



STATE OF NEW MEXICO
HUMAN SERVICES DEPARTMENT

HUMAN SERVICES REGISTER

I. DEPARTMENT

HUMAN SERVICES DEPARTMENT

II. SUBJECT

ANNUAL STATE PLAN PUBLIC COMMENT, ANNUAL
ADJUSTMENTS TO FEDERAL POVERTY GUIDELINES

III. PROGRAMS AFFECTED

LOW INCOME HOME ENERGY ASSISTANDE PROGRAM

IV. ACTION

PROPOSED REGULATIONS

V. BACKGROUND

This Human Services Register requests public comments on the annual LIHEAP State Plan. Each year, the LIHEAP State Plan is submitted to the Federal administering agency, the Department of Health and Human Services (DHHS). The LIHEAP State Plan will be amended to reflect the administration of the LIHEAP program in Federal Fiscal Year (FFY) 2013 and to make any adjustments to the LIHEAP Federal Poverty guidelines (FPG) as required by federal statute.

Further, the Human Services Department is proposing clarifying language in the LIHEAP Regulations to align the administration of LIHEAP with the other public assistance programs, define crisis and life-threatening situations for crisis LIHEAP processing timeframes and to propose an application processing timeframe to ensure the disposition of receipt of LIHEAP benefits.

VI. PROPOSED REGULATIONS

The Department proposes to administer LIHEAP in FFY 2013 with any federally mandated changes to the Federal Poverty guidelines (FPG).

These comments must be received no later than 5:00 PM., on August 30, 2012. Written and recorded comments will be given the same consideration as oral comments made at the public hearing.

X. PUBLICATION

Publication of these proposed regulations approved on 7/13/12
by:

Sidonie Squier
SIDONIE SQUIER, SECRETARY
HUMAN SERVICES DEPARTMENT

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

DETAILED MODEL PLAN

PUBLIC LAW 97-35, AS AMENDED

FISCAL YEAR (FY) 2013

GRANTEE State of New Mexico

EIN: 1-856000570-A5

ADDRESS Human Service Division

Income Support Division

Work & Family Support Bureau

PO Box 2348

Santa Fe, NM 87504-2348

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PLEASE CHECK ONE: TRIBE STATE INSULAR AREA

Department of Health and Human Services
Administration for Children and Families
Office of Community Services
Washington, DC 20447

August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01

OMB Approval No. 0970-0075

Expiration Date: 04/30/2014

THE PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13)

Use of this model plan is optional. However, the information requested is required in order to receive a Low Income Home Energy Assistance Program (LIHEAP) grant in years in which the grantee is not permitted to file an abbreviated plan. Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

GRANTEE State of New Mexico

FFY 2013

Assurances

The State of New Mexico agrees to:
(Grantee Name)

(1) use the funds available under this title to--

(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

(D) plan, develop, and administer the State's program under this title including leveraging programs,

and the State agrees not to use such funds for any purposes other than those specified in this title;

(2) make payments under this title only with respect to--

(A) households in which one or more individuals are receiving--

(i) assistance under the State program funded under part A of title IV of the Social Security Act;

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of—

(i) an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income;

except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income.

(3) 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;

(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, 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;

(5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that—

(A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

(B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;

(7) if the State chooses to pay home energy suppliers directly, establish procedures to --

(A) notify each participating household of the amount of assistance paid on its behalf;

(B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

(C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and

(D) ensure that the provision of vendor payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;

(8) provide assurances that,

(A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and

(B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that--

(A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a fiscal year; and

(B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));

(10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");

(11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

(12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);

(13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and

(14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15) * beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs.

*** This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Neither territories with annual allotments of \$200,000 or less nor Indian tribes/tribal organizations are subject to Assurance 15.**

(16) use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

Certification to the Assurances: As Chief Executive Officer, I agree to comply with the sixteen assurances contained in Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended.* By signing these assurances, I also agree to abide by the standard assurances on lobbying, debarment and suspension, and a drug-free workplace.

Signature of the Tribal or Board Chairperson or Chief Executive Officer of the State or Territory.**

Signature: _____

Title: _____

Date: _____

*** Indian tribes/tribal organizations, and territories with annual regular LIHEAP allotments of \$200,000 or less, are not subject to assurance 15, and thus must only certify to 15 assurances.**

**** If a person other than the Chief Executive Officer of the State or territory, or Tribal Chairperson or Board Chairperson of a tribal organization, is signing the certification to the assurances, a letter must be submitted delegating such authority. (PLEASE ATTACH DELEGATION of AUTHORITY.) The delegation must include authority to sign the assurances, not just to administer the program.**

***** HHS needs the EIN (Entity Identification Number) of the State, territory or Tribal agency that is to receive the grant funds before it can issue the grant.**

In the above assurances which are quoted from the law, "State" means the 50 States, the District of Columbia, an Indian Tribe or Tribal Organization, or a Territory; "title" of the Act refers to Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), as amended, the "Low Income Home Energy Assistance Act"; "section" means Section 2605 of OBRA; and, "subsection" refers to Section 2605(b) of OBRA.

statutory
references

2605(a)

2605(b)(1)

→ Please check which components you will operate under the LIHEAP program.
(Note: You must provide information for each component designated here as requested elsewhere in this plan.)

| | <u>Dates of Operation</u> | |
|----------------|------------------------------------|---------------------|
| (use of funds) | <u> X </u> heating assistance | <u> 10/1-8/31* </u> |
| | <u> X </u> cooling assistance | <u> 10/1-8/31* </u> |
| | <u> X </u> crisis assistance | <u> 10/1-8/31* </u> |
| | <u> </u> weatherization assistance | <u> </u> |

2605(c)(1)(C) → Please estimate what amount of available LIHEAP funds will be used for each component that you will operate: **The total of all percentages must add up to 100%.**

(use of
funds)

60 % heating assistance

% cooling assistance

30 % crisis assistance

2605(k)(1)

% weatherization assistance

% carryover to the following fiscal year

2605(b)(9)

10 % administrative and planning costs

2605(b)(16)

% services to reduce home energy needs
including needs assessment (assurance 16)

% used to develop and implement leveraging activities (limited to the greater of 0.08% or \$35,000 for States, the greater of 2% or \$100 for territories, tribes and tribal organizations).

100 **TOTAL**

statutory
references

2605(c)(1)(C)

➔The funds reserved for winter crisis assistance that have not been expended by March 15 will be reprogrammed to:

(alternate use
of crisis assistance
funds)

heating assistance

cooling assistance

weatherization assistance

Other(specify):

➔Do you accept applications for energy crisis assistance at sites that are geographically accessible to all households in the area to be served? (This is required by the statute.)

