

STATE OF NEW JERSEY

DEPARTMENT OF COMMUNITY AFFAIRS DIVISION OF HOUSING & COMMUNITY RESOURCES



HOME ENERGY ASSISTANCE PROGRAM HANDBOOK

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1. General Provision

1.1. Fair Hearings

Any household is entitled to, and upon request will receive, an administrative review or a fair hearing if any of the following occurs:

1. The household's completed application is denied.
2. The household's completed application is neither approved nor denied within 60 days after application (or 30 days after application for elderly or disabled individuals), unless the delay was caused by the household's lack of cooperation in providing necessary and reasonable evidence.
3. The benefit is less than the household believes it should be or
4. The benefit will be paid in a lesser amount than the household was notified.

1.2. Program Funding

Home Energy Assistance is funded entirely through a U.S. Department of Health and Human Services grant. All payments authorized by this chapter are contingent upon the availability of these funds.

1.3. Prudent Person Concept

While this chapter attempts to minimize discretionary action on the part of individuals administering Home Energy Assistance, there are situations that are only generally covered by existing policy guidelines. In cases of this nature, the county welfare agency (CWA) worker, PARTNERING AGENCY worker, shall be expected to make a judgment based on his or her experience and/or knowledge of the program, which can be defended as both reasonable and prudent. Any such circumstance shall be fully documented in the case record. Questionable situations for which the worker cannot make such a judgment should be referred to the DCA.

1.4. Confidentiality

The CWA/PARTNERING AGENCY shall restrict the use or disclosure of information obtained from applicant or recipient households to persons directly connected with the administration of the Low-Income Home Energy Assistance Program (LIHEAP) and other government-related programs. Additionally, data shared with fuel suppliers is confidential and is only for purposes directly connected with the administration of public assistance and the determination of eligibility for Universal Service Fund (USF) and other energy assistance programs.

2. Program Eligibility

2.1. General

In order to receive Home Energy Assistance benefits, the household must meet the eligibility requirements found in this chapter and must make an application in accordance with N.J.A.C. 10:89-4 (Application Process) or be entitled to automatic payments in accordance with N.J.A.C. 10:89-3.1. All Home Energy Assistance benefits must be used to offset current home energy costs.

2.2. Eligibility Requirements

The household members shall be residents of New Jersey.

1. The term "household" means any individual or group of individuals who are living together as one economic unit for whom home energy is customarily provided in common or who make undesignated payments for energy in the form of rent. Specifically:
 - a. If there is one central source of residential heating (for example, one furnace),
 - b. there is one household, except that,
 1. If there is one central source of residential heating but the building contains multiple dwelling units or apartments, each apartment may be considered a separate household, except that,
 2. If the building is a licensed boarding home, Residential Health Care Facility, or community-recognized boarding facility, each resident may be considered a separate household.
 3. If a business-only (roomer-boarder) relationship exists, where one person is paying for living space in the dwelling of another, the roomer-boarder may be considered a separate household. For such a relationship to be established, the payments for room and board must be reasonable, considering the total shelter and heating cost for the person supplying the room and board. Furthermore, the relationship must be one that would immediately terminate if the payment between the parties ceased (see N.J.A.C. 10:89-2.3(f)4 for limitations).
2. The term "resident" shall be interpreted to mean any person living in the State voluntarily or residing in the State having entered with a job commitment or seeking employment even if he or she is currently unemployed.
3. Strikers and households that include striking members are ineligible for Home Energy Assistance benefits, in accordance with N.J.A.C. 10:90 2.8(c).

4. In most cases, non-qualified citizens are not eligible for Home Energy Assistance benefits. Qualified citizens defined in Section 431 of the Federal Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, P.L. 104-193, if otherwise eligible, may receive LIHEAP benefits (see N.J.A.C. 10:90- 2.10 and 10.3).
 - a. Qualified citizens are defined as legal immigrants, including but not limited to legal permanent residents, refugees, asylees, individuals paroled into the United States for a period of at least one year, individuals whose deportation has been withheld, individuals granted conditional entry, and certain individuals who are victims of domestic abuse.
5. In cases where a non-qualified citizen resides within an applicant household, the non-qualified citizen must be excluded from the HEA household size. If the non-qualified citizens have a monthly income of more than \$500.00, the amount in excess of \$500.00 shall be counted as income to the household and must be added to all other household income in determining the household's gross monthly income.

The household must pay for its own heating/cooling costs or be eligible as a renter who pays its landlord according to usage or whose heating/cooling costs are included in its rent.

The value of resources is not considered in the determination of eligibility for benefits under this program; however, unearned income, as defined in N.J.A.C. 10:89-2.3(d), is countable.

The following households are not eligible for energy payments:

1. Households residing in publicly operated housing where their heat is included in their rent or are receiving a rent subsidy which includes all heating costs. Energy costs included in rent, which is subsidized, do not qualify as out-of-pocket payments for heating costs.
2. Persons for whom non-household members pay heating/cooling costs.
3. Households consisting entirely of students who are tax dependents of another household.
4. Households whose total income, including any TANF, GA or SSI grants, exceeds the total income eligibility standards in N.J.A.C. 10:89 2.3(g).

