members can be released and be added to the application.



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3.3.2 Social Security Numbers

Verification of Social Security numbers must be kept in the Applicant's file. Applicants who provided SSN documentation in a previous fiscal year do not have to provide copies of documentation to reapply for assistance; however, copies of the previous fiscal year documentation must be placed in the current fiscal year file. Acceptable forms of documentation include:

Acceptable Documentation of Social Security Numbers

- **Copy of the Social Security card#**
- **Printout from CARES (DEM1 screen – must state FV)#**
- **Printout from MABS#**
- **Medicare Card (given the number shown is the Applicant's SSN)#**
- **Printout from SOLQ or SVES#**
- **Federally-issued IRS tax return documents (e.g. 1099, W-2)#**
- **Official letter or benefits notice with the social security number displayed. This letter must be on government letterhead. #**
- **SSN verification through the OHEP system validation procedure#**

U.S. citizen adult members of a household must have a documented SSN in order to complete the application. If an applicant does not have proof of an adult household member's SSN at time of that application the application may not be processed for payment until the documentation is received. The application should be placed in pending for fifteen days to give the applicant the opportunity to provide a valid social security card or a letter from Social Security Administration confirming the social security number and that the card is forthcoming. An exception is made for persons identified with alien status. The 000-00-000 can be used for those persons designated with alien status. Guidelines for alien eligibility are described in [Chapter 4.6 Alien Eligibility](#).

If a child in the household does not have an SSN, the parent or guardian of that child must apply to the Social Security Administration (SSA) for one. A receipt or other documentation of the application for a SSN is to be submitted as documentation.

- If the application is a crisis situation the application may be processed with the child's SSN entered as 000-00-000. Once the applicant receives the number, a copy of the document is to be provided to the LAA.
- If the application is not a crisis situation the applicant must submit the proper documentation to the LAA in order for the application to be processed. Generally SSNs are received within fifteen days.



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- If the number is not available by the end of the fifteen (15) day period for application processing, proof that an application has been made to SSA shall be submitted in lieu of the actual number. For this situation the LAA shall enter 000-00-000 in the household data section of the OHEP data system for the child until the number is received.
- An application may be denied for incomplete information if there is a refusal to obtain a SSN for a child over the age of two.

Social Security Administration (SSA) issues three types of Social Security cards:

1. The first type of card is the card most people have that shows your name and Social Security number and lets you work without restriction. SSA issues this card to:
 - a. *U.S. citizens*
 - b. *People who are lawfully admitted to the U.S. for permanent residence or who have permission from the Department of Homeland Security (DHS) to work permanently in the U.S.*
2. The second type of card bears the legend "NOT VALID FOR EMPLOYMENT". SSA issues this card to people who:
 - a. *Are lawfully admitted to the U.S. but don't have DHS permission to work. You need this card if a federal or state law requires you to have a Social Security number to receive a benefit or service.*
 - b. *Are living in the U.S. and don't have DHS permission to work but because they're entitled to a federally funded benefit and are required by federal law to have a Social Security number to receive the benefit.*
3. The third type of card bears the legend "VALID FOR WORK ONLY WITH DHS AUTHORIZATION." SSA issues this card to people who have DHS permission to work temporarily in the US. Cards issued prior to April 2004 bear the legend, "VALID FOR WORK ONLY WITH INS AUTHORIZATION."

A copy of the SSN documentation for all household members is placed in the applicant file. Income for all household members as defined in [Chapter 4.2 Income Eligibility](#), must be verified.

3.3.3 Photo Identification

For previously eligible households where photo identification was received and remains in the file, photo identification is not required to be submitted again. Separate documentation with a photo is



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required for those items that do not have photo for anyone less than 62 years of age. A copy of the proof of identity for the applicant is placed in the applicant file.

Acceptable Documentation of Photo ID

- Valid driver's license (current or expired)#
- Out-of-State driver's license may be accepted#
- Valid identification card issued by Maryland Motor Vehicle Administration (MVA) (current or expired)#
- Employment Identification Card with picture (current or expired)#
- Valid U.S. Passport (current or expired)#
- Valid out-of-country passport with visa and valid I-94/ADIT stamp evidencing lawful admission (current or expired) #
- Valid U.S. military identification card (current or expired)#
- MTA Mobility identification card#
- Other state-issued identification card (jail/prison ids)#
- Certificate of U.S Citizenship (INS Form N-560 or N-561)#
- Valid alien registration card (I-551)#
- Valid employment authorization card (I-688 or I-688-B)#
- Valid employment authorization document (I-766)#
- Valid temporary resident card (I-688)#
- Certificate of naturalization (INS Form N-550 or N-570)#
- I-94 arrival and departure record (refugee)#
- Out-of country driver's license (valid or expired)#
- Valid International driver's license (current or expired) #
- Valid U.S. government driver's license including military licenses (current or expired)#

<p>For persons 25 or Younger#</p>	<ul style="list-style-type: none"> • Valid school photo identification card (current or expired) from a • High School; or • College; or • Vocational/technical school
<p>Applicants Age 62 and Over or Disabled/Homebound#</p>	<ul style="list-style-type: none"> • Birth Certificate or Medicaid/Medicare card • Any valid document that displays the applicant's full SSN, including SVES printouts • Valid insurance policy document or health insurance card <p>**Another document with a photo is not required**</p>



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3.3.4 Proof of Residence

In order to qualify for MEAP or EUSP benefits, applicants and household members must be residents of the State of Maryland. The applicant must establish proof of primary residence. The proof of residence must have the individual's name and indicate a Maryland street address to identify the location for delivery. Documents with Post Office Box addresses are not acceptable as proof of residence.

Acceptable Documentation for Proof of Residence

- **Current (not expired) Driver's license or Photo Identification issued by the MVA#**
 - **Address on the license must be verified as the delivery address (no P.O. Boxes)#**
- **Current (within 12 months of application) Residential lease/rent contract#**
- **Current (within last 30 days) letter or rent receipt that includes ALL of the following:#**
 - **Applicant's Name#**
 - **Current Address#**
 - **Landlord's Signature#**
 - **Dated in the last 30 days from date of application#**
- **Current (within program year) OHEP Landlord Agreement#**
- **Rent-Living Arrangements Form (OHEP form) signed by the landlord#**
- **Social Security benefit letter#**
- **Department of Social Services benefit letter or print out from CARES (if within the last 6 months)#**
- **Major utility bill that includes the applicant's name and delivery address #**
 - **e.g. electric or heating bill, cable bill, telephone bill, or major credit card bill#**
- **Valid Voter registration card#**
- **Current (within calendar year) Property tax bill or receipt#**
- **Printout from the Department of Assessments and Taxation website showing homeownership (sdatt.dat.maryland.gov/RealProperty)#**
- **Mortgage account statement #**

Where there is a question as to the residency of household members, additional documentation should be requested to ensure that the person is residing at the applicant's address. This could be through any of the documents listed above.

If two parents share joint custody, they each can apply for energy assistance and have the same children listed as members of their households. However, the child cannot be listed on both applications at the



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same time. The first application must be processed and EDSed before the child may be released from that application and added to the second application for processing.

For children who move in and out of the household, additional documentation must be provided such as:

- Custody order
- School enrollment, child care, or medical records
- Child listed on rental lease
- CARES
- Signed statement from both applicants specifying the living arrangements

3.3.5 Supplier Information

For an applicant to qualify for EUSP, the LAA must verify that the electric service account is in the applicant's name. Acceptable documentation includes:

- Current utility bill
- Current utility termination notice
- Print out from utility website or other utility provided document that documents account number, name, and address.

For renters where the benefit is to go to the landlord, a current (within program year) Landlord Agreement must be acquired by the LAA. In addition, proof of rental status is required. Acceptable documentation includes:

- Current (within 12 months of application) signed lease; or
- Current rent receipt; or
- Current statement signed by the landlord

The following additional data elements are required for application completion:

1. The LAA shall obtain current electric (kilowatt hours or kwh) or natural gas (therms) usage data for applications that have designated a utility to receive the MEAP benefit. The usage data must be in writing from the utility company via the utility's website, a current copy of the applicant's



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utility bill, or directly from the utility company and placed in the applicant's file. The MEAP benefit amounts are based on the electric or gas usage.

2. The LAA shall obtain current electric usage data (kilowatt hours or Kwh) for applications that have designated an electric utility to receive the EUSP benefit. The usage data must be in writing from the utility company via the utility's website, a current copy of the applicant's utility bill, or directly from the utility company and placed in the applicant's file. The EUSP benefit amount is based in part on the electrical usage.
3. The LAA shall obtain current electric arrearage data for applications that have designated an electric utility to receive the EUSP benefit. The data must be in writing from the utility company via the utility's website or directly from the utility company and placed in the applicant's file. EUSP arrearages will only be paid once every seven years, with certain exceptions. The data system maintains a history that identifies if the arrearage application is within seven years (see Arrearage Inquiry on the Application menu in the OHEP Data Management System). If the LAA has evidence otherwise, an override may be implemented. State OHEP performs overrides on arrearage. Contact State OHEP for override requests.

The procedure for obtaining usage and arrearage data from the utility company is developed in cooperation with each utility company. If the utility bill is used to obtain the kwhs/therms, the bill must be current. If the applicant does not have a meter history or is new to the residence and the utility company cannot give the LAA the annual usage, the LAA may take the usage that is known, determine the average for a month's usage and multiply by 12. For example, if the applicant has 3 months of meter history, the LAA may take the average of the 3 months and multiply that number by 12 to obtain the annual usage.

If there is no usage available for the current residence due to the dwelling being part of a new development, the utility may provide an estimated annual usage based on a neighboring house in the same development. If the utility is unable to provide an estimated usage, the LAA should find a comparison household from applications already certified to act as a proxy. In selecting a comparison household, the LAA should consider the similarity of location, square footage, and household size. The LAA must narrate in the notes section in the OHEP Data System as to how the kwhs/therms were obtained. A copy of the note should be placed in the applicant's file.

If the LAA is behind in processing applications because of the volume of applications received in the agency and the applicant did not submit a current utility bill with the application, the LAA can obtain the most current kwhs/therms from the utility company in writing or via the utility company's website. However, the LAA must make every attempt to make eligibility determination within the 45 days of receipt of the application. Applications should be placed in EDS sent status no later than 55 days after application received date.



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If an applicant received MEAP and EUSP benefits in October but in January is eligible to apply for an arrearage benefit through the Point in Time Waiver, the arrearage that is current in January according to the utility company is used. The LAA does not use the arrearage amount that was on the utility bill when the applicant initially applied for benefits.

3.3.6 Customers Establishing Service

Many housing programs and landlords require applicants to resolve utility debts before they are considered eligible for housing. In order to determine eligibility for OHEP, the following procedures should be followed:

- A. The applicant will identify the address they are moving to and provide verification from the landlord of the move-in date. If the applicant is receiving help from a housing program, include a copy of the letter in the applicant's file.
- B. LAA will determine if the applicant has an outstanding debt with the jurisdiction's utility company.
- C. LAA will determine which OHEP grants the applicant is eligible for, including arrearage screening. If the address the customer is moving to does not have usage history, refer to [Chapter 3.3.5 Supplier Information](#) for guidance on how to calculate kwh usage.
- D. LAA will provide status of application and grant amounts (if applicable) to the applicant and utility company. Communications with the utility should make clear that the benefits are for the account at the new address.

OHEP grants may not be paid on a closed account. If the utility company assigns a new account number to the customer, the LAA should request the utility to transfer the old account balance to the new account in order to use OHEP grants toward the past-due amount.

3.4 Application Procedures

It is the policy of OHEP to receive applications from all potential applicants. Application procedures may not prevent a potential applicant from completing an application. There may not be any barrier that prevents a potential applicant from applying.

3.4.1 Application Methods

The Applicant may apply through any of the following methods:



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A. In-Person Office Interviews

Each LAA is to have an accessible location to receive applications according to OHEP contractual or agreement requirements. Applications completed and printed in the OHEP database must be printed and signed by the applicant. A copy of the application should be given to the applicant for his/her records.

B. Mail-Out Applications

LAAs may elect to mail the application to the customer's home. The packet should contain the current OHEP application and brochure, along with the instructions for completing and mailing back to the LAA for processing. Other information deemed appropriate by the LAA may be included in the mailing.

C. Off-site Applications

Opportunities to conduct application intake in locations other than the main office of the local agency are encouraged. This may be accomplished through special events or visits to other sites or by partnering with other organizations such as the Office on Aging.

D. Home visits

LAAs shall establish a policy reflecting reasonable accommodations for applicants who are homebound or who request accommodation. If the customer is unable to travel to an intake site due to age or infirmity, the LAA must make reasonable accommodations to arrange for a home visit or the customer may send someone to apply on their behalf. See [Chapter 3.4.5 Application by Proxy](#).

E. On-line Applications (myDHR)

Individuals may apply on-line via the myDHR application website <https://dhs.maryland.gov/benefits>. LAAs must review and import myDHR applications into the OHEP database on a daily basis.

F. By proxy on behalf of the applicant (see [Chapter 3.4.5 Application by Proxy](#))

G. Redetermination Process

Customers certified for OHEP benefits the previous program year based on a fixed income have the option to receive current program year benefits through a redetermination process that does not require a new OHEP application. The customer must certify that their household's eligibility criteria have not changed from the previous program year.



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The OHEP Data Management System will automatically identify customers eligible for this process. Eligibility for redetermination is based on the criteria that the applicant was aged 65 years and older or was disabled at the time of the prior year's application. Eligible income sources are limited to one or more of the following types of income: Social Security, SSI, SSDI, and Pension. If the household received any other type of income or if any adult claimed they had zero income, a full application must be completed.

The OHEP Data Management System will generate a list for the LAA to review. The LAA can elect to send a Redetermination Notice locally or through the DHS Central Distribution Center (CDC). The Redetermination Notice will list the estimated benefit amounts for the current program year for MEAP and EUSP. These amounts are not guaranteed and may change based on the household's current situation and the availability of funding.

The Redetermination Notice is based on the assumption that customers on fixed income do not typically experience significant changes from year to year. The Redetermination Notice contains the information that is pulled forward in the OHEP system from the previous year. As long as the customer marks that there have been no changes, the LAA may process the benefits without requiring new documentation.

If the customer has received a Cost-of-Living adjustment (COLA) from social security, the worker may make this small change in income without documentation, as long as it remains within the income eligibility guidelines. If the applicant marks that there has been a more significant change in their information, the local agency may need to contact the customer and request additional information. The customer is given 15 days to provide the documentation. If the applicant marks that there has been a change to household composition or address, a full application must be completed.

LAAs should take advantage of existing verification systems before requesting additional information, if information provided on a redetermination notice is questionable.

Customers have 30 days from the date of the notice in order to be considered for the benefits listed. If the form is not received within 30 days, a full application must be completed in order to apply for benefits.

An applicant may only be considered for benefits using the Redetermination Notice for three consecutive years, after which they must submit a full application. The eligibility for Redetermination is tracked by the OHEP Data System.



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3.4.2 Application Intake

1. If applying in person, the applicant is given an appointment or interviewed on a walk-in basis at the LAA designated intake site. Interviews may also take place at the applicant's residence by appointment if they are unable to apply otherwise. The Intake Worker explains all OHEP benefits and its individual components of EUSP, MEAP, Arrearage programs, DHCD WAP, and USPP.
2. If additional assistance is required in order to resolve a crisis, a referral is initiated for the Emergency Assistance Program at the LDSS and/or the Fuel Fund of Maryland or similar community resource. The applicant is given information regarding assistance or self-help programs available in the community if needed.
3. The application is completed during in-person interviews using one of the following approaches:
 - a. *By the current OHEP Data Management System for on-line data entry; or*
 - b. *The Intake Worker completes the application with the applicant; or*
 - c. *The applicant completes the application and gives it to the Intake Worker; or*
 - d. *The application is completed at an outreach intake site or home visit with the assistance of an Intake Worker.*
4. If the application is missing required documentation, the Request for Additional Information letter is generated from the OHEP Data Management System and given or mailed to the applicant.
5. All applications must be entered into the OHEP Data Management System, including those applications determined to be over income for OHEP eligibility purposes. [See Chapter 9 Data Management System](#) for additional information.

Note: The LAAs at their discretion have the authority to request additional documentation from an applicant if documentation submitted is questionable.

3.4.3 Processing Procedures for the Electric Universal Service Program

- A. The LAA is to process the application for EUSP benefits, unless the applicant chooses not to apply for EUSP on the application.



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- B. The LAA is to obtain from the electric company the current annual electric usage in kilowatt-hours (kwh) and any qualified arrearage amount in writing except for those applicants who do not have meter history as stated in [Chapter 3.3.5 Supplier Information](#).

Note: Applications without the kilowatt usage may not be processed for a EUSP benefit. The process for obtaining this information varies by utility company. Each LAA is to communicate with the respective company to determine the method. See [Chapter 3.3.5 Supplier Information](#).

- C. If the applicant chooses on the application to be screened for an arrearage, then the LAA is to include arrearage as part of the application. There must be a qualified arrearage reported by the electric company. The LAA will determine if the applicant has received arrearage forgiveness in the last seven years. If the applicant has received arrearage forgiveness in the last seven years, the LAA will then determine whether the applicant qualifies for an arrearage waiver (see [Chapter 4.1.3.3 Vulnerable Population Waiver](#)). For an applicant to receive an arrearage benefit, EUSP Bill Payment Assistance must also be received. For more information regarding eligibility for arrearage, see section [4.1.3 Electric Universal Service Program - Arrearage Retirement Assistance](#).

3.4.4 Theft of Energy

OHEP grants may not be paid towards theft of energy or any related charges. A customer with charges identified as theft of energy or unmetered charges may apply for benefits (e.g. to restore service), but the customer may not receive a benefit until the customer has established an active utility account, or the theft of energy charges have been satisfied.

If a customer's account includes both authorized and unauthorized usage, the LAA should obtain a Statement of Monies Due that outlines the charges, breaking out the theft of energy charges on a separate line. OHEP benefits may be applied to the portion of the bill that was authorized energy usage. OHEP benefits may not be applied towards the portion of the bill that was unauthorized energy usage.

Theft of energy includes:

- Tampering with utility lines or meters
- Installing illegal connections
- Unauthorized electric or gas usage
- Preventing a technician from accessing the utility's equipment
- Tampering with other utility equipment to obtain unauthorized service



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Customers will be responsible for the service used and the cost of repairs in the event tampering causes damage to the utility's property.

How to identify possible closed accounts or theft of energy:

- The Statement of Monies Due from the utility do not show current usage
- The account has been closed, but there is active usage at the customer's residence

LAAs should do their due diligence to ensure that theft of energy charges are not paid by OHEP.

Reasonable steps include:

- Obtaining a Statement of Monies Due from the utility supplier
- Examining current usage/charges to see if the account may be closed
- Contact the utility supplier to inquire when the account was closed
- Obtain documentation from the utility supplier that shows the breakdown of charges, breaking out theft of energy charges on a separate line
- Unmetered charges may not be used in the calculation when determining arrearage benefits.

3.4.5 Application by Proxy

An applicant who is unable to apply for energy assistance in person may have his/her application made by the applicant's authorized agent or proxy provided that the Proxy Authorization Form is completed and signed by the applicant. A current Power of Attorney may be used instead of the Proxy Authorization Form. A proxy may be an adult member of the applicant's household or a relative, neighbor, or other authorized agent. Although there is no limit to the number of times one person can act as proxy for another, this situation should be avoided if possible, because it increases the opportunity for fraud. Special attention must be given to justification when one person acts as proxy for more than one applicant.

If a proxy makes the application, the completed and signed Proxy Authorization Form or a valid Power of Attorney document must be placed in the applicant file.

Individuals that apply as a proxy on behalf of an applicant do not need to provide proof of residency for themselves, but must provide proof of residency for the Applicant they are applying for.



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3.4.5.1 Procedures

The Proxy Authorization Form must be completed and signed by the applicant and the proxy before the intake interview. Note: The applicant and proxy signatures must be witnessed by another individual; however the applicant cannot witness the proxy's signature and the proxy cannot witness the applicant's signature. The form does not need to be notarized.

- A. The applicant's proxy participates in the intake interview and provides all information and documentation for the applicant. The proxy shall supply proof of the applicant's identity and residence.
- B. The proxy signs the application and related forms in the following manner:

"John Doe for Jane Jones"
(Proxy) (Applicant)

- C. The application name is not the proxy name. The Proxy Authorization Form or a valid Power of Attorney document is placed in the applicant file. If a Power of Attorney is used as documentation, obtain a copy of the first and last pages and place in the applicant file.

3.5 Application Processing

Once an application is submitted the following steps are taken to process that application to assure a timely determination of eligibility. Applications shall be entered into the data system within 7 calendar days of receipt of the application. The intake worker must sign legibly with their first and last name and date the application.

All applications should be reviewed immediately and with care to determine whether the customer is experiencing a crisis. LAAs should prioritize those customers with emergencies in order to resolve the crisis. For information regarding provisions for utility terminations, see [Chapter 3.7 55-Day Holds](#). For those customers experiencing a crisis during November 1 – March 31, see [Chapter 5 Energy Crisis Assistance](#).

3.5.1 Interviews

1. If all required documentation is submitted, the Intake Worker may make an initial eligibility determination and indicate the estimated amount of the benefit to the applicant. It must be stated that final eligibility is subject to review by the certifier.



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2. If the applicant does not furnish all required information during the initial intake interview the Intake Worker follows the procedures for pending cases ([Chapter 3.6 Pending Cases - Procedures](#)).
3. All applications are entered into the OHEP Data Management System, including those applications determined to be over income for OHEP eligibility purposes.

3.5.2 Mailed Applications

Customers have the option of mailing an application and supporting documentation directly to the LAA for processing. LAAs also have the capability to generate Mail-Out applications based on various age, disability, and income specifications. Once the applications are generated, they have the option to print them via a local printer or through DHS Central Distribution Center. Procedures for applications received through the mail are as follows:

1. The LAA will review all applications for completeness.
2. The application date is the date the application is signed by the Applicant.

The application date may be changed with the permission of the applicant if the income documentation received is for an earlier or later date. The worker must make a note on the application near the customer's signature that the application date was changed to coincide with the income documentation provided. The income documentation must be for the 30 days prior to the application date.

However, if more than 30 days have passed between the signature date and received date, the LAA must request a new application. For example, the customer signs the application in August, but it is not received until October, the LAA would send the applicant a Request for Additional Information letter, along with a new application.

3. The LAA will certify the application when complete and attach the necessary documentation. If information is missing, the application is entered into the computer, and a Request for Additional Information is generated from the system and mailed to the applicant. The application is then placed in Pending status ([See Chapter 3.6 Pending Cases – Procedures](#)).

3.6 Pending Cases - Procedures

- A. If the applicant does not provide all required information or documentation to certify the application, the intake worker shall generate a Request for Additional Information from the system. The intake worker provides a detailed explanation of the information required. The



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date this information is due back to the LAA is clearly stated, which is 15 days from the date the notice is generated. The intake worker's name and telephone number is printed on the form.

- B. The Request for Additional Information is given to or mailed to the applicant. A copy is placed in the applicant's file. LAA should follow up with as many applicants as possible during their respective pendency period to ensure applicants complete the requirements necessary to receive the benefits they are eligible for and to reduce denial rates.
- C. The application remains in a pending status until the information is returned.
- D. If the information is not returned by the date requested, the application is denied as described in [Chapter 4.19.1 Denial Procedures](#).
- E. Once the additional information has been received, the pertinent documents are placed in the applicant's file and the information is entered into the computer record.
- F. Requested information is accepted by mail, in-person, email, or by fax.

3.7 55-Day Holds

OHEP customers facing termination of utility service due to lack of payment may be granted a 55-day hold on their electric account. Utilities have agreed that customers who have applied for energy assistance will not have their services terminated for 55 days, or during the pendency of the OHEP application and certification process, whichever is shorter. Per Public Service Commission Order 81638, holds should only be granted to customers who have a termination notice and submit an application within 14 days of the issuance of the termination notice.

The purpose of the hold is to allow the LAA time to process the customer's OHEP application and determine eligibility while preventing the customer's service from being terminated when financial assistance may be forthcoming; therefore holds should be placed at the time the application is received. LAAs should not delay placing the hold because there is some other hold on the account (e.g. the customer has called for an extension, Fuel Fund has placed a 10-day hold, or the customer is critically ill and has a 30-day medical hold). If the customer does not have a termination notice at the time of application, but later contacts the LAA and reports that one has been received, the 55-day hold may be placed as long as the application is still being processed.

LAAs should recognize that each utility's system for recording holds is set up differently and not all utilities interpret the agreement the same way. LAAs should consult with their local utility company if they have questions regarding a particular applicant's eligibility for a 55-day hold.



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The worker must check the 55-day hold box and enter the date the hold is placed with the utility in the OHEP Data Management System under the “Programs Applied” Section of the Client Information tab. This information will feed into a report for customers who received a 55-day hold and the status of their application. The report will be provided to utilities on a bi-weekly basis. It is the LAA’s responsibility to commit EUSP or MEAP grants once eligibility has been determined.

The 55-day hold may be terminated if the customer is determined ineligible. LAAs are encouraged to inform customers that the utility company will be notified of the application status and if denied, any hold on the account will be removed. This is meant to encourage customers to submit complete applications.

In order for a customer to receive a 55-day hold on their account, the following criteria must first be met:

- Customer must submit an OHEP application
- Customer must be in termination status with their utility company

It is important to recognize that the 55-day hold is not a benefit in and of itself. The 55-day hold protects a customer that has received a termination notice from services being disconnected while the application is being processed by OHEP. Therefore, when the 55-day hold is granted, workers should inform the customer of the following:

- Customers should continue to pay their bill during the hold period as utility charges will continue to accumulate during the 55-day hold period.
- The hold is only valid for 55-days, or the time it takes to fully process the application in the OHEP Data Management System, whichever is shorter.
- There is no guarantee of the full 55 days if the application is denied.

3.8 Referrals to Other Energy Assistance Resources

When the OHEP applicant has a heating crisis that cannot be resolved by the OHEP benefit, the LAA must refer the customer to other providers of energy assistance.

- A. Emergency Assistance to Families with Children (EAFC)
 1. LAAs may refer customers to the Department of Social Services (DSS) for EAFC if:
 - a. the customer has been determined eligible for OHEP; and
 - b. the customer has children living in the household who are under 21 years of age; and



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- c. *OHEP funds are not available to alleviate the crisis.*

An individual need not be a recipient of Public Assistance to qualify for EAFC benefits. Each DSS will have the flexibility and option to assist or not assist families in need of help with their heating bills. DSS policy regarding the use of EAFC funds may vary from jurisdiction to jurisdiction.

2. *Referral Procedure*

- a. *Complete the Referral to EAFC form. The LAA does not need to keep a copy of the form, but must document the customer's file showing the date of and reason for the referral. Any questions, which the LAAs may have regarding this process, should be referred to OHEP.*

- b. *Give the form to the customer with instructions to take it to the local DSS.*

- B. *Fuel Funds*

1. *Fuel Fund payments are given to OHEP eligible low-income households for the purpose of combining with the family's own contribution toward overdue oil or gas and electric bills.*

2. *State OHEP and LAAs work closely with Fuel Funds to refer year round low income customers for whom OHEP benefits are not sufficient to meet home energy needs for gas and electricity.*

3. *The Fuel Fund of Maryland and other energy assistance programs require that applicants have previously applied for OHEP programs, when available, or exhaust OHEP benefits in order to be determined eligible.*

4. *LAAs should refer applicants to the Fuel Fund of Maryland or other community resources in their territory if the OHEP grant is not sufficient to resolve termination of services or to prevent a shutoff.*

Each LAA must maintain a list of alternative energy assistance providers for referral purposes if the OHEP grants are not adequate to meet the need of the applicant.

3.9 Utility Services Protection Program

USPP is a year round even monthly utility payment program of the Maryland Public Service Commission and utility companies. The regulations for USPP are found in [COMAR 20.31.05.00](#).

OHEP has agreed to use the OHEP application process to explain the program to applicants, take application information, and forward the information to the utility companies.



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3.9.1 Eligibility for USPP

All utility customers with an active account and eligible for MEAP are eligible to apply for the USPP.

Roomers, boarders, and households where heat is included in the rent are not eligible for USPP.

Utility customers who are off service must secure reconnection of gas or electric service by making the designated payment for outstanding arrearages and reduce arrearages to \$400 or less to be eligible for USPP.

3.9.2 Determination of Even Monthly Payment

Participating in USPP puts the customer on an even monthly payment plan. The respective utility company determines the monthly payment for USPP. The payment amount of the even monthly payment plan is based on the customer's annual cost of utility consumption minus the MEAP benefit divided by 12. This is often referred to as budget billing. It is the utility who places the applicant on the program by making the appropriate billing adjustments.

3.9.3 USPP Procedures

The application for USPP is integrated into the OHEP application. The Intake Worker is responsible for explaining the requirements and provisions of USPP regulations to the applicant, informing them of how the payment is determined. The utility is required to calculate the monthly payment and to advise the applicant of the amounts necessary for USPP participation.

Households not requesting USPP participation must have information recorded in the pertinent application fields. All utility customers, regardless of the OHEP energy supplier chosen, must have the utility's name given in the proper field. The consumption data for all utility users must be entered.

The USPP information is forwarded to the respective utility on the MEAP Energy Delivery Statement. If a utility will not receive an EDS from OHEP, a separate report is available to send to the utility.

3.9.4 USPP and Arrearages

Applicants with arrearages will be allowed long-term special agreements, in some cases up to 48 months, depending on the amount of the arrearage. An amount, which will be paid monthly by the customer to decrease the arrearages, will be determined by the utility. This will be shown on the utility bill as the supplemental payment. Please note that this payment is in addition to the equal monthly payment.



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Utilities may choose to apply for a waiver each year to use OHEP benefits toward applicants' arrearages, even if the benefits were applied to arrearages in previous years.

3.9.5 Reconnection of Service

In cases where the customer is not receiving utility service at the time of application, but chooses to participate in USPP, the customer's service shall be reconnected for the purpose of participation in the USPP.

To have service reconnected if the customer has participated in the USPP previously, and has been removed from the program, the customer must pay the greater of:

1. An amount sufficient to reduce outstanding arrearage to \$400; OR
2. The amount covering the monthly installments in arrears in the customer's equal monthly payment account and supplemental payment account at the date of reconnection.
3. First-Time Applicants for the USPP program may elect to apply all or part of the MEAP benefit to past arrearages to qualify for participation in USPP after all other emergency funds, public and private, for which the customer is eligible have been used.

If the customer has not previously participated in the USPP, they shall pay an amount sufficient to reduce the outstanding arrearage to \$400 or less.

3.9.6 Termination of Service

If the USPP participant's OHEP application establishes that the participant is at or below 50 percent of poverty, the participant may not be terminated from service between November 1 and March 31, if the participant has paid the utility, exclusive of any OHEP grant, the agreed upon bill payment.

3.10 Weatherization and Energy Efficiency Services

Customer information is referred to the Maryland Department of Housing and Community Development (DHCD) for programs that can provide improvements and repairs to homes at no cost. Improvements such as furnace clean and tune, added insulation, and energy efficient light bulbs can help lower utility bills and make the home more comfortable. Qualified applicants may also be eligible for furnace repair or replacement.



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Applicants are given the opportunity to be automatically referred to DHCD for these services. Referrals are made automatically through the OHEP Data Management System. A system report is available to generate a list of MEAP eligible applicants interested in receiving energy efficiency services.

In order for applicants to be pre-qualified for DHCD's programs, LAAs are required to complete the eligibility determination process for all customers. Those who may be over the income guidelines for OHEP may be eligible for DHCD's programs, as their income guidelines are based on 200% of the federal poverty level.

3.10.1 Furnace Repair and Replacement

OHEP has an agreement with the Maryland Department of Housing and Community Development (DHCD) to provide a limited number of furnace repairs or replacements. LAAs are to refer known potentially qualifying situations to DHCD by emailing the DHCD Referral Form to dhcd.energyintake@maryland.gov. DHCD will work with local weatherization programs or vendors to determine eligibility and assess the furnace situation. LAAs may call DHCD at (301) 429-7851.

3.10.2 WAP and EmPOWER

The Weatherization Assistance Program, or WAP, is a federally funded program through the U.S. Department of Energy administered by DHCD. EmPOWER is a ratepayer funded program administered by DHCD. LAAs should provide information regarding energy efficiency programs available in Maryland. Interested applicants should be directed to the OHEP application for the opportunity to be referred to WAP and/or EmPOWER.



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Chapter 4: Eligibility and Certification

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This chapter explains the guidelines and procedures for both the Maryland Energy Assistance Program (MEAP) and the Electric Universal Service Program (EUSP). In most instances policy and procedure are the same for both programs. Where they differ, the EUSP policy is expressly specified.



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4.1 Eligibility Policy

4.1.1 Maryland Energy Assistance Program

4.1.1.1 Basis for Eligibility

An applicant-household is determined eligible for MEAP if:

- an energy assistance benefit has not already been certified/received during the current heating season; and
- the total gross income is equal to or less than the established poverty level by family size; and
- a heating responsibility is established (i.e., the applicant has identified a person who is responsible for paying energy related costs); and
- residency, citizenship requirements are met; and
- the household constitutes an individual or group of individuals who are together as one economic unit for which residential energy is customarily purchased in common or who make undesignated payments for energy in the form of rent.

4.1.1.2 Basis for Denial

An applicant-household is determined ineligible for MEAP if the:

- total gross household income exceeds the income criterion established for the program;
- documentation of household income is not provided within the prescribed time;
- required information needed to complete the application is not provided within the prescribed time;
- MEAP assistance was received during the current heating season;
- direct responsibility for heating costs (including undesignated payments for energy in the form of rent) is not established;
- applicant is not a Maryland resident;
- applicant requested that the application be withdrawn;



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- applicant died (see [Chapter 8.8.3 Deceased or Institutionalized Customers](#))
- other (i.e. benefit check has not been cashed within the required 60 day period AND the date for program obligations has passed)

4.1.2 Electric Universal Service Program - Bill Payment Assistance

4.1.2.1 Basis for Eligibility

An applicant-household is determined eligible for the EUSP Bill Payment Assistance if:

- the total gross household income does not exceed the income guideline established for the program;
- an EUSP Bill Payment Assistance benefit has not already been certified/received during the current program year; and
- an electric bill responsibility with a qualified electric company (a qualified electric company is an electric utility that is regulated by the Public Service Commission) is established. This means the applicant or spouse as long as the spouse is living in the same dwelling must have the electric bill in their name or have the bill put in their name; and
- residency, citizenship requirements are met; and
- the applicant agrees to have the EUSP Bill Payment Assistance grant credited to their electric bill in twelve (12) even monthly credits directly or through the electric company's budget billing or even monthly payment plan.

