

Heating Assistance Program Vendor Manual



**State of Alaska
Heating Assistance Program
Division of Public Assistance
Department of Health & Social Services
FY 2016**

**Valerie Davidson
Commissioner**

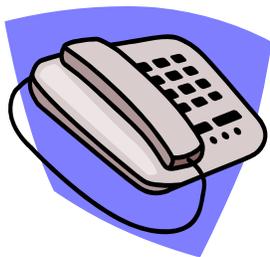
**Bill Walker
Governor**

Heating Assistance Program Vendor Manual

TABLE OF CONTENTS

How to Reach Us.....	3
Program Overview.....	4
Confidentiality.....	4
Eligibility and Benefits.....	5
Subsidized Rental Housing Utility Deposit.....	5
Ineligible Households	6
Information Hotline.....	7
Vendor Participation Procedures.....	7
Vendor Payments	8
Allowable Purchases with HAP Funds.....	10
Customer Referral and Follow-Up By Vendors	11
Maintaining Customer Files.....	11
Home Heating Emergencies	11
Inactive Customer Accounts.....	12
Vendor Year-End Deadlines.....	13
Year-End Reporting.....	14
Accounting.....	14
Using IRIS to Verify Payment Details.....	15
Fraud.....	16

Contact the Heating Assistance Program (HAP) when you have questions, comments or concerns:



Telephone our office in Juneau from 8:00 a.m. to 5:00 p.m. Monday through Friday.

(907) 465-3058
1-800-470-3058
Option 2 for Vendor questions
Option 5 for Front desk



Obtain information on the current status of HAP applications on our 24-hour toll-free information hotline.

Anchorage: 269-5777
All other areas:
1-888-804-6330

FAX:
Toll Free:
E-mail us:

(907) 465-3319
1-888-282-3319
liheap@alaska.gov



Our website provides helpful information.

<http://www.heatinghelp.alaska.gov>



Write to us:

Heating Assistance Program
10002 Glacier Highway, Suite 200
Juneau, AK 99801-8569

Program Overview

The Heating Assistance Program (HAP) provides financial assistance to help Low-income households pay their home heating bills. This is done by making a payment or an extension of credit to home heating suppliers on behalf of eligible customers; or by making a one-time direct payment to applicants whose heat is included in their rent or whose fuel is provided by a vendor that does not participate in the program.

The HAP is federally by the Low Income Home Energy Assistance Program (LIHEAP) block grant from the U.S. Department of Health and Human Services and state funded through the Alaska Affordable Heating Program (AKAHP). In Alaska, LIHEAP Funds are administered by the Department of Health and Social Services, Division of Public Assistance and, in some areas, by Indian Tribal Organizations. This manual contains policies and procedures of the state-administered HAP only.

The Heating Assistance Program begins accepting applications from the public on October 1 and begins issuing grants on November 1 of each year. Applications must be postmarked or received in a Public Assistance office by April 30 to be considered for a heating assistance grant. Information received on pended cases will be accepted after the close of the program year as long as it is received within the pending time frame.

Confidentiality

Individuals/Households applying for and receiving heating assistance have the right to expect this information to remain confidential. All information provided by an applicant must remain confidential by all workers, vendors, employees, fee agents. Discussing a case with family or friends is not acceptable. You must also be careful to avoid leaving customer information where it can be seen by others. This is why we request that each employee sign our confidentiality agreement. These are retained in our files for auditing purposes and are required for all current employees. We ask that our Vendors provide HAP with signed confidentiality agreements upon hiring new employees.

You may not give any information to an applicant's landlord, or request information from a landlord, unless the applicant authorizes it in writing or has listed the landlord as a collateral contact. People may not want their landlords to know that they have applied for heating assistance and we need to respect their privacy. It is against the law to use Heating Assistance Program client information for commercial, personal or political purposes; or make information available for legal or other proceedings (except in connection with enforcement for public assistance programs).

For specific confidentiality rights and responsibilities, refer to Division of Public Assistance Administrative Procedures and Alaska Statutes 47.05.020 through 47.05.030 and Alaska Administrative Code 7 AAC 37.010 through 7 AAC 37.130.

Eligibility and Benefits

Eligibility for heating assistance and benefit amounts are based on an “energy burden” point system which considers household size and income, fuel costs in the area and type of housing. A household must have a minimum of 2.0 heating cost points to qualify. LIHEAP qualifying income is limited to 150% of the federal poverty guidelines for Alaska. The state-funded program Alaska Affordable Heating Assistance Program (AHAP) is designed to provide benefits to Alaska residents with income from 151% to 225% of the poverty income guidelines.