2.3. Income Eligibility – DCA/DHS

- A. In order to be income eligible for the program, a household's monthly gross earned and unearned income may not exceed the monthly allowable gross income limit for the household size. On an annual basis, the Department of Community Affairs shall revise the income guidelines based on the current Federal Poverty Index, which is published annually in the Federal Register by the Federal Department of Health and Human Services. The Department will use 60 percent of the State Median Income (SMI) as the maximum gross income amount for LIHEAP eligibility.
- B. Regardless of income eligibility, the following households are not eligible for program benefits:
 - 1. Persons residing in publicly operated housing unless the household can demonstrate that it is responsible for paying its heating costs. Energy costs included in rent, which is subsidized, do not qualify as out-of-pocket payments for heating costs;
 - 2. Persons receiving a rent subsidy, which includes all heating costs. Energy costs included in rent, which is subsidized, do not qualify as out-of-pocket payments for heating costs;
 - 3. Persons for whom non-household members pay for the costs of heating/cooling fuel;
 - 4. Residents of any licensed medical facility (hospital, skilled nursing facility, or intermediate care facility), publicly operated community residence, or center for the treatment of drug and/or alcohol abuse; and
 - 5. Households consisting entirely of students who are tax dependents of another household.
- C. Earned income refers to gross income earned by an individual through the receipt of wages, tips, salaries, or commissions from activities in which he or she is engaged as an employee or from his or her self-employment. It includes earnings over a period of time for which settlement is made in one payment, as in the sale of farm crops.
 - 1. For the purpose of this program, countable income from self-employment is the gross proceeds of a trade, business or enterprise, adjusted by deducting business expenses or cost of producing the income. Personal expenses, income tax payments, lunches, transportation, childcare, etc., are not classified as business expenses for this purpose.
 - 2. Persons who are self-employed shall be required to submit evidence of business receipts and expenditures as the basis for a sound estimate of earned income. A reliable, accurate accounting system or the method utilized in reporting to the Internal Revenue Service shall be acceptable for determining countable income.

- D. Unearned income refers to the receipt, by the household, of any property or service not included in (c) above, which the household may apply, either directly or by sale or conversion, to meet basic needs for food, clothing, and shelter. Included in this definition are returns from capital investments such as dividends and interest, benefits and pensions, annuities, contributions, compensation payments, and receipts from the rental of property. (See N.J.A.C. 10:90-3.9.)
- E. The following income is not considered in the determination of gross income for this program:
 - 1. Loans that are not to be used to meet current living costs and which are held and used in accordance with the conditions of the loan. Personal loans are excluded when such loans are evidenced by a document, signed by the borrower and the lender, which states the amount of the loan and terms of repayment (this includes loans from financial institutions);
 - 2. Any scholarship, grant, or student loan received by a student so long as the student continues to attend school;
 - 3. Earned income of a student who is a member of a larger household, enrolled in any school or training program full-time which is recognized by the Federal, State, or local government;
 - 4. The value of home produce;
 - 5. The value of food stamp benefits
 - 6. Benefits from energy assistance programs, including Universal Service Fund (USF), Lifeline, and Statewide Heating and Referral for Energy Services (SHARES NATIONS);
 - 7. Income excluded by law:
 - a. Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970.
 - b. Any payment under Title II (RSVP, foster grandparents, and others) and Title III (SCORE and ACE) of the Domestic Volunteer Services Act of 1973, as amended, shall be excluded.
 - c. Payments from the Crisis Intervention Program administered by the Community Services Administration.
 - d. Payments received from the Youth Incentive Entitlement Pilot Projects, the Youth Community Conservation and Improvement Projects, and the Youth Employment and Training Programs under Title IV of the Comprehensive Employment and Training Act Amendments of 1978 (Public Law 95-524).

- e. Payments received by eligible parents under the Child Care and Development Block Grant (CCDBG) shall not be counted as income when determining eligibility or benefit levels under LIHEAP.
 - f. Payments made to individuals because of their status as victims of Nazi persecution shall not be counted as income when determining eligibility under LIHEAP.
 - g. Wages and or salaries, including any training allowances under the Green Thumb Program, are to be excluded when determining eligibility under LIHEAP.
8. Medicare Part B Buy-In, which is withheld from the household's Social Security check.
9. Social Security benefits for children under 18 years old shall be excluded from the household income.
10. Veteran's benefits shall also be excluded from the household income, provided proof of veterans' benefits is provided.
- F. Countable gross monthly earned and unearned income, as defined in (c) and (d) above and verified in accordance with N.J.A.C. 10:89-4.1(d), shall be added to determine the household's total gross monthly income. Cents shall be rounded to the nearest dollar. If the monthly gross income does not exceed the income standard (see (a) above) for the household size, the household is income eligible for Home Energy Assistance.
- 1. In any household declaring zero income, the head of household shall be required to file a declaration of zero income and a Monthly Household Expenses Form. This information is to be maintained in the case record.
 - 2. In any household reporting less than \$500.00 in monthly income, the head of household shall be required to document how the household has been supporting itself (Monthly Household Expenses Form). Such documentation may include, but is not limited to, checking or savings account statements documenting withdrawals, recent prior pay stubs, or unemployment, welfare, disability, SSI, or social security benefits statements.
- In addition, a copy of a recent application for unemployment, social security, welfare, SSI, or disability benefits may be accepted. If the household has been supporting itself by other means, such documentation as appropriate to the source of income shall be accepted.
- a. For any household reporting less than \$500.00 in monthly income in two consecutive years, the head of the household shall be required to document how the household has supported itself for the past year as referenced in (d)2 above.