4.1.2.2 Basis for Denial

An applicant-household is determined ineligible for the EUSP Bill Payment Assistance if the:

- total gross household income exceeds criterion established for the program;
- documentation of household income is not provided within the prescribed time;
- required information needed to complete the application is not provided within the prescribed time;
- EUSP Bill Payment Assistance was received during the current program year;



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- direct responsibility for electric costs by means of an electric bill from a qualified electric company in the applicant's is not established;
- applicant is not a Maryland resident;
- applicant requested that the application be withdrawn;
- applicant died (see [Chapter 8.8.3 Deceased or Institutionalized Customers](#))
- electric bill is not in applicant's name;
- applicant refuses even monthly crediting of the electric bill or budget billing; or
- other (i.e., benefit check has not been cashed within the required 60 day period AND the date for program obligations has passed)

4.1.3 Arrearage Retirement Assistance

4.1.3.1 Basis for Eligibility

An applicant may choose to be screened for one or both of the following arrearage grants to help pay the balance of an outstanding electric or gas bill:

1. Electric Universal Services Program - Arrearage Retirement Assistance
2. Gas Arrearage Retirement Assistance

The applicant will be required to check a box on the OHEP application stating that they understand they may only receive this benefit once every seven years, with certain exceptions (see [Chapter 4.1.3.3 Vulnerable Population Waiver](#)).

When an applicant selects on the application that they wish to be screened for an arrearage grant, the LAA must document that they have performed a screening on the back of the OHEP application under the Office Use Only section. This includes both screening for a regular arrearage grant and eligibility for a Vulnerable Population Waiver.

Local Administering Agencies (LAAs) will screen the applicant for arrearage assistance as part of its intake procedures based off the answer provided on the application. If the applicant selects they wish to be screened, the LAA will review the customer for eligibility and certify the application for an arrearage grant should they qualify and deny the customer for an arrearage grant should they be ineligible. If the applicant does not select they wish to be screened, the LAA will not review the customer for eligibility for an arrearage grant, regardless of eligibility. In this case, the arrearage grant



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will not be approved or denied in the OHEP system and the applicant will not receive a notice for the arrearage grant. Applicants that are not eligible or do not request an arrearage screening at time of application may not receive an arrearage grant at a later point during the same Program Year unless they are approved for a Point in Time Waiver (see [Chapter 4.1.3.2 Point in Time Waiver](#)).

The eligibility criteria for the EUSP Arrearage Retirement Program (EARA) and Gas Arrearage Retirement Assistance Program (GARA) are the same. An applicant is determined eligible if all of the following are met:

- the applicant has a qualified arrearage from an account in the applicant's name; and
- the applicant has received \$300 or less within the past seven (7) years, with certain exceptions (see [Chapter 4.1.3.3 Vulnerable Population Waiver](#)); and
- the applicant's total gross household income is equal to or less than the established poverty level by family size; and
- the applicant is eligible to receive EUSP Bill Payment Assistance for EUSP arrearage or MEAP for gas arrearage; and
- funds are currently available for the purpose of paying arrearages.

If these criteria are met, the applicant is entitled to a benefit of any arrearage identified by the current electric or gas company that is 21 days past due, up to \$2,000. The arrearage does not have to be from the current account, but must be from an account that was in the applicant's name. It is possible that the initial inquiry into the amount of the arrearage unknowingly does not identify all past due accounts in the applicant's name. Therefore, if an additional past due amount is determined at a later time, including a subsequent year, that additional amount is subject to being paid provided the other eligibility criteria are met at the time the additional amount is identified.

If an applicant made a payment on an arrearage prior to applying for assistance, arrearage funds may not be used to supplant that previous payment in order for the customer's funds to be used to pay towards the current bill.

An applicant may receive both an electric and gas arrearage grant in the amount of up to \$2,000 for each grant in a 7-year period, even if it is in the same program year.

4.1.3.2 Point in Time Waiver

The OHEP application for energy assistance is a "point in time" application, meaning that an applicant will apply for all grants (MEAP, EUSP, EARA, and GARA) at one time. Applicants that are not eligible or do not request an arrearage screening at the time of application may not receive an arrearage grant at a



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later point during the same program year unless they are approved for a Point in Time (PIT) Waiver. The PIT Waiver only applies to the Arrearage Retirement Assistance grant; there is no PIT Waiver for EUSP or MEAP. If an applicant does not receive EUSP or MEAP at the time of application, then the customer is not eligible to apply for a PIT Waiver later in the program year for an arrearage grant, since enrollment in EUSP or MEAP is a prerequisite to receiving the respective arrearage grant.

LAA Directors may approve exceptions to the PIT policy by having the applicant complete a PIT Waiver form. The purpose of the Waiver is to grant exceptions to the PIT policy for applicants that have had a dramatic reduction in income since the time of application, or meet the definition of a vulnerable household. The Waiver form includes the following eligibility statements:

- I have had a reduction in income
- There has been a change in my household composition
- I have a household member under the age of 2 or over the age of 65
- I have a household member who is medically fragile

Applicants must provide proof of eligibility, based on the applicable statement. If the customer indicated they have had a reduction in income, income documentation for the immediate prior thirty days is required in accordance with OHEP program policy. The customer must prove they have had a change in income that shifts the customer from one benefit level to a lower benefit level. The documentation must be filed with the original application; however, the new income is not updated in the OHEP system.

The benefit levels are based off of the federal poverty level and are listed below:

Benefit Level#	% Poverty Level#
Benefit Level 1	0 – 75% FPL
Benefit Level 2	75% - 110% FPL
Benefit Level 3	110% - 150% FPL
Benefit Level 4	150% - 175% FPL

Customers that are already in Benefit Level 1 at the time of application qualify under the Point in Time Waiver if the household had income at the time of application and now has zero income. Those households that had no income at the time of application and still do not have income also qualify. All other eligibility criteria for arrearage must be met. A copy of the most recent utility statement showing the eligible arrearage amount must also be documented.

For customers who had a change in household composition, proof of residence must be obtained for the new household members. For customers who have a household member under the age of 2 or over the age of 65, a copy of the birth certificate or photo id must be added to the applicant's file.



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For household members who are medically fragile, a Physician's Certification form must be obtained from the appointed physician.

PIT Waivers may be used for both regular arrearage grants and for those customers who qualify for a Vulnerable Population Waiver (see [Chapter 4.1.3.3 Vulnerable Population Waiver](#)). The Vulnerable Population Waiver procedures must still be followed. Only one arrearage grant is permitted per program year. If a customer received a regular arrearage at the time of original application, a PIT Waiver cannot be used to receive a Vulnerable Population Waiver in the same program year.

4.1.3.3 Vulnerable Population Waiver

The OHEP State Office will grant waivers to allow "vulnerable households" who received \$800 or less within the previous 7 years to apply for additional arrearage funds, not to exceed the maximum allowable arrearage amount of \$2,000.

- Vulnerable households are defined as having
 - a household member that is at least 65 years of age; or
 - a household member that is under the age of 2; or
 - a household member that is medically fragile.
- No more than one Vulnerable Population Waiver (VPW) will be granted per program year. The waiver amount plus the prior arrearages given in the past 7 years may not exceed the maximum allowable arrearage amount of \$2,000.
- Approval of VPWs must be processed by a single point of contact within a local agency, either the LAA Director or his/her designee.
- LAAs are responsible to maintain documentation demonstrating customer eligibility for a VPW. Customers that are eligible due to being medically fragile must provide a Physicians Certification Form, which must be placed in the customer file for recordkeeping. In the OHEP Database, under the Household Members tab, the checkbox titled "PC Form?" must also be checked off. Similarly, customers eligible due to having a household member under two or an older adult over sixty-five must have documentation on file verifying the age of the household member. LAAs will be monitored by State OHEP to ensure that VPWs are disbursed in accordance with eligibility and documentation guidelines.

Basis for Denial

- An applicant-household is determined ineligible for the EUSP Arrearage Retirement Assistance if:



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- the applicant does not receive EUSP Bill Payment Assistance; or,
- the applicant does not have an eligible arrearage; or,
- funds are not available; or
- the household members remain the same at the same address but the applicant role changes from one program year to another
 - i.e. the applicant applies with 4 persons in the household--wife, husband and two children. One year the wife is the applicant and received an arrearage, the next year the husband or one of the children who is an adult is the applicant so that another arrearage benefit can be obtained; or
- other
 - i.e., benefit check has not been cashed within the required 60 day period AND the date for program obligations has passed).

4.1.3.4 Tracking the Arrearage Grant When There is a Change in Household Composition

The following rules should be used when determining whether a customer's eligibility for arrearage assistance is impacted by a change in the customer's household composition.

1. If customer is listed as the applicant on an application where arrearage assistance was received, arrearage restrictions always track the customer.

Example: If a customer applied for Energy Assistance as the lead applicant and received an arrearage grant, all applicable arrearage restrictions (e.g. 7-year time period to reapply, with exception for Vulnerable Population Waiver) apply to the customer.

2. If a customer is listed as a household member on an application where arrearage assistance is received, and still lives with the lead applicant that was on the original application, regardless of who is listed as the lead applicant on the new application, arrearage restrictions track the household member.

Example: If a spouse or adult household member was listed on last year's application where an arrearage grant is received, and the utility has been transferred into their name, they are not eligible for an arrearage grant if the lead applicant from the prior year is still living in the household.



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3. If the lead applicant was not on the original application where arrearage assistance was received, but the original applicant is still in the household and the service address remains the same, arrearage restrictions track the original applicant still in the household.

Example: If a relative moves into the household and puts the account in their name at a service address that previously received arrearage, and the lead applicant from the prior year is still living in the household, they are not eligible for an arrearage grant.

4. If a household member is on an application where arrearage assistance is received, but establishes new residency, separate from the lead applicant on the prior application, the arrearage restrictions on the prior application do not track the household member

Example: The customer's husband signed as the lead applicant last year and received an arrearage grant. This year, the wife has separated from the husband and lives at her own residency and has established a utility account in her name. The husband's 7-year restriction from receiving a new arrearage grant no longer applies since the wife is not attached to his household anymore.

5. If a household member was not listed on an application where arrearage assistance was received, but moves into a residency with an individual that previously received arrearage assistance, the household member is eligible for an arrearage grant if they are the lead applicant and the utility account is established in their name.

Example: A customer applied last year, lived alone and received an arrearage grant. This year, the customer's girlfriend moves into the house with him and transfers a new utility account under her name and applies as the lead applicant. The girlfriend is eligible for an arrearage grant because she was not a part of the household that received last year's arrearage and is applying under a new utility account.

4.2 Income Eligibility

4.2.1 Guidelines

Income eligibility is based on all gross (before taxes and other deductions) income received by the household during the 30 days preceding the date of application. If an applicant receives income monthly from SSI, SSA, wages or a pension, but the income is received within the month, but, not received within 30 days, the income is still counted. Example: If the employee applies on April 1st and the last paycheck was received on March 1st, that paycheck is counted.



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Income guidelines are based on the federal poverty level and are established each year at a maximum of 175 percent of the current poverty level. Current poverty level means the levels published in February and used beginning the following July. Households' gross annual incomes must equal or be less than the established levels for the current fiscal year as contained in the table issued each year in the form of an OHEP Action Transmittal.

Household members who are self-employed must document their income in accordance with the procedures outlined in [Chapter 4.3.6 Self Employment](#).

4.2.2 Countable Income/ Resources

Household income is defined as compensation, income, or financial resources received from one or more of the following sources (gross amounts, unless otherwise noted below):

- Gross wages, tips and commissions received as compensation from employment or service rendered
- Self-employment and rental income, less operating expenses except for depreciation necessary to produce the income (see [Chapter 4.3.6 Self Employment](#))
- Social Security or Supplemental Security Income (SSI) or both
 - Not including retroactive payments; only the current month's benefits are counted
- Dividends
- Interest on savings or checking accounts
- Interest or dividends received from the redemption of bonds
- Estate or trust income
- Royalties
- Temporary Cash Assistance (TCA) and Temporary Disability Assistance Program (TDAP) grants, formerly known TEMHA
- Child or Alimony/spousal support
- Pensions, veteran's compensations; workmen's compensations
- Disbursements from annuities, individual retirement accounts (IRAs) or other retirement accounts



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- Railroad Retirement Benefits
- Mine Workers Benefits
- Armed Forces Dependent Allowances
- Criminal Injuries Compensation Board Payments
- Stipends for fellowships (educational or research) for living expenses excluding that portion that covers tuition and required fees
- Payments made to home care providers for the care of adults who cannot care for themselves. The adults are usually receiving SSI or other type of disability payment
 - Note: In most cases the disabled adult is paying for its care. In this scenario, the disabled adult monies would not be counted nor the disabled adult, count the monies the provider receives for providing for the adult (s) and any other monies received by the caretaker and members of the household.
- Monetary gifts and loans (excluding student loans). For example, money given or loaned to the applicant/household to help pay the rent or buy groceries is countable as income. The loan or gift is considered to be the full amount that has been received within the 30-day income period. This includes loans from financial institutions and monies borrowed off of credit cards.
- Severance pay
- Monetary settlements received as the result of insurance claims, lawsuits, etc.
- Unemployment benefits
 - Not including retroactive payments; only the current month's benefits are counted
- Inheritance and lottery
- Employment income of part-time college students.

Note: Waivers can be granted by State OHEP for participants in Federal programs if the applicant can provide a signed letter from a Federal department documenting the income should be excluded under LIHEAP.

4.2.3 Income/Resources Excluded from Eligibility Determination

No expenses are excluded from income except the following:



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- Medicare payments
- Medicare Prescription Drug Plan
- Health insurance premiums deducted from pensions

The following resources/income are excluded for purposes of determining eligibility for energy assistance:

- Third-party payments over which the household has no control (e.g., someone other than the applicant pays money directly to the applicant's landlord for the applicant's rent. The payment is given directly to the landlord and the applicant has no discretion over use of the funds).
Included are:
 - court ordered child support payments, including arrearage payments
 - court ordered garnished wages and bankruptcy payments
 - tax levies and benefit overpayments that are to be re-paid
 - Excluded are payments established as part of a separation or divorce agreement that is in addition to alimony or child support. These payments must not be paid to the applicant, but to another party on behalf of the applicant. The applicant must provide documentation of such payments as described under [Chapter 4.3.7 Child Support or Alimony](#).
- "In-Kind" contributions. An "in-kind" contribution is a commodity or service that has value to the recipient but is not easily marketable, such as gifts of food or labor.
- Employment income of children under 18 or over if still in high school (except emancipated).
- Employment income of full-time college students (see [Chapter 4.7 College Student Eligibility](#)).
- Educational assistance, such as grants, scholarships, fellowships, educational loans on which payment is deferred, work-study and veteran benefits, to pay for tuition, books, and other required materials and fees. This assistance must be used at one of the following: recognized institution of postsecondary education, at a school for individuals with disabilities, a vocational education program or technical school or a program that provides for obtaining a secondary school diploma or an equivalent.
- Educational assistance funded under Title IV of the Higher Education Act or under the Bureau of Indian Affairs.
- Payments under the Federal Action program made to participants in the Retired Senior Volunteer Program, Foster Grandparents and Senior Companion Program.



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- Stipends provided to participants in State and federally funded job training programs. These stipends could cover transportation, meal expenses or other related things.
- Federal Department of Housing and Urban Development (HUD) direct payment subsidies provided to households
- Stipends paid to volunteers under the Maryland Service Corp. and AmeriCorps.
- AmeriCorps of VISTA payments
- Foster Care Grants, subsidized adoption and Kinship Care Payments.
- Welfare Avoidance Grant (WAG).
- Payments to employees on strike where the strike funds consists of employee contributions. Strike funds where there is no employee contribution are included as income. A letter from the striking organization describing the nature of the strike fund is required.
- State of Maryland Renters' Tax Credit Program payments.
- State of Maryland Homeowners' Tax Credit Program credits.
- Federal Earned Income Tax credits or payments and federal and state tax refunds.
- Medicare payments and Medicare Prescription Drug Plan deducted from Social Security grants
- Nazi Restitution payments to victims of Nazi persecution.
- Temporary Disability Asst. Program (TDAP) Flex Rent Payments
- Retroactive SSDI payments, i.e. only current month benefits.
- Loans on assets such as home equity loans, reverse mortgages, and hypothecated loans.
- Overpayments
- Food Supplement Program benefits
- Assets or the sale of assets
- Stocks and bonds, as these are considered assets
- Reinvested interest and dividends from individual retirement accounts (IRAs) or other retirement accounts



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- Reimbursement of expenses incurred as a result of employment

Note: Any source of income/resource that is not listed in the exclusion from eligibility determination list is countable income.

4.3 Income Documentation

The following table is meant as a quick reference guide. See the following sections for complete policy regarding documentation for each type of income.

<u>TCA or TDAP</u>	<u>Social Security/SSDI/SSI</u>
<ul style="list-style-type: none"> • Award Letter from DSS# • CARES# 	<ul style="list-style-type: none"> • Benefit Letter from Social Security Administration • CARES or SVES • Bank Statement • Verification from SSA Office
<u>Pension, Retirement, Worker's Compensation</u>	<u>Wages & Employment</u>
<ul style="list-style-type: none"> • Benefit letter or signed statement on official letterhead containing all pertinent information • A copy of the latest check stub containing all pertinent information# • Federal tax forms from the IRS containing all pertinent information # 	<ul style="list-style-type: none"> • Paystubs • Wage Verification form • Work Number
<u>Unemployment</u>	<u>Self-Employment</u>
<ul style="list-style-type: none"> • Benefit Letter# • MABS# • CARES# 	<ul style="list-style-type: none"> • Federal Form 1040 Schedule SE or other applicable tax form AND Income Verification of Self-Employment form • Customers who do not file taxes must provide proof of all income and expenses for the last 30 days AND Income Verification of Self-Employment form
<u>Child Support</u>	<u>Rental Income</u>



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<ul style="list-style-type: none"> • Court Order or Decree# • Printout from the online e-Child Support system # • Verification of Alimony/Child Support form (or letter that includes all pertinent information)# 	<ul style="list-style-type: none"> • Federal Form 1040 Schedule E • A signed statement from the renter, roomer or boarder, showing all pertinent information
<p><u>Interest Received from Savings, Checking Accounts, or Bonds</u></p>	<p><u>Monetary Gifts & Loans</u></p>
<ul style="list-style-type: none"> • Statement from bank or other financial institution# 	<ul style="list-style-type: none"> • Resource Provider form • Letter from Provider containing all pertinent information

The applicant must provide written verification of all income received during the prior 30 days. Acceptable forms of documentation of income/resources received by the applicant and/or members of the household during the thirty-day period immediately preceding the application include wages and tips for weekly, bi-weekly, or monthly pay. Applicants must include all income that was received during the 30-day period rather than income that was earned but not received.

4.3.1 Wages & Employment

Wages and employment income may be documented with:

- Pay stubs associated with prior 30-day income. All pay stubs must show the employer's name, employee's name AND/OR Social Security Number and date of pay. If the pay stubs do not contain this information, the LAA must request additional documentation through use of the Wage Verification Form or by contacting the employer and noting pertinent information on the copy of the pay stub.
- LAAs may use the year to date earnings on paystubs in order to calculate the amount if there is a missing paystub. LAAs must document their work and show the calculation used to arrive at the total 30-day gross earnings.
- A signed statement from the employer, on official company letterhead, showing the employee's name, gross pay, and date income received.
- Maryland Automated Benefit Screening Report (MABS) may be used as current 30-day income verification if the agency is processing applications that are at least 90 days old because of the increase in application intake. This does not mean that the agency should delay processing applications in order to use this method.



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- The Work Number may be used as current 30-day income verification, given that the employer reports the customer's wages.

4.3.2 Temporary Cash Assistance (TCA)

Temporary Cash Assistance (TCA) may be documented with:

- A letter from a state agency on the company's official letterhead showing the customer's name, TCA benefit and the date income was received; OR
- CARES screen printout verifying eligibility for TCA; OR
- Bank statement clearly delineating type and amount of income
 - Deposit must be within the last 30 days

When the TCA grant has been reduced because the applicant has either not obtained health care for their children or has been sanctioned for other reasons, the reduced figure is used as this is the actual grant received by the applicant.

4.3.3 Social Security or SSI

Social Security or SSI may be documented with:

- The latest award letter within the calendar year. If necessary, the customer may request an award letter online at www.socialsecurity.gov.
- CARES/MABS/SVES screen printout report verifying Social Security/SSI income.
- Bank statement from the current calendar year, since the amount received from SSA would not have changed. Bank statements must show the recipient's name, along with the amount of the direct deposit.
- Verification from the SSA Office
- The customer can request this by calling 1-800-SSA-1213 or the toll-free number for employers, 1-800-772-6270 - weekdays from 7:00 a.m. to 7:00 p.m. EST. You will be asked for your company name and EIN. Then you will be asked to provide the following information for each name/SSN you want to verify:
 - SSN
 - last name
 - first name



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- middle initial (if applicable)
 - date of birth
 - gender
- For repeat applicants or household members (those whose Social Security income was verified last year), it is not necessary to verify the social security income, provided the new amount equals the old amount multiplied by the current cost of living increase. Cost of living increases are given in January. To determine the cost of living increase amount go to the Social Security Administration web site at:

<http://www.ssa.gov/OACT/COLA/latestCOLA.html>

- However, if the customer applied after January 1, for the previous year program, and is applying for the current year program before December 31, this calculation is NOT necessary since the Social Security benefit would be the same.
- When verifying the Social Security income, make a notation in the file that last year's records were checked, and the benefit amount given by the customer was correct.
- For repeat applicants or household members award letters must not exceed 3 calendar years.

If an applicant receives income monthly from SSI, SSA, wages or a pension, but the income is received within the month, but, not received within 30 days, the income is still counted.

4.3.4 Veteran's Pension, Retirement, or Worker's Compensation

Benefits may be documented with:

- A signed statement on official paper showing:
 - name of the person receiving the benefits
 - name of the agency providing the benefits
 - amount of money provided
 - how often money is provided
 - duration of benefits
- A copy of the latest benefit check, only if it shows the gross amount and any applicable deductions.
- Federal tax forms from the IRS showing the gross amount and any applicable deductions (e.g. taxes, medical premiums, prescription drug plans, etc.).
- Computerized Annual Benefit Card (civil service retirement).



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When applicants receive retirement and insurance benefits from the Office of Personnel Management (OPM), Retirement and Insurance Group, the verification of pension income can be delayed if the request is mailed. To obtain the information needed to complete certification of the applicant's energy assistance benefits, the fastest way to have the income verified is to call OPM directly and request the information on behalf of the applicant. The information will be mailed within 48 hours.

To obtain the information the applicant shall:

- Call OPM at (202) 606-0500 between 7:30 a.m. - 5:00 p.m.
- Provide the applicant's social security number and current address. This address must match the one in the OPM database in order for the information to be released and mailed within 48 hours.
- The verification information will be mailed to the applicant directly. The applicant shall forward the verification to the OHEP office to complete the record for certification.

4.3.5 Wage and Unemployment Benefit Screening

It is the responsibility of the applicant to verify receipt of Unemployment Benefits. As proof of Unemployment Insurance income, an individual may provide any of the following, provided it displays the recipient's PII:

- A copy of the Determination of Monetary Eligibility Form (DHS/ESA 212)
- Notice of Available Continued Claims with check for the prior 30 day period
- Monthly statement or Maryland Unemployment Benefits email from Bank of America if the applicant has a debit card for unemployment benefits
 - If the monthly statement is misplaced by the customer, the customer may go on the [Maryland Unemployment Insurance website](#) and request a statement or contact Bank of America for a monthly statement.
- Print out from [Unemployment WEBCERT](#)
 - This form of documentation does not include PII when printed. Therefore, the worker must write the name of the person receiving the unemployment income on the printout and initial next to it. This is acceptable, knowing that the individual must provide their SSN and their 4-digit pin in order to log into the account.



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The DHS Family Investment Administration (FIA) has agreed to provide wage-screening arrangements between OHEP and Local Departments of Social Services (LDSS) when such arrangements are needed, i.e., when the OHEP LAA does not already have access to FIA screening equipment.

In all cases, the following policy applies to any request for wage screening or unemployment benefit verification:

- Only request wage-screening information for applicants who declare zero income or who have earnings. Only request UI information when the applicant cannot provide verification of UI benefits. Applicants who receive some type of benefit, TCA, TDAP (formerly TEMHA), SSI, or Social Security have already met similar eligibility/verification criteria for another program.
- After determining the need to conduct a wage screening, the LAA will use whatever local arrangement is established to complete the wage screening.
- OHEP staff not authorized to conduct wage screening will need to obtain logon ID numbers in order to access the terminals at the DSS. When needed, logon IDs will be provided through the State OHEP office.

The following information will enable the LAA to determine an applicant's UI income:

- The effective date of the claim (212 form) and the week ending date on the check. By counting the number of weeks between these two dates the LAA is able to determine the number of checks that should have been received by the applicant. The number of checks received within the 30-day income determination period can then be calculated.
- Multiply the check amount (should agree with the total amount of benefits on the 212 form) by the number of checks received during the 30-day period to arrive at total UI income.
- If there are any discrepancies in the above information, UI income must be verified by alternate methods (e.g., request UI information from Local DSS or Unemployment Office). Examples of such discrepancies are:
 - The applicant states that he/she has not received all the checks indicated by the 212 form and the latest UI check.
 - The check amount does not agree with the total amount of benefits entered on the 212 form.
- When a customer has applied for unemployment benefits, but did not receive benefits because his claim amount was held to pay a prior debt to Unemployment Insurance, his credit claim does not constitute income because it was income not received.



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4.3.6 Self-Employment

The Internal Revenue Service (IRS) considers a person to be self-employed if she/he:

- Carries on a trade or business as a sole proprietor or an independent contractor; or
- Is a member of a partnership or corporation that carries on a trade or business; or
- Is otherwise in business for herself/himself.

A person can also be self-employed if he/she has a part-time business, in addition to other employment. Further, one household may own several businesses. Income from each business shall be counted.

LAAs will use the federal tax form Schedule SE, or other applicable tax schedule, to document self-employment income. This policy applies to all self-employed individuals, with the exception of those who receive income from rental property. Those guidelines for rental income are described in [Chapter 4.3.8 Rental Income](#).

Tax form Schedule SE is used to report income subject to self-employment tax. Line 3 of the Schedule SE reports the total net profit or (loss) from self-employment. This amount is before taxes are calculated. Deductions for business expenses are factored into this figure; no other reduction for expenses will be given. Workers must take the amount listed on line 3 and divide by 12 months to get the monthly income.

The most recent 1040 tax form with Schedule SE may be accepted at the discretion of the local agency until April 15th and on April 16th the latest 1040 tax form with Schedule SE is required. i.e. 2015 1040 tax form with Schedule SE will be accepted until April 15, 2017 and on April 16, 2017, the 2016 1040 tax form with Schedule SE is required. If the most recent 1040 tax form is questionable, than the local agency must ask to see other documents that support the gross income. If the customer can prove he/she filed an extension to file 2016 taxes, then the customer shall submit the most recent quarterly profit and loss statement.

In addition to the tax form, self-employed individuals must also complete and sign the Income Verification of Self-Employment form. The worker must sign the form verifying that he/she had seen the income documentation. The form must be placed in the applicant's file.

If the applicant owns a business and receives a paycheck, documentation of the income received is required as described in [Chapter 4.3 Income Documentation](#). The tax forms should not be used to calculate the income. In lieu of wage documents, a document/letter describing the compensation arrangement between the business and the applicant shall be provided by the business accountant/lawyer. No reduction for expenses is given because the applicant is applying as an employee.



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If the applicant owns a business with his/her spouse, the countable income from the self-employment should be divided by two and assigned between the husband and wife.

Negative Income

Negative self-employment income shall not be subtracted from other household income, but shall be counted as zero. Applicant must complete the Declaration of Zero Income form.

Applicants Not Required to File the Schedule SE

According to the IRS, an individual is not required to file the tax form Schedule SE if the net profit (loss) is less than \$400, as the individual does not owe self-employment tax. In this case, the LAA may take the appropriate schedule that the applicant has filed and refer to the line number stated on the Schedule SE. e.g. If the applicant filed a Schedule C, the worker must use line 31. No reduction for expenses will be given, as expenses are already factored into this figure.

Applicants Not Filing Taxes

For applicants who have not filed taxes, but consider themselves to be self-employed or receive cash for services, the income reported still must be documented. The worker must request weekly, monthly and/or quarterly books/statements, ledgers, sales slips, cancelled checks, invoices, bank statements/deposits for the last 30 days. Operating expenses incurred during the 30-day eligibility period are to be deducted from the income earned in the same time frame. Expenses must be clearly documented in order to be deducted from the income. The total of the expenses will be deducted from the total earnings to determine the customer's countable income. If expenses cannot be documented, they will not be deducted from the income. The individual reporting the income must complete and sign the Verification of Self-Employment form. The worker must sign the Income Verification of Self-Employment verifying that he/she had seen the income documentation. The form must be placed in the applicant's file.

Decrease in Self-Employment Income

For applicants who report a change in their self-employment status or a reduction of self-employment income from the prior year, the worker must request additional documentation. If the change is the result of medical issues preventing work, documentation from a health care provider is required. If the change in income is for any other reason, the worker must request weekly, monthly and/or quarterly books/statements, ledgers, sales slips, cancelled checks, invoices, bank statements/deposits for the last 30 days. If the client cannot provide this documentation, the prior year tax documentation will provide the basis for eligibility determination.



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4.3.7 Child Support or Alimony

Monies from child support or alimony will only be counted if they were received within the 30 day period prior to application. Acceptable documentation includes:

- a signed statement from the person providing the money, or from the recipient, showing:
 - name and address of person giving the money
 - to whom the money is paid
 - for whom the money is paid
 - telephone number of person giving the money
 - amount of money given
 - how often money is given
- a copy of the legal decree that established the support or alimony payments
- a signed statement from an attorney on an official letterhead, showing the information outlined above. Statements must cover the period of decree.
- a printout from the online e-Child Support system at dhs.maryland.gov/child-support-services. The customer must register and obtain the information, not the worker, unless the worker has access to CARES. If applicant does not have access to a computer, the applicant may use the agency's computer. The LAA should use the "payment date" when calculating the 30-day income.

Verified child support payments may be deducted from the applicant's or another household member's gross income up to the amount specified by the court order. Any amount paid in excess of the specified amount on the court order may not be deducted from the gross income. If it can be verified that the child support has not been paid in the last 30 days, then no amount is deducted from the gross income. Verification must be printed from the child support system and added to the applicant's file.

4.3.8 Rental Income

The following are acceptable documentation for verifying income received from rental properties:

- A copy of the applicant's last Federal Form 1040 Schedule E
 - count line 26 on Schedule E and divide rental income by 12
 - Do not give a reduction for expenses. Expenses are included in line 26; or



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- A signed statement from the renter, roomer or boarder, showing:
 - to whom the money is paid
 - name and address of person giving the money
 - amount of money given
 - how often the money is given
 - The statement must be dated within 30 days of the application.

4.3.9 Interest Received from Savings, Checking Accounts, or Bonds

Interest received from savings or checking accounts, or bonds is considered income. In the event that an LAA receives a bank or bond statement that shows interest earned within the 30-day eligibility period, it is to be counted. There is no minimum amount to be considered. The amount shown on the statement is the amount to be counted.

4.3.10 Monetary Gifts and Loans

In-kind assistance or payment directly by another party for an expense is not counted as income. Money given directly to the applicant or another household member as a gift or a loan is counted as income. For example, if a relative helps pay the rent and gives money directly to the landlord, the money is not counted. If the relative gives the money to the applicant or another household member to pay the rent, the money is counted.

The Resource Provider Statement is a tool for verification of how a household is meeting its basic needs for daily living; however, it is also used to verify whether money was given directly to the applicant or if the monies were paid on the applicant's behalf. The applicant may submit a statement from a provider in lieu of the Resource Provider form. The statement must include:

- applicant's name
- whether money was given directly to the applicant or paid on the applicant's behalf
- amount of money given to the applicant household during the last 30 days
- the provider's name, address, and telephone number
- provider's signature and date



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4.3.11 Other Forms of Documentation

The forms of documentation outlined above are preferred for their clarity and reliability in verifying the period in question, i.e. 30 days preceding application date. It is recognized, however, that in some cases LAAs may find it necessary to seek other forms of documentation than those described. In such cases, the documentation presented must be in writing, dated within 30 days of the application, and record the gross amount of income received by the person named for the period in question. The documentation should be signed and dated by the income provider.

4.3.12 Explanations of Other Income

If an applicant receives subsidized adoption payments and has no other income, the applicant must complete a Declaration of Zero Income form because subsidized adoption payments are excluded as income ([see Chapter 4.4 Individuals with Zero Income](#)).

Foster care grants, subsidized adoption and kinship care payments are excluded income, but the children are counted as part of the household.

If an applicant is an adult foster care provider and the adults in the home receive monetary benefits, count the adults and his/her monies but the monies the caregiver receives for providing for the adults are not counted i.e. Project Home.

If an applicant uses her/his own resources to pay for a live-in companion to take care of his/her basic needs, the live-in companion will not be counted as part of the household and should not be listed on the application. Count only monies that the applicant receives and if there are other members in the household count them and the monies they received. The live-in companion may be related to the applicant, as long as the situation can be demonstrated.

If a living assistance facility is in the home of the applicant, neither the residents nor the monies the residents received would be counted. However, the income the applicant received for providing for the residents would be counted in addition to any other income received in the household.

If an applicant receives monetary benefits on behalf of his/her spouse who is in an assisted living home or facility/nursing home, and uses the spouse's money to pay for his/her care, the monies are not counted nor is the person. The applicant must provide verification that the spouse is residing in an assisted living home or facility/nursing home and the documentation is placed in the applicant's file.

If an applicant's husband receives social security benefits/pension and died within the month the applicant is applying for assistance, his monies are not counted because she may have to return the



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monies. Confirmation of his death must be placed in the file. Record and narrate why the monies are not counted.

If an applicant is a representative payee for a disabled relative and receives money on their behalf, the income is not counted if the relative does not reside with her. The worker must narrate and state why the income is not countable in the file, sign and date the narration.

4.4 Individuals with Zero Income

[Declaration of Zero Income form](#) must be used for any household member(s) 18 and over, who claim zero income received for the last 30 day application period.