Yes No

2605(b)(2)

2605(c)(1)(A)

➔What are your maximum eligibility limits?

(Please check the components to which they apply.)

Current year guidelines must be used.

(eligibility)

150% of the poverty guidelines:

heating cooling crisis wx

125% of the poverty guidelines:

heating cooling crisis wx

110% of the poverty guidelines:

heating cooling crisis wx

60% of the State's median income:

heating cooling crisis wx

Other (specify for each component)

Households automatically eligible if one person is receiving

TANF, SSI, Food Stamps, Certain means-tested veterans programs (heating cooling crisis wx

statutory
references

2605(c)(1)(A)
2605(b)(2)
(eligibility)

→Do you have additional eligibility requirements for:
HEATING ASSISTANCE _____ Yes X No)

→Do you use: Yes No

Assets test? _____ X

→Do you give priority in eligibility to:

Elderly? X _____

Disabled? X _____

Young children? X _____

Other: _____
(If Yes, please describe)

statutory
references

2605(c)(1)(A)
2605(b)(2)

→Do you have additional eligibility requirements for:
COOLING ASSISTANCE (Yes X No)

(eligibility)

| →Do you use: | <u>Yes</u> | <u>No</u> |
|--|--------------|--------------|
| Assets test? | <u> </u> | <u> X </u> |
| →Do you give priority in eligibility to: | | |
| Elderly? | <u> X </u> | <u> </u> |
| Disabled? | <u> X </u> | <u> </u> |
| Young children? | <u> X </u> | <u> </u> |
| Other: (If Yes, please describe) | <u> </u> | <u> X </u> |

statutory
references

2604(c)
2605(c)(1)(A)

→Do you have additional eligibility requirements for:
CRISIS ASSISTANCE (X Yes No)

(eligibility)

| | <u>Yes</u> | <u>No</u> |
|---|------------|------------|
| →Do you use: | | |
| Assets test? | <u> </u> | <u> X </u> |
| Must the household have received a shut-off notice or have an empty tank? | <u> X </u> | <u> </u> |
| Must the household have exhausted regular benefit? | <u> </u> | <u> X </u> |
| Must the household have received a rent eviction notice? | <u> </u> | <u> X </u> |
| Must heating/cooling be medically necessary? | <u> </u> | <u> X </u> |
| Other (Please explain): | <u> </u> | <u> </u> |

→What constitutes a crisis? (Please describe)

One of the following:

- Disconnect notice from the utility provider**
- Insufficient funds to get delivery of bulk fuel**
- Insufficient funds to initiate utility service**

statutory
references

2605(c)(1)(A) → Do you have additional eligibility requirements for:
WEATHERIZATION (___ Yes ___ No)

(eligibility)

→ Do you use: Yes No

Assets test? _____

Priority groups? (Please list) _____

→ Are you using Department of Energy (DOE) Low
Income Weatherization Assistance Program
(LIWAP) rules to establish eligibility or to establish
priority eligibility for households with certain
characteristics? _____

→ If Yes, are there exceptions?
Please list below. _____

statutory
references

2605(b)(3)
2605(c)(3)(A)

(outreach)

→ Please check the outreach activities that you conduct that are designed to assure that eligible households are made aware of all LIHEAP assistance available:

provide intake service through home visits or by telephone for the physically infirm (i.e. elderly or disabled).

place posters/flyers in local and county social service offices, offices of aging, Social Security offices, VA, etc.

publish articles in local newspapers or broadcast media announcements.

include inserts in energy vendor billings to inform individuals of the availability of all types of LIHEAP assistance.

make mass mailing to past recipients of LIHEAP.

inform low income applicants of the availability of all types of LIHEAP assistance at application intake for other low-income programs.

execute interagency agreements with other low-income program offices to perform outreach to target groups.

other (Please specify): **The LIHEAP application is available for download on the HSD website in English and Spanish**

statutory
references

2605(b)(4)

➔ Please describe how you will assure that LIHEAP is coordinated with similar and related programs. The description provided applies to all components unless specifically noted.

(coordination)

HSD offices accept applications for other low-income programs. They routinely offer LIHEAP during application screening.

Staff of community action agencies assists clients in completing LIHEAP applications.

LIHEAP staff participates in summits attended by members of the utility assistance community. LIHEAP staff has frequent contact with other community agencies and programs.

Some tribal offices that are not LIHEAP administering agencies accept and route complete LIHEAP applications and documentation to the State agency for processing.

Albuquerque multi-service center accepts LIHEAP applications. The staff assists with home visits.

Association of Community Organizations for Reform Now is funded by utility company to do outreach and accept applications for clients who prefer not to apply at the HSD ISD offices. They provide service to homebound applicants.

2605(b)(5)

2605(b)(2)

2605(b)(8A)

➔ The statute requires that there be no difference in the treatment of households eligible because of their income and those eligible because they receive benefits under TANF, Food Stamps, SSI, or certain means-tested veterans programs ("categorically eligible"). How do you ensure there is no difference when determining eligibility and benefit amounts? This applies to all components unless specifically noted below.

(benefit
levels)

There are no categorically eligible households. All households must apply and the benefit levels are calculated on the same basis with one exception. Eligible households who/cut gather their firewood or whose utilities are included in the rent receive a benefit based on income points and vulnerable population points only.

statutory
references

HEATING COMPONENT

2605(b)(5) → Please check the variables you use to determine your benefit levels (check all that apply):

(determination
of benefits)

- income
- family (household) size
- home energy cost or need
 - fuel type
 - climate/region
 - individual bill
 - dwelling type
 - energy burden
(% of income spent on home energy)
 - energy need
 - other (describe)

Additional benefit go to households with vulnerable members- children under age 5 or under, members age 60 or over, members who are disabled.

Households who cut/gather their firewood or whose utilities are included in their rent receive a benefit without energy cost points.

2605(b)(5) → Describe how you will assure that the highest benefits go to households
2605(c)(1)(B) with the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size.

(benefit levels) Please describe benefit levels or attach a copy of your payment matrix.

Benefits are determined using a point system based on household income/family size, vulnerable members, and energy cost.

Households who cut/gather their firewood or whose utilities are included in their rent receive a benefit without energy cost points.

The point value is determined each year by considering the economy, grant amount and weather predictions.

→ Do you provide in-kind (e.g., blankets, space heaters) and/or other forms of benefits?

Yes No If Yes, please describe.

statutory
references

2605(b)(5)
2605(c)(1)(B)

COOLING COMPONENT

➔ Please check the variables you use to determine your benefit levels (check all that apply):

(determination
of benefits)

- income
 family (household) size
 home energy cost or need
 fuel type
 climate/region
 individual bill
 dwelling type
 energy burden
 (% of income spent on home energy)
 energy need
 other (describe)

2605(b)(5)
2605(c)(1)(B)

➔ Describe how you will assure that the highest benefits will go to households with the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size. Please describe benefit levels or attach a copy of your payment matrix.