3. For the purpose of this program, the household shall consist of all persons residing within a single residential unit.
4. Tax-dependent college students who are absent from the household solely because of college attendance must be included in the household size for the determination of eligibility.
5. Foster children placed with a family by DYFS are to be included in the household size, and the allowance paid by DYFS is to be included in the household's income.
6. Roomer-boarders residing with an applicant household are not to be included in the household size, and the income of such individuals is not to be considered in the eligibility determination. However, any income provided to the HEA applicant household by the roomer-boarder in excess of \$250.00 per month shall be considered in determining the household's gross monthly income.
 - a. The only exception to (f)6 above will occur if the roomer-boarder is a spouse, parent, grandparent, child, brother, or sister of a household member. In such instances, the roomer-boarder shall be included in the household size, and his or her gross monthly income shall be considered as part of the household's income in the determination of eligibility.
7. If a household member receives Social Security benefits and/or SSI, the PARTNERING AGENCY or other non-profit agency must determine the countable income as follows:
 - a. For individuals receiving Social Security benefits, the net amount of the monthly check is countable. If the household presents an award letter rather than a check as evidence of income, the PARTNERING AGENCY or other non-profit agency must determine if the individual pays a Medicare Part B premium and deduct that amount from the gross amount of the benefit. The resulting balance shall be considered as income for the household.
 - b. For individuals receiving SSI, the PARTNERING AGENCY or other non-profit agency shall deduct the supplemental payment amount from the Tenant's Lifeline Credit program, which is included in the SSI check. The balance shall be considered as income to the household.
8. Households placed in rental assistance slots utilizing temporary emergency funding made available through the State's emergency assistance initiatives will not be excluded from eligibility for Home Energy Assistance as a tenant whose heat is included in rent.

3. Program Benefits

3.1. Automatic payments to certain households – DFD

a. Recipient households:

1. Certain households eligible for Supplemental Nutrition Assistance Program (SNAP) will receive automatic payments based on the information regarding income, household size, heating arrangement, and fuel type contained in computer records maintained by the Division of Family Development. This information will be collected from the head of the household at each application, reapplication, or recertification for SNAP and will be updated whenever the household reports a change. The automatic HEA payment will be extracted from the DFD Family Assistance Management Information System (FAMIS). The households that may be extracted include certain households eligible for and receiving SNAP.
2. The case must have an appropriate heating indicator and contain a payee with a valid Social Security number (SSN). The household must have a current monthly income that is less than or equal to the program's standards. Additionally, there must be no duplication of SSNs or any disqualifying information that would lead to non-selection of the case. Those households that are not selected for automatic payment may be eligible for benefits. They will receive a notice instructing them where to apply. Households that are responsible for primary fuel costs associated with residential heat shall receive a benefit based on the appropriate benefit level for the household's size, income, fuel type, and heating region.
 - I. Automatic payments will only be made during the heating season. Entitlements will be paid in one installment. Households that do not receive automatic payments must apply to receive HEA.
 - II. The entitlement will be paid as a full benefit to all households.
3. Eligible households that heat by electricity or natural gas will receive the automatic payment(s) in the form of a direct transfer to the utility when a valid utility account number or other acceptable match criteria exists on the SNAP extract. Match criteria shall be collected during the SNAP eligibility determination or redetermination process. Households that heat by oil, coal, wood, propane, and kerosene or do not have a valid account number or other acceptable match criteria on the HEA Masterfile will receive the automatic payment(s) in the form of a two-party check payable to the head of household and the generic co-payee "Your Heating Supplier."

3.2. Applications - DCA/PARTNERING AGENCY/OA

- A. Upon application at the PARTNERING AGENCY or other non-profit agency or outreach site, eligible households that have not received or will not receive automatic benefits in accordance with N.J.A.C. 10:89-3.1 shall receive energy assistance in accordance with this section. In order to be eligible for home energy assistance, the household must be income eligible (see N.J.A.C. 10:89-2.3).
- B. No home energy assistance shall be authorized to households whose heating costs are paid by others outside the household.
- C. No special assistance shall be authorized for households residing in publicly operated housing or receiving a rent subsidy unless the household can demonstrate that it has direct responsibility for payment of its heating costs.
- D. Applications shall not be authorized for households residing in any licensed medical facility (hospital, skilled nursing facility, or intermediate care facility), publicly operated community residence, or center for the treatment of drug and/or alcohol abuse.
- E. Applications shall not be authorized for households consisting entirely of students who are tax dependents of another household.
- F. Households responsible for heating costs:
 - 1. Households which are responsible for primary fuel costs associated with residential heat shall receive a benefit based on the household's size, income, fuel type, and heating region, as referenced in N.J.A.C. 10:89 3.6.
 - I. Fuel types are electricity, natural gas, oil, propane, kerosene, coal, wood, and heat included in rent.
 - 2. Households whose heat is included in the rent or who pay a separate fuel charge to their landlord shall receive benefits as heat is included in the rent fuel type.
 - 3. The household must provide evidence that it is responsible for the payment of fuel costs.
 - 4. A household directly responsible to a public utility for payment of heating costs will receive the energy benefit in the form of a direct transfer to the utility. The benefit will be transferred directly to the client's utility company when the client receives a notification. A household directly responsible to other participating fuel suppliers will receive the benefit in the form of a two-party check. The check will be payable to the head of household and the name of the fuel supplier.