4.4.1 Instructions for completion of the form:

1. Enter Applicant's name, Client ID Number, and the 30 day application period.
2. The applicant and household member claiming zero income reads the document (or has it read to him/her by the intake worker).
3. The intake worker explains the authorization of the wage screening procedure.
4. The household member claiming zero income prints and signs their name and dates the declaration form.
5. The certifier signs and dates the declaration as a part of the review of documentation for final determination of eligibility.
6. If the applicant receives child support, SSI, SSDI or SSA and etc. on behalf of a household member and receives no money for himself/herself then the applicant must complete a zero declaration form. The income must be assigned to the household member the money is for. If the applicant receives child support payment for a child that is not currently in her household, then assign the monies to the applicant. The Declaration of Zero Income form is not completed.

4.4.2 Verifying Declarations of Zero Income

All zero income individuals age 18 and over who sign a Declaration of Zero Income Form and/or claim zero income on their application must be screened for income using State income verification systems.

LAA's should perform income screenings using these systems in the following order:



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1. CARES
2. MABS (if available)
3. SVES (if available)
4. Work Number

MABS/CARES are systems used within Department of Social Services to screen persons for social services involvement and work history. While searching for whether an individual has income in the Work Number system does not incur any costs for the State, pulling a detailed report of the pay stubs in the Work Number system does incur a cost each time. Therefore, all efforts should be made to pull income through other verification systems prior to pulling income through the Work Number.

If the LAA does not have access to all the verification systems, they should use the systems they do have in order to verify income. A minimum screening must include verification in CARES and the Work Number.

Copies of verifications of zero income obtained from the above listed resources must be placed in the applicant's file. Even if no income is found, system screens must be printed and placed in the applicant's file.

LAAs should write "income screening(s) completed" on the Declaration of Zero Income form in the 'Office Use' box.

When wage screening is used as a means of income verification, LAAs must keep in mind that this information may not always be up to date. Thus wage screening information alone cannot be used to verify the 30-day income of households necessary to determine OHEP eligibility. The LAAs must contact the last employer indicated on the wage screening report for each household member in an effort to ensure that the applicant and all other household members are not working. Documentation of the contact with the employer (its outcome) must be placed in the applicant's file as well as any written verifications obtained from former employers, other agencies, Departments of Social Services, or other appropriate sources.

4.5 Households with Zero Income

4.5.1 Documenting Zero Income Households

For all households whose total income is zero (0) for the OHEP 30-day period, the LAA must scrutinize the application to rule out possible fraud and explore with the applicant how the household has been meeting their basic needs (i.e. is their rent current, if not, when was the last time the rent was paid, who



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paid the rent, when was the last payment made on the utility bill and is the household receiving food stamps). The LAAs must verify and confirm zero income households and include documentation of the verifications and place into the applicant's file.

4.5.2 Procedures for Documenting Zero Income Households

- The applicant and all household members 18 and older shall complete the Declaration of Zero Income form.
 - Verify each adult household member's income via wage screening or other valid means authorized by the program director.
- The applicant shall complete the [Household Worksheet](#).
- The applicant shall complete a [Resource Provider Statement](#) if it is indicated on the Household Worksheet that someone is assisting the applicant in meeting his/her basic needs.
 - The Resource Provider Statement is a tool for verification of how a household is meeting its basic needs for daily living and the form must be completed. However, the applicant can provide a signed and dated statement from a provider as to whom the monies are paid to, amount of money and how often the monies are paid or given to the applicant with their name address and telephone number.
 - Rent, food, and assistance in electric bills must be verified. Verification of other items is at the discretion of the LAA. Verification is accomplished by contacting the individual or organizations indicated on the Resource Provider Statement. If the provider stated monies are given or loaned to the applicant for an item, the monies are countable if the provider paid for the item, the monies are not countable.
- Verify if the applicant has applied for public assistance. Because of the seriousness of the situation, the interviewer should seek to learn what circumstances caused the loss of income and whether the applicant has been referred to the local Department of Social Services for emergency assistance. If the applicant has applied to Social Services, this fact can be verified.

4.6 Alien Eligibility

4.6.1 Policy

Local Administering Agencies (LAAs) will accept applications from all U.S. citizens, qualified aliens, and ineligible non-citizens. In order to process an OHEP application for benefits, there must be at least one person who is an eligible household member.



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4.6.2 Eligible Household Members

An “eligible household member” is one who is a U.S. citizen or a qualified alien. Qualified aliens are to be counted as members of the household. Having a social security number does not necessarily mean the individual is a U.S. citizen or qualified alien. LAAs must ask for additional information, as the type of documentation the individual holds determines whether they are eligible for OHEP benefits. Proof of eligibility must be documented.

Below is a list of definitions for who is considered to be a "Qualified alien" as cited in U.S. Code definition 8 U.S.C. §1641(b). A list of documents used to verify immigration status is provided. Each qualified alien must provide one of the documents listed.

Eligible Categories & Acceptable Documentation		
(a)#	Is lawfully admitted for permanent residence under the Immigration and Nationality Act, 8 U.S.C. §§1101 — 1537	<ul style="list-style-type: none"> • I-551 (referred to as a green card or permanent resident card) • Unexpired Temporary I-551 stamp in foreign passport or on INS Form I-94
(b)#	Is admitted to the United States as a refugee under §207 of the Immigration and Nationality Act, 8 U.S.C. §1157	<ul style="list-style-type: none"> • I-94 stamped showing admission under section 207 of the INA and date of entry to the U.S. • I-688B (Employment Authorization Card) annotated “274a.12(a)(3)” • I-766 (Employment Authorization Document) annotated “A3” • I-571 (Refugee Travel Document) <p>(Refugees usually adjust to LPR status after 12 months in the U.S., However, they are still considered refugee for eligibility purposes when they have a I-551 with a code of RE-6, RE-7, RE-8, or RE-9)</p>
(c)#	Is granted asylum under §208 of the Immigration and Nationality Act, 8 U.S.C. §1158	<ul style="list-style-type: none"> • I-94 stamped showing grant of asylum under section 208 and date of entry • A grant letter from the Asylum Office of INS • I-688B (Employment Authorization Card) annotated “274a.12(a)(5)” • I-766 annotated (Employment Authorization Card) “A5” • Court order of an immigration judge showing asylum granted under section 208



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(d)#	Has had deportation or removal withheld under §243(h) or 241(b)(3) of the Immigration and Nationality Act, 8 U.S.C. §1253(h) or 1231(b)(3)	<ul style="list-style-type: none"> • Order of an immigration judge showing deportation withheld under section 243(h) and date of grant • I-688B (Employment Authorization Card) annotated "274a.12(a)(10)" • I-766 (Employment Authorization Document) annotated "A10"
(e)#	Has been granted status as a Cuban or Haitian entrant as defined in §501(e) of the Refugee Education Assistance Act of 1980, 8 U.S.C. § 1522 note	<ul style="list-style-type: none"> • I-94 with stamp showing parole as Cuban/Haitian Entrant under section 212(d)(5) of the INA • Form I-551 (Alien Registration Card) with code CU6, CU7, CH6 • Foreign passport containing an unexpired temporary I-551 stamp with the code CU6 or CU7
(f)#	Is paroled into the United States for a period of at least 1 year under §212(d)(5) of the Immigration and Nationality Act, 8 U.S.C. §1182(d)(5)	<ul style="list-style-type: none"> • I-94 annotated with stamp showing grant of parole under 212(d)(5) and a date showing granting of parole for at least 1 consecutive year.
(g)#	Is granted conditional entry pursuant to §203(a)(7) of the Immigration and Nationality Act, 8 U.S.C. §1153(a)(7), as in effect before April 1, 1980	<ul style="list-style-type: none"> • I-94 with stamp showing admission under 203(a)(7), refugee-conditional entry, or • I-688B (Employment Authorization Card) annotated "274a.12(a)(3)" • I-766 (Employment Authorization Document) annotated "A3"
(h)#	Is a battered spouse, battered child, or parent or child of a battered individual and otherwise satisfies the requirements of 8 U.S.C. § 1641(c)	<ul style="list-style-type: none"> • Approved or pending I-130 or I-360 petition showing a prima facie case that he or she is protected under the Violence Against Women Act, and • Verification that the individual responsible for the battery or cruelty is no longer living in the household of the victim. • Cuban Or Haitian Entrant • I-94 with stamp showing parole as Cuban/Haitian Entrant under section 212(d)(5) of the INA • Form I-551 with code CU6, CU7, or CH6 • Foreign passport containing an unexpired temporary I-551 stamp with the code CU6 or



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		CU7
(i)#	Is an alien aged (65 or over), blind or disabled as defined in section 1614(a) (1) of the Social Security Act (Public Law 74-271)	<ul style="list-style-type: none"> SSI Award Letter Other acceptable documentation showing SSI payment or eligibility to receive SSI payments as outlined in Chapter 4.3.3 Social Security or SSI.
(j)#	Is a Special Agricultural Worker or "SAW"	<ul style="list-style-type: none"> These persons are classified as (210) S16 or S26 on their residence cards.
(k)#	Is an applicant for INS status under sections 245-A, 210, and 210A	<ul style="list-style-type: none"> These persons may have an I-689 fee receipt document while awaiting issuance of an I-688 card. <p>These persons (245A and 210A) are eligible for OHEP until they receive the I-688 temporary resident status.</p>
(l)#	Is a Special Immigrant Visa holder from Iraq and Afghanistan (SIV)	<ul style="list-style-type: none"> Visa stamped with category SQ1 (primary), SQ2 (spouse), or SQ3 (child). Permanent resident card
(m)#	Is a Certified Victim of Trafficking (VOT)	<ul style="list-style-type: none"> Certification letter from the Administration for Children and Families (ACF) Office on Trafficking in Persons. An HHS Tracking Number will be located at the top. *This could be a letter or an interim letter. T-Visa

4.6.3 Ineligible Household Members

An "ineligible household member" is one who is not a qualified alien. An ineligible household member may be listed as the applicant; however, there must be at least one eligible household member on the application in order for it to be certified. Since ineligible household members may not have valid photo identification, they must provide proof of residence if they are listed as the applicant.

Ineligible household members must provide proof of income, if any. The income is counted, but the ineligible adult household member is not included in the household count. All children under the age of eighteen are counted in the household count.



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4.6.4 Processing Applications for Households without Valid SSNs

Applications for energy assistance are to be accepted for anyone who submits an application. However, in order to process an OHEP application for benefits, there must be at least one person who is a qualified household member, meaning, a US citizen or qualified alien. (This can be either another adult or a child in the household).

There are two columns under the Household tab in the OHEP database that LAAs should pay special attention to when entering household members into the database.

A. Is Citizen?

LAAs should check this box for those individuals who have been documented as a U.S. citizen.

B. Is Eligible?

LAAs should check this box in order for the system to distinguish whether the individual is counted as a household member. The LAA must include proof of eligibility in the applicant's file for those who have been deemed as an Eligible Non-Citizen.

Ineligible applicants and other ineligible adult household members will not be counted in the calculation of the benefit. However, their income is included in the household income and must be documented in the file. All children under the age of eighteen are counted as household members and in the calculation of the benefit, regardless of citizenship status.

Until otherwise notified, the following procedures are in effect for the acceptance and entering of OHEP applications.

Outlined below are various scenarios regarding having or not having a social security number. If a scenario is identified that is not included here, please notify the State OHEP Office so that instructions can be developed.



How to Enter into the OHEP System

Scenario 1: Applicant and all household members are U.S. Citizens and have SSNs:

- Enter in database with SSNs and process application as normal.



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Scenario 2: Applicant is a U.S. Citizen and has a SSN, but one or more children household members do not have a SSN:

- Enter applicant in database with SSN.
- If the household member is a child without a SSN, request the applicant to get the SSN. If it is apparent that the number will not be available in a timely fashion, enter 000-00-000 in the database to create a temporary number and process the application. Update the record once the SSN has been received.

Scenario 3: Adult household member is a U.S. Citizen and has an SSN, but does not have documentation of the SSN:

- If an adult household member does not have SSN documentation, request the documentation and keep the application in Pending until received. If documentation cannot be obtained, LAA may try to verify the SSN through CARES or the SSN Validation built into the OHEP system. See [Chapter 3.3.2 Social Security Numbers](#).
- If an adult household member does not qualify for a SSN then see Scenario 4.

Scenario 4: An adult household member is not a U.S. citizen or a qualified alien.

- Enter 000-00-0000 in order for the OHEP system to generate a number. The number that is generated will contain a letter.
- Enter any countable income the individual has received in the last 30 days.
- Select No for "Is Citizen?"
- Select No for "Is Eligible?"
- For Scenario 4, the ineligible household member's income is counted towards the total household income, but the individual is not counted as a member of the household in the calculation of the benefit.



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Scenario 5: An adult household member does not have a SSN, but has an Individual Tax Identification Number (ITIN):

- Enter the individual using the ITIN. These numbers usually start in the 900 series.
- On Household screen, enter any countable income the individual has received in the last 30 days.
- Select No for "Is Citizen?"
- Select No for "Is Eligible?"
- For Scenario 5, the ineligible household member's income is counted towards the total household income, but the individual is not counted as a member of the household in the calculation of the benefit.

Take note that an Alien number is not the same as an ITIN. They are both structured the same way (xxx-xx-xxxx), but are completely different. Immigrants often adjust their legal status, and it is not impossible for an individual to have an ITIN, despite now having an eligible status.

Scenario 6: No household member is a U.S. Citizen or Qualified Alien and there is no child in the household:

- Enter all household members in the database either using 000-00-0000 or ITIN as applicable.
- On Household screen, Select No for "Is Citizen?"
- Select No for "Is Eligible?"
- The reason for denial is that there is no eligible household member.

4.6.5 Additional Information

- No SSN is entered that starts with 666 as the area number.
- No SSN is entered that has as the area number a number within the range of 772 and 899.
- All SSNs entered must have nine digits.
- All SSNs must have all numbers unless automatically created by the data system which includes a letter.
- Social security numbers must be validated for the applicant and all members of the applicant's household. Any social security numbers that cannot be validated through the Social Security Administration matching process must be reviewed and verified within the Social Security Number Validation Report within the OHEP database. For more information regarding how to validate SSNs, see [Chapter 10.2, Identifying Applicant Fraud](#).



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- Numbers that have been created for children are expected to be updated with the correct SSN. An application received in the future should have the child's correct SSN. Created SSNs should not be maintained from year to year for children.

4.7 College Student Eligibility

Students attending college on a full-time basis at the time of application are eligible to apply for Energy Assistance. College students who live on-campus (or away from home) in Maryland can apply for MEAP and EUSP on their own behalf (in the county in which they reside). College students who live at home shall be included as part of the household at home. Students who live on campus (or away from home), but visit home on the weekends (or use their home address for mail only) are not to be included as a household member at home.

4.7.1 Verification of Income

It is suggested that the University Financial Award letter be used for verification of the student's grants. It can also be used to ascertain if the student has any earned income.

Excludable income for students:

- Pell Grants
- Supplemental Education Opportunity Grants (SEOG)
- National Direct Student Loan (NDSL)
- State Student Incentive Grant (SSIG)
- Guaranteed Student Loans
- College Work Study
- State, Local and Federal Loans, Grants and Scholarships
- Civic and Fraternal Scholarships
- Private Company Scholarships
- Loans with established repayment plans.
- Employment income for full-time college students.



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- To be considered full-time, the student must be enrolled in at least 12 semester credits at the time of application. Full-time status must be documented by the college institution.

Includable Student Income

- Loans with no repayment plan are considered unearned income.
- Employment income of part-time college students.

4.8 Assistance for Renters

4.8.1 General Policy for Assistance to Renters

Applicants who are renters are eligible to receive energy assistance benefits provided they meet all other eligibility requirements.

4.8.1.1 Applications – Heat Not Included in the Rent

By definition, the applicant is directly responsible for paying heating costs if the applicant provides documentation in the form of a heating bill for the residence. The applicant must designate the energy supplier on the application. This applicant may be eligible for MEAP and/or EUSP.

Providing that all other requirements are met, the applicant is eligible for a benefit amount whether the unit is subsidized or unsubsidized.

The benefit is certified to go to the designated energy supplier.

4.8.1.2 Applications – Heat Included in the Rent

If the applicant indicates that the heat is included as part of the rent paid to the landlord and the unit is not subsidized, the renter is eligible only for a MEAP benefit provided the landlord is willing to accept the benefit payment on behalf of the applicant and agrees to reduce the tenant's rent by the amount of the benefit. Acceptance of these terms is through the completion of a Landlord Agreement by the Landlord. The procedures for obtaining a Landlord Agreement are described below.

If the landlord refuses to sign the Landlord Agreement, the benefit may be paid to a secondary heat source. If there is no secondary heat source, the benefit may be paid directly to the applicant.

If the applicant is not directly responsible for paying heating costs and the unit is subsidized, the renter is not eligible to receive MEAP benefits and the application must be denied. If applicant is responsible



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for paying heating costs when he/she exceeds the allowable amount set by the Subsidized Housing Agreement, and the bill is in applicant's name, they may be eligible for EUSP.

4.8.1.3 Initial Procedures - Renters (Including Roomers and Boarders)

Applicants who are renters and pay their heating costs directly must identify their energy supplier and fuel type at the time of application. If an applicant-household is determined eligible, the OHEP grant is paid to the energy supplier for fuel delivery and/or credit on account. If there is one meter and one utility bill for the residence, the applicant must include all the residents on the application excluding [roomers and boarders](#).

Applicants who are renters (including roomers and boarders) and pay their energy costs indirectly as undesigned portions of rent payments are required to furnish the name, address, and phone number of the landlord to whom the rent payments are made. Before payment is made, the steps that follow must be completed.

The Landlord Agreement for renters or for roomers and boarders is forwarded to the landlord along with the landlord cover letter and a self-addressed stamped envelope.

Where the OHEP applicant is a roomer/boarder, the landlord is asked to list on the back of the Landlord Agreement the name(s) of any other roomers/boarders in the residence.

The Landlord Agreement is due 15 days from the date of mailing to the landlord.

4.8.1.4 Procedures for Participating Landlords

Upon receipt of a signed agreement within the 15-day response period, the LAA is required to verify ownership/rentership via tax assessment research at <http://sdat.dat.maryland.gov/RealProperty/> or an official document showing principal owner or renter. If unable to obtain verification, the landlord may be required to come to the LAA with viable proof of ID and ownership/rentership in order to receive payment.

If the landlord does not return the agreement within 15 days, an attempt is made by the LAA to contact the landlord via telephone. If the LAA is not able to speak with the landlord, the LAA shall notate the file and make a payment to a secondary heat source. If there is no secondary heat source, a direct payment to the customer may be issued.

When a properly completed agreement is returned, the LAA enters the landlord information (name, address, phone number, and Federal Identification number or SSN) in the OHEP system under the Living



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Arrangements section. If the information has already been entered into the system, it may be selected from the available list of participating landlords.

Payment is made to the landlord as the applicant's energy supplier.

As stated in the Landlord Agreement, the document is valid from the time of signature until replaced by a new agreement. The Landlord Agreement also indicates that the Agreement covers all future tenants that may apply for assistance. However, the LAA has the option of requesting a landlord to complete an agreement for any subsequent tenant-applicant.

4.8.1.5 Procedures for Non-Participating Landlords

If the landlord returns the agreement and indicates he/she does not wish to participate in MEAP, document the applicant's file as such. Contact the applicant within 2 days (by telephone if possible) to make him/her aware that the landlord does not wish to participate. Inform the applicant of the following options:

1. A secondary source of heat and vendor may be selected with the appropriate necessary vendor information.
2. A direct payment may be issued to the applicant for the primary source of heat. See [Chapter 4.16.2 Direct Payments to Applicants](#) for more information on Direct Payments.
3. If the applicant selects the secondary source of heat, enter the appropriate fuel type, vendor code, and, if available, account number. If the applicant selects direct payment, enter the primary fuel type and Direct Payment as the supplier to indicate a direct payment.

4.8.1.6 Procedures for Non-Responding Landlords

If the Landlord Agreement is not returned within the allotted 15 days, immediately contact the applicant (by telephone if possible) and inform him/her of the option to select a secondary source of heat and vendor. If the applicant selects the secondary source of heat, the Intake Worker enters the appropriate fuel type, vendor code, and account number in the system.

If the applicant does not choose to select a secondary heating source, request the applicant to provide verification of renter status via the Request for Additional Information Form. Verification may be in the form of:

- written lease
- Verification of Living Arrangements form



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- canceled rental payment checks
- current rent receipt
- other documentation at the LAA's discretion.

Upon receipt of verification of rental status, proceed with direct payment to the applicant for the primary source of heat. See [Chapter 4.16 Special Situations](#) for more information on Direct Payments. If the applicant selects direct payment, select Direct Payment for energy supplier and enter the primary heating source. The code for Direct Payments is 9999.

The application is forwarded for certification and payment.

If a future application for a tenant of a non-responding landlord is received, the LAA should follow the landlord agreement process again. If a landlord does not respond a second time the LAA may process all future tenants of that landlord in this section as direct payments.

4.9 Roomers and Boarders

Roomers and boarders may apply for MEAP separate from the host household. Roomers and boarders are not eligible for EUSP, as they have no electric account with an electric company. An applicant's relative(s) may not claim either roomer or boarder status unless the relative is 60 years or older and/or disabled.

According to [COMAR 07.03.21.02](#) the following definitions apply:

- Boarder means an individual to whom a household furnishes lodging and meals for compensation. A relative may be given boarder status if aged 60 years old and older, or disabled.
- Roomer means an individual to whom a household furnishes lodging but not meals for compensation. A relative may be given roomer status if aged 60 years old and older, or disabled.
- The agreement with landlords providing rooming and boarding requires the landlord to specify how many rooms will be rented to roomers and/or boarders. Current residents of each room receive only one benefit per room. Therefore the agreement also requires the landlord to list the current residents of each room as of the date of the resident's application.
- If the current applicant/resident leaves the room, a new tenant may receive a benefit for that room. If a second person sharing the applicant's room applies, they will not be able to receive a



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benefit because only one benefit is allowed for the residents of that room. Therefore, LAAs are required to review the agreement with the landlord each time new residents apply for a benefit.

- Roomers and Boarders are not eligible for USPP, as they are not responsible for a utility account.
- Roomers and boarders who are residents of Section 8 subsidized housing and are not responsible for heating costs are not eligible for MEAP assistance.
- If a roomer/boarder has a utility bill in his/her name, the entire household must apply for assistance.
- If there is no agreement with household members and the landlord that he/she is a roomer/boarder, than the household must apply as a single household.
- If the landlord applies separately from the boarders, the landlord must report all monies he/she receives including any rental income from the boarders/roomers. The kwhs/therms are obtained by dividing the # of persons in the annual usage and multiplying the number by the persons listed on the application.
- If the roomer/boarder has not paid the landlord rental income, the landlord must provide documentation (s) from the roomer/boarder confirming their nonpayment of rent.
- If the landlord and the boarders/roomers choose to apply as a single household, count the monies that the boarders receives and monies the landlord receives, excluding monies the landlord receives from the roomers/boarders for rent.

4.10 Residents of Public or Subsidized Housing (Section 8)

The following policies and procedures apply to residents of Section 8 subsidized housing only.

4.10.1 Policy

Energy assistance is available to residents of subsidized housing who are directly responsible for paying their own heating costs and who meet all other eligibility criteria for the program. Since these applicants receive some federal assistance in the form of heating subsidies, only the minimum benefit by fuel type is provided to residents of public or subsidized housing.

Subsidized housing applicants will receive a Level 4 minimum benefit in the following circumstances:

- a. Resident is responsible for paying entire heating bill and the bill is in their name



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- b. Resident is responsible for paying a portion of the heating bill and the bill is in their name. This includes situations where the resident is receiving a heating subsidy that covers only a portion of their heating cost.

A number of different types of subsidized housing programs exist, some of which are referred to below.

A minimum benefit is issued for participants of subsidized housing programs where a portion of their housing subsidy provides specifically for heating costs. All other subsidized housing program participants receive a full benefit even those participants who receive rent reductions but utility allowances are not calculated in the rent.

NOTE: Residents of public or subsidized housing that are ineligible for MEAP benefits may be eligible for EUSP benefits. If a utility allowance is used in the calculation when determining a resident's rent, the resident is considered as residing in subsidized housing.

4.10.2 Procedures

During the initial application interview, the intake worker asks the applicant whether he/she lives in public or subsidized housing. If the applicant is uncertain, or the intake worker questions the applicant's response, documentation should be requested from the applicant via the Request for Additional Information form.

If the applicant lives in public or subsidized housing and heat is included in the rent, the applicant has no direct heating responsibility. The application will be denied for MEAP. In all cases, public or subsidized housing residents whose leases specify that heat is included in the rent, and no heating costs are incurred, are ineligible for MEAP, even if the individual is charged a heating surcharge by the landlord. OHEP is interpreting a heating surcharge as any amount exceeding what the landlord is claiming as normal usage.

If electricity is also included in the rent, the applicant is ineligible for EUSP, as there is no active electric account in the applicant's name.

If the applicant lives in public or subsidized housing and heat or electricity is not included in the rent, the intake worker completes the application.

If the applicant-household's heat is not included in the rent and the applicant household is income eligible, the intake worker completes the application and enters the appropriate benefit, (except as noted below for the BMIR and RAP Programs) for the applicant's fuel type on the application.

The application is forwarded for certification.



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4.10.3 Below Market Interest Rate (BMIR) Program

Housing complexes funded by the Department of Housing and Urban Development through the Below Market Interest Rate (BMIR) program are NOT considered as subsidized housing, UNLESS the renter is receiving a reduced rent below market rate. In cases where the renter is paying full value for their residence, they may be eligible for a MEAP or EUSP benefit, and not considered subsidized housing.

4.10.4 Rental Allowance Program (RAP)

In the case of applicants who are receiving assistance through the State of Maryland Rental Assistance Program, the applicant is NOT considered as living in subsidized housing (Section 8). This program provides rent subsidies to low-income families who are either homeless or have an emergency housing need. The goal of the program is to enable these households to move from homelessness or temporary emergency housing into more permanent housing. A customer participating in the Rental Assistance Program receives the usual benefit for their income level and fuel type.

4.11 Inhabitants of Residential Hotels

To be eligible for MEAP, an inhabitant of a residential hotel must be BOTH:

- responsible for paying his/her own heating costs; and
- using the hotel as their residence.

4.12 Residents of Group Homes, Domiciliary Care, and Assisted Living Facilities

Residents of group homes and domiciliary care facilities are ineligible to apply on their own behalf. If a living assistance facility is in the home of the applicant, the applicant may be eligible for energy assistance benefits if all criteria of eligibility are met.

4.13 Building Operators

Building operators are not eligible to receive MEAP or EUSP funds.



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4.14 Sub-Metered Gas/Electric for Renters (also known as Sub-Leased Metered Gas/Electric)

4.14.1 Background

Some landlords throughout the state have instituted a "gas or electric usage metering" program in their multi-unit dwellings. By installing meters that measure the gas or electric consumption for each individual unit, the landlord separates heating costs from the tenant's rent.

In these situations, tenants are billed for their actual usage of the gas or electric and make payment to either the landlord or to the metering company on a monthly basis.

4.14.1.1 Instructions for Payment of the MEAP Benefit for Sub-Metered or Pro-Rated Gas or Electric

Due to the nature of sub-metering, the tenant is responsible for paying heating costs directly, but rather than making payment to the utility company, the tenant pays the landlord or the sub-metering company the amount billed to the individual unit.

If the tenant-applicant is required by the lease to pay the sub-metered or pro-rated heating costs to the landlord then the MEAP benefit is paid directly to the landlord. The landlord must complete the Landlord Agreement and check the appropriate boxes, indicating that the gas or electric is sub-metered. By signing this form, the landlord verifies that the tenant's heat is not included in the rent, but that the tenant remits payment of their heating bill to the landlord. By signing the form, the landlord agrees to accept the MEAP benefit on behalf of the tenant and credit it to the heating bill.

If the tenant-applicant is required to pay the sub-metered heating costs to the sub-metering company then the MEAP benefit is paid directly to the tenant. The tenant/applicant must document the sub-metering by the submission of the gas or electric bill with the energy assistance application.

4.14.1.2 Instructions for EUSP Application for Sub-Metered Gas or Electric

Applicants are not eligible for a EUSP benefit in situations of sub-metered electricity, as there is not an electric account in the applicant's name with the utility company.



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4.15 Using MEAP Grants for Arrearages

In the case of non-utility applicants, the MEAP grant may be used to reduce bill arrearages provided that the amount remaining will allow for a minimum delivery of fuel.

For applicants designating a utility as the energy supplier, all or part of the grant may be applied to past arrearages for first time USPP participants only. See [COMAR 20.31.05.08](#) for a complete description. On an annual basis, utilities may apply for and receive a waiver from the Public Service Commission to this requirement. The OHEP State Office maintains information on those utilities granted a waiver by the Public Service Commission.

4.16 Special Situations

4.16.1 Energy Assistance for Secondary Source of Heat

Energy assistance benefits (MEAP only) may be paid for fuel other than the primary source of heat provided an eligible household has selected an alternate fuel source. Payments for alternate fuel sources are made to the named energy suppliers.

If an applicant names a fuel type for payment other than the primary heat source, the intake worker must document the reasons for the request and determine that the named fuel type is part of the applicant-household's heating system. For example:

- The household heats with fuel oil, but the furnace is ignited by electricity. The household selects electricity because a utility cut off is imminent.
- The household heats with a wood stove, supplemented by kerosene space heater. Kerosene is selected because the household has gathered its own supply of wood.
- The household's oil furnace is not operating. The household selects electricity to operate space heaters.
- The applicant pays for home heating costs indirectly as undesignated portions of rent payments, and the applicant's landlord has refused to participate in the MEAP Program. The applicant may select an alternative heat source for the benefit if applicable. All documentation must be in writing, initialed and dated by the intake worker, and made part of the customer file.
- The applicant pays for home heating costs indirectly as undesignated portions of rent payments, and, although the landlord has agreed to participate, the household has a turn-off notice. The applicant may select an alternative heat source for the benefit if applicable.



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If the applicant is determined eligible, the application, supporting documentation and request for payment to an alternate fuel vendor must be forwarded to the LAA Director or his/her designee for approval. The approving authority's written statement must be made part of the file.

If the alternate source of heat is approved, the alternate fuel type, vendor information and benefit amount is entered on the application.

If the alternate source of heat is disapproved, the approving authority documents the reason for denial. The applicant's primary heat source, vendor information and benefit amount is entered on the application.

The applicant must be notified of the denial of benefits for the alternate fuel source and proposed payment to the primary heating source vendor. Such notification will advise the applicant of the right to a hearing if he/she disagrees with the decision before the benefit is paid. If the applicant requests a hearing, the procedures in [Chapter 6 Review and Hearing Process](#) are followed.

Once the applicant has received a payment for a secondary source of heat they may not change to another source of heat unless they have moved to another residence.

4.16.2 Direct Payments to Applicants

In order to assure that all applicants have equitable access to a MEAP benefit, direct payments to a certified applicant is allowed if circumstances warrant. Direct payments are considered exceptions or special situations and are only to be used rarely. Direct payments may be used in situations where a supplier or landlord will not accept the benefit payment. Examples are:

- A. Landlord will not sign the Landlord Agreement. See instructions in previous sections.
- B. The energy supplier will not sign an Energy Supplier Agreement and an alternate supplier cannot be arranged.
- C. Applicant does not receive delivery of fuel, but purchases it on an as needed basis in small quantities. For example, the house is heated by a kerosene heater for which kerosene is purchased at the local gas station in 5-gallon quantities.

Pertaining to this situation, the LAA may issue a limited benefit amount equal to no more than 25% of the benefit with a request to return with a receipt(s) demonstrating purchase of the designated fuel. After accepting the receipts, additional benefits can be issued up to the full amount. These situations often have unusual living circumstances which may not warrant use of the full benefit amount. Benefit amounts are pre-determined based on a normal living situation.



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- D. Another example is where the applicant lives in a mobile residence and purchases propane from the landlord directly, but separate from rent. In this situation the landlord is acting as an energy supplier and not a landlord. Either the landlord becomes an energy supplier or a direct pay is needed. This results in a situation where rent cannot be reduced to account for a MEAP benefit.

Direct payments to applicants are processed without sending an EDS to the applicant. However, the process of assigning and invoicing an EDS still must be followed before issuance of the check. The EDS must be maintained as part of the fiscal record. See [Chapter 4.8.1.5 Procedures for Non-Participating Landlords](#), concerning conditions under which direct payments to applicants may be made. Secondary heating source is the preferable option when the choice is between direct payment and the secondary heating supplier.

The OHEP LAA Program Director must review and approve by signature on the EDS all direct payments.

There are no direct payments issued under EUSP.

4.16.3 Non-Participating Energy Suppliers

If an applicant's energy supplier is not an authorized MEAP vendor the LAA should request that the energy supplier sign a MEAP contract. If the vendor refuses, the LAA should ask the customer to accept an alternate energy supplier already on the MEAP vendor list. If this is not possible, the LAA should attempt to make arrangements with the energy supplier to be paid on presentation of a delivery invoice to the LAA. A direct payment to the applicant is the exception; i.e. in the case where the tank is owned by the propane company and a crisis exists.

4.16.4 Energy Supplier Who Refuses to Accept Applicant's Benefit

An authorized energy supplier may refuse to accept a benefit on behalf of an applicant due to the applicant's prior bill payment record. In such cases, the LAA should seek to make payment to the household's secondary heating source or encourage the household to seek another supplier. Direct payment of the benefit to the applicant should be the last resort.

4.17 Application Status

Pending Applications- "PENDING"

This status shows that all the information needed for household eligibility is not in the computer record.

Awaiting Certification- "AWAITING"



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This status shows that all information is complete on the computer application.

Note: Data retrieved from a previous year may go into an Awaiting status before review. Be sure to review and validate the on-screen application as qualifying for Awaiting status. A worker must confirm that the current documentation agrees with the computer screen.

Certification- "CERTIFIED"

When the certifier confirms the information entered on the application is accurate and supported by all required documentation (as listed in [Chapter 3.3 Application Requirements](#)), the application may be certified. When the case is "Certified", the benefit amount is computed and displayed on the screen. Enter the amount on the application in the 'Office Use Only' box. Click on "Close" to remove the "Certified Benefit" box.

NOTE: A person who creates or modifies a record in the data system is prevented from certifying that record.

Pre-Certified- "PRE CERT"

This status shows for MEAP when the case is "Certified" prior to funding being available. Once MEAP funds are received, the record is updated to reflect the benefit amount.