(benefit
levels)

➔ Do you provide in-kind (e.g. fans) and/or other forms of benefits?

Yes No If Yes, please describe.

statutory
references

2605(b)(5)
2605(c)(1)(B)

CRISIS COMPONENT

(determination
of benefits)

➔How do you handle crisis situations?

_____ separate component X other (please explain)

Households who apply for LIHEAP benefits and provide documentation that a crisis situation exists will have their application processed within forty-eight (48) hours after submission of an application for LIHEAP benefits or within eighteen (18) hours in demonstrating life-threatening situations.

➔If you have a separate component, how do you determine crisis assistance benefits?

_____ amount to resolve crisis, up to maximum

_____ other (please describe)

(benefit
levels)

➔Please indicate the maximum benefit for each type of crisis assistance offered.

heating \$ _____ maximum benefit

cooling \$ _____ maximum benefit

year-round \$ 224* maximum benefit
*based on 2012 funding

➔Do you provide in-kind (e.g. blankets, space heaters, fans) and/or other forms of benefits?

Yes X No If Yes, please describe.

statutory
references

2605(b)(5)
2605(c)(1)
(B) & (D)

**WEATHERIZATION & OTHER ENERGY RELATED
HOME REPAIR AND IMPROVEMENTS**

➔What LIHEAP weatherization services/materials do you provide?
(Check all categories that apply.)

(types of
assistance)

Weatherization needs assessments/audits.
 Caulking, insulation, storm windows, etc.
 Furnace/heating system modifications/repairs
 Furnace replacement
 Cooling efficiency mods/repairs/replacement
 Other (Please describe)

(benefit
levels)

➔Do you have a maximum LIHEAP weatherization benefit/expenditure
per household? Yes No

If Yes, what is the maximum amount? \$_____

➔Under what rules do you administer LIHEAP weatherization? (Check
only one.)

(types of
rules)

Entirely under LIHEAP (not DOE) rules
 Entirely under DOE LIWAP rules
 Mostly under LIHEAP rules with the following DOE LIWAP rule(s)
where LIHEAP and LIWAP rules differ (Check all that apply):

Weatherize buildings if at least 66% of units (50% in 2- &
4-unit buildings) are eligible units or will become eligible within
180 days

Weatherize shelters temporarily housing primarily low
income persons (excluding nursing homes, prisons, and similar
institutional care facilities).

Other (Please describe)

Mostly under DOE LIWAP rules, with the following
LIHEAP rule(s) where LIHEAP and LIWAP rules differ (Check
all that apply.)

Weatherization not subject to DOE LIWAP maximum
statewide average cost per dwelling unit.

Other (Please describe.)

2605(b)(6) The state or tribe administers LIHEAP through the following local agencies:

(agency designation) county welfare offices
 community action agencies (weatherization component only)
 community action agencies (heating, cooling or crisis)
 charitable organizations
 not applicable (i.e. state energy office)
 tribal office
 other, describe:

Although eligibility decisions are all made at the local county welfare offices, many tribes/entities collect applications and documentation and submit the completed applications to the local county welfare or central office for processing. These entities include:

Isleta Pueblo and Santo Domingo Pueblo staff accept LIHEAP applications at their senior center and social services offices.

Association of Community Organization for Reform Now (ACORN) Accepts applications during the winter and actively promotes LIHEAP and participates in outreach activities,

Children Youth and Families Department staff has been trained to accept LIHEAP applications.

Albuquerque multi-service centers accept applications. The staff assists with home visits.

Faith at Work and St Vincent de Paul accept LIHEAP applications and submit them on behalf of the clients.

→Have you changed local administering agencies from last year?
 Yes No

If yes, please describe how you selected them.

→What components are affected by the change?

2605(c)(1)(E) →Please describe any additional steps (other than those described elsewhere in this plan) that will be taken to target assistance to households with high home energy burdens. **(This applies to all components. If all steps to target households with high home energy burdens are described elsewhere in the plan, no further information is required here.)**

(targeting of assistance)

statutory
references

2605(b)(7)
(energy
suppliers)

➔Do you make payments directly to home energy suppliers?

Heating Yes No

Cooling Yes No

Crisis Yes No

If Yes, are there exceptions? Yes No

If Yes, please describe.

Benefits will be sent to eligible households in the following circumstances:

Households whose utilities are included in their rent

Households who cut/gather their firewood

Households whose chosen vendor is not a certified vendor

2605(b)(7)(A)

➔If you make payments directly to home energy suppliers, how do you notify the client of the amount of assistance paid? (Please describe)

When the benefit is issued, a notice is sent to the household explaining the amount of benefit, how the benefit was calculated, which company was sent the benefit and what account is being credited.

2605(b)(7)

(B) & (C)

➔How do you make sure the home energy supplier performs what is required in this assurance? If vendor agreements are used, they may be attached. Indicate each component for which this description applies.

Vendors are required to sign a certification agreement in order to receive funds on behalf of clients. Periodic reviews of client records are conducted to verify that payments are credited to the specified accounts.

statutory
references

2605(b)(8)(B) → Is there any difference in the way owners and renters are treated? If Yes, please describe.

(owners
and
renters)

HEATING ASSISTANCE

Yes No

COOLING ASSISTANCE

Yes No

CRISIS ASSISTANCE

Yes No

WEATHERIZATION

Yes No

statutory
references

2605(b)(10)

➔How do you ensure good fiscal accounting and tracking of LIHEAP funds? (Please describe. Include a description of how you monitor fiscal activities.)

All accounts used to fund LIHEAP activities are coded separately to ensure expenditures are tracked and identified as either administrative or Fiscal care and support costs.

(program,
fiscal
monitoring,
and audit)

➔How do you monitor program activities? (Please be sure to include a description of how you monitor eligibility and benefit determination.)

Monthly reviews of LIHEAP applications are conducted by supervisors in the ISD County offices. Comprehensive monitoring includes review of random client files to ensure eligibility was determined correctly and that all necessary supporting documentation is included in the file. The State agency usually includes LIHEAP eligibility in their annual independent audits where the auditors review a sample of LIHEAP cases.

➔How is your LIHEAP program audited?

Under the Single Audit Act? X Yes No

If not, please describe:

For States and Territories:

➔Is there an annual audit of local administering agencies? Yes No

If not, please explain.

statutory
references

2605(b)(12)

(timely and
meaningful

public
partici-
pation)

➔How did you get timely and meaningful public participation in the development of the plan? (Please describe.)