5. A household directly responsible for payment of heating costs to any non-participating fuel supplier will receive the energy benefit payable to the head of household and "Your Heating Supplier".
6. For cases in which an applicant indicates that he or she is using a kerosene heater as the primary heat source in an area in which zoning ordinances have declared that type of heater illegal, kerosene shall not be considered the household's main source of heat on the HEA application. In such situations, the Partnering Agency must advise applicants of the legal implications of using that form of heater and provide them with information regarding any available programs that may assist them in establishing an alternate heating source.
 - I. In any situation in which the applicant is uncooperative in securing a new heating source, the Partnering Agency or other non-profit agency must document in the case record that the applicant was advised of the illegality of the use of kerosene heaters and was counseled regarding existing alternatives. Home energy assistance payments shall not be authorized to supplement illegal heating sources.

3.3 Online Application Portal:

The program has introduced an online application portal to enable households to apply for the program from the comfort of their homes. All applications submitted online are reviewed and adjudicated by DCA and Partnering Agencies staff.

3.4 Cooling Assistance - DCA/PARTNERING AGENCY

- A. Income-eligible households for which there is medical evidence that the health of at least one household member will be seriously endangered unless the household's living quarters are cooled shall receive a one-time benefit in the amount of \$300.00 subject to the following provisions. This benefit is available in addition to any other benefit made under this program and will be paid directly to the household.
 1. The household must present evidence of health endangerment signed and stamped by a licensed medical practitioner. The following forms can be used for verification:
 - a. Physician's Certification form signed and stamped by a licensed medical practitioner or a medical prescription pad.
 - b. Critical Care Certification form approved by the utility company.

2. In order to receive cooling assistance benefit, the household must be directly responsible for payment to the fuel supplier providing the fuel used for residential cooling; be otherwise directly responsible for the payment of fuel charges (e.g., the landlord bills the households according to usage); or make payment for cooling costs which are included in a single monthly rental charge.
3. The following households are not eligible for cooling assistance payments:
 - I. Households residing in publicly operated housing or receiving a rent subsidy, which includes all cooling costs. Energy costs included in the rent, which are subsidized, do not apply as out-of-pocket for cooling costs.
 - II. Households for whom non-household members pay for the cooling fuel.
 - III. Residents of any licensed medical facility (hospital, skilled nursing facility, or intermediate care facility) or publicly operated community residence, and residents of centers for treatment of drug and/or alcohol abuse.
 - IV. Households consisting entirely of students who are tax dependents of another household.

3.5 Emergency Energy Assistance – DCA/ PARTNERING AGENCY

A. Emergency energy assistance is available to HEA-eligible households and is subject to the following conditions:

1. An energy emergency shall exist when a household is without heat or is in danger of being without heat and has insufficient income available to purchase fuel, or when a household that pays for heating costs, which are included in the monthly rental charge, receives a shut-off notice.

Non-Heating Electric Emergency Assistance for Renters: A renter household may also qualify for a Non-Heating Electric Emergency benefit when heat is included in the rent and the electric utility account is in the name of a household member. Eligibility shall include, but is not limited to, the following circumstances:

- A. A renter household receiving a \$234 utility allowance may be eligible for a Non-Heating Electric Emergency benefit of up to \$500.00, subject to program eligibility requirements and the documented emergency need.

B. A renter household residing in Section 8 or other subsidized housing, with the electric utility account in the name of a household member and a pending Cooling benefit of \$300.00, may be eligible for a Non-Heating Electric Emergency benefit of up to \$300.00.

1. Eligibility and benefit determination shall be based on the household's specific circumstances, applicable program requirements, documented emergency need, and the appropriate HLA Code. Staff shall refer to the HLA Codes Reference Table for detailed eligibility guidance.

fuel, or when a household that pays for heating costs, which are included in the monthly rental charge, receives a shut-off notice. The applicant will receive a Non-Heating Electric benefit of \$300.00.

2. The emergency must be verified by client affidavit and collateral contact, where possible and deemed necessary by the Partnering Agency or other non-profit agency.
3. The amount of any emergency assistance payment shall be the lowest amount charged for the service performed by the household's energy supplier or for the purchase of fuel but shall not exceed \$800.00 for the initial purchase of fuel oil, electricity, natural gas, bottled gas, kerosene, wood, or coal. The fee for reconnection of service shall not be counted toward the emergency assistance amount, but shall not be more than \$100.00
4. The DCA/ PARTNERING AGENCY shall evaluate the request for emergency assistance with the understanding that any benefits previously provided to the client under this section or N.J.A.C. 10:89-3.1, Automatic payments to certain households – DFD, and N.J.A.C. 10:89-3.2, Applications - DCA/PARTNERING AGENCY, were intended to defray the cost of home heating fuel for the current heating season or to defray heating costs which are included in a monthly rental charge.
5. The DCA/PARTNERING AGENCY or other non-profit agency shall, no later than 48 hours after a household or its representative requests emergency assistance, provide some form of assistance that will resolve the emergency situation if such household is eligible to receive such benefits.
6. The DCA/PARTNERING AGENCY or other non-profit agency shall also, not later than 18 hours after a household or its representative requests emergency assistance, provide some form of assistance that will resolve the emergency situation if such household is eligible to receive such benefits and is in a life-threatening situation.
7. All emergency energy assistance is subject to the availability of funds.

