
ENERGY PROGRAMS
EP-350 LIEAP ELIGIBILITY CRITERIA

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CHANGE 7-2022
November 30, 2022

Eligibility for the Low-Income Energy Assistance Program (LIEAP) is based on certain non-financial and financial requirements. Each applicant's household must meet all requirements outlined in this section.

350.00 VULNERABILITY

To be eligible, a household must be vulnerable at the time of application. A household is vulnerable if it has a heating source billed separately and it is subject to the rising cost of heating for the heat expense. Accept the applicant's statement about the vulnerability status for the household.

1. If a household lives in a private living arrangement with a heating source and heat costs are billed separately, it is fully vulnerable.
2. If a household lives in public housing where heat costs are billed separately from the rent, it is fully vulnerable.
3. An applicant who lives in a private living arrangement who does not receive a separate bill from the energy provider are not considered vulnerable.
4. A household living in public housing where utilities for heat are billed separately from the rent or where utilities for heat are included in the rent, and the household has paid an excess in utilities for heat in the last 12 months at the current address, is fully vulnerable. County needs to have the public housing/housing authority sign a vendor contract for the payment check to be written to them directly or the public housing/housing authority needs to provide the account number for the household applying for benefits. For additional verification of a heating arrangement in public housing, contact the local public housing authority.
5. A person living in an institution is not vulnerable.

NOTE: Receipt of a utility allowance does not affect vulnerability status. Section 8 households are considered in a private living arrangement.

If an applicant is living in another arrangement which is not listed above, contact the Economic and Family Services Section for assistance at 919-527-6300 or dss.policy.questions@dhhs.nc.gov.

350.01 HOUSEHOLD COMPOSITION & PROGRAM PARTICIPATION

A. Household Composition:

Include in the application everyone who lives at the same residence unless it is known to be a boarding house or contain separate apartments. If it is a

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known boarding house or separate apartment with a separate heat source, there must be a written or lease agreement.

Special Note: Do not include an ineligible alien in the number in the household but do count his reserve and prorate his income into the budget.

Households have the option to include or exclude foster children in the LIEAP case. If the child is included, count income of the child and foster care payment. If the child is not included, exclude all income of the child including the foster care payment.

B. Program Participation:

1. LIEAP State Fiscal Year (December through March) Limitation:

- a. A household may only receive LIEAP assistance one-time during the LIEAP SFY
- b. The LIEAP payment follows the Head of Household (HOH).
 - i. If a household applies that contains the HOH of a previously approved LIEAP application, they are ineligible for additional payments in the same LIEAP SFY. This applies even if the household now claims a different individual as the new HOH.
 - ii. If the HOH subsequently leaves the household the remaining members of the household are ineligible for additional LIEAP payments at the same address in the same LIEAP SFY.

2. Change in Household:

- a. If a member, who was not the HOH, of a previously approved LIEAP household moves to a new address they may be eligible if all other eligibility criteria are met.

350.02 WHOSE INCOME IS COUNTED?

A. U.S. Citizens and Qualified Eligible Non-Citizens.

100% of gross countable income of all household members that are either U.S. Citizens or Qualified Eligible Non-Citizens is used to determine eligibility for LIEAP.

B. Household with an ineligible Non-Citizen.

To determine Qualified Eligible Non-Citizen status, refer to Section 227 of the Food and Nutrition Services Certification Manual.

1. Qualified Ineligible Non-Citizens

Include this member's prorated countable gross income. For instructions on proration, refer to section C below.

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2. Non-Qualified Ineligible Non-Citizens

a. Gross Income Test:

Count all the non-qualified ineligible non-Citizen's income when applying the manual gross income test for eligibility purposes; do not include the nonqualified ineligible non-Citizen in the household size. If the household's income exceeds the gross income test, deny the application.

EXAMPLE: A LIEAP Unit consists of four persons. The head of household, who is an undocumented non-Citizen, is employed and has earnings that exceed the maximum income level for a household of three. Deny the application.

b. Countable Gross Income.

If the household's income does not exceed the gross income level, include this member's prorated countable gross income. For instructions on proration, refer to section C below.

C. Prorating Income

1. Determine if the ineligible non-Citizen paid room/board in the base period to the LIEAP household. Exclude the room/board payment from the ineligible non-Citizen's gross income since the room/board payment is counted as income for another LIEAP household member. The exclusion cannot exceed the amount of the room/board income.
2. Divide the gross countable income of each ineligible non-Citizen by the total number in the household [including the ineligible non-Citizen(s)]. This is each person's pro rata share.
3. Multiply the pro rata share amount by the number of eligible household members in the LIEAP budget. This figure is the prorated amount to count in the budget for the ineligible non-Citizen(s).

EXAMPLE: A household consists of seven persons. The household contains two ineligible non-Citizens. One is employed and earns \$700 per month. The other has \$70 unearned income per month.

Ineligible Non-Citizen 1:

\$700 divided by 7 = \$100 (pro rata share)

\$100 x 5 (eligible household members) = \$500

\$500 = Income of this ineligible non-Citizen to be counted for remaining eligible household members in the LIEAP budget. This is the prorated amount.