Each year a notice of public hearing is published in the New Mexico Register and the Albuquerque Journal newspaper. The notice invites oral, written or emailed comments on the administration of LIHEAP.

2605(a)(2)

(public
hearings)

➔Did you conduct public hearings on the proposed use and distribution of your LIHEAP funds? When and where?

X Yes No

(Not required for Tribes and tribal organizations)

statutory
references

2605(b)(13)

(fair
hearings)

→ Describe your fair hearing procedures for households whose applications are denied or not acted on in a timely manner. When are applicants informed of these rights?

→ Denials

The appeal rights are including in the "rights and responsibilities" that are printed on the application. Clients may always request a fair hearing with the Human Services Department following the process detailed in manual sections NMAC 8.100.970.

→ Applications Not Acted On In a Timely Manner

As detailed above, the applicant/client may request a fair hearing with the NM Human Services Department.

statutory references

2605(b)(15)

For States and Puerto Rico only (not applicable to Tribes and tribal organizations, or to territories whose annual regular LIHEAP allotments are \$200,000 or less):

➔ Does the State agency that administers the following LIHEAP component also administer the State's welfare program?

(alternate outreach and intake)

HEATING ASSISTANCE

Yes No

If Yes, describe alternate process for outreach and intake:

HSD partners with the New Mexico Aging and Long Term Services Department (ALTSD). Applications are available at senior centers across New Mexico. Applications are also available from counselors manning the toll free ALTSD telephone center.

Association of Community Organizations for Reform Now (ACORN) accepts applications during the winter and actively promotes the program. ACORN conducts outreach and accepts applications at utility outreach events.

Some tribal governments accept LIHEAP applications and forwards them to the LIHEAP office for processing.

Children Youth and Families Department Adult Protective Services staff have received LIHEAP training.

The LIHEAP application is in English and Spanish available on the web site <http://www.bsd.state.nm.us/isd/liheap.html>.

On line applications are accepted through the web portal YES NM. The on line application process also uses a series of questions to screen for crisis situations.

COOLING ASSISTANCE

Yes No

If Yes, describe alternate process for outreach and intake:

CRISIS ASSISTANCE

Yes No

If Yes, describe alternate process for outreach and intake:

See above

statutory
references

2605(b)(16)

→ Do you use LIHEAP funds to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance? (This assurance refers to activities such as needs assessments, counseling, and assistance with energy vendors.)

Yes No

If Yes, please describe these activities.

If Yes, how do you ensure that you don't use more than 5% (statutory ceiling) of your LIHEAP funds for these activities?

statutory
references

2607A

(leveraging)

→ Please describe leveraging activities planned for the fiscal year. **(This entry is optional.)*** Complete this entry if you plan to apply for LIHEAP leveraging incentive funds and to include in your leveraging report resources/benefits provided to low income households this fiscal year under criterion (iii) in 45 CFR 96.87(d)(2). Provide the following information for each:

- (1) Identify and described each resource/benefit;
- (2) Identify the source(s) of each resource; and
- (3) Describe the integration/coordination of each resource/benefit with the LIHEAP program, consistent with 1 or more of conditions A-H in 45 CFR 96.87(d)(2)(iii).

| | Source(s) of each Resource | Inte2ration/Coordination |
|--|-----------------------------|--|
| Faith at Work (formerly Church of the Holy Faith) | utility assistance payments | Agreement of coordination |
| Salvation Army (or new contractor for PNM Good Neighbor fund) | utility assistance payments | Agreement of coordination |
| Salvation Army (or new contractor for Gas Company of New Mexico) | utility assistance payments | Agreement of coordination |
| LIHEAP propane vendors | negotiated discounts | discounts on purchases made by LIHEAP clients |
| Community Action Agency of Southern New Mexico | utility assistance payments | agreement of coordination |
| Eastern Plains Community Action Agency | utility assistance payments | agreement of coordination |
| State of New Mexico | utility assistance payments | Supplemental benefits issued in coordination with LIHEAP |

* Leveraged resources/benefits that are counted under criterion (iii) in 45 CFR 96.87(d)(2) must be identified and described in the grantee's LIHEAP plan and distributed as indicated in the plan. In addition, leveraging resources/benefits that are counted under criterion (ii) must be carried out under one or more components of the grantee's regular LIHEAP program.

statutory
references

2605(b)

➔ Please describe performance goals and measures planned for the fiscal year. **(This entry is optional.)**

(performance)
goals and
measures)

ADDITIONAL CERTIFICATIONS AND REQUIREMENTS

Attached are additional certifications required as follows:

- * **Lobbying certification**, which must be filed by all States and territories. If applicable, Form LLL, which discloses lobbying payments, must be submitted. **(Tribes and tribal organizations are EXEMPT.)**
- * **Debarment and suspension certification**, which must be filed by all grantees.
- * **Drug-free workplace requirement certification**, which must be filed by all grantees, unless the grantee has filed a statewide certification with the Department of Health and Human Services. **STATES ONLY:** If you have filed a statewide certification for the drug-free workplace requirement, please check here: _____
- * One of the requirements included in the 1994 reauthorization of the statute is that state grantees must include in their annual application for funds a report on the number and income levels of households applying for and receiving LIHEAP assistance, and on the number of recipient households that have members who are elderly, disabled, or young children.

All Tribes and those territories with allotments of less than \$200,000 need only submit data on the number of households served by each component (heating, cooling, weatherization and crisis). The approval for the collection of information contained in the **LIHEAP Household Report** is covered by OMB approval number 0970-0060.
- * Though not a part of this application, the report on funds to be carried over or available for reallocation as required by section 2607(a) for the preceding year must be submitted by August 1 of each year. A grant award for the current fiscal year may not be made until the carryover/reallocation report is received. The approval for the collection of information contained in the **LIHEAP Carryover and Reallocation Report** is covered by OMB approval number 0970-0106.