Energy Delivery Statement Sent- "EDS SENT"

This status shows that the applicant has been assigned to a particular Energy Delivery Statement (EDS) of a selected energy supplier. The EDS is the official authorization to deliver energy assistance up to the amount indicated. Each EDS has a unique batch/invoice number for tracking that EDS to the payment check number as well as tracking the payment in customer records.

4.18 Certification Policy

Each application shall be reviewed for completeness and accuracy prior to the issuance of a grant. This review process is referred to as certification. If an application is determined to be ineligible for an OHEP grant, the procedures for denied applications should be followed (see [Chapter 4.19.1 Denial Procedures](#)).

4.18.1 Certification Requirements

All certified applications shall indicate a legible agency worker signature, date of certification, benefit level, and dollar amount of grant. This information shall be on the application and in the computer record. A person other than the person who conducted intake or data-entered the application shall



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complete certification of an application. The certifier must sign their full name legibly and date the application. Worker initials or last name only are not acceptable. After being certified, an OHEP grant shall be issued in accordance with the procedures for payment of benefits as outlined in [Chapter 8 Grant Funds and Fiscal Management of Grant Funds](#).

4.18.2 Certification Procedures

All applications shall be certified using the computerized OHEP Data Management System. Certify each application using the following steps:

1. The certifier reviews the application and supporting documentation for completeness and accuracy.
 - a. *If the application is incomplete, the certifier sends the application back to the worker who makes the necessary updates or if necessary, takes appropriate follow-up action with the applicant.*
 - b. *If the applicant file is complete and accurate, the worker shall certify the application through the OHEP Data Management System. The system calculates the benefit amount or determines if the application is to be denied.*
2. If the application is approved for a benefit, the amount is written on the application in the space provided. The certifier signs and dates the application form in the space provided.
3. If the application is denied, the worker shall select the reason from the drop down list on the computer screen. The denial reason is written on the application in the space provided. The certifier signs and dates the application form in the space provided.
4. If the computer's determination of eligibility conflicts with the certifier decision, the certifier shall consult with the supervisor or local OHEP director to resolve the disparity.
5. Once an application is certified or denied, it shall not be modified without Supervisor approval.
6. Crisis applications are certified as outlined in this chapter; however, additional procedures are to be followed. These procedures are outlined in [Chapter 5 Energy Crisis Assistance](#).

4.19 Denial Policy

Any applicant who does not meet the eligibility criteria is denied a benefit.



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Any applicant not completing an application within 15 days of the date the Request for Additional Information Form was generated is denied a benefit. Completing an application means entering information in all required fields and providing documentation requested by the LAA.

Applicants who are denied receive written notice of the reason for the denial and of their right to a fair hearing to appeal the decision.

LAAs are required to complete the eligibility determination process for all customers, including those who are denied for over income, as they may be eligible for other programs whose income guidelines may be different than OHEP's. For example, the Fuel Fund of Maryland and the Department of Housing and Community Development have income guidelines up to 200% of the federal poverty level. It is important to ensure proper income is recorded in the OHEP system under the household table in order to make appropriate referrals to these programs.

If the denied applicant wishes to appeal the LAA's decision, then he/she should follow the procedures described in [Chapter 6.6 Administrative Hearings](#). All letters notifying the applicant that they did not qualify under the eligibility guidelines must contain a statement of the hearing rights.

4.19.1 Denial Procedures

Assuming the application is entered in the computer system, review the application for completeness. If incomplete, that is, missing information, check for a Request for Additional Information Form. See [4.19.2](#) below for details of applications pending information.

Denial of applications is accomplished through the OHEP certification process using the computer system. Follow the instructions for Certification. Applications are denied based upon established criteria identified in [Chapter 4.1.1.2 Basis for Denial](#). The computer system will automatically deny on the basis of over income (as long as the income has been entered in the household table), and heat included in the rent for subsidized housing (MEAP).

If the reasons above do not apply and review of the application and the accompanying documentation indicate the applicant is ineligible for assistance, select the appropriate reason for denial in the system. Applications can be denied using the Supervisor Deny function and selecting the appropriate reason for denial.

The worker signs and dates the application in the space provided on the application.



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4.19.2 Monitoring Pending Applications and Auto-Denial Function

The OHEP Data System is programmed to auto-deny applications if the necessary documentation has not been provided 25 days after a Request for Additional Information Form is generated and sent to the applicant. The OHEP Data System will automatically switch the status of the application from Pending to Denied, but it will not automatically generate a Denial Notice. It is the responsibility of the LAA to:

1. Check the OHEP Data Management System on a daily basis to monitor the applications that have been automatically switched from Pending to Denied. To do this, LAAs should click on the number of applications Denied by System on the dashboard in the OHEP system.
2. Check the mailroom to verify that documentation has not been received for auto-denied applications.
3. Generate a Denial Letter for those applicants that have not sent in documentation.
4. Change the status from Denied to Pending for those that have sent in documentation and complete the processing of the application.

In order to avoid auto-denials, one possible strategy is to place a phone call to the applicant after the Request for Additional Information is sent to confirm that the applicant understands what is needed.

4.19.3 Denial Letter

A denial letter is sent to every denied applicant household within 7 calendar days of the date of denial. The denial letter is generated from the OHEP system and includes:

- Date
- Applicant's full name
- Applicant's mailing address
- Explanation of the reason for denial
- Information for how to request an appeal for a hearing
- Name and telephone number of LAA

Denied applicants have the right to re-apply (see [Chapter 4.20 Reapplication](#)).



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4.19.4 Timeliness of Denial

It is the policy of the program to ensure that a denial notice is sent to the applicant within 7 calendar days of the denial.

The timely processing of denied applications depends on close scrutiny of all pending applications on the part of intake workers and OHEP directors. When it is absolutely clear that either the applicant is ineligible or the applicant has provided insufficient information, the application may be immediately denied. A notice is to be prepared and sent or given at that time or within 7 calendar days.

4.20 Reapplication

Denied applicants receive a written notice of the reason for the denial and of the right to a fair and timely review and hearing of the reasons for denial. Applicants are also advised that as long as OHEP is accepting applications, they may reapply 30 days after the date of the denial notice. When the program close date is less than 30 days away, an applicant may apply within 15 days of the close date if there are changes to the information already provided.

If the reason for denial is due to incomplete information, the applicant may submit the requested information and the original application may be processed if all information necessary to determine eligibility is received within 15 days of the Denial Notice.



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Chapter 5: Energy Crisis Assistance

Chapter Contents

- [General Energy Crisis Assistance Policy](#)
- [Definitions](#)
- [LAA Requirements](#)
- [Energy Crisis Application Policy](#)
- [Crisis Application Procedures](#)
- [Documentation – Procedures](#)
- [Certification of Crisis Assistance](#)
- [Denial of Crisis Assistance](#)
- [Delivery Requirements](#)
- [Crisis Resolution](#)
- [When Crisis Exceeds Grant Amount](#)
- [Payment of Crisis Assistance](#)

5.1 General Energy Crisis Assistance Policy

Energy Crisis Assistance refers to requirements of the Maryland Energy Assistance Program (MEAP). There is no provision for Crisis Assistance for the Electric Universal Service Program (EUSP).

November 1 through March 31 is designated as the Energy Crisis period for MEAP. A household may apply for energy crisis assistance during this period by applying at the local OHEP intake office.

"A reasonable amount of funds available, based on data from prior years, must be reserved until March 31 for intervention in an energy crisis, for example, weather-related and supply shortage emergencies" (Public Law 97-35 Title XXVI Low-Income Home Energy Assistance, Section 2604(c)). Using formulas generated from prior years heating usage and population the State OHEP Office manages the distribution of grant funds to jurisdictions in a manner that insures assistance for all applicants.

5.2 Definitions

Energy Crisis - According to the federal LIHEAP regulations, means "weather-related and supply shortage emergencies and other household energy-related emergencies" (Public Law 97-35, Sec. 2603.1). In the State of Maryland, an energy crisis is defined as where a household has no heat or a shortage of fuel supply or an imminent utility turn off (less than 3 days) during the normal winter period (November 1 to



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March 31). Local jurisdictions may request a waiver to change the time length in the definition of winter period.

Crisis Assistance - Means the amount available through the OHEP funds to alleviate the crisis. The dollar amount of this assistance is limited to the minimum regular grant for the eligible household's heating fuel type unless the application is complete. If the minimum amount is issued to resolve the crisis assistance, that amount is deducted when the application is approved for a full grant. The deduction is achieved during the payment process.

Expedited Service – Means that the application is to be processed as quickly as possible under the regular application procedures.

5.3 LAA Requirements

LAA's must:

Submit to the OHEP State Office a local Crisis Plan by October 30th of each year. The plan must include the following elements:

- The name of the LAA primary contact for handling crisis situations.
- Provisions for handling crisis situations after regular agency working hours.
- A list of additional resources which the LAA can use or make referrals to alleviate the crisis where the MEAP grant is not enough to resolve the crisis.
- The strategy to accept applications for energy crisis benefits at sites that are geographically accessible to all households in the area to be served by such entity;
- How they will provide to low income individuals who are disabled with the means to:
 - Submit applications for energy crisis benefits without leaving their residences: or,
 - Travel to the sites at which such applications are accepted by such entity ([Public Law 97-35, Section 2604\(c\)\(3\)](#)).

5.4 Energy Crisis Application Policy

The time at which the clock starts to resolve the crisis is described below:

- A. For incomplete applications, the 18-48 hour clock begins when the signed application AND Crisis Season Declaration Form is received. This is the only documentation required for a customer to



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receive a crisis benefit or utility commitment. The application may be pended for all other supporting documentation.

- B. For complete applications, the 18-48 hour clock begins when the signed application and complete documentation is received. The Crisis Season Declaration form is not needed.

A household that applies after the grant is exhausted must be referred to other agencies for assistance. A letter that the grant has been exhausted shall be given.

Utility terminations or turn-off notices outside the weather-related crisis period are processed in a manner that will abate the termination. This situation is usually a utility-related crisis, not a weather-related energy crisis. Expedited service by the local agency of eligible households is the appropriate procedure.

All staff must be informed about the energy crisis assistance requirements and procedures. One staff member must be designated as a special crisis intake worker and/or coordinator of crisis assistance. During the energy crisis season this staff member must ensure that energy suppliers deliver within the 18 or 48 hour deadline and the household record (file or data base comments) has notations of measures taken to end the crisis.

Applicants who are unable to provide all documentation necessary to determine eligibility, may sign a declaration form attesting to the crisis situation (Crisis Season Declaration Form) ([COMAR 07.03.21.10](#)). The applicant should be informed of the consequences if fraud is committed. The application shall be processed with the intent of resolving the crisis. See [Chapter 10 Program Integrity](#) if evidence suggests fraud has been committed.

5.5 Crisis Application Procedures

5.5.1 New Applications

- A. The crisis situation is designated on the application and in the OHEP system under the Crisis Assistance Tab. The LAA must utilize the tab for applicants in the following situations:
 - 1. *The customer applies for assistance between November 1 and March 31, AND;*
 - 2. *The customer is applying for a MEAP benefit, AND;*
 - 3. *The customer has one of the following:*
 - a. *Currently is disconnected*
 - b. *Has a turn-off notice*



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- c. *Is out of fuel*
- d. *Has less than three days worth of fuel*
- e. *The primary heating system is inoperable*

Local agencies are responsible to have procedures in place that ensure applicants are screened during the intake process to verify if they fall within one of these categories.

B. Crisis Application

Under the Crisis Assistance tab, the local agency is to change the “Crisis Application” field to “Yes.”

C. Date and Time Presented

This refers to when the date and time that the local agency receives notice from the customer that their household is experiencing a crisis. For example, if an applicant is currently out of fuel, the local agency would log under “Date and Time Presented” the time at which the agency receives the application for assistance with the heating fuel.

The LAA should select the type of crisis that the applicant is experiencing from the following list:

1. *Turn Off Notice – should be selected for customers have a turn-off notice from their supplier at time of application.*
2. *Service Off – should be selected for customers whose utility service is disconnected at time of application.*
3. *Low Fuel – should be selected for customers that have three days or less of heating fuel available at time of application.*
4. *Empty Fuel – should be selected for customers that are without heating fuel at time of application.*
5. *Broken Fuel Burner – should be selected for customers whose heating system is inoperable due to needed repairs.*
6. *Broken Furnace – should be selected for customers whose heating system inoperable and requires replacement.*

In the case that a local agency cannot discern whether a heating system is inoperable due to the need for repair versus replacement, the agency should default to selecting “Broken Furnace” as the reason for crisis. Similarly, if a customer has multiple applicable crisis



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circumstances, the agency should select the primary, most urgent crisis situation based off their discretion.

D. Vendor

This field is automatically populated with the customer's vendor.

E. Application Package at the Time Crisis was Presented

Complete - Applications that are complete with all required documentation necessary to determine eligibility should be listed as "Complete." This places the application in an AWAITING status. Once processed for payment, the vendor will receive the full benefit with a 3% discount.

Incomplete- Applications requiring further information to perform certification should be listed as "Pending." This specifies that the application package is incomplete and places the application in a CRISIS-PENDING status. The application can now be processed for a Crisis benefit, which is paid without the 3% discount. This amount will be determined by the minimum delivery amount delivered by the vendor. See [Chapter 5.6.1 Incomplete Applications](#).

F. Date and Time Action Was Taken by LAA

This refers to the date and time that the local agency either made a commitment to alleviate the crisis, or made a referral to another agency/organization to resolve the crisis.

G. Crisis Resolution

The local agency should then select the crisis resolution action taken in order to resolve the crisis. Local agencies should select the resolution upon initiating action to resolve the crisis. Agencies may select multiple crisis responses, depending on the actions taken. Agencies may choose from the following options:

1. Fuel Delivery Full Grant – *should be selected when agencies process payment for the full benefit amount in order to resolve the crisis situation. If the agency is processing a partial payment for a minimum delivery to resolve the crisis, they should not select "Fuel Delivery Full Grant" as the resolution.*
2. Fuel Delivery Minimum Grant – *should be selected when agencies process partial payments for fuel vendors to issue a minimum fuel delivery to address the crisis situation.*
3. 55 Day Hold – *should be selected when agencies secure a 55-day hold to prevent disconnection of service for customers with a turn-off notice.*



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4. *OHEP Utility Benefits – should be selected when agencies issue a benefit or a benefit commitment that results in the resolution of the crisis situation. If a customer submits an incomplete application that results in a 55-day extension being granted, the agency should not select “OHEP Utility Benefits” as a crisis resolution once the benefit is processed, since the crisis was already alleviated through the 55-day extension. However, if the customer’s benefit results in the restoration of service or is processed in time to avoid disconnection of service, it should be selected.*
5. *Referral – DHCD – should be selected for customers referred to the Department of Housing & Community Development or one of its local offices for repair and/or replacement of inoperable heating systems. Customers that report inoperable heating systems where it cannot be clearly established that resolution cannot be achieved through the MEAP benefit must be referred to DHCD.*
6. *Referral – Fuel Fund – should be selected for customers referred to the Fuel Fund of Maryland or one of its affiliated agencies. Customers receiving a utility benefit from OHEP and a referral to fuel fund should have both options selected in the crisis resolution response.*
7. *Referral – DSS – should be selected for customers referred to a Department of Social Services agency for utility assistance.*
8. *Referral – Shelter – should be selected for customers referred to a shelter or other living arrangement separate from their primary residence due to crisis.*
9. *Referral – Church – should be selected for customers referred to a church or other non-profit charitable organization for utility assistance.*

*For resolutions not included in this list, enter it in the “other” box provided on the screen.

5.5.2 Existing Applications Requesting Crisis

It is feasible that an application may be submitted and during the time it takes to process the application a crisis situation could develop. In the event this happens and it is during crisis season (November 1 – March 31) follow these procedures:

The existing OHEP Application is reviewed for possible immediate certification. Revise the crisis assistance field to reflect the appropriate code as defined in the previous section.

Upon completion of these tasks, the worker forwards the case to the staff person designated by the LAA as the crisis assistance coordinator. The crisis assistance coordinator arranges service to alleviate the crisis.



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5.5.3 Exhausted Grants

If the applicant has already received and exhausted the household's eligible MEAP grant, they are ineligible for an additional MEAP grant. Applicant should be referred to other agencies for assistance with their heating emergency.

5.5.4 Inability of Fuel Supplier to Deliver

In the event that the initial Fuel Supplier is unable to deliver fuel to alleviate the crisis situation the following steps are suggested:

- Contact an alternate fuel supplier for delivery
- Suggest the applicant stay with family or friends until a delivery can be made
- Assist with arranging a placement in a shelter
- Arrange and pay for a stay in a motel room until the crisis is resolved

In the event that an applicant heats with wood and received a delivery that was still green and not usable, the local agency shall arrange for a delivery of aged wood. The LAA contacts a different vendor to deliver the remainder of the benefit. Vendor change form is required.

5.6 Documentation - Procedures

5.6.1 Incomplete Applications

In accordance with [COMAR 07.03.21.10](#), OHEP must attempt to resolve the crisis situation, regardless of whether the application is complete. However, if the application is not complete only a minimum benefit for the fuel type listed on the application is issued.

A signed OHEP application indicating the nature of the crisis, under Section 3 of the application— Crisis Information, is required. The local agency shall determine income eligibility based on the documentation provided by the applicant at the time of application. If the documentation provided is insufficient to complete the application, the applicant may declare the amount of income by signing the Crisis Season Declaration Form. Proof of all income and other supporting documentation is not required in order to receive a crisis benefit ([COMAR 07.03.21.10](#)). Follow the procedures stated in [Chapter 3.6 Pending Cases](#).



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If the documentation is received after the issuance of the crisis assistance payment, then the record must be modified using the APPLICATION SUPERVISOR MODIFY function. Follow the instructions for modifying an application. If the documentation received results in approval for a full MEAP benefit, the difference between the crisis grant and the full grant is calculated and issued as a payment.

If documentation is received which shows the applicant is ineligible, or if the applicant fails to provide documentation within 15 days, the supplier is paid for the amount of fuel delivered, as noted on the delivery invoice. The LAA must attempt to recover the crisis assistance payment from the applicant. Procedures for recovery are explained in [Chapter 8.18 Collection Procedures for Overpayment or Other Reasons](#).

If the applicant provides documentation after the 15-day time limit, but within the same heating season (November 1st-March 31st), and the documentation shows the applicant is eligible, the process for the recovery of the payment is stopped and the balance of the MEAP grant is paid.

5.6.2 Complete Applications

Applications that are complete with all required documentation and are determined to be eligible are placed in an AWAITING status. The Crisis Season Declaration Form is not necessary. Once processed for payment, the vendor will receive the full benefit with a 3% discount.

5.7 Certification of Crisis Assistance

Crisis assistance applications are certified using the procedures found in [Chapter 4.4 Certification Procedures](#).

Crisis pending information applications requires, upon approval for a benefit, that the amount of the benefit be entered. The amount is equal to the amount needed to alleviate the crisis, up to the minimum grant for each fuel type. See the current year Benefit Table to determine the minimum grant for each fuel type.

5.8 Denial of Crisis Assistance

Crisis assistance is denied if:

1. A crisis situation does not exist. That is, the applicant:
 - has more than a 4-day supply of fuel; or
 - is not faced with a threatened or completed utility shut-off; or



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- has an operable furnace or fuel burner and more than a 4-day supply of fuel.
- 2. The applicant refuses to sign the Crisis Season Declaration Form if requested.
- 3. The regular MEAP eligibility is not met.

If items 1 or 2 above apply, the application is processed as a regular application under the procedures outlined in [Chapter 4 Certification and Eligibility](#).

5.9 Delivery Requirements

Federal law states "A household applying for crisis benefits must be provided assistance no later than 48 hours after the household applies. If the household is in a life-threatening situation as defined by the State, assistance must be provided within 18 hours after the household applies" ([Public Law 97-35 Title XXVI Low-Income Home Energy Assistance Act, Section 2604\(c\)\(1\) and \(2\)](#)).

5.9.1 Conditions requiring delivery within 18 hours of application:

- Household has no supply of fuel; or
- Household's utility service is disconnected; or
- Household has a broken furnace or fuel burner.

5.9.2 Conditions requiring delivery within 48 hours of application:

- Applicant has less than 3-4 days' supply of heating fuel; or
- Applicant has a "true" disconnection notice for within three or four days (Check each utility's procedures for termination of service);

For incomplete applications, the 18-48 hour clock begins when the signed application AND Crisis Season Declaration Form is received. For complete applications, the 18-48 hour clock begins when the complete application package is received.

In accordance with the provisions set forth in the supplier contract, the supplier is required to deliver the crisis assistance grant within 18 or 48 hours of the time that the household requests assistance of the agency, NOT from the time of energy supplier contact by the LAA. If a selected energy supplier cannot guarantee delivery within this time limit, another energy supplier must be sought immediately and so noted in the file.



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LAA's are to guarantee payment of the MEAP Crisis grant after submission of a crisis application during the crisis period.

5.9.3 Supplier Designation

By agreement all energy suppliers are required to deliver fuel within the energy crisis time requirements. Because circumstances arise in which it is not possible for an energy supplier to deliver, it is prudent to identify at least one energy supplier who can be depended upon to deliver fuel and mitigate the crisis.

In order to meet the expedited timelines for crisis assistance, OHEP does not mandate that crisis deliveries made before payment is issued by the LAA to be delivered at the lowest applicable residential price. Furthermore, in order to meet the expedited timelines for crisis delivery, bulk fuel suppliers may be required to adjust its schedule to facilitate a delivery that is outside of normal operating business hours or requires delivery to a residence thirty (30) miles or further outside its anticipated delivery routes for the given day. Bulk fuel vendors may charge energy assistance customers fees in accordance with their standard operating procedures for services such as off route or after hour delivery services. Fees charged to energy assistance customers cannot be different or a larger amount than standard service customers. Such fees may be charged to the MEAP grant. However, bulk fuel vendors may not use energy assistance benefits to pay for security deposits or rental costs of equipment such as, but not limited to, a propane tank. If a vendor charges for such activities, the vendor must secure funds directly from the customer. OHEP will not be held liable for additional fees incurred by the customer.

5.10 Crisis Resolution

The Crisis Assistance part of the regular grant may be used for the following:

5.10.1 Fuel Delivery

In all cases, the Crisis Assistance coordinator (or energy supplier liaison) contacts the applicant's energy supplier to arrange for 18 or 48-hour delivery of fuel or an extension of utility service. The energy supplier is instructed to make a minimum delivery of fuel in an amount not to exceed the minimum grant by fuel type. Notation is made in the applicant's record.

In cases where the applicant is out of heating fuel and the burner needs to be started, this service can be charged to the Crisis portion of the MEAP grant.



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For those applicants, where the full grant amount is in doubt, the amount of the crisis assistance portion may not exceed the amount of the minimum MEAP grant by fuel type. The energy supplier liaison must be informed of the MEAP grant.

The OHEP Data Management System permits specific payment for situations where the applicant fails to provide documentation and/or fails to be MEAP eligible, as long as the crisis box is coded properly.

5.10.2 Furnace Repair, Storage Tanks, or Alternate Heat Source

Crisis assistance or part of the regular grant may be used for furnace or fuel burner repair in those cases where the equipment is inoperable. It is understood that in such cases the energy supplier may not be able to provide service within 18 hours; however, expedited service should be arranged to resolve the crisis within 48 hours at most. If such an arrangement cannot be made, the LAA should work with the applicant to select an alternate source of heat or temporary shelter.

An alternate heat source may be purchased. Electric resistance heater or oil filled radiator where allowed by law and safety conditions in the living unit can be purchased. No kerosene room heater may be purchased with MEAP funds.

In the case where the selected supplier does not have the technical ability to complete the necessary repair to the fuel system and is unable to subcontract out the repair, the customer must determine whether they wish to pay independently to make the repair to facilitate the delivery of the fuel or request to the LAA a change in fuel supplier (this may not be possible in some circumstances). If neither of these options are feasible, the LAA should make separate arrangements to provide alternative assistance to address the crisis situation.

The Crisis Assistance portion of the grant (up to the minimum grant by fuel type) can be used toward the purchase price of an oil tank or furnace when the old unit is no longer usable. However, the customer must provide assurance that the balance of the purchase price is immediately forthcoming. The Applicant Guarantee of Payment may be used when the tank supplier is told before purchase that the agency has only a promissory note for the customer's share of payment.

When the crisis assistance grant covers equipment repair, it must be paid to the supplier upon submission of the bill, regardless of whether the applicant is certified. To do this, code the fuel type field with selection of non-fuel. The remaining MEAP grant, if authorized, is sent to the applicant's approved energy supplier.



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5.10.3 Temporary Shelter & Motel Stays

For both 18-hour and 48-hour crises when arrangements cannot be made for the timely provision of household energy, an offer to locate an existing emergency shelter should be made. The local Department of Social Services may be able to assist the LAA in locating emergency shelters in the area. The amount of time that the household can remain in a shelter is usually established by local shelter policy. Benefit payments for individuals are not made to shelters. Where emergency shelters are not available, the crisis assistance grant may be used for temporary stay in a motel. The applicant and worker must complete the Special Crisis Assistance Form.

The relocation of the household must be accomplished within 18 or 48 hours of the time of application. The status of the household given temporary shelter or motel accommodation must be monitored daily by the LAA and an effort must be made to return the household to their original housing. Agency staff needs to be careful that households do not remain displaced indefinitely and/or that they receive fuel delivery as soon as possible. If the applicant refuses to use the shelter or motel, notation must be made in the Notes section in the data system.

5.11 When Crisis Exceeds Grant Amount

If at any point in the crisis assistance process it is determined that the allowed crisis portion of the grant amount will not alleviate the crisis, the LAA should encourage and assist the applicant to prove eligibility for a full grant. The LAA should also attempt to secure or make referrals to other programs or agencies that may require additional assistance.

When the applicant cannot obtain the documentation to be eligible for the full grant or if the need exceeds the full grant amount, the LAA must work with the applicant to locate additional funds (from agencies who provide energy assistance, relatives, or friends) to alleviate the crisis. The applicant also has the option to select an alternate fuel source or temporary shelter.

5.12 Payment of Crisis Assistance

LAAs may provide a direct payment to alleviate the crisis situation, but it must be demonstrated that the direct payment will result in resolution of the crisis through program eligible expenses (e.g. if the direct payment is to be used to pay the security deposit, this would not be an allowable program expense).

The household receives energy crisis assistance when either delivery of fuel or the abatement of a turn-off is completed within the specified time frames (18/48 hours), as opposed to the actual payment to suppliers. The actual payment of the grant need not be made within the specified time frames to alleviate the crisis.



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Except in cases of equipment repair, temporary shelter, or utility termination, the crisis assistance and remaining MEAP grant cannot be split between two energy suppliers; the entire grant must be paid to the same energy supplier.

Discounts on fuel do not automatically apply to energy crisis payments. The energy supplier may discount crisis deliveries at their option. This designation is recorded in the Supplier Database and does not require special coding on the application.

If the crisis payment is included, as part of the full MEAP benefit, then only the amount above the maximum crisis amount allowed shall have a discount applied.

In the event that an applicant requests an emergency delivery of oil knowing he/she has an eviction notice for within the month, the customer may not seek payment of benefit from the landlord, as the delivery was made in good faith.

To issue a payment for the balance of the MEAP grant, follow the instructions in [Chapter 8](#).



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Chapter 6: Fraud, Repayment, and Administrative Hearing Procedures

Chapter Contents

- [Background](#)
- [Definition of Activities](#)
- [Responsibilities of Stakeholders](#)
- [Overpayment and Recoupment Procedures](#)
- [Intentional Program Violation \(IPV\)](#)
- [Administrative Hearings](#)

6.1 Background

This chapter details the policies and procedures to be implemented by the Office of Home Energy Programs (OHEP) and its local administering agencies (LAAs) as it pertains to fraud investigation, collection of repayments and the administrative hearing process. This document supplements language in the Code of Maryland Regulations (COMAR). Questions related to procedures described across these documents should be referred to the State OHEP Director for further clarification and guidance. Additional information regarding screening for and addressing fraudulent activities can be found in 10.1 Program Integrity Policy and Procedure.

6.2 Definition of Activities

A. Intentional Program Violation

An Intentional Program Violation (IPV) is defined as an intentional false or misleading statement or misrepresentation, concealment or withholding of facts concerning an application to the Office of Home Energy Programs. An OHEP applicant that is determined to have committed an IPV is subject to penalties as described in this Manual. LAAs may make referrals for a suspected IPV but only an Administrative Law Judge is permitted to declare an IPV has occurred.

B. Overpayment

An overpayment means the amount by which a benefit payment received for an OHEP grant exceeds the amount the applicant was eligible to receive. Overpayments may be the result of agency error, client error or an intentional program violation.

C. Recoupment



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Recoupment means the process used by OHEP to recover an overpayment from a household that has received a benefit payment in excess of what they were eligible to receive.

Recoupment of funds is initiated by LAAs, collected by State OHEP and referred to the Maryland Central Collections Unit in the case that the customer is non-responsive to LAA efforts to recoup funds. OHEP will not seek recoupment of funds if the amount to be collected is less than \$125.00.

D. Administrative Hearing

An administrative hearing is defined as a hearing by an administrative law judge of the Office of Administrative Hearings (OAH) for the State of Maryland. Administrative hearings may serve the purpose of hearing an appeal of a customer related to a determination made by the program (such as a determination of ineligibility or of recoupment of funds) or may serve the purpose of determining if an intentional program violation has occurred (referred to as an Administrative Disqualification Hearing). The administrative disqualification hearing process will be used for any IPVs resulting in recoupment of funds less than \$2,500.

E. Criminal Prosecution

Criminal prosecution is defined as the act of pursuing criminal action against an OHEP recipient that is suspected of an IPV resulting in the overpayment of \$2,500 or greater. Criminal prosecution is handled by the Maryland Office of Attorney General in concert with the Department of Human Resources' Office of Inspector General.

6.3 Responsibilities of Stakeholders

A. Local Administering Agencies (LAAs)

As it relates to fraud, repayment and administrative hearing procedures, LAAs are responsible for the following functions:

1. Investigation of suspected IPV and/or overpayment

LAAs are the primary agents responsible for conducting a thorough investigation of a suspected IPV and/or overpayment. Upon identification of a potential issue, the LAA shall utilize the resources available to establish the facts of the investigation, such as:

The client application and supporting documentation and forms

Prior year application records

OHEP database



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CARES

Work Number

MABS

SVES

The LAA may, at its discretion, request additional documentation from an applicant if the materials furnished to prove eligibility appear to be forged or manipulated. As part of its investigation, the LAA should evaluate whether the suspected issue spans multiple program years and research prior year files if this possibility exists.

2. *Referral of suspected IPV and/or overpayment to State OHEP*

Upon completion of its investigation, if the LAA has determined that there is definitive evidence that an IPV or overpayment has occurred, or that there is reasonable suspicion that merits further investigation, the LAA shall submit a referral to the State OHEP Quality Assurance Analyst using the Referral for Investigation form (Attachment D). On the Referral for Investigation form the LAA must:

1. *Indicate whether they wish the case be evaluated for a suspected IPV, overpayment or both.*
2. *Identify the amount of OHEP benefit dollars in question (if applicable).*
3. *Identify the status of the current Program Year application.*
4. *Establish the type of suspected fraudulent behavior, if applicable.*
5. *Provide a detailed summary of the facts in the "Basis for Referral" section of the form.*

Along with the form, the LAA must also submit a copy of the application and supporting documentation for all program years that are under question for the applicant. Lastly, the LAA must forward any information it found as evidence that an IPV or overpayment has occurred. Materials should be forwarded electronically or by fax to the State OHEP Quality Assurance Analyst.

The Quality Assurance Analyst has two weeks to respond to referrals made by the LAA. The referral may be rejected at his/her discretion, if the form is completed incorrectly or if insufficient evidence is presented to warrant further investigation. The LAA is responsible to make the necessary corrections and resubmit the form.

During the time that the applicant is under investigation for an IPV, the LAA must continue to process the application. If the applicant is approved for OHEP, benefits must be issued to the



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customer, unless notified to pursue a determination of IPV by the State OHEP Quality Assurance Analyst.

3. *Notification of Referral for IPV and/or Recoupment of Funds*

Upon notification by the State OHEP Quality Assurance Analyst to the LAA to pursue a determination of IPV and/or recoupment of funds, the LAA is responsible to

1. *Notify the applicant of the repayment amount and/or alleged IPV.*
2. *Provide the customer written notice of their appeal rights and assist with completing an appeal, if necessary.*
3. *Provide the customer evidence of the suspected IPV and/or overpayment.*
4. *Sign a Promissory Note agreeing to repayment terms, if applicable.*
5. *Forward the Maryland Central Collections Unit Debt Referral form to the State OHEP Quality Assurance Analyst should the customer refuse to sign the Promissory Note within the allowable timeframe.*

Details on the implementation of these steps are outlined in [Sections 6.4](#) and [6.5](#) of this chapter.

4. *Administrative Hearing Rights and Procedures*

The LAA is responsible, as part of the administrative hearing process to:

1. *Notify the OHEP applicant of their appeal rights.*
2. *Assist the applicant with completing a Request for Fair Hearing form should they require assistance submitting an appeal.*
3. *Offer the customer a Pre-Hearing Conference to seek a resolution to the matter prior to the administrative hearing taking place.*
4. *Issue a Pre-Hearing Packet to the applicant and Office of Administrative Hearings at least six days prior to the hearing.*
5. *Attend and participate in the administrative hearing.*

Details on the implementation of these steps are outlined in [Section 6.6](#) of this chapter.