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Ineligible Non-Citizen 2:

\$70 divided by 7 = \$10 (pro rata share)

\$10 x 5 (eligible household members) = \$50

\$50 = Income of this ineligible non-Citizen to be counted for remaining eligible household members in the LIEAP budget. This is the prorated amount.

350.03 INCOME

Households meet income eligibility if the total household members' countable income for the base period (month(s) prior to application) is equal to or less than 130% of the current poverty level.

A. Income

Income verification obtained from other sources such as Food and Nutrition Services (FNS), Medicaid (MA) or Work First Family Assistance (WFFA) can be used to verify income if it is current, representative and from the applicant's current employer. If the income is not current and/or representative, the income becomes questionable, and verification is required.

Online Verification System (OVS) must be run in NC FAST on each LIEAP application. OVS information may be used if income is current and representative. Representative means taking the OVS income and calculating the monthly amount. If this amount is comparable to the amount the client states, they received in the last 30 days then consider it representative and use this income as verification. If OVS does not return expected data, then the use of Online Verification (OLV) is allowed.

Document the income verification used in NC FAST. This information should be uploaded in NC FAST.

- B. If income is not available from sources listed in A above other acceptable forms of verification such as but not limited to check stubs, The Work Number (if previously ran by another program), a wage verification form completed by the employer, or statements from employer. Client statement can be used as a last resort. An example of use of client's statement would be if the applicant's employer went out of business or moved out of town and the applicant is not able to provide wage verification. Documentation of efforts should be included to support accepting client's statement as the last resort.

Refer to the following Food and Nutrition Services Manual sections for types of income to count, how to verify income and base periods to apply:

- FNS 300 Sources of Income
- FNS 305 Rules for Budgeting Income

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- FNS 315 Special Budgeting Income

350.04 DEDUCTIONS

Allow the following deductions when determining countable income.

A. Child & Adult Care Expenses.

1. Determine whether a household member has out of the pocket childcare expenses in the base period. If so, allow the full amount of out-of-pocket expenses paid to the day care provider. Do not allow any amount paid by or reimbursed by other parties.
2. Verify actual childcare costs paid in the base period for each household member with earned income. This includes additional transportation expenses incurred as a result of transporting Energy members to and from the dependent care provider. When determining the mileage incurred to provide the dependent care transportation, do not include the normal mileage incurred by the Energy unit to go to and from work. Only allow the dependent care transportation expense for the additional mileage incurred by the Energy unit. Allowable mileage is the current business IRS mileage rate. Verify childcare by seeing a receipt or canceled check or by contacting the childcare provider.
3. Ineligible Non-Citizen

If the child/adult care expense is paid by an ineligible non-Citizen.

- a. Prorate the monthly childcare costs used to determine the current benefit or payment. See example below for instructions on how to prorate.

EXAMPLE: To prorate, you must:

1. Divide the amount (childcare, etc.) by the total number in the household [including the ineligible non-Citizen(s)]
2. Multiply this amount by the number of eligible household members. This is the prorated amount (childcare deduction, etc.)
3. A household consists of three people (one of which is an ineligible non-Citizen). The ineligible non-Citizen has paid \$60 in childcare costs.

$\$60 \text{ divided by } 3 = \$20 \text{ (pro rata share)}$

$\$20 \times 2 \text{ (eligible household members)} = \40

$\$40 = \text{allowable childcare costs}$

B. Child Support Deductions.

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1. Determine whether a household member is required to pay legally obligated child support to a non-household member. Legally obligated child support is:
 - a. Court ordered; or
 - b. Ordered through an administrative process (such as IV-D); or
 - c. Ordered through a legally enforceable separation agreement.
2. Take the following steps when a household member reports paying legally obligated child support to a non-household member.
3. Verify the child support amount actually paid (including arrearages) in the base period by the household member. Verify by ACTS inquiry, statement from receiving parent, canceled checks, and money orders. Document all verifications on the application in NC FAST.
4. Allow as a deduction the child support actually paid (including arrearages) by the household member. This includes court ordered payments or rent, mortgage, or other shelter expenses to the custodial parent and child in lieu of child support and court ordered payments for health insurance coverage for the child.
5. Do not allow a child support deduction for alimony payments, spousal support payments, or property settlement payments paid by a household member.
6. Enter the allowable amount of the legally obligated child support deduction into the Data Entry System. The system will automatically deduct the amount from the household's income when determining eligibility.

C. Earned Income Deductions.

1. The NC FAST allows automatically for each household member with earned income the standard deduction from the table below for all types of earned income including farm, self-employment, and rental income. (The table includes an allowance for hospital insurance premiums, FICA, State retirement, etc.)

| Gross Income Level | Standard Deduction |
|---------------------------|---------------------------|
| \$1 - \$50 | \$10 |
| \$51 - \$100 | \$20 |
| \$101 - \$150 | \$30 |
| \$151 - \$200 | \$40 |
| \$201 - \$300 | \$60 |
| \$301 - \$400 | \$80 |

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| | |
|---------|-----|
| \$401 + | 20% |
|---------|-----|

2. Ineligible Non-Citizen

NC FAST automatically deducts the standard work-related expenses using the table above. The standard work-related deduction is based on the prorated income counted in the LIEAP budget.