NM LIHEAP Proposed Income/Points Guide FFY 2013
 October 2012 – September 2013

Household Eligibility

- ID
- Heating or Cooling Expense
- Reside in New Mexico
- US Citizenship or Qualified Immigrant
- Social Security Number
- Income no more than 150% of poverty

Income Eligibility – 150% of Poverty

| Household Size | Monthly | Annual |
|----------------|---------|----------|
| 1 | \$1,442 | \$17,299 |
| 2 | \$1,886 | \$22,622 |
| 3 | \$2,329 | \$27,945 |
| 4 | \$2,773 | \$33,268 |
| 5 | \$3,216 | \$38,591 |
| 6 | \$3,660 | \$43,914 |
| 7 | \$4,104 | \$49,238 |
| 8 | \$4,547 | \$54,560 |
| Each + | \$ 444 | \$ 5,323 |

Benefit Points

A –Energy

Highest Energy Bill divided by Income

| | |
|--------------------|----------|
| 16% or greater | 3 Points |
| 11% - 15% | 2 Points |
| 6% - 10% | 1 Point |
| 5% < | 0 Points |
| Propane additional | 2 Points |

B - Income

| HH Size | 3 Points | 2 Points |
|---------|----------|----------|
| 1 | \$ 962 | \$ 1442 |
| 2 | \$ 1257 | \$ 1886 |
| 3 | \$ 1553 | \$ 2329 |
| 4 | \$ 1849 | \$ 2773 |
| 5 | \$ 2144 | \$ 3216 |
| 6 | \$ 2440 | \$ 3666 |
| 7 | \$ 2995 | \$ 4104 |
| 8 | \$ 3290 | \$ 4547 |
| Each + | \$ 296 | \$ 444 |

C – Vulnerable Members

| | |
|------------------|----------|
| Age 5 or younger | 2 Points |
| Age 60 or older | 2 Points |
| Disabled | 2 Points |

Point Values - \$16 per point

| Points | HH Benefit Amount |
|--------|-------------------|
|--------|-------------------|

| | |
|----|--------|
| 2 | \$ 32 |
| 3 | \$ 48 |
| 4 | \$ 64 |
| 5 | \$ 80 |
| 6 | \$ 96 |
| 7 | \$ 112 |
| 8 | \$ 128 |
| 9 | \$ 144 |
| 10 | \$ 160 |
| 11 | \$ 176 |
| 12 | \$ 192 |
| 13 | \$ 208 |
| 14 | \$ 224 |

ATTACHMENT 1
SAMPLE PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT TEMPLATE
 Low Income Home Energy Assistance Program (LIHEAP)

ABSTRACT:

HHS is requiring further detail from Grantees on their FY2013 plans for preventing and detecting fraud, abuse, and improper payments. HHS is also requiring that Grantees highlight and describe all elements of this FY2013 plan which represent improvements or changes to the Grantees' FY2013 plan for preventing and detecting fraud, abuse and improper payment prevention.

Instructions: Please provide full descriptions of the Grantee's plans and strategy for each area, and attach/reference excerpts from relevant policy documents for each question/column. Responses must explicitly explain whether any changes are planned for the new FY.

| | | | |
|--|---|--|--|
| State, Tribe or Territory (and grant official): State of New Mexico | | Date/Fiscal Year FFY2013 | |
| RECENT AUDIT FINDINGS | | | |
| Describe any audit findings of material weaknesses and reportable conditions, questioned costs and other findings cited in FY2013 or the prior three years, in annual audits, Grantee monitoring assessments, Inspector General reviews, or other Government Agency reviews of LIHEAP agency finances. | Please describe whether the cited audit findings or relevant operations have been resolved or corrected. If not, please describe the plan and timeline for doing so in FY2013. | If there is no plan in place, please explain why not. | Necessary outcomes from these systems and strategies |
| <i>FFY 2010</i> <ul style="list-style-type: none"> • <i>HSD Office of Inspector General (OIG) completed an internal review of LIHEAP- the following are the audit findings of material weaknesses that were identified by the OIG:</i> <ol style="list-style-type: none"> 1. <i>LIHEAP benefits were not calculated correctly by the LIHEAP clears in a small (fewer than 10%) number of cases.</i> | All cited audit finding were being addressed as follows: Finding 1 All staff are required to attend LIHEAP training and or refresher training on a schedule Supervisors are required to review 10 cases each month and submit a summary of the findings to Quality Improvement Section LIHEAP Central office staff | N/A | <i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i> |

| | | | |
|--|---|--|--|
| <p>2. <i>The HLEA LIHEAP computer system is antiquated and is in need of being updated and intergraded with other HSD Computer systems.</i></p> <p><i>Observations noted in the review which did not quality as a finding are not included in this response.</i></p> <p><i>FFY 2011</i></p> <ul style="list-style-type: none"> <i>• Not selected for audit</i> <p><i>FFY 2012</i></p> <ul style="list-style-type: none"> <i>• Selected for audit but no audit results available.</i> | <p>review a subsample of cases based on the specific policy areas.</p> <p>Finding 2</p> <p>New Mexico Human Services Department (HSD) has contracted for an upgraded to the current eligibility a benefits system that will include all ISD processes and programs. Is scheduled to go online in 2013. LIHEAP is included in the upgrade and conversion project as an integrated program. The current LIHEAP system will no longer be sued after conversion statewide has occurred.</p> | | |
|--|---|--|--|

Attachment – page 1

According to the Paperwork Reduction Act Of 1995 (Pub. L. 104-13), public reporting burden for this collection of information is estimated to average 1 hours per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

| COMPLIANCE MONITORING | | | |
|---|---|---|---|
| Describe the Grantee's FY 2012 strategies that will continue in FY 2013 for monitoring compliance with State and Federal LIHEAP policies and procedures by the Grantee and local administering agencies. | Please highlight any strategies for compliance monitoring from your plan which will be newly implemented as of FY 2013. | If you don't have a firm compliance monitoring system in place for FY 2012, please describe how the State is verifying that LIHEAP policy and procedures are being followed. | Necessary outcomes from these systems and strategies |
| <p><i>All policy changes are reviewed by the HSD Office of General Counsel attorneys for compliance with federal and New Mexico policy.</i></p> <p><i>LIHEAP line supervisors review a sample of cases each month to assure that all eligibility areas have been verified and the benefit is accurate. The reviews are submitted to a share drive monitored by the Quality Improvement Section.</i></p> | <p>An additional training component is in development that will highlight the verification documentation requirements that must be found in the case records when cases are reviewed.</p> | <p>N/A</p> | <p><i>A sound methodology, with a schedule for regular monitoring and a more effective monitoring tool to gather information.</i></p> |

| | | | |
|---|--|--|--|
| <p><i>An additional program manager has been assigned to do sub-sample reviews of LIHEAP cases.</i></p> | | | |
|---|--|--|--|