B. State Office of Home Energy Programs (OHEP)



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As it relates to fraud, repayment and administrative hearing procedures, State OHEP is responsible for the following functions:

1. *Determination of action on LAA Referral for Investigation*

Upon submission of a Referral for Investigation, the State OHEP Quality Assurance Analyst is responsible to determine the proper routing of the referral. The Quality Assurance Analyst may take one or more of the following actions:

1. *Notify the LAA to pursue recoupment of an overpayment.*
2. *Notify the LAA to pursue determination of an IPV.*
3. *Refer the case to the Office of Inspector General (OIG) for further investigation.*
4. *Refer the case to the Office of Inspector General (OIG) for criminal prosecution in coordination with the local State's Attorney's Office.*
5. *Return the referral to the LAA due to insufficient evidence or missing information.*

2. *Tracking of overpayment and IPV cases*

The State OHEP Quality Assurance Analyst is responsible to monitor the disposition of open and completed investigations for IPV and overpayments, including:

1. *Cases that are currently under review for routing by State OHEP.*
2. *Cases that are under open investigation by OIG.*
3. *Cases that have been forwarded for criminal prosecution.*
4. *Cases that have been forwarded for recoupment of funds by the LAAs.*
5. *Cases that have been forwarded for recoupment of funds to the Maryland Central Collections Unit (MCCU).*
6. *Cases that have been forwarded for an administrative hearing to determine an IPV.*
7. *The resolution of cases through the administrative hearing, pre-hearing conference and the criminal prosecution process.*
8. *Cases that are currently under penalty from reapplying due to determination of an IPV by an administrative law judge.*

For all these cases, the Quality Assurance Analyst will monitor:



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1. *The date the referral was submitted by the LAA.*
 2. *The action initiated by the State OHEP Quality Assurance Analyst (e.g. refers to OIG, pursue overpayment, refer for criminal prosecution, etc.).*
 3. *The amount of funds being recouped (if applicable).*
 4. *The amount of funds that have been recouped to date (to be tracked in coordination with the State OHEP Procurement Specialist).*
 5. *The current status of the overpayment and/or IPV.*
 6. *The start and end date of a penalty for re-application for assistance due to an IPV.*
3. *Imposition of Penalties for IPVs*

Upon determination by an OAH judge that an IPV has occurred, the Quality Assurance Analyst shall use features within the OHEP database to block a customer from reapplying for OHEP assistance for the allotted amount of time consistent with program policy. The Quality Assurance Analyst will lift this block upon completion of the term.

4. *Administrative Hearing Procedures*

The State OHEP Quality Assurance Analyst is responsible to attend, when possible, administrative hearings pertaining to OHEP matters.

C. Office of Inspector General (OIG)

As it relates to fraud, repayment and administrative hearing procedures, the Office of Inspector General is responsible for the following functions:

1. *Review and Investigation of Referrals from State OHEP*

Upon receipt of referral from State OHEP, the OIG will conduct an investigation to gather facts of the case in question. The OIG may take up to 180 days to complete its investigation and will provide monthly reports to the State OHEP Quality Assurance Analyst with updates on the disposition of the cases that have been referred. Upon completion of its investigation, OIG will forward its findings to the State OHEP Quality Assurance Analyst for follow-up.

2. *Criminal Prosecution of Cases*

For a suspected IPV that exceeds \$2,500 in overpayment, the OIG will facilitate the referral of the case to the local State's Attorney's Office for criminal prosecution.



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6.4 Overpayment and Recoupment Procedures

Upon notification by the State OHEP Quality Assurance Analyst to the LAA to pursue a determination of IPV and/or recoupment of funds, the LAA is responsible to

1. Notify the applicant of the repayment amount and/or alleged IPV.
2. Sign a Promissory Note agreeing to repayment terms, if applicable.
3. Forward the Maryland Central Collections Unit Debt Referral form to the State OHEP Quality Assurance Analyst should the customer refuse to sign the Promissory Note within the allowable timeframe.

The repayment amount pursued should be equal to the amount of the overpayment issued. LAAs may not charge any type of fee or interest on the repayment amount when negotiating repayment terms. If the repayment amount is less than \$125, the LAA does not need to pursue recoupment of funds; however, even if the repayment amount is written off, an IPV may still be pursued. Repayments exceeding \$2,500 that are being pursued due to an alleged IPV will be handled criminally by the Maryland Office of Attorney General. In this instance, the LAA should not discuss any repayment terms with the customer and defer all questions to the local State's Attorney's Office.

A. Notification of Repayment Amount

Upon notification by State OHEP to pursue recoupment of an overpayment, the LAA shall notify the applicant in writing of the need to return funds. The method of notification will depend upon whether the program is pursuing an Intentional Program Violation along with the recoupment of funds.

If the program is pursuing recoupment of funds but is not seeking to impose an IPV against the customer, the LAA shall issue the customer written notice using Overpayment Letter #1 (Attachment E). The notice will inform the customer of the grant(s) in question, the overpayment amount and the reason for the overpayment. If, within two weeks, the applicant has not responded to the mailing, the LAA should follow-up via a phone call with the customer and log a case note in the OHEP database.

If, after forty-five days from the date of the Overpayment Letter #1, the customer has been non-responsive, the LAA shall send out a second written notice using Overpayment Letter #2 (Attachment F). The notice will reference the original notice sent and warn the customer that failure to respond will result in referral to the Maryland Central Collection Units. The LAA should follow-up again via a phone call to attempt contact with the customer and log a case note in the OHEP database.



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If, after ninety-days from the date of the Overpayment Letter #1, the customer remains non-responsive, the LAA shall send out Overpayment Letter #3 (Attachment G), notifying the customer their case is now being referred to the Maryland Central Collections Unit.

In the case of an IPV, the LAA is required to proceed through the administrative hearing process. Additional language about next steps related to the IPV hearing is required in the overpayment notice. If an IPV is not being pursued, the LAA should use Overpayment Letters #1 -3 to notify the customer as described below. If an IPV is being pursued as part of the overpayment, the LAA must use the Overpayment Letter with IPV #1 (Attachment H) in lieu of Overpayment Letter #1. With all notifications, the LAA must include the Request for Fair Hearing form (Attachment I). A copy of all notifications should be maintained in the client file for record.

B. Customer Request for Administrative Hearing Regarding Overpayment

Should a customer respond to an overpayment letter with a request to appeal the overpayment determination, the LAA shall freeze pursuit of the repayment of funding until the hearing process is completed. Once resolved (and assuming upon resolution a repayment amount still exists), the LAA should continue to proceed with the notification process as described above to collect repayment.

C. Payment Agreement

Upon delivering notification to a customer regarding repayment, the LAA should schedule a time to discuss repayment terms with the customer in person. At this time, the LAA should remind the customer of their appeal rights should they wish to challenge the determination of overpayment.

LAAs may establish a repayment schedule or have the customer repay the amount in full up front, depending on the affordability available to the customer. Should the customer request a repayment schedule, the LAA may approve, at their discretion, a repayment term not to exceed ten (10) months of even payment installments equaling the total overpayment amount due. Should the LAA wish to enter into a repayment term exceeding ten (10) months, the LAA must get approval from the State OHEP Quality Assurance Analyst first.

Should the reason for repayment be a result of error by the LAA, State OHEP or the OHEP database, the LAA may request a waiver to reduce the amount owed by the customer to be less than the overpayment amount. The LAA must submit the waiver request in writing and identify a justification for the request. The State OHEP Director must approve this request in writing. A copy of the LAA's request and decision from State OHEP must be documented in the applicant's file.



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Upon agreement on repayment terms, the LAA shall have the customer execute the Promissory Note and Confessed Judgment form (Attachment J). The Promissory Note must be signed in person during the meeting and witnessed by the LAA. A copy of the executed agreement should be provided to the customer and to the State OHEP Quality Assurance Analyst, with the original copy being stored in the applicant file.

The applicant for the benefit(s) that resulted in an overpayment should sign the Promissory Note, unless the LAA is provided consent from another person for transfer of responsibility for repayment to them.

For repayments negotiated via a Promissory Note, the payments must be made by the fifteenth (15th) of each month to the Maryland Department of Human Resources via check or money order to:

Maryland Department of Human Resources
Office of Home Energy Programs
311 W. Saratoga St Room 239
Baltimore MD, 21201

The State OHEP Office is responsible to monitor the status of repayments on a monthly basis. The Procurement Specialist is responsible to log all repayment checks received within a central tracking system, and the Quality Assurance Analyst is responsible to notify the LAA if a customer has missed their payment in the prior month. The LAA will be notified by the end of the ensuing month if a missed payment has occurred.

D. Maryland Central Collections Unit (MCCU)

An applicant will be referred to the Maryland Central Collections Unit in the following circumstances:

- 1. The applicant failed to respond to Overpayment Letters #1 – 3 and ninety (90) days have surpassed since the first notification was sent.*
- 2. The applicant responded to an overpayment notification, but refused to meet the repayment terms and has not submitted a request for appeal or responded to requests to assist with submission of an appeal.*
- 3. The applicant executed a Promissory Note but has missed two (2) consecutive payment installments and has been unresponsive or uncooperative to requests to come into compliance to the payment schedule.*

Upon one of these circumstances being met, the LAA shall forward to the State OHEP Quality Assurance Analyst a Maryland Central Collections Unit Debt Referral form (Attachment K) and



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notify the customer in writing that their file has been referred to MCCU for collections. In the case of the customer being non-responsive to overpayment notifications #1-2, the LAA should notify the customer of referral to MCCU via Overpayment Letter #3. The notification must explicitly state that a 17% fee will be added to the outstanding debt amount as a result of the referral to MCCU.

The State OHEP Quality Assurance Analyst, upon receipt of the MCCU referral, will log the case within a central tracking system and forward the referral to MCCU for enforcement of collections. The referral will cite an account specific for the Office of Home Energy Programs for all collections to be deposited within.

The Quality Assurance Analyst shall obtain quarterly reports from MCCU regarding the disposition of collections. In the case that the program needs to revoke an open collection that has been referred to MCCU, the State OHEP Quality Assurance Analyst shall notify MCCU of the need to cancel the collection via the Debt Payment – Debt Adjustment form (Attachment L).

E. Failure to Pay in Accordance with the Promissory Note Schedule

If a customer has entered into a repayment schedule via the Promissory Note and fails to pay a monthly installment, the Quality Assurance Analyst shall notify the LAA of the missing payment. The LAA is responsible to contact the customer to inquire as to the status of the payment. If the customer misses a second, consecutive installment, the case may be referred to the MCCU for collections. However, if the customer has notified the LAA of a temporary hardship in meeting the repayment schedule and requests additional time to make the payment, the LAA, at their discretion, may opt to not submit a referral to MCCU and update the repayment terms by signing a new Promissory Note. The LAA must forward a copy of the updated agreement to the Quality Assurance Analyst.

F. Issuance of New Benefits during Repayment Period

If a customer is currently in the process of repaying an overpayment, the LAA must continue issuing new OHEP benefits, as applicable, to the customer in the meantime, unless the customer is barred from reapplying due to the penalty terms of an intentional program violation. Failure to repay an overpayment should result in a referral to the Maryland Central Collections Unit, as described in this document. The LAA may not withhold delivery of new benefits to customers except under the terms described in [Section 6.5](#) of this chapter.

G. Write-Off of Repayment Amount

The program may write-off a repayment amount in the following circumstances:



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1. *The program determines an overpayment amount is less than \$125 and opts not to pursue recoupment.*
2. *The customer signs a Promissory Note and has \$25 or less in payment due, and has stopped payment.*
3. *The customer is deceased and does not have a surviving spouse to assume the debt.*

LAA's should consult with State OHEP prior to writing off a repayment amount.

6.5 Intentional Program Violation (IPV)

A. Suspected IPV vs. Overpayment

While not all overpayments are the result of a suspected IPV, the LAA is responsible when submitting a Referral for Investigation form to denote whether it wishes to pursue an IPV as part of the referral. An IPV is defined as an intentional false or misleading statement or misrepresentation, concealment or withholding of facts concerning an application to the Office of Home Energy Programs.

Upon initial referral for a suspected IPV, the LAA cannot deny the customer benefits unless there is definitive evidence that an IPV has occurred. If definitive evidence is documented that the client is ineligible for OHEP, the file may be denied. However, if it is only under suspicion of ineligibility and requires further investigation, the application must be processed. If the applicant is approved for OHEP, benefits must be issued to the customer, unless notified to pursue a determination of IPV by the State OHEP Quality Assurance Analyst. Certain scenarios may be unclear in establishing whether an IPV definitively occurred. For example, a customer may list a household member on their application that is currently incarcerated and should have been excluded; however, the customer may not have understood program policy as it pertains to incarceration. It is up to the LAA to determine whether they believe the error on the application was a result of intentional and willful misrepresentation and/or withholding of facts or a result of unintentional human error and/or misunderstanding of program guidelines.

The State OHEP Quality Assurance Analyst, based on the facts presented by the LAA and their own research into the case, will notify the LAA whether to proceed with pursuit of an IPV for the case.

B. Penalties for IPV

Penalties for an IPV may only be imposed under the following circumstances:



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1. *The individual is found to have committed an IPV in an Administrative Disqualification Hearing.*
2. *The individual is found guilty of violating a Federal or state law concerning the OHEP application in a court of appropriate jurisdictions.*
3. *The individual signs an Administrative Disqualification Hearing Waiver (Attachment M).*
4. *The individual signs a Disqualification Consent Agreement (Attachment N).*

Individuals disqualified for an intentional program violation are ineligible to participate in OHEP for the following periods of time:

1. *One program year for the first violation.*
2. *Two program years for the second violation.*
3. *Permanently for the third violation.*

A program year is defined as the State of Maryland fiscal year, running from July 1st through June 30th. If a customer has already received a benefit in the current program year, the one-year penalty is imposed beginning July 1st and ending June 30th of the ensuing program year, even if the customer is required to repay their current benefit due to the IPV. If the customer has not received a benefit in the current program year, the one-year penalty is imposed in the current program year and ends on June 30th of the current year.

Example 1: Client is found to have committed an IPV and has received a benefit in the current program year.

- Client must repay current program year benefit and is suspended from applying for assistance for the following program year.

Example 2: Client is found to have committed an IPV and received a benefit in the prior program year.

- Client must repay prior year's benefit and is suspended from applying for assistance for the current program year.

During the penalty period for the customer, the residence the customer is currently residing in may not receive a benefit, even if the utility bill is not in the name of the customer determined to have committed the IPV. The household may not apply for assistance and exclude the name of the individual that has been found guilty of an IPV in order to obtain a benefit. A flag is attached in the OHEP system to the household under investigation for the IPV. Only the



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applicant can be flagged. The flag remains attached to the household for the duration of the penalty. If the individual committing the IPV moves to another household, the new household will be flagged for the duration of the penalty. Narration should be added in the notes section of the OHEP database to document why the household has been flagged.

C. Notification of Suspected IPV

Upon notification by the State OHEP Quality Assurance Analyst that an LAA is approved to pursue an IPV, the LAA must notify the client in writing that an administrative hearing is being scheduled via the Advance Notice of Administrative Disqualification Hearing form (Attachment O) and provide an Administrative Disqualification Hearing Pamphlet (Attachment P). On this form, the LAA must cite the reason the agency believes an IPV has occurred, the evidence supporting the case, the customer's ability to waive their right to an administrative hearing and the penalty to be imposed if the customer is found to have intentionally violated program rules. Along with this form, the LAA must also include an Administrative Disqualification Hearing Waiver. If, related to the IPV, the customer has an overpayment amount due as well, the LAA must additionally send out the Overpayment Letter with IPV #1, notifying the customer of their repayment requirement. These materials should be sent out in one mailing.

D. Administrative Disqualification Hearing Waiver

A customer that does not wish to go through an administrative hearing may waive their right by signing the Administration Disqualification Hearing Waiver. It is important to inform the customer that the penalty is the same whether the individual chooses to have a hearing and is found guilty, or waives their hearing rights. It is additionally important to be clear that an administrative hearing is not the same as a court proceeding and cannot in and of itself result in criminal conviction.

The signing of the Administrative Disqualification Hearing Waiver terminates the administrative process to establish an intentional program violation and the ensuing imposition of penalties and/or overpayment, as applicable, are put into effect. A copy of the signed waiver should be sent to the State OHEP Quality Assurance Analyst and the original added to the client's file.

E. Disqualification Consent Agreement

If a customer is being prosecuted criminally as the result of an IPV in excess of \$2,500, the local State's Attorney's Office may, at its discretion, offer the customer enter into a Disqualification Consent Agreement, which averts formal fraud adjudication. The decision to enter into this agreement is at the discretion of the local State's Attorney's Office and may not be initiated by State OHEP or an LAA.

F. Scheduling of IPV Hearing



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If the customer does not provide a signed Administrative Disqualification Hearing Waiver within twenty (20) days of the notification, the LAA must refer the individual to the Office of Administrative Hearing (OAH) using the Office of Administrative Hearing's Transmittal for Office of Home Energy Programs (Attachment Q). At this time, the LAA must transmit all evidence pertaining to the suspected IPV along with the transmittal to OAH. A copy of the package must be sent to the customer at the same time. Included with the evidence should be a one-page summary of the evidence supporting the suspected IPV. Upon confirmation of a hearing date from OAH, the LAA must notify the State OHEP Quality Assurance Analyst of the hearing date.

If an IPV involves an overpayment, and the customer has appealed the determination of an overpayment, the two separate hearing processes may be merged into a single hearing if the factual issues arise out of the same circumstances. It is at the discretion of the OAH to combine these two hearings, though the LAA may request the OAH merge the hearings.

If an IPV involves an overpayment and the customer has not appealed the determination of an overpayment, the LAA may continue to pursue recoupment of funds while the administrative disqualification hearing process ensues.

G. Notification of IPV Hearing Outcome

Upon issuance of a ruling by an OAH administrative judge, the LAA will notify the customer in writing of the outcome of the ruling using the Notice of Administrative Disqualification Hearing Decision (Attachment R). A copy of the notice should be sent to the State OHEP Quality Assurance Analyst and added to the customer's file.

H. Tracking of IPV Penalties within OHEP Database

Upon receipt of a referral from an LAA for a suspected IPV, the State OHEP Quality Assurance Analyst will mark the household in question with a fraud flag in the OHEP database if the case is approved to pursue an IPV or is referred to the OIG for further investigation. Only the applicant can be flagged. The fraud flag provides a visual indicator on the file that it is currently under investigation, but presents no restriction from processing future benefits.

Upon receipt of the Notice of Administrative Disqualification Hearing Decision and determination of a guilty verdict by the administrative law judge, the State OHEP Quality Assurance Analyst will log the decision for central record-keeping, the length of the penalty based upon program policy and update the client record within the OHEP database to impose the penalty, restricting the individual from reapplying for future benefits. The flag remains attached to the household for the duration of the penalty. If the individual committing the IPV moves to another household, the new household will be flagged for the duration of the penalty.



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At the end of each program year, the Quality Assurance Analyst will review its record of IPV investigations to make any appropriate changes to lift or impose penalties on OHEP clients.

6.6 Administrative Hearings

A. Reasons for Appeal

An applicant may request a hearing when an OHEP agency:

1. *Denies in full or in part an application for assistance*
2. *Fails to act with reasonable promptness on an application for, or a request for adjustment of assistance*
3. *Suspends, reduces or terminates assistance*
4. *Makes a decision affecting a plan of service to a recipient*
5. *Makes a decision affecting the method of providing assistance*
6. *Imposes sanctions on a recipient*
7. *Recovers an overpayment or over-issuance in assistance*
8. *Gives notice of its intention to take any of the aforementioned actions*

The LAA shall notify customers of their fair hearing rights when taking action or providing notice of action relating to any appealable action. LAAs must additionally post signage about fair hearing rights visibly in public areas of their office using the Request for Fair Hearing form.

B. Timeline to Appeal

Except where otherwise expressed differently, a request for a hearing is effective if the agency receives the request:

1. *Within 30 calendar days of the agency mailing or delivering timely and adequate notice, whichever is earlier.*
2. *Within 30 calendar days of the agency action if the agency failed to give timely and adequate notice.*
3. *Within 30 calendar days of any date by which the agency was required to act on an application or to make an adjustment in assistance and failed or refused to act.*



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C. Request for Appeal

A request for appeal is defined by the customer expressing a desire to appeal. Any employee of the agency may receive a request for appeal. The request may be made formally or informally. If the customer requests an appeal verbally, the agency shall ask the customer to put the request in writing, and offer assistance in completing the request. If the customer refuses to put the appeal request in writing, the agency shall document the appeal request in writing to the best of its abilities. If it is unclear from the verbal request what action is being appealed, the agency may ask the customer to clarify the request. When necessary, the agency shall provide an interpreter to assist the customer in filing an appeal request and assure that the hearing procedure is explained in a manner understood by the customer.

D. Submitting the Request for Appeal

Requests for appeals will be documented using the Request for Fair Hearing. Within five business days of the filing date of a written appeal request or the date that an oral request is reduced to writing, the LAA shall forward the appeal to the Office of Administrative Hearing (OAH) with a copy to the State OHEP Quality Assurance Analyst. The LAA shall request an administrative hearing using the OAH's Transmittal for Department of Human Resources form, circling code 38 "Md Energy Assistance Program" as the appeal category for appeal requests from customers. The Office of Administrative Hearings will respond within three business days with notice of a hearing date and will typically schedule an appeal hearing date for 15 – 30 days out.

If a client submits a request for an appeal due to missing documentation, the local agency may attempt to resolve the appeal via an informal, local review prior to forwarding the appeal to the Office of Administrative Hearings. This will allow local agencies to resolve issues related to missing documentation through collection of the required information that will allow for expedited resolution of the dispute, rather than prolonging the provision of benefits until a formal appeal process is conducted. Should the local agency be unable to resolve the situation via an informal, local process, the agency is required to then forward the Request for Fair Hearing form to the Office of Administrative Hearing.

If the request for appeal is due to incomplete information from the applicant, the LAA may choose to handle the matter internally and waive the hearing with the OAH. The customer must submit the requested information within 30 days of the Denial Notice in order to process the original application. If the requested information is not received within the 30 days, the customer must submit a new application.

E. Pre-Hearing Conference



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Prior to the hearing, the local agency shall reach out to the customer to schedule a pre-hearing conference to clarify all aspects of the issue that the customer is appealing and, if possible, seek resolution of the matter prior to conducting a formal OAH hearing. An agency supervisor is required to attend this conference and the case manager and/or the appeals representative may also attend the conference.

If the local agency is unable to reach the customer by telephone, the agency should send the customer a letter stating that they must contact the local department within seven (7) days of the letter if he or she wishes to discuss the appeal. If the customer does not respond to the request for conference, the hearing process goes forward.

When meeting with the applicant, the agency should:

- *Ask the customer to explain why he or she disagrees with the agency decision.*
- *Be courteous and talk to the customer in language that is easily understood.*
- *Avoid the use of acronyms or business terminology (e.g. MEAP, EUSP, OHEP, etc.)*
- *Do not discourage the customer from following through on the hearing request. The customer may, after discussing the matter, decide they no longer wish to pursue a hearing but they should in no way be coerced into that decision.*

If the customer elects to withdraw the hearing request, they may do so by completing the Withdrawal of Request for Fair Hearing form (Attachment S). The original should be sent to OAH via mail or fax and a copy should be added to the file and provided to the customer for their records.

Regardless of the outcome, a thorough detailing of the pre-hearing conference should be documented in the notes section of the OHEP database.

F. Hearing Packet

Should the applicant elect to move forward with an administrative hearing, the local agency is responsible for preparing a hearing packet that must be sent to the customer at least six (6) days in advance of the hearing, or the customer has the right to have the hearing postponed. If the customer has an attorney or representative and has provided written consent that said person(s) are providing representation, the customer's packet should be mailed to that individual. The packet should include:

A Hearing Summary with a brief overview of the issue and the evidence supporting the local agency determination



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- *The client's Request for Fair Hearing form*
- *The OAH Notice of Hearing*
- *Every page of the application, including supporting documentation*
- *Pertinent notices issued by the local agency to the customer (e.g. Eligibility Determination Notice, Request for Additional Information, etc.)*
- *Pages of COMAR, the Operations Manual, Action Transmittals and any other policy directives or citations that support the local department decision*
- *Any other correspondences or documents that provide context and support for the decision made by the local agency*

G. Administrative Disqualification Hearings

All suspected Intentional Program Violations (IPVs), upon approval from the State OHEP Quality Assurance Analyst, should be forwarded to the OAH for an administrative disqualification hearing. The LAA shall request an administrative hearing using the OAH's Transmittal for Department of Human Resources. The local agency should write-in the appeal category as "Other: IPV – Md Energy Assistance Program" on the form. When submitting the referral to OAH, the local agency must include all supporting documentation evidencing the suspected IPV, with a copy also sent to the accused applicant. Examples of documents to include are:

- *Intentional Program Violation Notice #1*
- *Referral for Investigation form*
- *Application and supporting documentation*
- *Prior year application and supporting documentation (if applicable)*
- *Results from income verification systems such as Work Number, CARES, SVES, etc.*
- *Correspondences with the applicant and/or related stakeholders*
- *Attestations or documents produced from the applicant or other stakeholders relevant to the matter*

Upon receipt of the request for an administrative disqualification hearing, the OAH will respond within three business days with notice of a hearing date to both the local agency and the applicant. The hearing will be set at minimum thirty (30) days out from the date the OAH notice is sent out.



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H. Administrative Hearing

A local agency representative must attend and present its case at the administrative hearing, bringing the entire hearing packet to the hearing. When available, the State OHEP Quality Assurance Analyst may attend as additional support. Administrative hearings will take place in the County where the appeal originated from, at an OAH office. At the hearing, the local agency will be responsible to present its case first. The agency should identify the hearing packet and request that it be entered into evidence. After presenting the facts of the case, the administrative law judge will ask the applicant or his/her representative to cross-examine the local agency if they wish. The local agency will have the right to testify about any matters raised during the cross-examination. When finished testifying, the local agency may call witnesses or request that additional documents be entered into evidence.

The applicant will then have an opportunity to present their facts of the case. The local agency will have the opportunity to cross-examine the applicant with additional questions if they so wish. At the end of both the applicant and local agency's testimony, the administrative law judge will provide an opportunity to make a closing statement.

Upon conclusion of the hearing, the administrative law judge will send a written decision to the local department, the applicant and the applicant's representative. Decisions may take up to sixty (60) days to make by the judge. However, it may take up to ninety (90) days from the date the household was notified of the hearing to receive the written decision.

Upon receipt of the decision, the local agency shall forward a copy of the decision to the State OHEP Quality Assurance Analyst for recordkeeping and a copy should be placed in the client file.



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Chapter 7: Fiscal Management and Reporting of Administrative Funds

Chapter Contents

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- [Budgets](#)
- [LAA Administrative Reporting Procedures](#)
- [Monthly Financial Status Report – Administrative Funds](#)
- [Administrative Budget Revision](#)
- [LAA Recordkeeping Procedures](#)
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- [Documentation of Administrative Expenditures](#)
- [Payments](#)
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- [LAA Expense Account Reimbursement Procedures](#)
- [LAA Petty Cash Procedures](#)
- [Administrative Funds Closeout](#)
- [Bulk Fuel Carryover of MEAP Funds](#)

7.1 Administrative Funds Policy

A. Competitive Bid Procurement Process

For each jurisdiction of the State not having energy assistance delivered by a LDSS, a competitive procurement process shall be conducted to award contracts for the delivery of service for a period not to exceed five (5) years. The procurement process shall obtain a fixed priced contract for the contract period. The contract is to account of all administrative expenses. The procurement process followed is outlined by the State's procurement laws and regulations.

B. Local Departments of Social Services

Each LDSS Local Administering Agency (LAA) is awarded administrative funds with a line item budget to fund staff salaries and administrative functions from start-up to the close of the contract period. The LDSS is to submit a budget request upon request by State OHEP. State OHEP reviews the request and makes the final decision on the amount granted.

C. Government Agencies



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For other governmental agencies being awarded program funds an intergovernmental agreement is completed and signed by the respective agencies.

LAA's are required to implement record keeping and reporting procedures consistent with sound internal management of administrative funds.

7.2 Budgets

A. Budget Process

Prior to the start of the program, the State approves a budget for each non-contractual LAA.

B. Budget line items:

1. *Salaries/Wages*
2. *Fringe Benefits*
3. *Communications*
4. *Travel*
5. *Utilities*
6. *Contractual Services*
7. *Office Supplies*
8. *Equipment*
9. *Rent*
10. *Outreach*
11. *Other*

C. Allocation of Budgeted Funds

Allocation of funds by the State to each agency is dependent on availability of State and Federal Funds and also expenditures reported on the Administrative Reports and current spending patterns.

D. Budget Amendments



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A budget amendment constitutes an increase or a decrease in the approved budgeted amount of an LAA. Budget amendments are processed as warranted and are dependent upon available funding. If initiated by the LAA, a written request is required for the amendment of a budget. The OHEP State Office is responsible for preparing budget amendments and approving budget amendments.

7.3 LAA Administrative Reporting Procedures

- A. LAAs are required to submit to the State the Monthly Financial Status Report – Administrative Funds. This report describes the status of administrative funds.
- B. The report is due by the fifteenth (15th) day of each month and shall include the status of administrative funds through the last day of the previous month.

7.4 Monthly Financial Status Report – Administrative Funds

The report should be completed as follows:

- A. Record in column (a) the most recent contract amount for each budget line item as approved by State OHEP.
- B. Record in column (b) the actual expenditures for the current month chargeable to OHEP. Record here any prior month's adjustments needed. Explain all adjustments at the bottom of the report.
- C. Record in column (c) the total of column (b) on the current month's report and column (c) from the prior month's report.
- D. Record in column (d) all actual obligations for which payment will be made in a subsequent month. Salaries are to be obligated only for work that has been performed.
- E. Record in column (e) the total of columns (c) and (d).
- F. Record in column (f) the difference between column (a) and column (e). If there is a negative balance on any line item, a request for a budget revision must be sent with the report.
- G. Record all requested information in the "CASH" section to determine the amount of cash (whether obligated or not) on hand for the program. Note any unusual large expected expenditures (i.e., payments to county government for yearly salaries) that will be coming due as a footnote to obligations so that State OHEP with the LAA can determine your cash needs.



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- H. Sign the report as required and submits in duplicate by the 15th day of the month.
- I. LAAs that are Local Departments of Social Services and pay contractual help through the Special Payments Payroll are to show the funds reserved in budget column (a) on the LAA Administrative reports. A line is included for Special Payments payroll. This line is to include any associated fringe benefits.

7.5 Administrative Budget Revision

- A. The State may approve written requests for adjustments among budget line items during the program year, provided:
 - 1. *Sufficient program funds are available;*
 - 2. *The total LAA administrative budget is not exceeded; and*
 - 3. *Adequate justification for the adjustment is presented by the LAA.*
- B. LAAs must utilize the "Administrative Budget Revision Request" form for any line item adjustments needed. Submit the form in duplicate. Explain proposed revisions in full detail (in particular, reasons for increase and reduction of line items). After revisions are reviewed and either approved or denied, the State staff returns one (1) copy to the LAA. Reports should reflect the new line-item amounts only after the receipt of an approved copy of the Administrative Budget Revision Request.

7.6 LAA Recordkeeping Procedures

The LAA Fiscal Officer must perform the accounting for the administrative expenditures. Assign a specific cost category to the OHEP program, so that all costs associated with OHEP are readily identifiable. Record all of these costs in a general ledger maintained for the OHEP program.

Follow State Procurement Regulations, Title 21, for purposes of determining allowable/unallowable costs.

7.7 Procedures for Local Departments of Social Services

All Local Department of Social Services (DSS) MUST update Administrative Expenditures (salary and wages etc.) every month in State Financial Management Information System (FMIS) by 10th of the following month.



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7.8 Documentation of Administrative Expenditures

Administrative expenditures must be supported by documentation, which identifies:

- A. Date(s) of incurred expenses
- B. Type of expense
- C. Purpose or reason for expenditure
- D. Applicability to OHEP
- E. Supervisor's initials and approval
- F. OHEP Director signature and approval

7.9 Payments

Payments are made only with the original vendor invoice (unless other departments are being allocated a portion of the total cost). The invoices are marked "PAID" or perforated indicating payment has been made and to prevent duplicate payments.

7.10 Record Retention Time Frame

Federal regulations require that all household files and program records of a fiscal year be retained for a minimum of three years after the date that the audit report for that fiscal year is submitted to the State unless the State notifies the agency to extend the retention period.

7.11 LAA Expense Account Reimbursement Procedures

All expense account reimbursement requests must be documented by the LAA's approved expense account form.

- A. Telephone and postage for official duties are reimbursable with proper receipts.
- B. Conference, seminar or training courses registration fees, must be supported by original receipt in duplicate.
- C. If LAA's written travel and/or expense account policies differ from those described below, the LAA may request a waiver from State policies. Written requests for a waiver must be submitted



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to the State OHEP Director prior to program start up, along with a copy of the LAAs expense policies.

1. *Private vehicle use is reimbursed at rates up to the State limit. Beginning and ending odometer readings are stated on the employee expense account form.*
2. *Parking is reimbursed at cost; receipts must be available.*
3. *Taxi, airplane, train, and bus fares are all reimbursable at cost. Receipts must be retained and all charges must be made for the least expensive method of travel.*
4. *Meals*
 - a. *Meals are only reimbursed up to the State limits.*

The cost of meals is reimbursable only under the following conditions:

1. *Breakfast is allowed only if employee is on travel status (one day or overnight). Breakfast on the day of departure is allowed only if employee must leave home two hours or more prior to his normal departure. (See (3); breakfast is to follow the same rule for non-overtime eligible employees for early start.)*
2. *Lunch is allowed only when employee is on overnight travel status or a luncheon meeting.*
3. *Dinner is allowed only when employee is on travel status or when an employee not eligible for paid overtime works overtime. Dinner in connection with overtime work and dinner on the day of return from a business trip is allowed only if employee is unable to reach home within two hours of his normal arrival time. Time of arrival must be recorded on the expense account form.*
- b. *The cost of any meal at conferences, seminars and other business related assemblies is allowed only when the meal is planned, integral part of such affair, and a predetermined charge is made for the meal as part of the cost of attending such affair (i.e., included in registration fee).*
5. *Hotel costs are reimbursable at cost. An original hotel bill must be retained. Porters' tips of a maximum of \$2.00 per bag will be allowed when checking into a place of lodging. The same amount will be allowed when checking out.*



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7.12 LAA Petty Cash Procedures

- A. The Petty Cash Fund may not exceed \$100.00.
- B. All supporting documentation (purchase requisitions, invoices, receipts, etc.) for disbursement are received by the fund custodian.
- C. When the custodian requests replenishment of the fund, the supporting documents should be reviewed for completeness and authenticity, and perforated to prevent reuse.
- D. The checks issued to replenish the fund must agree with the amount of disbursements from the fund and are written payable to the custodian of the fund.
- E. The petty cash account must be closed by June 30 of the current program year and any remaining balance must be transferred back to the providing source.

7.13 Administrative Funds Closeout

- A. No funds may be obligated beyond thirty (30) days after the expiration of the current fiscal year contract.
- B. The due date for Administrative Funds Closeout is announced in the annual closeout instructions. Generally, this is in mid-August. All obligations must be expended by this time.
- C. Submit the Monthly Financial Status Report – Administrative Funds by the designated due date. Mark the report "FINAL" for Fiscal Year Ending June 30th.
- D. A check is to accompany this report which reflects the amount that would appear in the "Cash on Hand line" of the report prior to recording it as a negative amount received. This procedure will automatically exclude the monies paid through the Special Payments Payroll provided that they are properly recorded. (Special Payment Payroll should include Fringe Benefits on these salaries: FICA and UI.) The amount of the check is shown as a negative amount on the "Current Month's Cash Receipts from DHS" line in the cash section of the report. The returned check is not recorded as an expenditure as it represents the return of monies advanced, rather than an expense. This means the cumulative expenditures and cumulative cash are equal and the cash on hand is "-0-". The check is to be made payable to the Department of Human Services and mailed to the State OHEP office.