8. Emergency energy assistance will be authorized only during the months of December through June 30th. Fuel-deliverable emergency assistance will be available for all fuel sources except electricity and gas, which will be available at the end of the moratorium on March 15th. Utility and gas emergencies will be available on a first-come, first-served basis until the program runs out of funds or until June 30th.

It is intended that emergency energy assistance be authorized in the form of direct payment to the fuel vendor from the HEA Program. If a direct transfer is not possible, a two-party check will be issued to the client and the fuel vendor.

B. Emergency purchase of fuel:

1. The PARTNERING AGENCY or other non-profit agency is authorized to issue approval for the purchase of fuel oil or other fuel used for residential heating.
2. Emergency purchase of fuel shall only be authorized for households that are directly responsible for the payment of fuel costs associated with residential heating.
3. The client shall be required to provide the DCA/ PARTNERING AGENCY with a receipt for fuel purchased with emergency energy funds.

C. Emergency energy assistance for specific services:

1. Emergency energy assistance is authorized through the DCA/PARTNERING AGENCY when a household is without heat or is in danger of being without heat. Payments for the following services shall only be authorized for a household if the household owns and resides in the residence requiring the service:

I. Emergency Furnace Repair and Replacement – Mandatory Pre-Approval Requirement

1. All Emergency Furnace Repairs and Replacements up to \$2,000.00 under programs administered by the Office of Home Energy Assistance require mandatory written pre-approval from DCA before any repair or replacement work begins.

2. Agencies must submit a formal written request for pre-approval that includes the following supporting documentation:

- a. Clear documentation verifying the need for the repair or replacement, such as an inspection report, licensed technician diagnosis, and photographs, if available.

b. Detailed, itemized pricing estimates for the proposed repair or replacement.

c. Any additional documentation supporting the emergency nature of the request.

3. No repair or replacement work may begin until written approval has been issued by DCA. Any work initiated prior to receiving written approval may be deemed ineligible for payment or reimbursement.

4. This pre-approval requirement is intended to ensure proper oversight, cost verification, fiscal accountability, and compliance with all applicable program requirements.

5. Compliance with this requirement is mandatory for all Partnering Agencies.

6. Furnace restart not to exceed \$100.00

D. Restoration or maintenance of utility service:

1. Emergency energy assistance may be granted by a DCA/PARTNERING AGENCY to restore or maintain utility service for an eligible household under the following conditions:
 - I. The service provided by the utility is essential to the maintenance of the household's heating source.
 - II. The household must have received a termination of service notice or have been shut off.
 - III. The utility company agrees to restore or maintain service but requests a reconnection fee.
 - IV. The household is without the means to pay the reconnection fee.
 - V. The household is directly responsible to the utility for payment of the bill.
 - VI. The total amount of the emergency payment may not exceed \$800.00, which includes the emergency purchase of fuel and excludes the reconnection fee.
 - VII. The DCA/PARTNERING AGENCY or other non-profit agency must verify with the utility that the amount of the available emergency payment will be sufficient to restore or maintain service.
2. If the request for emergency assistance is made while the Board of Public Utilities Order regarding the winter termination program (moratorium) is in effect, the household must document that the appeal to the Board has been unsuccessful.

3. If a household that heats with fuel oil must have utility service reconnected to start the fuel burner, emergency energy assistance may be granted for the utility reconnection necessary to restart the fuel burner and for an emergency fuel oil delivery. The total amount of emergency payment in such instances may not exceed \$800.00. The maximum payment for utility reconnection may not exceed \$100.00. If a household that heats with fuel oil has used its HEA benefit check to purchase oil or already has oil but needs utility reconnection to start the fuel burner, emergency energy assistance may be granted for such utility reconnection, but may not exceed \$300.00

3.6 Maximum Program Benefit

- A. An eligible household may receive a maximum of \$4,878.00 in program benefits, including automatic or special payments, plus any emergency assistance payments and emergency furnace repair payments. A household that receives more than the maximum program benefit is subject to recoupment procedures in accordance with N.J.A.C. 10:89-5.3.