| <p>FRAUD REPORTING MECHANISMS</p> | | | |
|---|---|---|---|
| <p>For FY 2012 activities continuing in FY 2013, please describe all (a) mechanisms available to the public for reporting cases of suspected LIHEAP fraud, waste or abuse [These may include telephone hotlines, websites, email addresses, etc.]; (b) strategies for advertising these resources.</p> | <p>Please highlight any tools or mechanisms from your plan which will be newly implemented in FY 2013, and the timeline for that implementation.</p> | <p>If you don't have any tools or mechanisms available to the public to prevent fraud or improper payments, please describe your plan for involving all citizens and stakeholders involved with your program in detecting fraud.</p> | <p>Necessary outcomes of these strategies and systems</p> |
| <p><i>The New Mexico Human Services Department website is HTTP://www.hsd.state.nm.us/. On the first page is a Report Fraud Link. Clicking on the button takes the user to the Office of Inspector General page. This page includes both an email address and telephone numbers to report fraud and /or abuse. Mailed or dropped off written referrals are also considered for investigation.</i></p> <p><i>All HSD Office of Inspector General Investigation Bureau business cards have contact information (fraud hot line and email address) which can be used to report fraud. All Income Support Division (ISD) Offices have posters that advertise how to report fraud and ISD staff who provide fraud reporting resources.</i></p> <p><i>HHS ACF has a Fraud Alert Hotline</i></p> | <p>N/A</p> | <p>N/A</p> | <p><i>Clear lines of communication for citizens, grantees, clients, and employees to use in pointing out potential cases of fraud or improper payments to State administrators.</i></p> |

| VERIFYING APPLICANT IDENTITIES | | | |
|--|--|---|---|
| Describe all FY 2012 Grantee policies continuing in FY2013 for how identities of applicants and household members are verified. | Please highlight any policy or strategy from your plan which will be newly implemented in FY 2013. | If you don't have a system in place for verifying applicant's identities, please explain why and how the Grantee is ensuring that only authentic and eligible applicants are receiving benefits. | Necessary outcomes from these systems and strategies |
| <p><i>HSD requires that the identity of an applicant be verified for all programs administered by the Department. Pursuant to the New Mexico Administrative Code (NMAC), Section 8.150.500.8 (B)</i></p> <p><i>The above cited policy provides a list of acceptable proofs of identity that may be submitted by applicants to meet the requirement.</i></p> <p><i>These standards for proof apply to all programs administered by HSD and include LIHEAP.</i></p> <p><i>In accordance with, 8.100.130.9 NMAC, "Verification to determine eligibility and benefit level is obtained through six methods. Not all methods will necessarily be used in each case."</i></p> <p><i>The following are the six methods of verification:</i></p> <ul style="list-style-type: none"> • <i>BENDEX or SDX data exchange systems</i> • <i>Wage data and unemployment compensation benefits verified through a data exchange with NMDWS</i> • <i>Interest, dividends, unearned income and self employment wages verification using BENDEX, IRS, and/or IEVS.</i> • <i>Vehicle registration and driver's license information using NM Motor Vehicle Division</i> | <p>HSD has contracted with a private company (Deloitte LLP) to develop a new computer system. LIHEAP is currently in a standalone computer system. The new system will include LIHEAP and will include the latest technology regarding verification may eligibility factors.</p> <p>Policy is being reviewed and updated as the new computer system is being designed. Any police changes are reviewed, and go through a rule promulgation process that includes a public announcement, comment period, public hearing and re-review an publication of the change.</p> | <p>N/A</p> | <p><i>Income and energy supplier data that allow program benefits to be provided to eligible individuals.</i></p> |

| | | | |
|---|--|--|--|
| <p><i>information exchange</i></p> <ul style="list-style-type: none"> • <i>Child support payment information and absent parent information using interdepartmental data exchange.</i> <p><i>As part of the verification process there are several limitations for use of information:</i></p> <p><i>*Confidentiality</i> <i>*Allowable uses of information</i> <i>*Investigations to verify eligibility</i> <i>*Substantiating source documents</i></p> <p><i>~Documentary evidence</i> <i>~Collateral contacts</i> <i>~ Failure on the part of a collateral contact</i> <i>~Home visits</i> <i>~Sworn Statements</i></p> | | | |
|---|--|--|--|

SOCIAL SECURITY NUMBER REQUESTS

| <p>Describe the Grantee's FY 2013 policy in regards to requiring Social Security Numbers from applicants and/or household members applying for LIHEAP benefits.</p> | <p>Please describe whether the State's policy for requiring or not requiring Social Security numbers is new as of FY2013, or remaining the same.</p> | <p>If the Grantee is not requiring Social Security Numbers of LIHEAP applicants and/or household members, please explain what supplementary measures are being employed to prevent fraud.</p> | <p>Necessary outcomes from these systems and strategies</p> |
|--|---|--|---|
| <p><i>LIHEAP applicants must provide a Social Security Number as part of the application process. The LIHEAP computer system has a check to determine if the number series has been issued by SSA or is being used by another applicant/recipient.</i></p> <p><i>HSD has an online application called SVES WTPQ which is used as a Request- and – Response with SSA for Social Security Number Identity verification, Title II information, Title XVI verification and 40 Qualifying Quarters summary information. HSD staff use this facility and information</i></p> | <p>Social Security Numbers continue to be required for FFY 2012</p> <p>The computer system is updated as needed with most current SN edit rules in the place to match the other computer system used by HSD</p> <p>LIHEAP is a part of the agreement between HSD and Social Security Administration.</p> <p>All HSD ISD staff and some contractors receive Income Eligibility Verification System (IEVS) training on guarding the</p> | | <p><i>All valid household members are reported for correct benefit determination.</i></p> |

| | | | |
|--|---|--|--|
| <p><i>when determining eligibility for any HSD program including LIHEAP.</i></p> <p><i>Another application available to HSD staff is BENDEX which can verify if the numbers in SSN have been issued by SSA and if a client receives SSI.</i></p> <p><i>Code of Conduct police is signed by all staff regarding State Information Technology Resources. Code of Conduct is included in all new hire packets, and is posted on the Website. Guidance/ Tutorials related to email security and confidentiality are issued by HSD Information Technology Division.</i></p> | <p>confidentiality and security of the information obtained</p> | | |
|--|---|--|--|