Households seeking heating assistance must contain an Alaska resident, submit a current application and demonstrate that they pay for home heat. They do not have to have overdue bills to qualify. Both home owners and renters (including those who pay for heating costs as a portion of their rent) may apply. However, renters that participate in a housing subsidy program that pays all home heating costs are not eligible.

A household or vendor may not sell or barter heating fuel purchased with a heating assistance benefit payment to any household other than the one it was issued to.

Subsidized Rental Housing Utility Deposit

The Heating Assistance Program provides heating assistance for the minimum amount needed to establish natural gas or electric utility service required to participate in subsidized rental housing. This Subsidized Rental Housing Utility Deposit (SRHUD) is available only if:

- the housing program will fully subsidize the household’s home heating costs;
- the household has not received a Heating Assistance Program payment within 180 days of requesting a SRHUD; and
- the amount of the SRHUD, up to a maximum of \$500, will be sufficient to establish utility service.

The HAP will accept heating assistance applications for a SRHUD throughout the year. However, a SRHUD is not available more than once in a 24-month period.

Ineligible Households

A household is NOT ELIGIBLE to participate in the heating assistance program if, at the time of eligibility determination, they:

1. are eligible for or has received LIHEAP or state heating assistance benefits from an Indian tribal organization;
2. reside in a crisis center, hotel, motel, tent, or other shelter normally intended for temporary occupancy, and
 - has resided there for less than 60 consecutive days before the date of signature on the completed application; and
 - is not seeking a utility deposit;
3. reside in a hospital, nursing home, state pioneer home, or other public or private institution to receive treatment for a mental or physical illness, student dormitory, correctional facility, or on a military base; or
4. reside in subsidized rental housing and has no direct home heating costs.
5. do not reside in the home, for which they are applying for assistance, at the time of application AND at time of benefit determination.

Information Hotline

Vendors may call the information hotline to confirm that a customer has applied for heating assistance and the date the application was received in Juneau. Once the grant is issued the name of the vendor(s) and the payment amounts will be available. This information may make it easier for you to decide if you can delay a disconnection of service, or extend credit to one of your customers. **Please note that the IVR Hotline does not update until after the first payment run each heating season.**

To access case specific information on the hotline the vendor will need:

- the Social Security Number of the person listed on line #1 of the heating assistance application, and
- the security code – which is the last 4 digits of the telephone number listed on the heating assistance application. If a telephone number was not listed, the security code is the 4 digit birth year of the person listed on line #1 of the application. For example, 1959.

Vendor Participation Procedure

1. The Heating Assistance Program is implemented primarily through home heating suppliers who have agreed to the conditions of the Heating Assistance Program Vendor Agreement. The agreement outlines HAP and vendor rights and responsibilities. After the initial agreement is signed, agreements will be updated every three years unless there are changes to the original agreement.
2. HAP provides vendors agreement forms and information encouraging their participation in the program. Vendors who wish to participate in the program sign and return the agreement.
3. The Division of Public Assistance countersigns the agreement.
4. The State of Alaska assigns the vendor (PVN) number.
5. A copy of the agreement and current HAP applications are returned to the vendor.

Vendor Payments

1. Prepay vendors
 - a. A Vendor Notice of Actions is generated at the time eligibility is determined for a client.
 - b. The Notice of Action lists the case number, amount of benefit (grant) to be issued, address and account number, and type of fuel the payment can be used to purchase for each approved applicant.
 - c. Payments are made a week to ten days following the eligibility determination and Notice of Action.
 - d. The money must be applied to any charges for delivery after October 1, and/or to establish credit for the household's future bills.
 - e. The vendor must acknowledge receipt of the payment in a timely manner, but within at least 60 days. *It is very important that vendors document receipt of prepayments.* This can be accomplished by the vendor by submitting one of the following:
 - i. a copy of the vendor Notice of Action, with the date payment was received noted next to each applicant's name and a signature by a vendor representative,
 - ii. a statement or list acknowledging receipt of payments and who the payments were for, or;
 - iii. a copy of the customer's next bill showing that the energy assistance payment has been applied.
 - f. Once the prepay vendor acknowledges payment, HAP personnel enter this confirmation into our computer system. The case is now considered closed.