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7.14 Bulk Fuel Carryover of MEAP Funds

7.14.1 Policy

Bulk fuel vendors may retain undelivered energy assistance benefits to active customer accounts across program years. These balances should be reported on the EDR during the annual closeout process. If a customer's bulk fuel vendor account becomes inactive, as defined as a customer who has died, moved from the vendor's service area, changed fuel type, becomes institutionalized or otherwise terminates active service with the vendor, the vendor shall return any undelivered energy assistance benefits within thirty (30) days of the time the account is terminated.

7.14.2 Eligible Uses of Surplus MEAP Benefits

MEAP benefits are intended to be used for commodity costs. There are, however, other allowable uses of MEAP benefits.

The primary determination of the allowable use for non-commodity costs is based on the ability to make a minimum delivery with the balance. Energy assistance benefits may be utilized for repair and maintenance costs of the heating system, so long as sufficient energy assistance benefits are available for a minimum fuel delivery to the customer.

Funds may only be used towards repairs that are necessary in order to deliver safe and adequate fuel to the home, and if a sufficient balance of energy assistance funds are available on the customer account to deliver a minimum fuel amount. When the cost of a repair would prevent a minimum fuel delivery, MEAP benefit funds are allowed to be used to leverage a customer's payment or other assistance for repairs. The customer's payment or other assistance must be documented, as must the completion of the repair work.

Elective repairs and improvements that are not necessary to facilitate delivery of fuel are not allowable uses of funds, with the exception of maintenance activities such as a clean and tune of the system.

If there are insufficient funds to facilitate a minimum fuel delivery, the LAA must refer the customer to another funding source (e.g. weatherization) or the customer must pay for the repairs on their own. If the repairs necessary to make a delivery are not able to be made, the vendor should refund the MEAP funds back to the LAA.



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Chapter 8 Grant Funds and Fiscal Management of Grant Funds

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8.1 Grant Funds Policy

OHEP benefit payments are made to eligible households' energy suppliers, who deliver fuel or apply credit to an existing account in the dollar amount of the benefit payment. Energy suppliers are required to sign an agreement with OHEP to participate in this program. For oil, kerosene, propane, and coal/wood suppliers, the agreement requires a three-percent per unit discount off of the lowest residential cash price. This three-percent discount is designed to increase the purchasing power of OHEP recipients using oil, kerosene, propane, and coal/wood. The Agreement with each participating program energy supplier contains the provisions that must be met by each energy supplier.



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A. Authorized Agencies

The Office of Home Energy Programs (OHEP), as specified in signed contracts or agreements with Local Administering Agencies (LAA), issues funds called grants or benefits to energy suppliers on behalf of eligible OHEP applicants.

B. Record Keeping and Reporting

LAAs must carry out record keeping and reporting procedures that use the OHEP computer report system and have additional manual methods where necessary. Internal control and sound fiscal management of grant funds is the responsibility of the Local Administering Agency.

The grant funds deposited by the LAA are for grant payments and are non-transferable to any other account. These funds are a public trust and tampering with these funds is punishable with criminal penalty.

C. Availability of Funds

If the State exhausts either its LIHEAP or EUSP funds, the OHEP State Office will inform each LAA. The LAA must suspend or cancel all grant payments as instructed by the State Office.

D. Audits

Annual audits following either requirements of [OMB circular A-128 or A-133](#), as applicable, must be conducted. A copy of the annual audit report shall be submitted to State Office within one year of the program year reviewed.

E. Ownership of Assistance

The MEAP and EUSP benefit grants are designated for the specific purpose of assisting households with their heating and electrical energy needs. To assure the achievement of this purpose grants are paid directly to suppliers except under special circumstances. At no time is the supplier to return grant funds directly to a customer.

In the case of where grant funds are used to provide mechanical equipment such as for repair or replacement of furnaces such equipment becomes the property of the applicant or their estate.

8.2 Payment Schedule and Priority

LAAs are to begin issuing payments upon notification from the OHEP State Office that funds are available.



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Generally, all suppliers are paid as applications are processed. This ensures timely service to households. For MEAP, processing of non-utility fuel types is given priority since these households need delivery before the cold weather begins. As funds become available, the first payments issued are those to non-utility suppliers. As a guideline, MEAP benefits are issued beginning November 1. EUSP payments usually begin by August.

8.3 Grant Payment Procedures

After the certification of eligibility, the Data Management System is used to make payment for the OHEP applicant to the selected energy supplier. Applicants must designate their energy supplier(s) on the application for both MEAP and EUSP.

Payment processing begins with the LAA worker assigning the certified household to a number coded Energy Delivery Statement (EDS) for the energy supplier (selected by the applicant from the list of approved suppliers). The EDS provides names, account numbers, and the benefit amounts that should be applied to that customer's account. The EDS authorizes the energy supplier to make deliveries to the eligible households listed on the statement.

The supplier receives one payment on behalf of each applicant approved for a benefit. Payments are issued in batches based on the EDS.

A. Payments to Utilities

The OHEP State Office issues payments on a weekly basis to utility companies for both MEAP and EUSP once payments begin in August. EDSs generated by Tuesday are included in the payment for that week. State OHEP generates a transmittal on Wednesday morning to request payment through the State's Fiscal Management and Information System (FMIS). Checks are received by the utilities generally 7-10 business days later. Applicant data is sent to the utilities, in some cases electronically, by Friday of the same week.

B. Payments to Other Suppliers

LAAs issue MEAP payments to non-utility fuel suppliers that have signed the Energy Supplier Agreement with OHEP. The payment is for the total benefit amount, minus 3% (except for those customers in crisis status); however, the energy supplier is required to give the customer credit for the entire benefit as stated on the EDS. Payment checks and copies of the EDS are mailed together to the supplier. LAAs shall generate and reconcile the Duplicate Payment Report every Monday by close of business.



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8.3.1 Payment Procedures for Special Circumstances

- A. Crisis Assistance applicants – In all cases of requested crisis assistance, the LAA can authorize the household's selected energy supplier to deliver at least an amount up to the lowest level (III) in the current year's grant table. There are two possible situations:
1. *For certified energy crisis situations the household is eligible for the full grant. Expedited certification can normally result in the household being assigned to the next EDS of the selected energy supplier.*
 2. *For PENDING information energy crisis assistance situations, the agency worker will move the incomplete application to certification. A window on the computer screen will request an amount up to the lowest level grant by fuel type. Enter the dollar amount to be delivered. Then process the case to a EDS by normal procedures.*
 - The LAA can send a payment guarantee letter on to this supplier when requested.
 - Once the household returns all information, add the new information to the application.
 - If denied, collection procedures are started.
- B. Landlords - Payments to landlords specified on an application can be processed in batch or by individual tenant. For landlords, the EDS are just like all other energy suppliers' EDS. The landlord receives payment. When a local agency wishes to make batch payment to a landlord with more than 10 tenants, the state office may be contacted for assignment of special Landlord code number.
- C. Direct Payments to Applicants - Payments to applicants are processed without the sending of an EDS. However, the process of assigning and invoicing an EDS must be followed before check issuance. See [Chapter 4.8.1.5 Procedures for Non-Participating Landlords](#), concerning conditions under which direct payments to applicants may be made. Payment to the secondary heating source or use of two party checks is the preferred alternative choice. This program must prove that the direct payment is used for heating assistance.
- D. Non-Participating Energy Suppliers - If an applicant's energy supplier is not an approved OHEP supplier, the LAA should:
1. *Verify that the supplier is a valid company doing business in Maryland. The existence of the business can be researched through the [MD Department of Assessments and Taxation website](#), the company's website, the [Dun & Bradstreet website](#), etc.*
 2. *Contact the supplier and inquire about participating in the program. If the supplier declines to participate see the next step.*



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3. *Ask the applicant to select an alternate energy supplier already on the OHEP supplier list. If this is not possible (as in the case of some propane suppliers), the LAA should attempt to make arrangements with the energy supplier to be paid on presentation of a delivery invoice to the LAA or two party check.*
 4. *A direct payment to the applicant or a two party check are the exceptions that may be provided in these situations (e.g. in the case of propane users where the tank is owned by the propane company and a crisis exists).*
- E. Energy Supplier Who Refuses to Accept Applicant's Grant Payment - A selected energy supplier may refuse to accept a grant for the applicant (e.g. due to the applicant's prior bill payment record). In such cases, the LAA should seek to make payment to the household's secondary heating source or encourage the household to seek another supplier. Explore the possibility of a two party check. Direct payment to the applicant should be the choice of last resort.

At the end of the heating season, an Energy Delivery Record (EDR) is completed by the energy supplier and returned to the LAA. The EDR accounts for all grants delivered or undelivered. Undelivered grants are refunded by the energy supplier to the LAA.

8.4 Generating Energy Delivery Statements

EDSs are generated for all applications certified for a benefit. To issue a payment, an EDS must be generated. After the creation of the EDS it is in "OPEN" status and must be printed unless it is to be sent electronically. The check is requested or printed and sent with the EDS to the energy supplier to complete the payment process. Additional detail regarding computer operations is in the System Reference Manual.

Once the check is issued the EDS status is updated to "PAID"

A. Assigning Energy Delivery Statements (EDS)

Certified applications must be assigned to an Energy Delivery Statement (EDS) in order to be processed for payment. The EDS authorizes an energy supplier to deliver up to the grant amount remitted on the EDS. To generate the EDS:

1. *Select PAYMENT from the main OHEP menu.*
2. *Select NORMAL*
3. *Select ASSIGN EDS.*



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4. *Select the appropriate selection criteria and then click on Execute to display the potential EDS's.*
5. *Click on Assign.*
6. *The EDS is created. Applicant records are updated with appropriate information and status. The applicant record will now display a status of "EDS Sent". The newly created EDS records are placed in an "OPEN" status.*

B. Processing EDS for Payment

1. *Print the EDS by placing a check in the box next to EDS identified for printing.*
2. *Click on the print button.*

C. Correcting EDS Errors

Any errors discovered on applications prior to payment should ideally be corrected prior to the payment of an EDS. An application can be "closed" off an EDS in the event some of the household information is wrong. The record can then be modified with the correct information and assigned to a new EDS.

D. EDS Information

The EDS includes the following information: household's name, delivery address, telephone number, customer account number (if available), grant amount, the fuel type, and USPP participation for utility suppliers.

The EDS batch number is on the header. This batch number is unique and serves as a central reference for tracking payments. Subsequent reprinting of any EDSs will always have the same households. Note that only the EDS for utilities include USPP information.

EDS's sent electronically contain the same information as the printed EDS; however, it is in a text file format. This means that the data is presented as a single line record with only spaces separating the data fields. There are no headers.

8.5 Grant Payment Issuance

A. Issuing Payments

Payment checks to utility companies are issued by State OHEP through the Office of the Comptroller and the State Treasury. Payments to bulk fuel suppliers are issued by the LAAs.



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B. Check Register (LAAs only)

After the issuance of checks, a Check Register must be printed as a fiscal summary report. Review the printed checks against this checklist to assure that all checks were printed and the updated information is correct. The Register includes all checks that have been printed and updated through the computer system.

When all the information is correct, the check and a copy of the EDS are mailed to the proper energy suppliers.

C. Distribution of Grants to Energy Suppliers

Payments must be made to the energy suppliers in a timely fashion. Include the check and the related EDS's to the energy supplier.

8.6 Household Notification

A. Generating and printing the Benefit Notice

B. Generate and mail the Benefit Notice within 10 days of mailing the payment to the energy supplier.

C. Benefit Notification Information

The Benefit Notification Letter includes the following information:

LAA address and phone number

Date of notice

Energy supplier name, code number and fuel type

The amount of the grant

The EDS batch (reference) number

Deadline date for returning the request for hearing (15 days from the date of the notice).

Note: Copy of the notification letter does not have to be placed in the applicant's file, but the notification letter must be generated in the OHEP database within 10 days of the payment date. The date the notice was generated is displayed in the appropriate field of the OHEP database.



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8.7 Information Changes

It is the policy of OHEP to allow information changes to applications at any point during the application or payment process. Specific procedures are followed depending upon the point at which the change is required. Document all changes in the applicant file.

A. Prior to Certification

Information changes or corrections are allowed on the OHEP application by any authorized staff member prior to certification of the application.

Changes in OHEP are performed by selecting the Application Open command.

B. After Certification and Before EDS Assignment

Information changes to the OHEP application are allowed after certification. These changes must be approved and performed by the Supervisor. To make these changes, the application must be reset to a Pending or Awaiting status. The changes are to be made and then it may be certified.

C. After Energy Delivery Statement Assignment before Payment

Information changes to the OHEP application are allowed after the applicant has been assigned to an EDS. Prior to making the change on the application the record must be closed on the Open EDS. In the case of a supplier change, do not delete any supplier information already entered. If a change in supplier is required, add the new supplier and designate the new supplier to receive the benefit. If other information changes that will affect the benefit amount the application must be certified after the new information is entered.

D. After Energy Delivery Statement Assignment and after Payment

Information changes to the OHEP application are allowed after the applicant has received a grant. In the Data Management System these changes are performed using the Application>Supervisor>Modify. Depending upon the information changed, the application may or may not need to be processed further.

E. Documentation of Information Changes

1. *All information changes to the application require documentation in the applicant file.*
2. *Changes that affect the grant amount, the selected energy supplier, or the location of the energy delivery require the completion of the Household/Energy Supplier Information Change Form.*



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8.8 Specific Information Changes - Additional Procedures

All information changes are required to follow the policies and procedures indicated in the previous section. Additional procedures, as outlined, are required for the changes below.

8.8.1 Energy Supplier or Benefit Related Changes

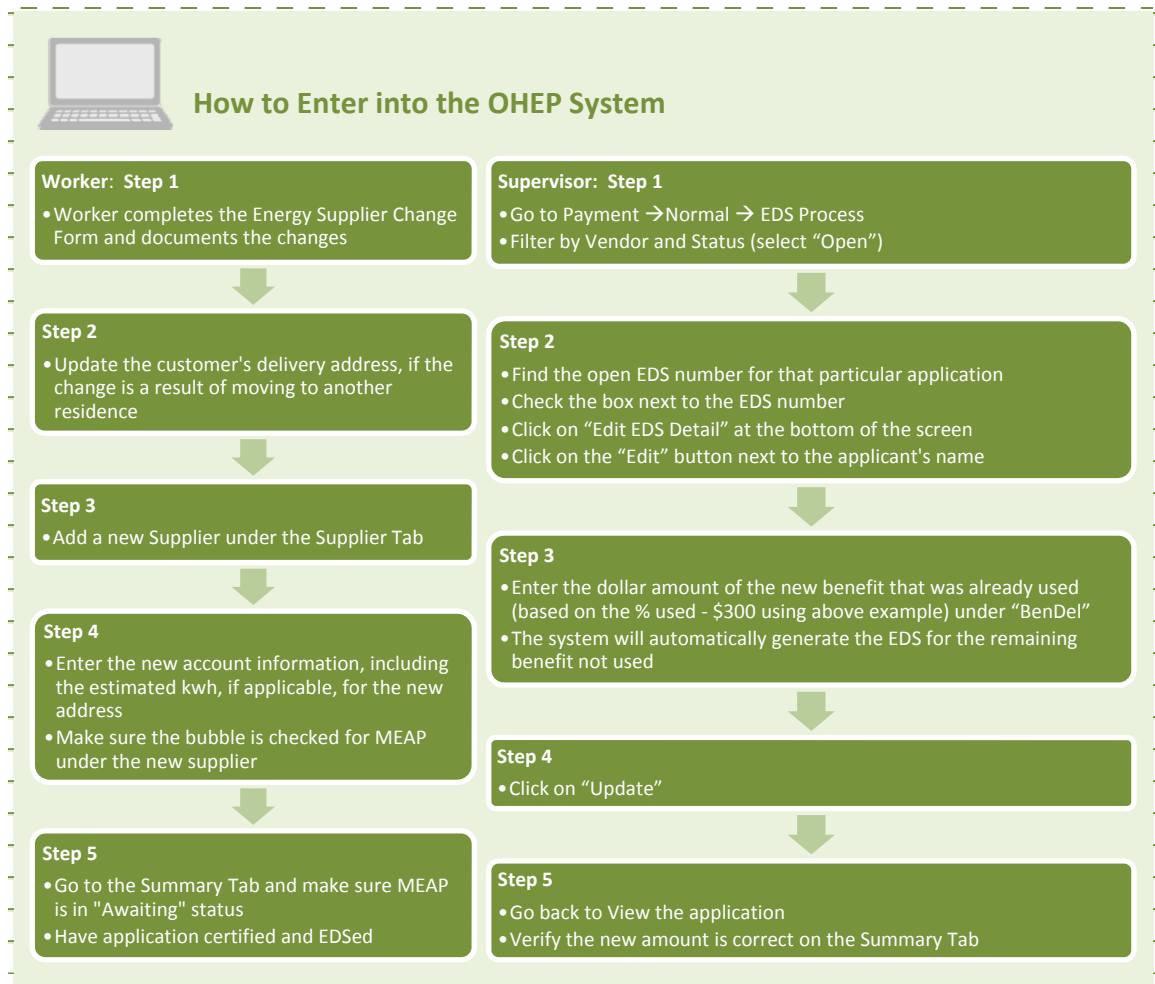
The following are management procedures that the LAA needs to monitor before making information changes in the computer database system.

1. Upon notification of any information that results in a grant or energy supplier change, the LAA contacts the original supplier to verify what benefit amounts were delivered and what dollar amount remains.
 - a. *If the supplier holds funds for undelivered fuel, the LAA requests that the original supplier return any undelivered balance of funds within 10 working days. Make checks payable to the "Agency Name - Office of Home Energy Programs". If necessary, follow-up the initial contact with a written request. Request the fuel supplier to make certain that all deliveries have been posted to this household's account. OHEP will not be responsible for errors or omissions of the supplier.*
 - b. *If partial delivery of the benefit has been made, the LAA completes the Energy Supplier Change form, and, at its option, secures the customer's signature to authorize the payment of the transferred funds. If the original supplier made no delivery, the signature is not necessary.*
2. LAA completes the Energy Supplier Change Form and enters the information in the OHEP Data System.

A change in fuel type requires that the grant paid to the new supplier reflect the correct grant amount for the new fuel type, whether the new grant amount is more or less than the original grant. The new benefit amount should be reduced by the percentage of the original benefit delivered.

For example, a customer heats with oil and received a MEAP benefit of \$1,200. The customer used \$360 (30%) of the benefit. The customer moves to a new residence where there is electric heat (e.g. BGE). The MEAP benefit for electric is \$1,000. The new grant amount to be paid would be \$700 (or 70% of the new benefit amount, since the customer used 30% of their original grant amount). See figure below for how to enter changes into the OHEP Data Management System.

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- The LAA, at its own discretion, may authorize delivery of grants to new energy suppliers before receiving undelivered grant funds from the original supplier. For any supplier owing funds over 30 days, the LAA should follow the collection procedures outlined in [Chapter 8.18 Collection Procedures for Overpayment or Other Reasons](#).

Further payments to suppliers not cooperating in this process should be suspended immediately and the OHEP state office notified in writing.



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8.8.2 Change of Address or Related Circumstances

1. When a household moves to a new residence that can be serviced by the original energy supplier/landlord, the household is responsible for arranging for the delivery of any remaining grant to the new address.
2. If the household's new residence can no longer be serviced by the original energy supplier/landlord, then the LAA must arrange for the delivery of the unused benefit to the new address. The LAA shall require the applicant to specify a new supplier. The change is to be documented using the Energy Supplier Change form and in the applicant record.
3. If a household has a remaining benefit available on account and moves from one LAA's jurisdiction to another, thereby changing energy supplier, the following procedures are followed:
 - a. *The original LAA contacts the energy supplier/landlord to request a refund of undelivered benefit funds.*
 - b. *The original LAA forwards a copy of the complete household file to the second LAA and informs the second LAA of the amount of the remaining grant.*
 - c. *The second LAA completes an information change form, including a supplier change, and arranges for the delivery of the remaining grant by adding the new supplier to the application and following the procedures for issuing a benefit. The LAA must take into account that part of the benefit may have been used with a previous supplier.*
4. If a household moves out of state, the household forfeits any undelivered or remaining grant. The LAA contacts the energy supplier to request a refund of undelivered grant funds.
5. When the household moves and cannot be located, the undelivered grant funds shall revert to the LAA's account either at the time of notification or at the end of the program year in the Energy Supplier Record (EDR) closeout report.
6. If a household is divided, the following policy shall be followed:
 - a. *Any undelivered benefit remains with the party residing at the original residence. Do not reassess the amount of the grant.*
 - b. *If the original residence is abandoned and there is an undelivered benefit, the amount shall revert to the LAA's account.*
 - c. *The party leaving the original household may apply for assistance at the new address.*



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If the LAA has reason to suspect that the customer has committed fraud, the LAA notifies the energy supplier/landlord to suspend delivery of the benefit pending the outcome of the investigation.

If the LAA finds that fraud has NOT been committed, the LAA shall notify the energy supplier/landlord and request all undelivered funds be delivered. If a finding of fraud results, the funds revert to the LAA's account. The LAA follows the procedures as set forth in [Chapter 10 Program Integrity](#).

7. If the applicant informs the LAA that the grant is not wanted, the LAA shall cancel the benefit and deny the application. The utility is to return any funds not credited to the customer's account.
8. If the State exhausts its grant funds, the State Office will instruct the LAA on how to proceed with pending applications.
9. If the applicant moves permanently to a nursing home or other institution, any remaining household members continue to be served by the current benefit grant. The grant is not reassessed due to this change. If the applicant is the only member of the household and moved permanently to a nursing home or other institution the remaining balance of the grant may be used to pay any outstanding amount for fuel or electricity due to the supplier. If there are still funds undelivered, they are to be returned to OHEP.

8.8.3 Deceased or Institutionalized Applicants

1. If the death or institutionalization occurs after the payment has been made to the supplier, any remaining household members continue to be served by the current benefit. The benefit is not reassessed due to this change.
2. When the deceased or institutionalized individual is the sole member of the household, the LAA should request the supplier to stop all deliveries and to return to the LAA any unused funds. This request is to be in writing. When the payment account is settled and/or when funds are returned, the LAA should complete the Energy Supplier Change Form. Note "household deceased" or other appropriate information. The LAA shall not issue payments to applicant's heirs or legal representatives.

In the computer system, the EDS should simply be edited to show the amount returned. No change in status need be made.

3. If the change occurs prior to issuance of payment to the supplier, the applicant is determined no longer eligible for energy assistance grants and the application is denied. Under these



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circumstances, the computer record is to be put into a DENIED status by using the DENY command found within the Supervisor routine.

These procedures apply when the applicant is the single member of the household. In cases where other household members remain, a new application is to be completed.

8.8.4 Under/Overpayment Resulting from Appeals or Fraud or Agency Error

Errors in grant payments that result in either overpayment or underpayment must be reported on the Energy Supplier Change form. The reason for the change should be described on this form. The change also is entered on the computerized record. The proper change is made on the application form and any subsequent EDS.

8.8.5 Applicant Reappears after Grant Funds are Returned

If an applicant had discontinued service and grant funds are returned, but that applicant later re-establishes service with the same energy supplier, the balance returned to OHEP is to be refunded to the supplier upon request of the supplier or LAA.

8.9 Internal Control Policy for Computer Generated Payments

Check Production and Processing Policy:

Deviations from these guidelines must be approved by the State OHEP Director.

Each LAA, in using the computer, shall practice the following control safeguards:

- A. EDS must be printed - Before printing checks, either a list of invoiced EDS's with total dollar amount or the actual printed EDS's are presented to the fiscal officer by the worker who is planning to print checks.

This list of EDS's is reviewed by both the program director and the fiscal officer. This procedure insures that the program director is aware that checks are being produced and is accountable for seeing the production of checks is completed. Also the fiscal officer makes sure that funds are available and tells the person who controls blank checks how many checks should be issued for check production.

- B. Blank checks - Blank checks must be controlled by someone who does not have access to the computer check writing program. This person will give out only that number of checks needed by the machine operators.



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- C. Check Printing - When checks are printed damaged or unused checks must be marked void before replacement checks are printed. The risk of duplicate checks to the same energy supplier requires extra scrutiny by all workers.
- D. Damaged checks - Damaged checks that need to be voided must be returned to the person designated to control checks for the issuance of additional checks. Damaged checks will be kept as proof of need to issue more check numbers. The damaged checks should be included with the bank reconciliation work papers.
- E. Check Register - Once the checks have printed properly, a Check Register must be printed. Voided check numbers should be written on the check register to explain the missing sequence numbers. The check register shall be maintained as part of the LAA fiscal records. This register contains the following items:
 - 1. *Check number*
 - 2. *EDS invoice number*
 - 3. *Date check was produced*
 - 4. *Batch count of customers on EDS*
 - 5. *Energy supplier name*
 - 6. *Dollar amount of check*
- F. After checks are produced - The person authorized to sign checks is provided with a copy of the check register to verify that a signature is applied only to those checks listed on the check register. He/she signs the register to show that the register was reviewed. The person authorized to sign checks should not have access to blank checks or the computer check writing program.

At some point each invoiced EDS either on the register or on the document itself should be marked with the check number. Be careful that all invoiced EDSs are paid.
- G. Canceled Checks - If a check must be canceled, this action also must be recorded in the computer system. Cancellation of checks may be done through the "PROCESS" command under the fiscal section of the computer program.
- H. Review of the Check Register - The fiscal officer or designee shall review the Check Register Report to assure that it is consistent with the checks. When it is established as correct, the fiscal officer shall sign it as authorization to release the check to the energy supplier.



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- I. Control Ledger - The control ledger must be posted with the batch of expenditures at this point. Since the OHEP Fiscal computer system is not an accounting system, each fiscal officer must make sure that manual records track all check runs.
- J. Check Total & Item Count - By calculator, a total including an item count is made of the checks after they are separated and just before mailing. A different person should produce a total and item count on the file copy (attach a calculator tape). The two totals and item counts should be compared and attached to the completed check register sheet. The tapes used to produce the total and item counts should be clearly marked whether they were for the checks or the file copies. The tapes must be signed or initialed and dated by the respective preparer.
- K. Internal Control for MANUAL CHECK PRODUCTION - If a manual check is used, a log must be kept or included in the general cash control ledger.
- L. Check Handling before Mailing - Checks shall be safeguarded until mailed.
- M. System Access - Payments

Any staff responsible for the payment process must use their logon ID to access the OHEP Data System. Access to the fiscal component of the system is granted upon request of the LAA OHEP Supervisor to State OHEP using the Logon Request Form. Users must not share their passwords or allow someone else to use their logon ID.

When an employee leaves service at the LAA, the Supervisor is to immediately notify State OHEP through the submission of another Logon Request Form requesting removal of the person from system access.

8.10 Grant Fund Banking Procedures

- A. Each LAA that is not a local Department of Social Services or a local government agency must maintain a separate bank account for OHEP grant funds.

Deposits to the grant account are to be made as follows:

1. *Funds received by the LAA must be logged in a money mail list by a person who is not responsible for energy supplier accounts receivable or payable.*
2. *Deposits are to be made within 24 hours after the receipt of the funds.*
3. *Copies of validated deposit slips are compared to the bank statement when it is received. The deposit slips are to be attached to the original copy of the bank statement.*



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4. *Blank checks are to be secured in a location designated by the Program Director. At all times Personnel involved in check production must take measures to secure blank, voided, and ready checks.*

B. Borrowing funds from the grant account is expressly prohibited. All authorized signatories on this bank account must be advised that transfers are not allowable from this grant account.

8.11 Non-OHEP Check Production

A. Policy

LAA's, at their option may issue payments through another system of processing checks other than the OHEP. The processing of payments at program office level shall remain as previously described with one exception. Instead of printing checks, a transmittal or Payment Request Form requesting the issuance of payments is prepared. The official transmittal form of the local jurisdiction shall be used when requesting payment. To assure that the OHEP computer has a record of payment, the check processing routine can be followed with plain paper being used instead of blank checks. The so-called check numbers shall be crossed referenced with the transmittal. The preferred procedure is to update the OHEP computer after checks are produced. The numbers on the checks can be entered into the OHEP system for an accurate record of proof of payment. Since the OHEP system is not an accounting system, the local government fiscal office or DSS records are the official expenditure report. From time to time these records need to be reconciled with the OHEP computer workload report.

B. Procedures

1. *Complete OHEP processing as described with the exception of printing checks.*
2. *Prepare transmittal or Payment Request Form and forward to the Main County Government or DSS fiscal office.*
3. *County or DSS fiscal office issues check to energy supplier.*
4. *County or DSS fiscal office prepares a listing of the checks written for the LAA's energy assistance program. The listing is available on a monthly basis. Preferably, the listing should be available on a more frequent basis.*
5. *Using the County or DSS list, the LAA verifies that all payments requested have been made by the agency's fiscal office. Every payment must be traced to the program's original payment request form (See step #1). Every batch document (the payment request) must be signed (or initialed) and dated when verified by a responsible employee.*



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6. *Any differences uncovered must be reported to the LAA's fiscal office immediately.*

8.12 Grant Check Specifications

Each LAA is responsible for getting checks before program start up. The number used in the prior program year is a good estimate of the number to order.

- A. The specifications for the checks include:
 1. *The checks must contain the name of the LAA and the words "Office of Home Energy Programs"*
 2. *The checks are to be marked "Void after 60 days".*
 3. *Pre-printed check numbers*
 4. *Space for the payee name and full address.*
 5. *A check stub with space for the following information must accompany the check:*
 - a. *Total of grant amounts for households*
 - b. *Energy Supplier name and code number*
- B. During the printing of checks, the following information will be printed on the check:
 1. *Check number*
 2. *Check date*
 3. *EDS Batch number*
 4. *Payee name and address*
 5. *Amount of the check*

8.13 Lost Check(s) Procedures

- A. If the check was mailed, the LAA requests that the Post Office conducts a formal search.
- B. The LAA issues a "stop-payment order" to the bank.



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- C. The LAA requests the chief accountant or chief executive officer of the energy supplier (or the payee of the check) to prepare a written statement attesting that the check was not received from the LAA.
- D. After five working days, the LAA should follow-up with the Post Office, bank, and check payee. If the check is still lost, then the LAA may reissue another check for that household.

8.14 Stolen Check(s) Procedures

- A. The LAA must report immediately any stolen check to the State Office.
- B. The LAA gets from the bank, a copy of both sides of the check to verify endorsement by the payee.
- C. If the check was made payable to a household, the LAA contacts the bank to determine the method used to verify payee identity. In most cases the bank is responsible for replacement of the stolen funds. The LAA must take measures to recover the funds immediately from the bank.
- D. If the check was made payable to a company, the LAA verifies whether the company signed the check before being "lost." If the company or any employee of that company has endorsed the check, then the company is responsible for the household's funds.
- E. The LAA must contact its own legal counsel to determine what action may be taken on a local level.
- F. After the above items are accomplished and the LAA has written proof that neither the check payee nor the household has been at fault, and then another grant check may be issued.
- G. If household, supplier or employee is engaged in fraudulent activities, the LAA follows the procedures outlined in Chapter 10.

8.15 Monthly Financial Status Report – Benefit Funds

The Monthly Financial Status Report for MEAP Benefit Funds is due to the State by the fifteenth working day of each month. This report describes the status of MEAP benefit funds through the last day of the previous month. This report is prepared from agency journals and should agree with the agency monthly balance sheet (for LDSS, this will be the 302B report). The report should be completed as follows:



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- A. Record the LAA name and month for which this report is being completed, as well as the Grant Contract Number. "STATE ADVANCES" includes all grant funds advanced by the State. For DSS: enter only the actual expenditures that the department has drawn down in the 302 account.
- B. "EXPENDITURES" during the reported month in the "This Month" column. Record the total cash spent from the beginning of the program year through the last day of the month in the "Cumulative" column.
 1. *"Computer Payments" includes all payments made through the regular OHEP computer software process. Manual accounting amounts should be reconciled with the computer workload report.*
 2. *"Other" - Please indicate in parenthesis the purpose of this entry. "Other" may include certain manual checks. (e.g., a manual replacement of a lost check should not be counted here. The State Office should be contacted if any manual check must be written).*
- C. Record the "ADJUSTMENTS" during the reported month in the "This Month" column. Record in the "Cumulative" column the total of all cash received from the beginning of the program year through the last day of the report month.
 1. *"From Energy Suppliers" includes all cash received from energy suppliers for returned household grants.*
 2. *"Check Cancellations" includes agency checks sent out and returned by energy suppliers uncashed, or for which a stop payment order was issued. Checks voided during production should not be included since this type of voided check is not entered into the bookkeeping system. All voided checks are to be accounted for in bank reconciliation. Note that the OHEP Data System requires canceled checks to be accounted for in the system.*
 3. *"EDR Returns" includes all refunds submitted with the Energy Delivery Record returned by energy suppliers at close-out time. This line will be used in the June and final report.*
 4. *"Other" includes all cash received from households; e.g. overpayment, fraud repayments. Agency should describe fully on report why this line is being used.*
- D. Complete "NET EXPENDITURES" by subtracting SUB-TOTAL "Adjustments" from SUB-TOTAL "Expenditures".
- E. Complete the report by determining "CASH ON HAND" as directed. This amount is to agree with the LAA Bank Reconciliation.
 1. *Attach a copy of the Weekly Workload Report (for the same date) to the Monthly Financial Status Report for grant funds. Please note any discrepancies for our attention. Work to*



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resolve discrepancies but do not delay submission of the Monthly Financial Status Report past its due date.

2. *Sign the report and submit it in duplicate by the fifteenth day month.*

8.16 Monthly Bank Reconciliation

Each LAA must complete monthly bank reconciliation by the fifth calendar day after the date of the bank statement. LAAs are to make every effort to have bank statements closed on the last day of the month. Each bank reconciliation must agree with the amount shown on the monthly report. Bank statement errors are to be reported to the bank within 30 days. A copy of the bank statement must be kept with the reconciliation. Also required:

- A list of all "Void" checks (date, check # and amount).
- A list of all "Stopped Payment" or "Canceled" checks.
- A listing of all "Outstanding" checks. Any check outstanding more than 60 days must be reported on an attachment to the bank reconciliation.