Attachment – page 3

| <p>CROSS-CHECKING SOCIAL SECURITY NUMBERS AGAINST GOVERNMENT SYSTEMS/DATABASES</p> | | | |
|--|--|---|--|
| <p>Describe if and how the Grantee used existing government systems and databases to verify applicant or household member identities in FY 2012 and continuing in FY 2013. (Social Security Administration Enumeration Verification System, prisoner databases, Government death records, etc.)</p> | <p>Please highlight which, if any, policies or strategies for using existing government databases will be newly implemented in FY 2013.</p> | <p>If the Grantee won't be cross checking Social Security Numbers and ID information with existing government databases, please describe how the Grantee will supplement this fraud prevention strategy.</p> | <p>Necessary outcomes from these systems and strategies</p> |
| <p><i>New Mexico Administrative code defining the administration of LIHEAP requires households to provide documentary proof of each eligibility requirement unless the documentation has been previously provided to HSD for any program or is available from an interface developed by HSD to verify an household's information.</i></p> <p><i>A social security number must be provided for each household member and only if questionable</i></p> | <p>HSD is contracting with a private company to develop a new computer system. LIHEAP is currently in a standalone computer system. The new system will include LIHEAP and will include the latest technology regarding verification of may eligibility factors. The new system will have the capability of:</p> <ul style="list-style-type: none"> • Generating ad hoc reports | | <p><i>Use of all available database systems to make sound eligibility determination.</i></p> |

| | | | |
|--|--|--|--|
| <p><i>is a document from the Social Security Administration required.</i></p> <p><i>Questionable social security numbers may include:</i></p> <ul style="list-style-type: none"> <i>A number being used by another applicant/client</i> <i>A number that is identified as an never issued by the Social Security Administration</i> <p><i>The primary computer system (ISD2) used by the department includes access to Prisoner Variations (Menu selection X). Staff determining eligibility can access the information in this data base to check on LIHEAP applicants.</i></p> | <ul style="list-style-type: none"> System case reviews based on rules and create alerts Generating alerts when duplicate addresses are used in separate cases. <p>HSD currently has a variety of reports that can be reviewed band mined to identify:</p> <ul style="list-style-type: none"> Duplicate addresses Large benefits amounts Inconsistent information Unusually activities by vendors <p>Staffs in central office and at the local office level regularly review the reports.</p> | | |
|--|--|--|--|

VERIFYING APPLICANT INCOME

| <p>Describe how the Grantee or designee used State Directories of new hires or similar systems to confirm income eligibility in FY 2012 and continuing in FY 2013.</p> | <p>Please highlight any policies or strategies for using new hire directories which will be newly implemented in FY 2013.</p> | <p>If the Grantee won't be using new hire directories to verify applicant and household member incomes how will the Grantee be verifying the that information?</p> | <p>Necessary outcomes from these systems and strategies</p> |
|---|---|---|--|
| <p><i>The primary computer system (ISD2) used by the department includes access to Prisoner Verification and New Hires. Staff who determines eligibility can access the information in these data bases to check on LIHEAP applicants.</i></p> <p><i>Child Support Enforcement is a Division of HSD. Access to child support payment histories is available to eligibly staff.</i></p> <p><i>Workforce Solutions Department works in cooperation with HSD. An interface with unemployment information is available to eligibility staff as well as employer-related information.</i></p> <p><i>The New Mexico Human Service</i></p> | <p>HSD is contracting with a private company to develop a new computer system. LIHEAP is currently in a standalone computer system. The new system will include LIHEAP and will include the latest technology regarding verification of many eligibility factors. The new system will include the latest technology regarding verification of many eligibility factors. The new system will have the capability of:</p> <ul style="list-style-type: none"> Generating ad hoc reports System case reviews based on rules and create alerts Generating alerts when duplicate addresses are | <p>N/A</p> | <p><i>Effective income determination achieved through coordination across program lines.</i></p> |

| | | | |
|--|-------------------------------|--|--|
| <p><i>Department contracts with The Work Number, a contracted service, to provides verification of employment and wages.</i></p> | <p>used in separate cases</p> | | |
|--|-------------------------------|--|--|

Attachment – page 4

| <p>PRIVACY-PROTECTION AND CONFIDENTIALITY</p> | | | |
|--|--|---|---|
| <p>Describe the financial and operating controls in place in FY 2012 that will continue in FY 2013 to protect client information against improper use or disclosure.</p> | <p>Please highlight any controls or strategies from your plan which will be newly implemented as of FY 2013.</p> | <p>If you don't have relevant physical or operational controls in place to ensure the security and confidentiality of private information disclosed by applicants, please explain why.</p> | <p>Necessary outcomes from these systems and strategies</p> |
| <p><i>HSD policy regarding privacy and confidentiality is provided in training an re-emphasized by supervisory staff.</i></p> <p><i>HSD's security policy allows update and/or inquiry access to the LIHEAP system only after security forms have been completed and appropriate approval and review have been completed.</i></p> <p><i>Information provided to LIHEAP participating vendors does not include SSN's. In addition, only vendor account information is provided to the vendors: account name (not client name), account number, and residential address.</i></p> <p><i>Application in the intake offices are required to be in a locked area or cabinet to protect the confidentiality of client information.</i></p> <p><i>HSD email policy prohibits the inclusion of any client level information from being included in an email unless password protected. Vendor may receive verification and pay reports by mail, fax or secure server.</i></p> | <p>HSD is contracting with a private company to develop a new computer system. LIHEAP is currently in a standalone computer system. The new system will include LIHEAP and will include the latest technology regarding verification of many eligibility factors. The new system will include the latest technology regarding verification of many eligibility factors. The new system will have the capability of:</p> <ul style="list-style-type: none"> • Generating ad hoc reports • System case reviews based on rules and create alerts <p>Generating alerts when duplicate addresses are used in separate cases</p> | <p>N/A</p> | <p><i>Clear and secure methods that maintain confidentiality and safeguard the private information of applicants.</i></p> |

| | | | |
|--|--|--|--|
| <p>The central LIHEAP office is located in a secure space with entry by cipher locks or escorted admittance.</p> <p><i>* please provide full descriptions of the State's plans and strategy in this area, and attach/reference excerpts from relevant policy documents</i></p> | | | |
|--|--|--|--|

| <p>LIHEAP BENEFITS POLICY</p> | | | |
|---|--|---|--|
| <p>Describe FY 2012 Grantee policies continuing in FY 2013 for protecting against fraud when making payments, or providing benefits to energy vendors on behalf of clients.</p> | <p>Please highlight any fraud prevention efforts relating to making payments or providing benefits which will be newly implemented in FY 2013.</p> | <p>If the Grantee doesn't have policy in place to protect against improper payments when making payments or providing benefits on behalf of clients, what supplementary steps is the Grantee taking to ensure program integrity.</p> | <p>Necessary outcomes from these systems and strategies</p> |
| <p>The LIHEAP computer system has an edit that prevents the entry of SSNs already in the system, SSNs not issued by SSA and account numbers already entered in the system for any vendor.</p> <p>Approximately 5% of benefits are sent directly to eligible households. Those payments include households who cut their own firewood, whose utilities are included in their rent and whose selected vendor is not a participating LIHEAP vendor. A report detailing households is compiled and available to supervisory staff each month. Many offices in New Mexico administer services to rural areas and small towns. Supervisory staff who live in the small communities know the residents of their community and use this report to identify potential errors or fraud.</p> <p>Notices are sent to eligible households when payments have been made advising the eligible household about the calculation</p> | <p>A documentation project is planned to add notations to cases with duplicate addresses. The documentation in the eligibility system will alert eligibility staff to determine if the case record needs to show:</p> <ul style="list-style-type: none"> • An apartment identification • Separate building notation • New renter/owner documentation, or • Some applicants are not eligible due to household composition. • Eligibility staff will be required to confirm household composition when the notation is found on any case. | <p>N/A</p> | <p><i>Authorized energy vendors are receiving payments on behalf of LIHEAP eligible clients.</i></p> |

| | | | |
|---|--|--|--|
| <p>of benefit and how the benefit was issued. In the case where the benefit was sent to a vendor on behalf of the household, the notice includes the vendor's name and the account number where the benefits is being credited. The notice also includes contact information in the case there are questions.</p> | | | |
|---|--|--|--|