2. Line-of-credit vendors

- a. Vendors receive a Notice of Action showing the amount of credit established for each customer.
- b. Vendors extend the approved credit amount to the customer.
- c. The vendor then submits the original invoice or a copy of the billing statement to HAP for payment.
- d. Invoices must show:
 - i. customer's name,
 - ii. date of delivery or service to the customer,
 - iii. type of product provided,
 - iv. amount of product delivered and its unit price, and
 - v. amount now due the vendor (past due home energy bills may be submitted by the vendor for payment providing they are for fuel delivered during the current heating season).
- e. Payments are generated within a week of receipt by the HAP.
- f. When a household's benefits are exhausted, the customer and the vendor receive a Notice of Action stating that the case is closed.
- g. Customer credit must be used by June 30. No draws on HAP credit should be made after that date.
- h. Vendors have until July 15 to submit bills to HAP for payment. If there is credit remaining after that date, HAP will send the remaining credit balance directly to the eligible household.

- i. Once any remaining credit is sent to the customer, it is not possible to make payment on delivery invoices submitted by vendors.

Allowable Purchases with HAP Funds

1. Heating Fuel

Fuel oil, electricity, natural gas, wood, coal, wood pellets, kerosene, propane and blazo are allowable, if used for home heating. The purchase of one Size 2 bottle of propane with HAP credit is allowed if propane is not a heating source. The Notice of Action will indicate the type of fuel the grant is to be used for.

2. Utilities

Utility vendors receiving prepayments on behalf of their eligible customers may apply payments only to the home energy portion of the customer's account.

*Payments may not be applied to telephone, cable, water, sewer, garbage, or tank rentals. **HAP grants should only be used for purchases/deliveries made after October 1.***

3. Gasoline and Oil for Gathering Wood

- a. Only households that cut their own wood and use self-harvested wood as their primary heat source may use their grant to buy gasoline and two-cycle oil may be purchased with HAP credit if the customer cuts their own wood and it is the primary source of home heating. In these cases it is understood that the use of the gasoline and oil are for chain saw and snow machine use in the harvesting and transporting of wood.
- b. Under no circumstances is gasoline to be provided for the operation of automobiles, boats, or other vehicles (except for fuel gathering and transportation of energy sources in rural areas, or if the automobile is the customer's home).
- c. Customers can only purchase gasoline if the vendor notice states, "If you supply chainsaw fuel the above grant may be used to purchase same." If the notice does not state this and that is all the customer uses, *the vendor must contact HAP*. A grant adjustment may have to be made before the customer can get gas.
- d. *HAP will not pay for gas purchases that are not approved.*

4. Other Allowable Expenses

- a. Other allowable expenses include incidental fees related to providing home energy service. Examples of this type of fee are delivery charges, utility deposits, membership fees, service connection fees, and late charges.
- b. There cannot be any special charges levied against HAP customers, including the rental of fuel tanks or tank inspection fees. Other fees which may not have been mentioned above should be cleared with the Juneau HAP office if the vendor wishes to receive payment for them.

Customer Referral and Follow-Up By Vendors

1. Vendors are encouraged to help their customers apply to the Heating Assistance Program. It is helpful if the vendor's credit department personnel are aware of HAP guidelines and Expedite Criteria to refer low-income customers to the program.
2. Vendors are provided with HAP applications and eligibility information at the beginning of each program year. They may request additional materials by e-mailing the HAP staff at www.liheap.gov.

Maintaining Customer Files

Organization of information regarding HAP eligible customers is the responsibility of each vendor. However, it is advisable to set up individual case files so that when a payment is received, or a question regarding a HAP customer arises, it can be easily located.

Home Heating Emergencies

1. Situations arise which require a heating assistance caseworker to call a vendor to request service delivery before the Notice of Action has been received by the vendor. When this occurs, the customer's eligibility has already been determined with a known grant amount.
2. HAP will not request that a vendor provide service to a customer until eligibility has been determined.

3. Vendors are asked to provide the requested service, but should never do so unless they have:
 - a. received a call from a heating assistance caseworker, **or**
 - b. verified the grant on the information hotline, **or**
 - c. received a Notice of Action, confirming eligibility.
4. Vendors agree to accept verbal confirmation of benefits in order to halt disconnections, restore disconnected services to the client or provide fuel.

Inactive Customer Accounts

1. Prepay Customer Closes Account

1. If a customer with a prepay HAP credit balance chooses to close its account, the vendor should refund the balance of the heating assistance award via a check made payable to the State of Alaska Heating Assistance Program (10002 Glacier Hwy., Suite 200, Juneau, AK 99801) and referencing the customer's name and address. NOTE: Vendor's are not obligated to refund HAP credit upon request of the household unless the household is closing its service account, (i.e. moving or changing their main source of heating).
- b. When the credit balance is sent to HAP, HAP reissues the payment to another vendor or may issue a refund to the customer.
- c. Payments made directly by the customer are not part of the HAP credit and should not be returned to the State.