3.7 Payment Schedule - DFD/DCA/ Determination of Benefits

- A. The HEA program provides for heating, medically necessary cooling, emergency heating, supplemental heating, emergency supplemental heating, and emergency supplemental assistance cooling. The amount of available funds under these various assistance programs shall be determined as follows:
 1. Annually, the amount of funds available for LIHEAP is determined by New Jersey's LIHEAP allocation from the USDHHS, any USDHHS leveraging funds awarded, and any unspent funds from the previous year which are carried forward. From these monies, an amount not to exceed seven percent of available funding is transferred to the Department of Community Affairs for weatherization.
 2. In addition, not exceeding 10 percent of available funding is allocated for the cost of program administration, to be shared by both DCA and the agencies (PARTNERING AGENCIES, Outreach Agencies, and CWAs). Benefits are determined after setting aside funds for heating
 3. emergencies and medically necessary cooling.
 4. These amounts are based on the number of eligible households assisted in prior years and the level of funding available in the current fiscal year. The highest benefit shall be issued to those households with the lowest incomes and the highest energy costs or needs in relation to income and household size.

- B. As provided at N.J.A.C. 10:89-3.5, heating assistance shall not exceed \$1,278.00.
 - 1. Each year, the Department of Human Services will provide, through a public notice published in the New Jersey Register, the benefit level matrix identifying benefit levels by household income, household size, fuel type, and geographical region.
- C. As provided at N.J.A.C. 10:89-3.4, emergency heating assistance shall not exceed \$800.00 for the initial purchase of fuel.
- D. As provided at N.J.A.C. 10:89-3.3, medically necessary cooling assistance shall not exceed \$300.00
- E. In consideration of the needs of LIHEAP beneficiaries, funds unexpended during the regular heating season shall be made available for supplemental heating emergency situations. Eligible LIHEAP households who heat with electricity or natural gas experience a shutoff between March 16 and June 30th, or were issued a shutoff notice, and have made a good faith payment on their heating account during this period shall be eligible for a supplemental heating emergency benefit. Such households shall receive a benefit based on the availability of funding and the number of eligible households, as estimated from previous years.
- F. Any Federal supplemental allocations received shall be expended as emergency supplemental heating funds or emergency supplemental cooling funds, and in conformity with Federal law, regulation and contingencies, and may include the reopening of the application period.

4. Application Process

4.1. Opportunity and Decision to Apply –DCA/PARTNERING AGENCY

- A. Any individual(s) who believes he or she or his or her household is eligible for HEA must be given the opportunity to apply without delay. Heating and cooling assistance applications shall be accepted from October 1 on a first-come, first-served basis, or until June 30 of the following year, whichever comes first. Applicants will be informed about eligibility requirements and their rights and obligations in applying for and receiving assistance. The decision to apply rests with the applicant. The applicant has the right to withdraw the application before the benefit is issued. Upon submission of the application, the application shall be transmitted to the Office of Information Technology (OIT) in accordance with (e) below.

1. For purposes of this program, the applicant shall be the adult household member who is billed for payment of heating/cooling costs or responsible for payment of the rent.
 - i. If the applicant is unable to complete the application due to illness or injury, the Partnering Agency shall accept it from an authorized representative who is sufficiently familiar with the household's circumstances.
- B. SNAP households that have received or will receive automatic benefits but submit a separate application will have that application denied by the DCA/PARTNERING AGENCY or other non-profit agency. In case the application from DFD/DHS has errors, the applicant must submit a full application to be considered for program benefits.

Households desiring HEA assistance must complete a Home Energy Assistance Application. The application must be completed and signed at sites designated by the Partnering Agency in the county in which the household resides. The application shall be signed by the household member responsible for payment of heating or cooling costs or by his or her authorized representative and by the Partnering Agency worker providing intake assistance.

1. Households consisting of persons who are 60 years of age or over, or persons who are disabled, may mail the application to the Partnering Agency, or they can apply online. All households have the option to apply by mail or online. Additionally, these households can call NJ 211 to request a home visit from a Partnering Agency to complete their application from the comfort of their homes.
2. The PARTNERING AGENCY shall provide home visits to accept applications from those households who cannot apply in person at the PARTNERING AGENCY or complete the online application (e.g., the applicant is ill, bedridden, or for whom access to the PARTNERING AGENCY is difficult or is unable to complete the online application).
3. The PARTNERING AGENCY shall document the date of application recording on the application, and the date it was received by the PARTNERING AGENCY. The period for determination of program eligibility or ineligibility and notification of the household of the determination is calculated from the date the application is submitted with all the required documents provided.

4. Program eligibility or ineligibility must be determined, and the household is notified of the decision within 60 days for all households. The household must cooperate with the PARTNERING AGENCY in the eligibility determination process. If the household refuses to cooperate in this process, the application shall be denied.
- C. At the time of application, the PARTNERING AGENCY shall advise the household of all program eligibility requirements and the method by which assistance will be provided. Additionally, the PARTNERING AGENCY shall assist the household in completing the application and explain what elements of eligibility must be verified. The PARTNERING AGENCY must advise the household what verification is required and explain that the case will be denied if verification is not provided.
1. The following must be verified, documented, and retained in the case record by the PARTNERING AGENCY or other non-profit agency prior to transmitting the application to OIT.
 - i. Name of the applicant and all household members;
 - ii. Social Security number of the applicant and all household members;
 1. Any applicant for HEA only, who has not been assigned a Social Security number must be referred to the local Social Security Administration district office to apply for the same and must submit verification of such application to the PARTNERING AGENCY or other non-profit agency.
 - iii. Address.
 - iv. Heating fuel type and supplier. The client shall present a bill or contract from the fuel supplier (the PARTNERING AGENCY or other non-profit agency may, with the consent of the household, contact the supplier for verification).
 - v. Current lease (first, second, and last page of the lease signed), subject to the following verification requirements:
 1. A lease that is within six (6) months of expiration shall be accompanied by a current rent receipt or a canceled check verifying current rental payment and continued occupancy.
 2. An older or expired lease may be accepted when accompanied by a current Housing Choice Voucher, current Section 8 voucher, or current Section 8 award letter verifying the household's current tenancy and housing assistance.