Attachment – page 5

| <p>PROCEDURES FOR UNREGULATED ENERGY VENDORS</p> | | | |
|---|--|--|---|
| <p>Describe the Grantee's FY 2012 procedures continuing in FY 2013 for averting fraud and improper payments when dealing with bulk fuel dealers of heating oil, propane, wood and other un-regulated energy utilities.</p> | <p>Please highlight any strategies policy in this area which will be newly implemented in FY 2013.</p> | <p>If you don't have a firm plan for averting fraud when dealing with unregulated energy vendors, please describe how the Grantee is ensuring program integrity.</p> | <p>Necessary outcomes from these systems and strategies</p> |
| <p>LIHEAP vendors must complete a packet of information which includes a W-9 and a participation agreement. The vendor's information is submitted to the State of New Mexico Department of Finance where the vendor is entered into SHARE, the State of New Mexico's accounting system. LIHEAP staff monitors reports being sent to participating vendors and flag unusual activities such as duplicate addresses and/or names.</p> <p>The HSD internal audit conducted in FFY 2010 included a verification of all vendors. The audit did not identify any concerns about the authenticity of any energy vendor currently participating in the program.</p> <p>Vendors also verify account information before payments are made and indicate to LIHEAP staff when a payment has already</p> | <p>Complete vendor review will be complete in conjunction with the new agreement.</p> | <p>N/A</p> | <p><i>Participating vendors are thoroughly researched and inspected before benefits are issued.</i></p> |

been made on the account. The case is then researched prior to the benefit being issued.

The Public Regulation commission (PRC) promulgated rules for conduct of business for bulk fuel vendors in New Mexico.

HSD worked with the PRC in the development of a New Mexico rule. The PRC Consumer Relations Division (CRD) accepts calls from bulk fuel customers and seeks to resolve billing and services complaints. The PRC documents and tracks the calls concerning bulk fuel vendors. HSD's relationship with the PRC fosters communication between the two agencies. HSD refers clients to the CRD. HSD believes the rule promulgation and the CRD tracking promotes proper business practices and will help in identifying fraudulent practices with LIHEAP and customer payments.

The PRC promulgated rules that establish a uniform set of standards defining the rights and responsibilities of propane customers and dealers. The purpose of the rule is also to ensure the dealers provide customers with transparent, accurate and timely information. This rule establishes a process within the commission for the resolution of customers' complaints.

These rules address the following areas:

- Definitions
- Process for providers to request a variance
- Tank rental, ownership and tank removal
- Budget billing plans
- Payments and payment

| | | | |
|--|--|--|--|
| <p>agreements</p> <ul style="list-style-type: none"> • Contents of bill and metered fuel tickets • Notice of customer rights • Notice, availability and public access to schedule of charges • Reports to the Public Regulation Commission • Quoted prices and charges minimum quality requirement • Customer records • Complaints. | | | |
|--|--|--|--|

VERIFYING THE AUTHENTICITY OF ENERGY VENDORS

| <p>Describe Grantee FY 2012 policies continuing in FY 2013 for verifying the authenticity of energy vendors being paid under LIHEAP, as part of the Grantee's procedure for averting fraud.</p> | <p>Please highlight any policies for verifying vendor authenticity which will be newly implemented in FY 2013.</p> | <p>If you don't have a system in place for verifying vendor authenticity, please describe how the Grantee can ensure that funds are being distributed through valid intermediaries?</p> | <p>Necessary outcomes from these systems and strategies</p> |
|---|--|---|---|
| <p><i>The HSD internal audit conducted in FFY2010 included a verification of all vendors. The audit did not identify any concerns about the authenticity of any energy vendor currently participating in the program.</i></p> <p><i>All vendors are entered into the State of New Mexico's accounting system. IRS Verifies the accuracy of the vendor's W9 information.</i></p> | | <p>N/A</p> | <p><i>An effective process that effectively confirms the existence of entities receiving federal funds.</i></p> |

| TRAINING AND TECHNICAL ASSISTANCE | | | |
|---|---|--|---|
| <p>In regards to fraud prevention, please describe elements of your FY 2012 plan continuing in FY 2013 for training and providing technical assistance to (a) employees, (b) non-governmental staff involved in the eligibility process, (c) clients, and (d) energy vendors.</p> | <p>Please highlight specific elements of your training regimen and technical assistance resources from your plan which will represent newly implemented in FY 2013.</p> | <p>If you don't have a system in place for anti-fraud training or technical assistance for employees, clients or energy vendors, please describe your strategy for ensuring all employees understand what is expected of them and what tactics they are permitted to employ.</p> | <p>Necessary outcomes from these systems and strategies</p> |
| <p><i>A new LIHEAP training was developed in FFY 2011. All employees who determine eligibility are required to attend the newly developed training.</i></p> | <p>A training supplement for supervisors is being developed.</p> <p>HSD is contracting with a private company to develop a new computer system. LIHEAP is currently in a standalone computer system. The new system will include LIHEAP and will include the latest technology regarding verification of many eligibility factors. The system development will include additional verification processes not available or possible in the current eligibility system.</p> | <p>N/A</p> | <p><i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i></p> |
| AUDITS OF LOCAL ADMINISTERING AGENCIES | | | |
| <p>Please describe the annual audit requirements in place for local administering agencies in FY 2012 that will continue into FY 2013.</p> | <p>Please describe new policies or strategies to be implemented in FY 2013.</p> | <p>If you don't have specific audit requirements for local administering agencies, please explain how the Grantee will ensure that LIHEAP funds are properly audited under the Single Audit Act requirements.</p> | <p>Necessary outcomes from these systems and strategies</p> |
| <p>The Human Services Department does use or plan to use local administering agencies.</p> | <p>N/A</p> | <p>N/A</p> | <p><i>Reduce improper payments, maintain local agency integrity, and benefits awarded to eligible households.</i></p> |

Additional Information

Please attach further information that describes the Grantee's Program Integrity Policies, including supporting documentation from program manuals, including pages/sections from established LIHEAP policies and procedures.

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