8.17 Collection Procedures for Overpayment or Other Reasons

The following procedures must be adhered to when attempting to collect for overpayment resulting from supplier or household fraud or agency error:

- A. Upon discovery of an overpayment, the LAA is to request the supplier to immediately return any undelivered grant funds up to the overpaid amount.
- B. The LAA is to credit the overpayment amount with the funds returned by the supplier. If the supplier return is insufficient to cover the overpayment or the supplier has no funds available to be returned, then the LAA should proceed to step C below.
- C. Three successive letters should be used in the collection process.
 1. *The initial collection letter is sent to all households when overpayment has occurred and the supplier has returned not enough money to cover the overpayment, or a direct grant payment to the household was made.*
 2. *The second collection letter is sent to the household 30 days after the date of the initial letter only if the household does not respond to the initial letter within the 15 days specified or does not follow the first letter's request within 15 days of the given date.*



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3. *The third collection letter is sent to the household if no response to letters 1 and 2 have been received by the LAA within 30 days or the household did not to make full restitution for the overpayment amount.*
- D. After 90 days, the LAA is to prepare a written list of uncollectible accounts and submit that list to the State OHEP Office. Documentation (collection letters) is to be retained in the households' application folders.
- E. During the program year the LAA is to record all collection transactions on the "Energy Supplier Change Form"
- F. Upon receipt of the list of uncollectible cases, the OHEP State Office will forward these cases to Central Collections Unit (CCU) within the Department of Budget and Fiscal Planning. When possible, the OHEP State Office will tell the LAA of state collection results.

8.18 Energy Delivery Records

Energy Delivery Records (EDRs) are a summary of all payments issued to each energy supplier during the course of the program year. LAAs are required to print and distribute EDRs to each energy supplier receiving a payment during the program period. Because grant funds have been prepaid to fuel suppliers to deliver heating fuel up to a fixed dollar amount, a final record of all funds used for these deliveries must be reported by May 15th. Funds not used for deliveries by the May 15th deadline must be returned to OHEP. Failure to return the completed EDR and with unused funds will subject the supplier to possible penalties.

A. Procedures

1. *After all EDSs have been paid (see Monitoring Phase 4 Closeout date), the LAA must generate and mail the Energy Delivery Record located under Reports Fiscal). Two copies of this report are sent to suppliers. EDRs are mailed by May 15.*
2. *Suppliers are to return one copy of the completed EDR's with refunds to the LAA by the first week in June (see Monitoring Phase 4 date). As EDRs are returned to the LAA, local staff should enter returned grants on the computer record.*

B. Delinquent EDRs

LAA's shall notify the OHEP State Office with weekly updates of any suppliers that have not returned the EDR. Fax the list of delinquent suppliers to the OHEP State Office weekly.



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8.19 Grant Fiscal Report and Closeout

At the end of the application period all fiscal records must be closed out for that program year. A series of tasks (closing all grant payment transactions including collection of undelivered balances by energy suppliers, closing administrative expenditures, preparing fiscal reports, and returning of all unexpended grant funds) must be done before the end of the fiscal year. To help fiscal officers organize the work and know the deadlines, a list of the tasks and a schedule for completing these tasks are included in [Chapter 13 Monitoring Program Compliance for Federal, State, and Manual Requirements](#).

Before checking the reconciliation of the computer expenditures with the agency ledger, the fiscal officer should make sure that the computer record shows that the obligations equal the expenditures. When these differ, the program manager should correct this situation by completing all grant payments or calling the State Office for help on reconciling the obligations with the expenditures.

Assuring the accuracy of grant payment records is similar to doing a bank account reconciliation. If the resolution of the differences between the computer grant expenditure workload report and the agency's manual fiscal ledgers cannot be reconciled, please inform the State Office before June 15th. Please remember that the OHEP system is not an accounting system.

Failure to stick to these closeout procedures will result in delay in receiving remaining administrative funds as well as start-up funds for the next fiscal year contact. Failure to advise in writing the State Office of the reason for any delay or to request a waiver will adversely affect the audit response of an agency.

Each LAA must provide the State Office with a written statement assuring that all grant expenditures for the fiscal year are recorded in all the applicable and appropriate places, including, but not limited to, the OHEP computer database, agency ledgers and check registers, expenditure reports and weekly workload reports. The fiscal records for grants must be accurate and complete by June 15 of the program year. This assurance must be attached to the FINAL grant expenditure report submitted no later than the last day of June.

A. Returning Grant Funds to State

Each agency, on or before June 15th, will reduce the grant account to a level sufficient only to keep the account open for the next OHEP program year. The amount of funds to make this grant account equivalent to zero (0) cash in the bank is the reversion amount. The reversion amount is to be refunded to the OHEP state office before the last day of June.

The reversion amount of funds will be shown on the monthly Financial Status Report - Grant Funds as negative cash received amount on State Advances line of this report.



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For the June report the reversion of funds to DHS is a negative amount on the State Advances line of the report and \$0 in cash in the bank. This means that the total cash received line and the total expenditures line will be equal. The check is to be made payable to the Department of Human Services and mailed to the OHEP state office with this report.

After June 30th, unless the LAA is granted a waiver from this grant closeout deadline, all late grant refunds from energy suppliers are to be tracked on the agency money mail list and refunded to the State OHEP office, with proper identification, on a weekly basis.

The monthly grant report should be marked FINAL. A copy of the bank statement with completed reconciliation should be mailed to the State OHEP office when completed. This reconciliation statement should not delay return of the final grant report.

8.20 Local Grant Funds

In jurisdictions where local funds are made available for inclusion with the regular OHEP grant, it is the responsibility of the LAA to notify the OHEP State Office in writing each year by October 1 of the following items:

- A. The amount that is added to each OHEP grant.
- B. The source of the funds.
- C. The method by which the local funds shall be issued to applicants and how they will be accounted. This shall include a statement on how end of the year returned funds are handled.

If a change in county policy occurs, written notification to the OHEP State Office is required before changes are made in the Data Management System.

8.21 Tax Liability Offset Program

The Maryland Comptroller's Office the authority through its Tax Liability Offset Program to withhold payments to business, organizations and individuals and use those funds to offset any tax obligations that the not been fulfilled by the payee. This only affects payments requested through the Comptroller's Office. OHEP benefits are still expected to be delivered. For those LDSS agencies with access to FMIS a Liability Offset can be verified by researching the payment. Payments diverted will be coded with LO.

If a supplier encounters a tax offset on an OHEP payment the supplier can be directed to:

COMPTROLLER OF MARYLAND



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Compliance Division
Collections & Delinquent Business Taxes
301 W Preston St.
Room 410
Baltimore, MD 21201-2383
410-767-1642



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Chapter 9: Data Management System

Chapter Contents

- [Data Processing Policy](#)
- [System Requirements and Information](#)
- [System Maintenance and Problems](#)
- [Other Uses for the Computer](#)
- [Other Software](#)
- [Database Back-up and Disaster Recovery](#)
- [Use of the Data](#)

This chapter presents general policies about the use of the OHEP Data Management System. Specific functional and technical details of the Data Management System are found in the OHEP Data Management System Reference Manual.

9.1 Data Processing Policy

The Office of Home Energy Programs Data Management System is to be used by all LAAs to process all applications unless otherwise instructed in writing by OHEP. Processing includes all functions of application intake or data entry, certification and payment of benefits.

A. Application Processing

1. *There are two methods of processing applications during intake:*

a. *On-line*

During the intake and interview process, the worker may enter the applicant's data directly into the computer. Upon completion of data entry, the application is printed and signed by the applicant.

b. *Batch*

Applications may be completed manually, on or off-site, or by mail and batched with other applications for data entry at a later time. The standard (used for monitoring purposes) for entering applications is within 7 calendar days of the receipt of the application.



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- 2. Incomplete applications are also subject to the 7-day standard. Applicants are to be notified of the documents required for completion within 7 days of data entry.*

B. Certification

Certification of applications is performed through the certification function of the system. No application is to receive a benefit without certification through the system.

C. Payment Issuance

All benefit payments are to be recorded in the OHEP system except under the following circumstances.

- 1. Occasionally, an unusual circumstance may require the issuance of a benefit check outside of the system. The LAA shall contact the State OHEP Office for written approval to proceed. To assure clear documentation, the OHEP State Office will issue a waiver to this policy in writing.*
- 2. Refunds made by energy suppliers may be returned to the supplier upon request if the applicant has an active account. Returned refunds will be made up through September 30th following the program year in which the applicant was eligible.*

Other exemptions from this policy must be in writing.

D. Customer Notification

Use the OHEP DMS to generate customer notices for benefit payments issued and for denial letters.

Copy of the Household Notification Letter does not have to be placed in the applicant's file, but the notification letter must be generated in the OHEP database within 10 days of the payment date.

E. Reports

The Data Management System contains the ability to print various reports that provide information helpful in managing applications. Reports are described in the Data Reference Manual.

Additional reports can be created upon request. Contact State OHEP to request a Work Order for a new report.



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9.2 System Requirements and Information

A. Software

The OHEP Data Management System is a central web-enabled database application provided to OHEP authorized users.

1. Connectivity

Authorized system users may connect to the OHEP system from any personal computer that meets the following specifications:

Pentium processor or later

256k or higher RAM

Microsoft Internet Explorer 8.0 or higher (see System Manual for proper property settings)

Anti-virus software

Login username issued by State OHEP

Direct communication link to the Department of Human Services Network

2. Authorization of Users

- a. *Employees or volunteers of LAAs may become an authorized user of the system by submission of a request for username (Logon Request Form) signed by the program supervisor and submitted to the State OHEP Office. The form requires information concerning the user's role. The form may be faxed. When an authorized system user is no longer working for the LAA and OHEP, a Logon Request Form must be submitted requesting deletion of the name as an authorized user.*
- b. *Agencies not connected to the DHS network are to access the OHEP system by DHS's Virtual Private Network (VPN). A separate login and password are required for access.*
- c. *State OHEP adds the user to the user database. DHS/OTHS adds the user to the VPN.*
- d. *The new user is to log on user the login name as the password and then following the screens for creating a personal password. Passwords are not to be shared with others.*
- e. *The system requires a change in password every 90 days. This is an automatic procedure initiated through the system.*



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3. Security

- a. *All computers accessing the OHEP Data System must have a commercially available anti-virus program installed on the computer.*
- b. *Users shall not leave site of their computer while logged on.*
- c. *Users are not to share personal passwords with anyone. If a password is forgotten, contact State OHEP to reset the password.*
- d. *Users are not to use another worker's logon and password.*
- e. *Report any possible security issues to State OHEP.*
- f. *Unauthorized software or files are not to be downloaded. Viruses and "spyware" are very prolific and may be difficult to remove.*

4. Software Development

State OHEP maintains sole responsibility for the development and maintenance of the application and operating system software.

5. Work Requests

Requests to correct or add features or functionality to the system are welcome. A formal process exists for these requests. Contact State OHEP System Coordinator for more information.

B. Software Updates

OHEP updates the application software on an ongoing basis. All updates are installed centrally. OHEP will make every effort to minimize work disruption during the process of updating. Notification of the installation of updates is given at least one day prior to the installation to the extent possible. Notice is also given up to ten minutes prior to installation.

Changes that affect functionality required by LAAs are made available to the LAAs through release notes.

C. Computer Hardware

Hardware refers to the equipment necessary for the OHEP DMS to function. OHEP provides to each LAA a minimum number of computers with the requisite configuration to comply with operational procedures and standards. Installation shall be the responsibility of OHEP and DHS. Additional equipment may be installed by the agency as long as there is an assurance that it is



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compatible with the OHEP installed equipment. Installation of additional equipment purchased with non-OHEP funds is the responsibility of the LAA. This includes any maintenance requirements. Equipment purchased and supplied by OHEP shall remain the property of OHEP. A DHS inventory tag identifies OHEP equipment. Such equipment may be relocated by OHEP at any time with notification.

D. System Training

State OHEP is responsible for providing training in the use of the software and hardware for users of the OHEP DMS. Local training is provided on an as needed basis. Contact the OHEP System Coordinator to request training.

E. Technical Support

State OHEP and DHS's Office for Technical Services for the Human Services (OTHS) shall provide ongoing technical support upon request by LAAs. Support is available by calling the DHS System Support Desk at 410-767-7002. Questions or problems should not be directed to any contractor unless the OHEP Office gives approval. OHEP serves as the clearinghouse for the system. The OHEP Office or DHS System Support makes every effort to respond (generally within 24 hours) to questions raised and, as the situation dictates, visit the LAA to correct a problem. As appropriate, software updates are developed to correct software problems.

9.3 System Maintenance and Problems

9.3.1 Daily

LAAs are responsible for daily maintenance of the computer equipment. This includes keeping the equipment clean and providing security against theft or destruction. Any equipment problems on DHS inventory should be reported to the DHS System Support Desk.

9.3.2 Software

It is the responsibility of the LAA to immediately report to the OHEP Office any problems encountered with the software. Software problems may be related to problems in the program, hardware, or external conditions (power outages, etc.). Corrective action can only be taken if OHEP is aware of the problem. Include in your report what happened, what was being done at the time the problem occurred, how it affected other workstations, and error messages displayed.



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9.3.3 Hardware Problems

It is the responsibility of the LAA to report immediately to the System Support Desk any problems encountered with hardware. Report accurately what problem you encountered with the equipment. Repair or replacement may be necessary. System Support will issue a work order. LAA should keep a record of the work order number for follow-up.

9.4 Other Uses for the Computer

OHEP purchased computers may be used for other applications such as word processing and spreadsheets as long as it does not interfere with OHEP operations. Software not purchased through OHEP may only be installed with OHEP's knowledge and approval. Software must have the proper license in order to be installed.

9.5 Other Software

Commercial off the shelf software (COTS) may be installed on OHEP computers provided that they are local agency approved and proper licenses are documented. Under no circumstances shall any unauthorized public domain, shareware software, or downloaded software be copied onto the OHEP computers. The risk of the computer becoming infected with a "virus" program has become real and all preventive precautions must be taken to prevent this from happening. Beware of "spyware" programs and avoid installing them on your computer. These programs use limited system resources and may cause connectivity slowness. All installed software must have proper licenses.

9.6 Database Backup and Disaster Recovery

The servers used for the OHEP Data System are hosted by a company under contract to DHS. The contractor is responsible for server maintenance and file back-up. Back-ups are performed on a daily basis. LAA's are not responsible for backing up OHEP data nor are do they access to perform this task.

9.7 Use of the Data

Databases are the property of DHS/OHEP and are considered confidential information. Databases may be used for purposes other than OHEP as long as they are consistent with the mission of the DHS. Confidentiality must be maintained if the database is used for other purposes. Requests for non-OHEP uses or users of the database must be made in writing to the State OHEP Director for approval. Other parties requesting data files for research purposes must be able to provide a confidentiality statement.



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Requests for individual applicant data by persons not included on the application must be accompanied by a release signed by applicant.



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Chapter 10: Program Integrity

Chapter Contents

- [Program Integrity Policy and Procedure](#)
- [Identifying Applicant Fraud](#)
- [Responding to Suspected Fraud](#)
- [Energy Supplier/Vendor Fraud](#)
- [LAA Employee Irregularities on Fraud](#)

10.1 Program Integrity Policy and Procedure

This outlines the Department of Human Services, Family Investment Administration, and Office of Home Energy Programs (OHEP) for handling program integrity policy of the program, i.e., fraud.

Fraud may take the form of potential fraud or suspected fraud. Each local administering agency must implement procedures that minimize potential fraud or misrepresentation by applicants, energy suppliers, and employees.

The last section of the OHEP application, ACKNOWLEDGEMENT & SIGNATURE, is required for a complete application. The consent by applicant signature provides authorization for the LAA to screen, ask, and obtain information from various sources in order to determine eligibility for the OHEP programs. Therefore, investigative procedures do not result in a violation of privacy or personal dignity, and/or constitute harassment, or violate constitutional rights.

10.2 Identifying Applicant Fraud

Applicant suspected program fraud could include, but is not limited to the following:

- A. Willfully making a false statement or representation regarding household and/or financial condition (e.g. claiming zero income for more than one program year or adding household members after initial application); or
- B. Willfully failing to disclose all information regarding household and/or financial condition; or
- C. Falsifying identification, income statement, or other fraudulent device.



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OHEP has put in place several safeguards in order to help prevent applicant fraud. It is the LAA's responsibility to run the following reports on a weekly basis and remedy any errors found prior to the EDS.

1. Duplicate Application Report

Duplicate applications are defined as submission of an application and/or entry of an application into the OHEP database for the same applicant two or more times in one program year. When a duplicate application is created, it is imperative that the local agency identify the application immediately to avoid duplicate payment of energy assistance benefits to the household.

The Duplicate Applications Report should be run weekly. Applications that are not EDS or assigned benefits are to be corrected. LAA must reset the status and make the corrections. The LAA should alert the central office of any applications that are not able to be corrected (e.g. application has been EDSed). The LAA must indicate on the report any applications that are listed as a duplicate application, but are in fact valid applications. E.g. Applicant moves after EDS and a new qualified household member ([3.3.1 Household Members](#)) or tenant applies for OHEP at the same address.

The Quality Assurance Analyst monitors the Duplicate Application Report for compliance. If there are applications displayed on the report that do not have an explanation, the local agency will be considered out of compliance. The Quality Assurance Analyst will notify the local agency representative via in writing of the addresses that have not been reconciled. The local agency will have until the following Monday to resolve the discrepancy.



How to Complete Duplicate Application Report in the OHEP System

Step 1:

- LAAs may access the Duplicate Application Report by selecting Reports → Management → Duplicate Application Report

Step 2:

- The LAA chooses their county, the current program year, and the applicable date range.
- LAA may then click the "Run Report" button.

Step 3:

- The LAA must review the list for any duplicate applications that have not been reconciled and make necessary corrections.



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Step 4:

- If the duplicate application is not an error and is a valid application, the LAA must click on the “Edit” button. A separate window will appear.
- The LAA must add the Duplicate Application Reason and any relevant comments.
- The LAA should check the box labeled “Reconciled” when finished.

2. Social Security Number Validation Report

OHEP has a Social Security Validation procedure through the federal Social Security Administration (SSA). Secured electronic transmittals of Social Security Numbers are sent to SSA on a weekly basis and are returned with various codes. The file is sent to SSA on Thursdays and returns with results on Tuesdays. State OHEP staff monitors these records on a quarterly basis, and contacts the appropriate LAA for corrective action and/or investigation as needed.

Social security numbers must be validated for the applicant and all members of the applicant’s household. Any social security numbers that cannot be validated through the Social Security Administration matching process must be reviewed and verified within the Social Security Number Validation Report within the OHEP data system.

Local Administering Agencies (LAAs) must run the SSN Validation Report in the OHEP database weekly to review and resolve invalid social security numbers no later than thirty days from the date the invalid number is determined. Invalid social security numbers that are unresolved beyond this thirty day period will count against the LAA in its monitoring reports. If the LAA has an invalid social security number that is beyond thirty days but is still investigating to determine its validity, the LAA may add a comment in the SSN Validation Report with a clear description of the status of the review of the case. In this instance, LAAs will not be penalized for going beyond the 30-day time requirement.

An invalid social security number may appear with one of three codes:

1. *INV – NME – The social security number exists but the name data entered into the OHEP database does not match the name in the Social Security Administration system.*
2. *INV – SSN – The social security number does not exist within Social Security Administration records.*
3. *Death – The social security number exists, but Social Security Administration records indicate the individual is deceased.*



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Resolving Different Types of Invalid Social Security Numbers

For individuals with an INV-NME code, there may be adequate reason why the name entered into the OHEP database does not match that in the SSA system. Common examples include an individual with a hyphenated last name, multiple last names, or individuals recently married that have not legally changed their name yet. If the LAA makes a reasonable determination that the invalid match was in error, the LAA must document the reason within the Comments field in the SSN Validation Report. If the LAA determines that the invalid match is possibly due to a stolen SSN or doctored social security card, the LAA may request the customer provide a letter from SSA as additional proof that the number is valid.

For individuals with an INV-SSN code, if the number data entered matches the social security card provided (i.e. it was not data entered wrong), the customer must obtain a letter from Social Security as additional proof that the number is valid.

The LAA is to identify the reason for the invalid social security number and use the social security card or State verification systems to verify the correct name and number. If the invalid SSN is due to data entry error, the LAA must correct the SSN in the OHEP data system. The updated number will automatically be resubmitted to the Social Security Database to be validated.

If verification cannot be obtained through any of State verification systems, the LAA must send a letter to the applicant and allow 15 days to provide the necessary documentation to validate the social security number. LAAs may use the SSN Template Letter to make the request. Instances of possible fraud related to SSNs should be reported to the OHEP Quality Assurance Analyst via the fraud referral process.

Applicants that are non-responsive to requests for documentation pertaining to the validation of a social security number should be denied in the OHEP database. LAAs should add a comment in the SSN Validation Report that the customer did not provide necessary documentation and may check the "Verified" box on the report to indicate the LAA has closed its review of the invalid number.

The LAA can use the following systems to verify the SSN:

- Social Security Card
- Print out for CARES (DEM1 Screen)
- Print out from MABS
- Medicare Card
- Print out from SVES
- Previous year application/documentation (ECMS)

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Verifications must be added to the current year file.



How to Complete SSN Validation Report in the OHEP System

Step 1:

- LAAs can review invalid SSNs through the SSN Validation Report in the OHEP database. The report can be accessed by clicking on the “Required Actions” link on the dashboard, or by going to the Reports menu → SSN Validation.

Step 2:

- Run a query of invalid SSNs from the start of the program year (July 1) through the current date. The ensuing results will display all SSNs that did not match the SSA database.
- In order to view only the invalid social security numbers that have not yet been verified by the LAA, the user may select the “Print” feature on the report. This will allow the user to view only invalid social security numbers that have not yet been checked off as verified.

Step 3:

- If, upon viewing an invalid social security number, it is determined the social security number was data entered incorrectly, the LAA must enter the correct number into the report using the “Edit” button in the report. The LAA must check the box titled “Verified”, indicating that they have verified the updated information is accurate and add any pertinent comments. When complete, the user may select “Update”.
- If the LAA determines that the current social security number is correct, and does not need to be changed, the user must check off the box “SSN Override,” indicating that they are overriding the determination that this is an incorrect social security number. Upon performing this task, the user should check off the “Verified” box, indicating they have verified the override to be correct, and add a comment indicating how they have documented this to be true.

3. Prison and Death Record Report –

State OHEP will conduct death and incarceration record matches of all household members receiving an OHEP benefit on a quarterly basis. The following results will be forwarded to LAAs:

1. *Household members listed on applications that are reported in the records match as being currently deceased.*



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a) Applicants that have a household member listed on the application with a date of death that pre-dates the application signature date should be flagged by the LAA for recoupment of funds and/or fraud investigation. If the date of death post-dates the application signature date, the application should be cleared and is not in violation of program policy. See [Chapter 8.8.3 Deceased or Institutionalized Applicants](#) for full policy.

2. Household members listed on applications that are reported to have been incarcerated.

a) Applicants that have a household member listed on the application that have been incarcerated should be flagged by the LAA for recoupment of funds and/or fraud investigation if the household member was incarcerated at the time of application. If the household member was not incarcerated on the date of application, the application should be cleared and is not in violation of program policy. The individual should be included on the application and their income reported.

LAA should investigate each file to determine whether the case should be forwarded to State OHEP for recoupment of funds and/or fraud investigation. If a household member has been determined by the LAA as having erroneously been included on the application, the LAA should recalculate the applicant's eligibility for OHEP assistance. If it is determined the applicant remains eligible for OHEP assistance despite the change in household composition, a note should be added in the OHEP database regarding the change in household composition, but no recoupment of funds or fraud enforcement needs to take place. If the applicant is determined to no longer qualify for OHEP assistance, the LAA should proceed on recoupment of funds and/or fraud enforcement.

LAA's must notify the Quality Assurance Analyst of the outcome of its review of all death/incarceration record screenings.

10.3 Responding to Suspected Fraud

- A. The LAA must be diligent in reviewing, screening, and cross-referencing all information presented in the application for accuracy and completeness. If attached documents do not support the facts on the application, LAA must request additional information from the applicant with a specific response time. If the applicant fails to respond within the allowable time, that application must be denied for lack of information. Comments must be placed in the OHEP Database 'Notes' Section regarding the lack of adequate documentation to substantiate claims made on the application.



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- B. The LAA must review and analyze the evidence provided and, where applicable, make contact with sources to verify and/or confirm information presented by applicant as proof to ensure that all facts have been cross-referenced for accuracy and completeness. All contacts made aside of applicant's information, must be documented with dates, names, and sources used to verify information must be included in the summary.
- C. In cases of Zero Income claims the LAA, where applicable, must screen the applicant using MABS, CARES, WORK# or other similar legal databases to verify the claim. If LAA does not have access to these databases, the LAA must complete and send a screening request form to the State OHEP staff for assistance.
- D. For complete procedures related to suspected fraud, LAAs should refer to [Chapter 6 Fraud, Repayment, and Administrative Hearing Procedures](#).

10.3.1 Questionable Income Applicant Investigation

- A. If the suspected fraud raises questions regarding employment income, where applicable, the LAA will complete the Wage Screening Request Form for all adult household members with zero income claims and email them to State OHEP staff for assistance with wage screening procedure (as needed when LAA do not have access to databases).
- B. The LAA will send to the identified employer(s) a letter requesting completion of the Wage Verification Form for the named employee during the 90-day time period current to the application (or annual income if applicable) only if the applicant refused to provide this verification or if the applicants deny employment with the said employer. A copy of the customer's signed Release of Information Form and a self-addressed, stamped envelope should be enclosed. The LAA must notify the applicant that additional information is being requested on their behalf from the employer.
- C. Suspicions related to other income sources (such as public assistance, Social Security, Veteran's Administration, Unemployment Insurance or other monthly assistance programs) must be verified in writing by the agency providing the income and must indicate dollar amounts received during the period in question.
- D. Other questionable income sources such as child support, room/board, etc., must be documented as outlined in [Chapter 4.3 Income Documentation](#).
- E. If the suspected fraud relates to household members, the LAA must attempt to verify the number of residents through, energy suppliers, agency records, landlords, or other reliable sources.



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10.3.4 Uncooperative Applicant Fraud

If a customer does not cooperate with procedures as described above, the LAA must evaluate the case record and document evidence completely to ensure that the error was not caused by intake worker, certifier, incomplete information, and/or employee assisted fraud.

10.4 Energy Supplier/Vendor Fraud

Energy supplier fraud, or non-compliance with the terms of the OHEP contract, may be evidence by: unusual changes in fuel price; delivery of incorrect amounts (e.g. amounts larger than volume of customer's fuel tank); patterns of non-delivery; steering of benefits to favored energy suppliers by staff.

- A. The LAA must monitor all complaints received about energy suppliers. All complaints must be investigated and all follow-up actions must be documented.
- B. The LAA is responsible for collecting documented evidence to support complaints, including, as appropriate:
 1. *Applicant Confirmations*
 2. *Delivery Tickets*
 3. *Invoices*
 4. *Home Visits to Benefits Recipients*
 5. *Statement of Energy Supplier/Vendor or Agency Staff*
- C. The LAA must suspend benefit payments to any energy supplier showing a pattern of non-delivery or against whom documentation of charges has been obtained. The LAA must notify the OHEP State Office immediately of any energy supplier to whom payments have been suspended.
- D. The LAA must request in writing from the energy suppliers (described above) return of all undelivered benefits.
- E. The LAA must send a first and second letter as needed via registered mail to the President of the company (within 14 calendar days of each other) requesting an immediate return of funds and a copy of that letter must be sent to the State OHEP office. The State OHEP office will be responsible for seeking restitution from the energy supplier.



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- F. If no response is received after fourteen (14) calendar days from the second letter, the State OHEP office will refer the case to MCCU for collection and will consult with the OIG and Attorney General's Office for further action. The LAA shall pay the amount of undelivered benefits to an alternative energy supplier for the affected applicant.
- G. The LAA must maintain a file of all energy supplier fraud cases including all documentation and correspondence issued or received.

10.5 LAA Employee Irregularities or Fraud

The LAA managers must be diligent in monitoring irregularities among LAA employees regarding the administration of energy assistance benefits. Examples of irregularities include, but not limited to the following:

- A. Misrepresentation of information on an application resulting in a payment to the employee or to a third party. For example, if employee A used incorrect information to obtain benefits for Person B who does not work with the OHEP program. Employee A and Person B are both liable;
- B. An unauthorized change in a benefit amount that results in personal gain for the employee; or discrepancies in payments that result in personal gain for the employee;
- C. Untrue, incorrect, and incomplete representation by the employee for the purpose of obtaining benefits that otherwise would not have been obtained without the misrepresentation.

All employee irregularities must be documented and reported to the State OHEP office immediately following discovery. Local Department of Social Services (DSS) OHEP staff must follow the Department's protocol for employee fraud. All others such as Community Action Agency OHEP staff must report the incident to the State OHEP office, who would consult with OIG, and the Attorney General's (AG's) Office for further action.

The employee involved in the incident must be released of all OHEP duties and responsibilities pending investigation. The State OHEP office will consult with the Department's AG's office and the OIG for further action.

To prevent the instances of employee irregularities or fraud, the following procedures must be followed when an OHEP worker wishes to apply for energy assistance:

1. The employee must complete an application in the jurisdiction in which they live.
2. If the employee is applying in his/her own jurisdiction, the application must be submitted to the lead worker.



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3. The lead worker shall data enter and process the application for eligibility.
4. The local OHEP director shall certify or deny the application for benefits.

In the event that the applicant is the lead worker, then the application must be submitted to the local Director, who can determine the staff person most appropriate to handle the application.

Under no circumstances should an employee data enter or process his/her own application, as this shall be grounds for termination.



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Chapter 11: Application Management

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11.1 General Policy - Application Management, Record Keeping, Reporting

LAA's are required to manage the processing of applications so that all applications received are treated fairly, timely and within productivity standards established through this operations manual. This chapter outlines record-keeping requirements and procedures for applications and reporting assuring compliance with Federal and State laws and regulations.

11.2 Policy - Application Management Requirements

Application management begins with the manner of handling applications as they are received and by their assignment to workers in the OHEP unit. Quick data-entry and immediate worker assignment represent two keystone elements of a OHEP supervisor's responsibility to manage the processing of applications in conformance with the productivity standards noted in this chapter.



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LAA's have varying management needs depending upon the volume of mail-in applications, in-office interviews, and number of staff. Each LAA are to employ procedures which balance the management of mail-in applications with the needs of applicants in crisis, as well as timely payments to suppliers.

11.3 Application Management - Background

- A. Although applications are taken from July through June, OHEP operations tend to exhibit seasonal variations. Applicants tend to apply as the weather turns colder and the provision of heat becomes the most immediate need. As a result application intake peaks during the fall months. Applications received by mail dominate the total pool of applications. This is the period when the speed of data entry workers, application follow-up by assigned workers, and fiscal tasks are most important. This is the time when the local manager needs to monitor work activity to avoid backlogs in the processing of applications. The State OHEP monitors local activity with heightened interest during this time period. State OHEP is available to assist in developing plans for eliminating application backlogs.
- B. A well-thought out plan for distributing applications by mail and an understanding of the pace of return of these applications are critical to managing flow and volume. Some of the questions to ask in preparation for the receipt of mail-in applications include:
 - What is the process of receiving and opening mailed applications?
 - How will mail-in applications be assigned to workers for completion?
 - How are large volumes of applications filed to enable quick searching and the avoidance of loss?
 - What is the order of processing?
 - Are workers properly trained and assigned responsibility?
 - Are requests for additional information issued in a timely manner?

Each LAA will have its own application intake curve, with the peak occurring at different times. Effective OHEP managers know how to identify when the peaks occur and develop staffing patterns that meet the need of the peak production period.

If data-entry backlogs occur during the early part of the season that delay the sending of requests for additional information, a backlog of pending applications will result. This situation will trigger an inordinate number of telephone calls from applicants inquiring about the status of their application. Left unmanaged, pending backlogs can result in delayed payments and increased requests for energy crisis services.



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Data-entry demand resulting from mail-ins and early season in-person interviews will decrease and certification (and other functions) will increase. Payment services, utility and energy supplier contacts, energy crisis requests, coordination with other energy service providers, and outreach activities are among the additional functions requiring attention. The supervisor must monitor everything from data-entry to printing and mailing of benefit notices. Tasks become numerous and diverse and require more delegation of responsibility and more diligent monitoring of activities.

Extreme (cold or hot) weather, energy shortages, fuel price fluctuations, local or statewide economic recession, plant closings, etc., can affect the numbers of applications.

11.4 Productivity (Processing) Standards for Applications

OHEP program managers can achieve high productivity and timely service with diligent management and attention to the receipt of applications. In order to ensure that applications are processed within program expectations, the following standards and practices are to be implemented by each LAA.

A. Data Entry

Applications are to be entered into the OHEP computer database within five (7) calendar days of receipt of the application. This recognizes the fact that application transactions can be more easily tracked and monitored once in the database.

If data entry of applications extends beyond the seven-day period and where service to applicants suffer, State OHEP will request the LAA to develop a plan of action to reduce the level of data entry backlog to the seven-day standard.

B. Pending Applications

It is the policy of OHEP that applications requiring additional information before the application can be completed must request that information from the applicant prior to approving the application for payment except if a "crisis" situation exists as described in Chapter 5 (see [Chapter 5.6.1 Incomplete Applications](#)). Requests for additional information must be sent within seven (7) days of receipt of the application.

For walk-in/appointment interviews the additional information request must be given at the time of the interview.

There are four types of information that may result in an application being in Pending status.

1. Applicant Information



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Once applicant information has been requested, the applicant has fifteen (15) days from the date of the letter to submit the information. If the information is not received, the application is denied. If the LAA receives the information within fifteen (15) days of the denial notice, the application can be re-instated and completed. Any information received after fifteen (15) days from the denial notice will not be accepted. The customer must submit a new application and supply new information from the previous thirty (30) days.

2. *Utility Supplier Furnished Information (annual usage, arrearage amount)*

An application shall not be denied due to utility supplied information not being timely.

3. *Landlord Information – Landlord Agreement*

An application shall not be denied due to landlord supplied information not being timely.

4. *Worker Information – Data entry elements*

An application shall not be denied due to worker information not being timely.