3. Household Composition – Households that are no longer part of a previously benefited household must verify their current residence to establish eligibility at the new address. Acceptable verification includes, but is not limited to, a new lease agreement or a current utility bill reflecting the household's current residence.

- vi. Earned and unearned income shall be verified by wage stubs or any applicable documentation relating to any consecutive four-week period within the last sixty days before the date the client signs the application or reports a change in earnings.
 - vii. Other income including pensions, outside contributions, interest, dividends, UIB, disability, and support payments.
 - viii. Proof of tax dependency status for a household consisting entirely of students (i.e., a copy of the most recent tax return of the student's parents).
2. The following must be verified and documented if the information provided by the applicant is questionable or inconsistent:
- i. Composition of the household.
 - ii. Gross monthly income and total monthly household expenditures.
 - iii. Home ownership
 - iv. Social Security numbers for household members that were not verified in accordance with (d)1i(2) above.
- D. The PARTNERING AGENCY shall transmit the application through the D365 online portal. The application shall be adjudicated by the PARTNERING AGENCY to ensure that it is complete and that all required supporting documents are uploaded to the portal.
- E. In certain instances, the PARTNERING AGENCY may not be able to submit a complete application to the D365 portal because the household has not provided or refuses to provide verification that the PARTNERING AGENCY cannot otherwise obtain. In such instances, the PARTNERING AGENCY determines that the household is not cooperating; the PARTNERING AGENCY shall advise the household of the consequences of its noncooperation and give the household an opportunity to collaborate. After three points of contact during a 70-day period, the application will be deactivated, and the client will be advised that they will need to reapply. The PARTNERING AGENCY must **record the specifics of the** situation requiring this action.

5. Once the PARTNERING AGENCY has established either that the household will not cooperate further or that the household believes it has provided sufficient verification, the application will be denied and deactivated from the online portal. A denial and deactivation notice will be sent to the applicant, informing them of the denial and contesting this denial at a fair hearing.
6. If, after 70 days, the application is incomplete, it will be denied and deactivated from the online portal, and a denial and deactivation notice will be sent to the applicant.
- F. However, the PARTNERING AGENCY will be responsible for screening each HEA application to determine the following:
 1. The household's gross monthly income meets the monthly income eligibility standards in N.J.A.C. 10:89-2.3(a).
 2. The household is responsible for payment of its heating/cooling costs in accordance with N.J.A.C. 10:89-2.2(b);
 3. The household meets the definition of "resident" provided in N.J.A.C.10:89-2.2(a)1
- G.If the PARTNERING AGENCY or other non-profit agency determines, based on the provisions of (f) above, that the household is ineligible, the household must be advised that its application will be denied.
- H.If a household's application is denied by the PARTNERING AGENCY or other non-profit agency, the PARTNERING AGENCY or other non-profit agency must still submit the application through the regular channel to ensure that a denial notice is generated and sent to the applicant.
- I. DCA will issue an adverse action notice to the household upon processing of the PARTNERING AGENCY's denied application.

5. Other Program Requirements

5.1. Establishment of Home Energy Assistance Units - DCA/PARTNERING AGENCY

- A. PARTNERING AGENCIES (PAs) shall establish separate Home Energy Assistance units to handle applications and all related program activities.

PARTNERING AGENCY shall utilize existing staff or additional personnel as required to ensure that all applications are promptly taken, complete with all the necessary information, processed as per the Department of Community Affairs (DCA) instructions, within the time limits established in N.J.A.C. 10:89-4.1(e), and that all required verification is documented in the case record.

B. PARTNERING AGENCIES or other non-profit agencies must also comply with the following requirements:

1. Accept and process home energy assistance applications at any other office designated by the PARTNERING AGENCY or other non-profit agency to accept HEA applications.
2. Provide home visits to accept applications from households who are unable to apply online, or in person at the PARTNERING AGENCY (e.g., ill, bedridden, those for whom access to the PARTNERING AGENCY is difficult due to remoteness).
3. Provide communication assistance to persons with limited English-speaking ability, impaired hearing, vision, or speech impairments, and to illiterate persons to ensure such persons are advised of the existence of the program, their right to apply, and their fair hearing rights.
4. Provide adverse action notices to those households whose payments are held by the PARTNERING AGENCY in accordance with (b)6 below.
5. Review all payments issued by DCA to ensure that payments are not issued to ineligible households or that households have not exceeded the maximum benefit established in Federal regulations.