2. Prepay Customer Dies, or Moves without Closing Account

- a. If a customer with a prepaid HAP credit balance dies, the credit balance may be left on the same service account for use by surviving household members. **Contact HAP to verify household members.**

- b. If there are no other persons in the deceased person's household, the vendor must promptly refund remaining HAP credit to the State following payment of final bill issued after date of death.
 - c. If a customer moves without closing the utility account, or leaving a forwarding address, the vendor must refund any remaining HAP credit to the State, or within one year of inactivity on the account.
3. Prepay Customer Moves and Leaves No Forwarding Address
- a. If a household moves without leaving a forwarding address, the Vendor must promptly refund remaining credit to the State.
 - b. The State will hold the funds until notified of the household's new address. The State will then reissue the payment to the appropriate vendor.
4. Other
- a. If a credit balance greater than \$10 goes unused for 12 months and the vendor cannot contact the client, the credit balance must be refunded to the state.
 - b. **Credit balances under \$10 do not need to be refunded.**

Vendor Year-End Deadlines

- 1. Line-of-Credit Vendors – See page 8.
- 2. Prepayment Vendors
 - a. Acknowledgment of customer HAP payments must be received prior to the beginning of a new program year either at time of posting to customer's account, or by June 30th of each year. Return to HAP via mail to 10002 Glacier Hwy., Suite 200, Juneau, AK 99801, Fax to 907-465-3319 or Email to liheap@alaska.gov.
 - b. A reminder requesting these acknowledgments will be sent via fax to vendors who have not provided confirmation in a timely manner.

Year-End Reporting

Federal Performance Measures now require HAP to collect annual usage data for each LIHEAP recipient from their primary heating vendor **and** their electric vendor. The reporting period for this data is from July 1 through June 30 every year. Usage surveys will be sent to vendors in early July to record the previous year's usage and return to the HAP by mid-August.

Accounting

1. If a vendor receives a heating assistance payment in error, the vendor should contact HAP to inform them of the incorrect payment and return said amount to HAP with a note that states payment was an incorrect payment. Vendor should include a copy of the original NOA notating the client information, and a copy of the original warrant number and date. HAP will then reissue the payment to the correct vendor.
2. Heating assistance payments should not be applied to any indebtedness incurred by the heating assistance client(s) as a result of deliveries made or services provided before October 1 of the HAP program year unless it is being used to prevent a disconnect of service or to reconnect service to the eligible household.
3. On request, the State and Federal auditors and program reviewers may have access to vendors financial and billing records pertaining to services provided under authority of this Agreement for audit and inspection. The vendor should retain all books, records, and other documents relevant to heating assistance payments for a minimum of three (3) years plus the current year or until litigation, claim, negotiation, audit, or other action involving the records that was initiated prior to the expiration of this three (3) year period has been completed.

Using IRIS to Verify Payment Details

Signing In to IRIS

- Go to <http://doa.alaska.gov/dof/iris/vendor.html>
- Scroll down until you see “Vendor Self-Service (VSS) Sign-In in the middle of the page in a light blue box.
- Follow instructions to sign into the VSS. If you don’t already have an account, click the line, also in the light blue box, entitled “Vendor References and Resources.” This is where all the training videos exist. This is also where the “frequently asked questions” exist. This is where you will find instructions on creating an account.

Looking Up Payment Specifics

- From the IRIS Welcome Screen, choose “Checks/EFTs Summary Search tab on the left hand side.
- Enter search criteria and click the “search” button. If you enter a specific EFT/Check/Warrant Number, it will bring up only that item. If you list a date range, you will get a list that you can sort by following the instructions.
- For more detail on the EFT/Check/Warrant, select a payment from the list by placing a check in the box under the column titled “select” and then click on the “Details” button on the lower right hand side of the screen.
 - Each client payment will show up as a separate line item.

IRIS Questions

You can email your questions about IRIS to: IRIS.Project@alaska.gov. This inbox is monitored by members of the IRIS Change Management Team who work closely with the entire IRIS Project Team to respond to your questions in a timely manner. You can expect a response to your inquiry within 1 business day.

Fraud

It is illegal to barter or sell any fuel paid for with heating assistance benefits or to use benefits for something other than their intended purpose. We ask for our vendor's cooperation in reporting any situations they suspect may be fraudulent, such as someone selling their fuel or two people living together who have both applied for the program separately. To report fraud, please call the Heating Assistance Unit at 1-800-470-3058 and ask to speak with a supervisor.

|