All applications in pending status for over thirty (30) days must be documented in the notes tab as to why the application is still pending. LAA OHEP supervisors must review, weekly, the aging of pending applications. If sufficient information is available to deny an application, it must be denied in order to remove it from pending status. It is the responsibility of the LAA OHEP supervisor to assure that all possible actions are taken to remove applications from pending status as quickly as possible.

Upon notification by DHS/OHEP that 2% of an LAA's applications are pending for more than 45 days, the LAA will be requested to develop a plan of action to reduce the pending backlog.

C. **Certification**

Certification for eligibility is to be completed within ten (10) working days from the time the application's information is complete and the record is in Awaiting status.

D. **Denial Action**

A denial letter must be sent to each denied applicant household within seven (7) calendar days of the date of denial.

E. **Duplicate Applications**

LAA's must reconcile duplicate applications within seven (7) days of being notified by State OHEP.



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F. Payments

Payments to energy suppliers are to be processed at least weekly. See the [Chapter 8](#) on Payments for detailed information. The payment process requires that all certified applications be assigned to Energy Delivery Statements (EDS) for the appropriate supplier. Processing of checks associated with the EDS is to be completed one working day from the generation of the EDS.

G. Benefit Notices

Household benefit notices must be mailed within ten (10) days after payments are made to energy suppliers, unless there are extenuating circumstances and a written request for a waiver is made to the State OHEP.

11.5 Review of Productivity

The State OHEP reviews statistical data from the workload report and other reports to assess local production activities and to assess where resources need to be assigned to achieve efficient customer service and timely service standards.

The standards will be monitored each week through report generation and during scheduled monitoring visits by the State OHEP. When variances are identified with the above standards or where local productivity in comparison to statewide averages for applications to be entered, pending applications, certified-to-date, and payments-to-date, are substantial, the local agencies will be contacted directly to assess the problem. A follow-up letter requesting comment and/or corrective action plans may be necessary. Responses from the LAAs will be reviewed and filed for use of auditors.

When a LAA identifies a productivity problem, the LAA is encouraged to ask the State OHEP for technical assistance.

11.6 Policy - Programmatic Recordkeeping Requirements

LAAs are expected to implement and maintain records in accordance with record keeping procedures outlined below or in other sections of this manual.

A. Logs

LAA's are required to maintain various logs as indicated on the List of Logs. These logs should be readily accessible for review upon request. Logs designated as a computer report need not be kept manually.



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Table 11-1. List of Logs

Name of Log	Recording Sequence	Principle Information Recorded
Outreach Log# (Excel Document) # #	Chronologically, by outreach schedule.	Documentation of activities conducted. Use format provided.
Application Log# (Computer Report)#	Chronologically, by date of application.	Document Control Number (SSN), applicant name, and date of application.
Certification Log# (Computer Report)#	Chronologically, by date certified.	Document Control Number (SSN), applicant name, date certified.
Denial Log# (Computer Report)#	Chronologically, by date certified.	Document Control Number (SSN), social security number, applicant name, and reason for denial.
Crisis Application Log # (Computer Report)#	Chronologically by date of application	Document Control Number (SSN), applicant name, and date of crisis application.
Complaint Log# (Manual or Word Document)#	Chronologically, by date complaint is received.	Applicant (complainant) name, nature of complaint, date received, actions taken.
Landlord List# (Computer Report)#	Alphabetically by last name of Landlord.	Complete Landlord name and name of tenant.
Hearing Log# (Manual or Word Document)#	Chronologically by date of hearing request.	Applicant name, date of hearing request, date of hearing, date of decision. Same information is recorded for State hearing requests.

11.7 Forms Distribution and Control

Prior to the start of the program, LAAs will receive a supply of energy assistance applications and brochures based on request. OHEP will ask LAAs for their request by the end of March each year. LAAs are required to establish internal procedures for control of State generated forms. LAAs need to request additional materials approximately 4 weeks prior to exhausting their supply via telephone or e-mail.

In addition to energy assistance applications and brochures, State OHEP will also provide LAAs with supplemental forms necessary to complete applications. This includes, but is not limited to the following forms:

- Crisis Season Declaration Form
- Declaration of Zero Income
- Household Worksheet



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- Income Verification of Self-Employment
- Landlord Agreement
- Resource Provider Statement
- Verification of Living Arrangements
- Wage Verification Form

LAAs may not require applicants to complete additional forms that have not been approved by State OHEP.

11.8 Individual Case File Format

Documentation of an applicant's request for assistance is key to providing the proper service to the applicant. A standardized format is required to be followed for the documentation received from the applicant. In addition to standard forms, all written correspondence, verbal contact, or phone calls made to and received from applicants shall be placed or documented in the file. The format required for the file is as follows:

OHEP CASE FILE FORMAT

When file opens, the order of documents beginning with the top (first) should be in the following sequence:

1. Application
2. Proof of Residency
 - a. *Lease*
 - b. *Rent Receipt*
 - c. *Subsidized Housing Letter*
 - d. *Landlord Agreement (if applicable)*
3. Income documentation
 - a. *Adding machine tape stapled to the top right hand corner of the first page of income documentation*
 - b. *Income verifications through CARES, MABS, SVES, etc.*
 - c. *Income declaration forms (e.g. Declaration of Zero Income, Wage Verification)*



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4. Supplier Information
 - a. *Electric Bill*
 1. *Termination Notice if applicable*
 - b. *Heating Bill*
 - c. *Additional supplier provided verifications (e.g. KWH verification form, turn off notice)*
5. Photo ID
6. Social Security Cards
7. Immigration Documents (if applicable)
8. Anything else needed to support application
 - a. *Waiver forms (e.g. Vulnerable Population Waiver) and supporting documentation (e.g. Physicians Certification)*
 - b. *Proxy Authorization Form*

This is the format that the Quality Assurance Analyst will be looking for during monitoring visits.

11.9 Case Filing System

The recommended method of filing individual applicant files is to organize the filing system by the status of application. The table below outlines how to organize the filing system. This is only a recommended system. Each LAA has the flexibility to institute its own system of filing to effectively meet its own management needs as well as State requirements. While this system does require moving files from one area to another, it effectively lets one know where files are in the application process.

File Status	File Contents	Filing Sequence
Pending #	Consists of applications that are pending for additional information. Request for Additional Information form followed by the case file format above.	Date of Information Request, by customer last name (if helpful)
Awaiting #	Consists of applications that contain the required information to determine eligibility, but not certified.	By date of completion in alphabetical order



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	Follow the case file format above.	
EDS Sent#	Applications for which the entire benefit is expended and the EDS record designated as Transmittal or Paid. Follow the case file format above.	Alphabetically by customer last name
Denied #	Applications that are denied. Denial Letter and fair hearing information, if applicable, followed by case file format above.	Alphabetically by customer last name

11.10 Policy - Reporting Requirements

Reports provided to the State OHEP are an integral part of effectively planning, implementing and managing MEAP and EUSP. Through agreement or contract, specific reports or deliverables are required by State OHEP. The table below summarizes those reports. All records and reports shall be kept up-to-date and be made available as scheduled below or upon request. All reports are submitted to State OHEP unless otherwise specified.

OHEP Required Reports from LAA

Report Name	Frequency & Due Dates	How Report Is Prepared	Purpose
Annual Budget – DSS #	Update Annually, by July 15th.	Manually (See Chapter 7.2)	Updates line items in budget if necessary.
Audit Report#	Annually, Due 1st Monday in June.	Prepared by LAA auditor or DHS internal auditors for all LDSS.	Reports auditor's findings on use of OHEP grant funds.
Budget Revision Request#	As needed throughout contract year to OHEP State Office.	Manually (See Chapter 7.5)	Requests for line item changes or additional funds.
Close-Out Report#	See annual closeout instructions for dates due.	Manually by LAA OHEP director. (See annual closeout instructions).	Official record of the completion of closeout requirements for auditors.
Delinquent# Suppliers#	Annually, due 1st Monday in June.	Manually by LAA OHEP director. (See Chapter 11.11)	Lists suppliers that did not return EDRs and/or benefit funds.
Duplicate Application Report#	Due every Monday	Manually by LAA OHEP	Application must be reconciled
Energy#	Annually, as requested by	Manually by LAA	Listing of all need



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Assistance# Providers#	State OHEP, usually in June, on date specified in closeout instructions.	OHEP director. (See Chapter 11.11)	based energy assistance providers in LAA jurisdiction.
Energy Crisis Plan#	Annually, due October 30	Word Template - Outline procedures and provide contact information	Resource document for procedures for handling crisis situations including times in which the agency is closed.
Fraud Incidents#	As needed to OHEP State Office.	Manually (See Chapter 10)	Reports suspected customer, supplier or staff fraud to DHS.
Independent Annual Financial Audit Report#	Annually, by the first Monday in May		Certified, independent financial audit regarding the Contractor's fiscal performance for the prior contract year
Monthly Financial Status Report – Administrative Funds#	Monthly, by 15th day of the month following the report month to OHEP State Office.	Excel Template (See Chapter 7.4)	Tracks administrative expenditures and allocations.
Monthly Financial Status Report – Benefit Funds#	Monthly, by 15th day of the month following the report month to OHEP State Office.	Submit in Excel format. (See Chapter 8.15)	Tracks MEAP Benefit expenditures and allocations.
Monitoring of# Administration &# Applications#	Annually as scheduled by State OHEP staff. Conducted on site by State OHEP staff.	Prepared during visit by DHS/OHEP Monitors reviewing compliance with manual. (See Chapter 13)	Administrative review and sampling of applications.
Outreach Log#	Monthly, on the first Friday of each month, following the report month	Excel Template	Outlines the outreach activities conducted during the prior month
Outreach Plan#	Annually, due July 1	Excel Template	Specifies outreach activities planned throughout the year, as well as the budget required to carry out activities.

LAAs are encouraged to become familiar with all of these reports and other reports available from the OHEP Data System for help in making management decisions on a daily basis.

11.11 Closeout Record

State OHEP requires that a Closeout Record be maintained during the process of closing out the program year. It lists each task to be completed and provides space for the actual date completed, sign-



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off by the local OHEP director and explanatory comment in the event problems may have prevented completion of the task by the specified deadline. Forward the Closeout Record to the State OHEP on the date specified in the closeout instructions. This document is viewed as a management and planning tool for the OHEP program. Note any waivers requested in the designated column. Auditors require that this form be completed with signatures and dates as required. Failure to adhere to this audit requirement is counted as an audit exception for the non-complying LAA.

11.12 Submission of Audits

All scheduled audit reports are due by the date specified in the closeout instructions. State OHEP is required to complete an audit status report in mid-June. **IMPORTANT REMINDER** - Resolve all audit exceptions and questions prior to sending the audit report to the State office. If resolution of audit issues requires the return of funds, please send the funds with the reports. If you need assistance with audit issues, please notify the State OHEP Office. Notify the State OHEP immediately if your agency cannot provide the audit report by the date specified in the closeout instructions. **NOTE:** LAAs at LDSS offices are exempt from this due to the arrangements for conduct of audits required by DHS for LDSSs.

11.13 Final Monthly Financial Status Report - Benefit Funds

The final Monthly Financial Status Report for MEAP Benefit Funds is due to the State OHEP on the date specified in the closeout instructions. This deadline is strict. No waivers will be given. Include a check for any benefit funds due to be returned. Submission of the final Financial Status Report indicates that the agency's records are reconciled to the expenditures reported. This means that all fiscal information is recorded in all the applicable and appropriate places, including, but not limited to, the OHEP database, agency ledgers and check registers, expenditure reports and workload reports.

- A. Prior to submission of the final Financial Status Report, reconciliation between the computer-generated figures and the fiscal office accounting numbers should be completed. Reconciliation is the process of testing to see if all records are accurate and finding mistakes that need to be corrected. Please pay close attention to the information and suggestions below to increase the accuracy of your closeout documents.
- B. The amounts appearing on the Workload Report should be compared to your fiscal office records. Line 11 is the Gross expenditure with the discount already taken off. Canceled checks are included in the total. It should reconcile to the check register. Line 13 is the total amount of grants returned to the LAA and entered. Line 14 is the amount of canceled checks. Line 16 is the net expenditures, or, line 12 minus line 13 minus line 14. These amounts should reconcile with the fiscal office information.



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- C. Have manual checks been issued from the benefit account? In general, no manual checks should be issued. If the answer is yes, the total amount of manual checks is included in the Closeout Reconciliation Worksheet below. Manual payments shall be authorized on a case by case basis from the OHEP State Office. If manual benefit checks were issued, provide a list of the payments and the circumstances describing why such a payment was necessary.
- D. Is the monthly bank reconciliation current? Any errors in a manual ledger sheet cannot be found until the bank statement is reconciled with the canceled checks.
- E. Are all the Energy Delivery Record reports returned from all energy suppliers and are they accompanied by benefit funds to be returned from undelivered balances? Are all the refund amounts entered on the computer?
- F. Use the following work sheet after all payments have been made to assure accuracy of reported benefit expenditures.

If the resolution of any differences between the computer benefit expenditure information and the agencies' manual fiscal ledgers cannot be reconciled, please inform the OHEP State Office in writing. This is necessary to explain or avoid audit exceptions.

Closeout Reconciliation Worksheet

From Workload Report:	
1. Benefit expenditures Line 11#	\$
2. Minus grants returned Line 13#	\$
3. Canceled checks Line 14#	\$
4. Net expenditures Line 16#	\$
5. Manual checks#	\$
6. Total expenditures (lines 4 + 5)#	\$
7. Expenditures from Monthly Report#	\$
8. Difference from Workload Report (Line 6 - Line 7)#	\$
9. Amount of benefit funds received from DHS#	\$
10. Benefit Funds to be Returned Line 9 minus Line 6#	\$

11.14 Administrative Closeout

Read the appropriate instructions below regarding unexpended funds. Send your final administrative fiscal report to the OHEP State Office by the date specified in the closeout instructions. Mark the report "FINAL" for the appropriate fiscal year ending June 30.

- A. Local Departments of Social Services



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Local Departments of Social Services are not to return unexpended funds to the State Office. They must credit the account from which these funds were originally drawn. Departments are reminded that no funds may be obligated beyond 30 days after expiration of the current fiscal year. Waivers may be granted on an individual basis with prior written approval of the State OHEP Director.

B. All Other Local Administering Agencies

Unexpended funds are returned by check WITH THE FINAL REPORT. The amount of the check is shown as a negative amount on the "Current Month's Cash Receipts from "DHS" line in the cash section of the report. The returned check is not recorded as expenditure as it represents the return of monies advanced, rather than an expense. The check is made payable to the Department of Human Services and mailed to the OHEP State Office.

The contract requires that "no funds will be obligated beyond 30 days after expiration of the current fiscal year of the contract. After expiration of 30 days of the applicable fiscal year all accounts are to be closed and a final report is due along with unexpended funds. Waivers may be granted on an individual basis with written approval of the State OHEP Director. It is absolutely necessary to obligate funds by the deadline on the schedule. LAAs must also comply with the documentation required for expenditures. The obligations shall be paid by the time the closeout report is submitted. Long held invoices do not comply with State payment requirements and are subject to audit exceptions for disallowed costs. If appropriate, these excepted costs will be strongly supported by the OHEP State Office.

11.15 Report on Delinquent Energy Suppliers

To assure timely closeout, it is important that the OHEP State Office be aware of EDR's and/or grants scheduled for return that have not been returned. LAA's shall notify the OHEP State Office by the date specified in the closeout instructions of any energy supplier's that have not fulfilled this obligation. Fax or e-mail the list of delinquent energy suppliers to State OHEP (OHEP fax phone number is (410) 333-0079).

11.16 Certification of Energy Assistance Providers

LAAs are required to maintain a current listing of all energy assistance providers in their service areas. LAAs must communicate with each organization and determine whether the assistance provided is based on need. Upon request, LAAs are required to submit to the State a complete list of all energy assistance providers who offer assistance based on need.



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The certification of energy assistance providers is an on-going process. As an LAA is aware of any new energy assistance providers in the area, the provider should be sent a certification letter. The LAAs should submit any new certifications to OHEP.



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Chapter 12: Energy Suppliers

Chapter Contents

- [Policy](#)
- [Procedures - Energy Supplier Participation](#)
- [Procedures - Non-Participating Energy Suppliers](#)
- [Energy Supplier Requirements](#)
- [Procedures – Payments](#)
- [Procedures – Other Issues](#)

12.1 Policy

- A. In order to participate and to receive payments on behalf of customers, energy suppliers must enter into an agreement with the Office of Home Energy Programs (OHEP) that specifies the requirements of participation.
- B. OHEP is responsible for preparing and executing agreements with energy suppliers.
- C. OHEP is responsible for maintaining a database of energy suppliers in the OHEP Data Management System.
- D. As part of its responsibility for the administration of MEAP, OHEP certifies that it is in compliance with [Public Law 97-35, Section 2605\(b\)\(7\); 42 U.S.C. 8624\(b\)\(7\) 1995 Revision](#), which states if the grantee chooses to pay home energy suppliers directly, procedures must be established to (1) notify recipient households of the amount of assistance paid on their behalf; (2) assure that the home energy supplier will charge the household, in the normal billing process, the difference between the actual costs of the energy supplied and the amount of the payment by the grantee; (3) assure that no household will be treated adversely because of the assistance; and (4) ensure that the home energy supplier does not discriminate against the eligible household.
- E. Energy suppliers are subject to the requirements of the Energy Supplier Agreement and the procedures described in the Energy Supplier Manual.



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12.2 Procedures – Energy Supplier Participation

- A. Any energy supplier providing service within the State of Maryland may participate in the programs offered by OHEP subject to the requirements of the Energy Supplier Agreement.
- B. Upon request to participate, the energy supplier is sent the Energy Supplier Participation Package. The following items comprise the Package:

1. *Cover Letter*
2. *Instructions*
3. *Energy Supplier Agreement*
4. *Contract Affidavit*
5. *Wood and Coal Information Form (Wood and Coal Suppliers only)*
6. *Energy Supplier Information Form*
7. *Energy Supplier Manual*

These forms are obtained by contacting State OHEP. The supplier is to complete the following documents and submit them to State OHEP.

LAAs upon becoming aware of an energy supplier that is not participating and is interested in doing so should forward the company name, contact person, address and phone number of the company to State OHEP.

- C. Upon return of the completed energy supplier agreement and information, the Executive Director of the Family Investment Administration signs the agreement. State OHEP then enters the supplier information in the OHEP Data Management System. A copy of the signed agreement is returned to the supplier.
- D. Once the supplier is activated in the Data Management System, payments may be issued to that company.

12.3 Procedures – Non-Participating Energy Suppliers

- A. Upon receipt of an application that designates an energy supplier that is not a current approved supplier, the LAA is to:
 1. *Contact the energy supplier and request that they apply to participate in the program; or*



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2. *Request the applicant to select from among the approved suppliers delivering within the jurisdiction; or*
3. *Designate the benefit to be issued as a direct payment to the applicant. This option is selected only if no other remedy is available. Contact State OHEP for approval of direct payments to applicants.*

12.4 Energy Supplier Requirements

To participate in OHEP, energy suppliers are required to:

- A. Complete the required forms and be approved by the State OHEP.
- B. Apply benefit payments received from the LAA to the customers designated on the Energy Delivery Statement (EDS) on a timely basis.
- C. Upon receipt from the LAA, complete and return the Energy Delivery Record (EDR) on deliveries made to eligible OHEP customers. The EDR is a report containing the following information for a designated period (usually the full program year):
 1. *Energy Supplier name and supplier number;*
 2. *Customer names, address, and account number;*
 4. *The type of fuel provided;*
 5. *The amount of the benefit;*
 6. *The amount of the benefit remitted;*
 7. *To be completed by the supplier: Total cost of the fuel delivered;*
 8. *To be completed by the supplier: Any customer payments made during heating season;*
 9. *To be completed by the supplier: Any refund to be returned to the State as a result of the inability to deliver the full benefit amount. See [Chapter 7.14 Bulk Fuel Carryover of MEAP Funds](#) for guidance on how long a benefit may remain on a customer's account.*
- D. Be available for monitoring by State or designated personnel who will routinely visit energy suppliers in each jurisdiction to assure that OHEP customers have received the full amount reported by the energy supplier. The energy supplier must have available for review the following records.



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1. *Records of benefit check receipts.*
2. *Invoices for fuel delivery/delivery tickets.*
3. *Customer transaction records.*

The monitor checks to determine if the delivery was made within a reasonable time after the benefit credit was received. Calculations and computations are reviewed.

- E. Monitor utility companies to assure compliance with the Public Service Commission regulations regarding the Utility Service Protection Program (USPP). OHEP applicants who participate in USPP are offered protection from winter terminations by setting up minimum monthly payments year round. This payment is based on the customer's monthly fuel consumption for the previous year minus the OHEP benefit divided by 12. As stipulated in the USPP regulations, utilities must provide, to the LAA's, a copy of each affidavit filed with the Public Service Commission for the termination of service to any OHEP participant.

12.5 Procedures – Other Issues

- A. The energy supplier's primary contact with OHEP is the LAA. The LAA is to be available to answer questions and handle all problems relating to the issuance of benefits, service problems, customer complaints and all matters concerning program operations.
- B. To assure that the program serves eligible households in an efficient and equitable manner, it is important that the energy supplier cooperates fully with the LAA in the operations of the program. An energy supplier, in many instances, is more familiar with a household's situation than the LAA. Whenever possible, the energy supplier should provide the LAA with information concerning the following:
 1. *Suspected ineligible households;*
 2. *Duplicate applications by the same individual;*
 3. *When more than one eligible benefit is delivered to the same fuel tank or account number;*
 4. *Applicants whose heating situation does not qualify as a crisis;*
 5. *OHEP customers who are no longer being served by the energy supplier. Any undelivered benefits for those households are to be returned to the LAA;*
 6. *Potential OHEP households; and,*
 7. *Households who have an energy crisis.*



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Chapter 13: Monitoring Program Compliance for Federal, State, and Manual Requirements

Chapter Contents

- [Introduction](#)
- [Procedures](#)
- [Areas to be Monitored](#)
- [Determination of Areas of Concern and Findings](#)
- [Other Reviews and Audits](#)

13.1 Introduction

Monitoring is the process by which State OHEP periodically reviews the implementation of regulations, policies and procedures as set forth in COMAR, the Operations Manual, and Action Transmittals issued by the State OHEP office. It also is used to assess the fulfillment of contractual obligations.

The purpose of monitoring is:

- To assure implementation and adherence to regulations, policies and procedures as promulgated by State OHEP.
- To fulfill the requirement of the Federal Block Grant for Low Income Home Energy Assistance ([Public Law 97-35, sec. 2605\(b10\)](#)) for a regular review of all local administering agencies' (LAA) program operations.
- To protect applicant's rights and insure good public service.
- To identify potential programmatic or procedural issues that may require revised policies.
- To prevent future audit issues.

Monitoring visits are an opportunity to help local agency staff assess program operation procedures. State program management can learn about local problems with the Operation Manual procedures. Sometimes these visits lead to program clarification of operation procedures. During the year of the visit, changes in procedure replace the old ones by means of special additions to the Operations Manual called "Action Transmittals".



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13.2 Procedures

- A. State OHEP will monitor at least 40% of all LAAs each program year. LAAs will be selected using a risk-based assessment. Each LAA will be assessed and given a score based on a set of risk factors. The agencies with the lowest score are found to be at the highest risk and will be monitored. However, monitoring will be mandatory for any agency that has not been monitored by State OHEP within the last three years, regardless of its risk assessment score.
- B. The State OHEP Quality Assurance Analyst contacts the Local OHEP Director to schedule an appointment for an on-site visit. It is the responsibility of the Local OHEP Director to inform other pertinent agency personnel of the visit.
- C. A letter confirming the date and purpose of the visit is sent to the LAA, along with a copy of the monitoring tools.
- D. The visit will consist of an initial entrance meeting with the Local OHEP Director and appropriate staff, explaining the purpose and expectations of the visit.

The LAA must provide private and secure space on-site for the Quality Assurance Analyst to conduct the monitoring visit and assist in retrieval of case files and other program materials as needed.

- E. After completion of the LAA monitoring review, the Quality Assurance Analyst shall conduct an exit conference with the Local OHEP Director and other pertinent staff to review preliminary observations from the monitoring visit.
- F. A final report will be issued to the LAA within 45 days from the date of the monitoring visit. LAAs may choose to submit a formal response to the monitoring report within 45 days after it was issued.

LAAs that are issued Findings within the monitoring report will be required to submit a detailed Corrective Action Plan to the Quality Assurance Analyst within 45 days after the final monitoring report was issued. The Corrective Action Plan should outline the specific steps the LAA has taken to rectify any Findings from the monitoring process. The Quality Assurance Analyst, at his/her discretion, may mandate that the LAA submit periodic reporting, beyond the Corrective Action Plan, on progress to resolve Findings.

- G. The State OHEP Office maintains a record of correspondence, interviews and any documentation from the field review.



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13.3 Areas to be Monitored

A. Case File Monitoring

The Quality Assurance Analyst will pull a random sample of 25 records. Case files will be monitored for the following areas:

Application completeness and accuracy

Applications should be filled out completely and accurately

Documentation –

Documentation to support the application must be in accordance with OHEP policies and procedures

System Verifications –

The OHEP Data Management System must match the application and documentation in the case file

Denied Case Review –

Denied cases should be denied in a timely manner and the reason for denial must be justified

B. Outreach

LAAs will be assessed on whether they have submitted the annual Outreach Plan and monthly Outreach Logs timely and completely.

C. Customer Service

LAAs will be assessed on whether service is provided to customers in a manner that is accessible, courteous and secure.

D. Language Access

LAAs will be assessed on whether non-English speaking customers are able to effectively access services and receive information about the agency's programs.

E. myDHR

LAAs will be assessed on whether online applications through myDHR are processed in a timely and efficient manner.



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F. Customer Relationship Management (CRM) Tool

LAAAs will be assessed on whether work orders through the CRM tool are resolved in a timely manner. However, it will not be a part of the monitoring findings.

G. Application Timeliness

LAAAs will be assessed on the average time it takes to certify applications, as well as the percentage of applications certified beyond 45 days. In addition to the formal monitoring process, LAAAs will be monitored on a regular basis for application timeliness. LAAAs that have a 10% or greater non-compliance rate with application processing timeliness must participate in a monthly check-in call with the State OHEP Quality Assurance Analyst. The meeting will be used to share information across affected agencies about challenges faced and strategies to address processing time deficiencies, as well as help State OHEP understand what technical assistance and support is needed to assist in bringing application processing timeliness into compliance.

H. Application Denial Rates

The Quality Assurance Analyst will evaluate trends in denial rates among LAAAs.

I. Fraud Prevention & Enforcement

LAAAs will be assessed on whether the Duplicate Applications Report and the Social Security Number Validation Report are completed properly and on time. LAAAs are also expected to send fraud/repayment letters to customers in a timely manner.

J. Computer Information and Security

LAAAs will be assessed on their compliance with the File Retention Policy, as well as the ability to keep customer files and computer information systems secure.

K. File Retention Policy

Applicant records are to be kept on file for three complete program years. A random sample of five files per program year, for a total of 15 files, will be requested in order to verify that the LAA is in compliance with the File Retention Policy. The LAA will be given the list of applicant names the day before the monitoring review in order to give time for the files to be pulled.

L. Fiscal Monitoring

Fiscal Monitoring includes a review of accounting policies and procedures, agency budgets, a General Ledgers of OHEP expenditures, OHEP staff timesheets, administrative cost accounting



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policies and procedures, fraud, waste and abuse policies and procedures, and MEAP benefit accounting procedures.

13.4 Determination of Areas of Concern and Findings

LAAs will be evaluated through the Case File Monitoring Tool, focused on review of individual case files, and a Monitoring Summary Report, focused on overall program and fiscal management. Based off the results of the monitoring, LAAs may be found deficient in specific program areas. These deficiencies will be documented as either an “Area of Concern” or a “Finding”. Areas of Concern indicate that the LAA must make improvement in the program area, but the issue does not constitute a material weakness. A Finding indicates that a material weakness has been identified and a corrective action plan must be executed to correct the problem. State OHEP has established a rubric establishing criteria for what issues constitute an Area of Concern versus a Finding.

13.5 Other Reviews and Audits

Periodically, the Office of Home Energy Programs is subject to audits or program reviews by other organizations. This section summarizes those reviews. All LAA’s are to cooperate fully with these reviews or audits.

A. Legislative Audits

Every three years the Office of Legislative Audits conducts a Legislative Audit of each program. Generally, the focus of these audits is proper expenditure and accounting for funds. The legislative auditors select a sample of agencies for review.

B. Single Audit

The Single Audit reviews fiscal and program compliance of all Federal programs. A private accounting firm on contract to the State conducts this audit. LAA’s are contacted prior to a visit from this auditor.

1. *Federal Program Compliance Review*
2. *Approximately once every ten years the U.S. Department of Health and Human Services, Office of Community Services, Division of Energy Assistance conducts a Program Compliance review. HHS selects a sample of agencies for review.*



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Appendix A REGULATIONS

The Code of Maryland Regulations (COMAR) is the official compilation of all administrative regulations issued by agencies of the state of Maryland. While the Legislature of the State of Maryland enacts statutes, it is administrative agencies which adopt, amend, and repeal regulations under the authority granted to them by statutes. Unless the Legislature has created an exemption, agencies must follow the procedures in the Administrative Procedure Act when adopting, amending or repealing regulations.

The following regulations pertaining to OHEP are available online:

[Title 07 Department of Human Services](#)
[Subtitle 03 Family Investment Administration](#)
[Chapter 21 Maryland Energy Assistance Program](#)

[Title 07 Department of Human Services](#)
[Subtitle 03 Family Investment Administration](#)
[Chapter 22 Electric Universal Service Program](#)

[Title 07 Department of Human Services](#)
[Subtitle 01 Office of the Secretary](#)
[Chapter 04 Administrative Hearings](#)

[Title 20 Public Service Commission](#)
[Subtitle 31 Terminations of Service](#)
[Chapter 01 General Regulations](#)

[Title 20 Public Service Commission](#)
[Subtitle 31 Terminations of Service](#)
[Chapter 05 Utility Service Protection Program](#)



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Appendix B APPLICATION FORMS

In addition to energy assistance applications and brochures, State OHEP will also provide LAAs with supplemental forms necessary to complete applications. This includes, but is not limited to the following forms:

- Crisis Season Declaration Form
- Declaration of Zero Income
- Household Worksheet
- Income Verification of Self-Employment
- Landlord Agreement
- Proxy Authorization Form
- Resource Provider Statement
- Verification of Living Arrangements
- Wage Verification Form

All forms are available in an electronic version and may be accessed through DHS's Knowledge Base website. LAAs may send a request to State OHEP if they are unable to access Knowledge Base.



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Appendix C ADMINISTRATIVE FORMS

The following forms are available in an electronic version upon request to State OHEP.

- Financial Status Report - LAA Administrative Allowance
- Administrative Budget Revision Request
- Logon Request Forms (Available On DHS's Knowledge Base Web Site)
- Request For The Return of Funds (Available On DHS's Knowledge Base Web Site)
- Sample Cover Letter For EDS To Landlords
- Monthly Financial Status Report - Benefit Funds
- Monthly Outreach Log (Available On DHS's Knowledge Base Web Site)
- Annual Outreach Plan (Available On DHS's Knowledge Base Web Site)
- Monitoring Tools (Available On DHS's Knowledge Base Web Site)



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Appendix D LOCAL ADMINISTERING AGENCIES LIST

OFFICE OF HOME ENERGY PROGRAMS LOCAL ADMINISTERING AGENCIES	
Agency	Counties Served
Allegany County, H.R.D.C, Inc.# 125 Virginia Avenue# Cumberland, MD 21502# 301-777-8550#	Allegany County
Anne Arundel County Community Action Agency, Inc.# 251 West Street# P.O. Box 1951# Annapolis, MD 21404-1951# 410-626-1900#	Anne Arundel County
Baltimore City Office of Home Energy Programs# Human Services Division# 1731 E Chase Street# Baltimore, MD 21213# 410-396-5555#	Baltimore City
Baltimore County DSS# Drumcastle Center# 6401 York Rd# Baltimore, MD 21212# 410-853-3385#	Baltimore County
Caroline County DSS# # Location:# 300 Market Street# Denton, MD 21629# 410-819-4500# # Mail:# P.O. Box 400# Denton, MD 21629#	Caroline County
Human Service Programs of Carroll County, Inc.# # Location:# 10 Distillery Drive Suite G-1# Westminster, MD 21157# 410-857-2999# # Mail:# P.O. Box 489# Westminster, MD 21158#	Carroll County



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Cecil County DSS# # Location:# 135 East High St# Elkton, MD 21921# 410-996-0270# # Mail:# 133-35 E. Main Street# Elkton, MD 21921-5624#	Cecil County
Dorchester County DSS# 627 Race Street# P.O. Box 217# Cambridge, MD 21613# 410-901-4100#	Dorchester County
Frederick County DSS/City of Frederick# 420 E Patrick Street # P.O. Box 3929# Frederick, MD 21701# 301-600-2410 #	Frederick County
Garrett County# 104 E. Center Street# Oakland, MD 21550-1397# 301-334-9431#	Garrett County
Harford County Community Action Agency, Inc.# 1321 B Woodbridge Station Way# Edgewood, MD 21040# 410-612-9909#	Harford County
Community Action Council of Howard County, Inc.# 9820 Patuxent Woods Drive# Columbia, MD 21046# 410-313-6440#	Howard County
Kent County DSS# 350 High Street# P.O. Box 670# Chestertown, MD 21620# 410-810-7600#	Kent County
Montgomery County Department of Health and Human Services# 1301 Piccard Drive# Rockville, MD 20850-4320# 240-777-4450 #	Montgomery County
# Prince Georges' County DSS# # Location:#	Prince Georges' County



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425 Brightseat Road# Landover, MD 20785# 301-909-6300# # Mail:# 805 Brightseat Rd# Landover, MD 20785#	
Queen Anne’s County Department of Social Services# 125 Comet Dr.# Centreville, MD 21617-0327# 410-758-8000#	Queen Anne’s County
Shore Up!, Inc.# 520 Snow Hill Road# P.O. Box 430# Salisbury, MD 21803-0430# 410-749-1142#	Wicomico County Worcester County Somerset County
Southern MD Tri County C.A.C.# 8371 Old Leonardtown Rd# PO Box 280# Hughesville, MD 20637-0280# 410-763-6745#	Calvert County Charles County St. Mary’s County
Neighborhood Service Center, Inc.# 126 Port Street# Easton, MD 21601-2631# 410-763-6745#	Talbot County
Washington Co. CAC# 101 Summit Avenue# Hagerstown, MD 21740-5562# 301-797-4161#	Washington County