5.2. Notice Requirements - DCA/PARTNERING AGENCY/CWA

- a. A right to a fair hearing notification will be emailed, including a statement regarding the right to appeal any decision regarding eligibility or amount of benefit, and will be available in both English and Spanish.
- b. The Department of Community Affairs will generate notices informing the household of any action taken on its application.
 1. This notice of eligibility or denial is sent to applicants for the Home Energy Assistance Program.
 2. For households determined eligible, a computer-generated form will advise the household of the amount of assistance to which they are entitled.
 3. For households that are denied, a computer-generated form will advise the household of the reason for the denial.
- c. Households receiving automatic payments shall receive a notice. The notice will advise the household of the amount of assistance to which they are entitled.
- d. Households receiving PAAD and SNAP who do not receive automatic payments shall also receive a Notice of Home Energy Assistance Action explaining why the household was not selected for an automatic payment.

5.3. Recoupment of Overpayments - PARTNERING AGENCY/CWA

- A. "Overpayments" shall include the following:
 - 1. Households that receive benefits that are duplicative, i.e., households receiving more than one fully automatic and/or application energy entitlement during any program year, shall be considered to have been overpaid.
 - 2. Households that receive any amount of HEA benefits that the CWA or PARTNERING AGENCY or other non-profit agency determines to have been issued inappropriately by virtue of fraud, misrepresentation of fact, or administrative error shall be considered to have been overpaid.
- B. All households determined to have been overpaid shall be required to repay the excess benefit. Upon discovery of the overpayment, the CWA or PARTNERING AGENCY shall act in accordance with the procedures in this subsection.
 - 1. The amount of the overpayment shall be the difference between the total HEA benefit paid to the household and the established maximum benefit.
 - 2. Immediately upon discovery of an overpayment, the CWA or PARTNERING AGENCY or other non-profit agency shall inform the household in writing of the amount overpaid, how the overpayment was calculated, and request repayment.
 - 3. If the household makes repayment, the amount recovered shall be treated in accordance with procedures established by DFD's Bureau of Business Services or DCA's fiscal office.
 - 4. If the household refuses to repay, does not respond to the repayment request, or fails to make scheduled repayments, it shall be advised that it will receive future HEA benefits to which the household may be entitled.
 - 5. The CWA or PARTNERING AGENCY shall institute action to recover the full amount of overpayment by reducing the household's HEA entitlement in the succeeding program year.
 - 6. Recoupment of overpayments from future HEA benefits is subject to adequate notice in accordance with N.J.A.C. 10:89-5.2.

5.4. Lost or stolen checks - PARTNERING AGENCY/CWA

- A. Households whose energy check has been lost or stolen must report the loss to the CWA or the PARTNERING AGENCY.
 - 1. CWAs and PARTNERING AGENCIES shall receive a request for check replacement from clients' requests for Check Replacement, which they will notify DCA for processing.
 - 2. Additionally, the CWA and the PARTNERING AGENCY or other non-profit agencies shall comply with all other fiscal procedures regarding lost or stolen energy checks.

5.5. Outreach Requirements – PARTNERING AGENCY

- A. An outreach network and referral system must be established in each county to advise potentially eligible households on the availability of energy assistance.
- B. Outreach activities must be implemented to ensure the identification and provision of services to the following:
 - 1. The elderly, ill, bedridden, disabled, and young children.
 - 2. Those for whom access to the program is difficult due to remoteness, frequent change of address, limited English-speaking ability, or lack of knowledge about service programs.
 - 3. Low-income families.
- C. PARTNERING AGENCY responsibilities shall include, at a minimum, the following:
 - 1. Distribution of copies of the Home Energy Assistance Fact Sheet to all appropriate cooperating groups, agencies, and organizations including those involved in SNAP program informational activities, e.g., county offices on aging, community action agencies, municipal welfare departments, Social Security Administration district offices, public education, library and media facilities, police and fire departments, religious organizations, migrant organizations, and American Indian organizations and home energy suppliers.
 - 2. Distribution of outreach materials and instructions for completing an online application to all cooperating outreach groups, agencies, and organizations so that they may be made available to older people and people with disabilities.
 - 3. Distribution of sample applications and instructions for completion to all cooperating outreach groups, agencies, and organizations.
 - 4. Provision of sufficient information to the staff of cooperating groups, agencies, and organizations to enable them to assist the potential applicant in assembling the required documentation.

5. Contact each home energy supplier within the county to advise them of the existence of the HEA program and to encourage them to make information regarding HEA available to their customers.
- D. PARTNERING AGENCIES may initiate other outreach activities as they deem appropriate.
- E. PARTNERING AGENCIES are permitted to outstation staff at other cooperating agencies to take applications or to assist in reviewing applications taken by staff of those agencies.

5.6. Referral to weatherization - DCA/PARTNERING AGENCY

- A. The Department of Community Affairs (DCA) supervises local PARTNERING AGENCIES that administer weatherization programs.
- B. At the time of application, PARTNERING AGENCIES will discuss with applicants the advantages and availability of weatherization programs.
 1. Applicants interested in weatherization will be referred for evaluation and service, if appropriate.
 2. The PARTNERING AGENCY will be requested to refer the household to all other local energy conservation programs.
 3. Energy applications will be coded to indicate to which PARTNERING AGENCY the applicant was referred to.
 4. This referral will be followed up by a computer-generated report listing all weatherization referrals. This report will be shared with DCA and the PARTNERING AGENCY.