EXAMPLE: A household consists of three people (one of which is an ineligible non-Citizen). The ineligible non-Citizen has \$300 gross wages. Count \$200 of his gross wages in the LIEAP budget. The standard deduction would be \$40. (This is based on the \$200 that is counted in the LIEAP budget.)

D. Standard Medical Deduction for Specified Persons.

1. Each specified person will receive a standard medical deduction of \$85, regardless of whether they have an expense. A specified person is an individual 60 years of age or older, or one of the following:
 - a. Who receives SSI or disability or blindness payments under Title I, II, XIV, and XVI of the Social Security Act. These individuals may have been approved but have not received their initial payment.
 - b. Who receives VA disability for a 100% service or non -service connected disability?
 - c. Is a disabled surviving spouse or disabled surviving child of a Veteran.
 - d. Receives disability retirement benefits from a State, county, or local government agency due to a disability considered permanent under Section 221 of the Social Security Act.
 - e. Is receiving a pension from Railroad Retirement Act of 1974 and determined to be eligible to receive Medicare.
 - f. Who receives Federal Employees Compensation Act payments due to a disability considered permanent under the Social Security Act?
 - g. Receives Medicaid based on disability.
 - h. Receives SSI based on presumptive eligibility.

2. Ineligible Non-Citizen.

Do not allow a medical deduction for an ineligible non-Citizen, even if the individual is a specified person.

E. Self-Employment Expenses.

Include but are not limited to

- Taxes required to operate the business
- License and permit fees.
- Interest on business debts, including mortgages and loans necessary for producing income.

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- Principal on loans used to purchase income producing equipment and property.
- Rent payments (not for home-based businesses, except that part allowed as a deduction by the IRS)
- Insurance associated with operating the business.
- Labor costs related to the business.
- Utilities costs to the business.
- Repairs and maintenance related to the business.
- Cost of products, materials and supplies required to operate the business.
- Business related transportation costs as allowed by the IRS.
- Actual costs of providing meals as part of the business, such as child or elder care.
- Accounting, advertising, and legal costs.

350.05 Maximum Countable Income

| No. Eligible in Household | Maximum Countable Income | No. Eligible In Household | Maximum Countable Income |
|---------------------------|--------------------------|---------------------------|--------------------------|
| 1 | \$1,472 | 14 | \$8,120 |
| 2 | \$1,984 | 15 | \$8,631 |
| 3 | \$2,495 | 16 | \$9,142 |
| 4 | \$3,006 | 17 | \$9,654 |
| 5 | \$3,518 | 18 | \$10,165 |
| 6 | \$4,029 | 19 | \$10,676 |
| 7 | \$4,540 | 20 | \$11,188 |
| 8 | \$5,052 | 21 | \$11,699 |
| 9 | \$5,563 | 22 | \$12,210 |
| 10 | \$6,074 | 23 | \$12,722 |
| 11 | \$6,586 | 24 | \$13,233 |
| 12 | \$7,097 | 25 | \$13,744 |
| 13 | \$7,608 | 26 | \$14,256 |

If there are more than 26 in a household contact the Economic and Family Services Section at (919) 527-6300 or dss.policy.questions@dhhs.nc.gov for the maximum countable monthly income.

350.06 RESOURCES

For Federal Fiscal Year 2022 (October 1, 2021- September 30, 2022), resources will not be counted as an eligibility requirement for LIEAP applications.

Household members meet the resource requirement if the total household members' countable resources are \$2,250 or less as of the date of the application.

Accept the household's statement unless questionable. A resource is considered questionable when there is reason to believe that the reported value is incorrect. When determining the value of a checking or savings account, subtract any outstanding withdrawals and any funds remaining that were counted as income in the LIEAP application. When verifying assets, document on the DSS-8116. Allow the client ten (10) business days to provide verification of stated resources. Verification of resources should be requested using the DSS-8185.

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Ineligible Non-Citizens' assets shall be countable towards the household's total resources.

If the Household's resources exceed \$2,250, deny the application.

350.07 COUNTABLE AND NON-COUNTABLE RESOURCE ITEMS

| RESOURCE ITEMS | COUNTABLE | |
|--|-----------|----|
| | YES | NO |
| Cash on hand | X | |
| The current balance of savings account (s) | X | |
| That portion of checking or savings account other than the monthly income deposited to meet the household's needs. | X | |
| Stocks, bonds, mutual fund shares, and savings certificates. | X | |
| Funds in a retirement account that are accessible (such as 401K, NC State Retirement, etc.) | X | |
| Funds in a retirement account that are accessible, including IRA and Keogh Plans | X | |
| Revocable trust funds. | X | |
| Life estate and remainder interest, if saleable or non-saleable | | X |
| Net proceeds from a business, including a farm, which has been discontinued. | X | |
| Equity in real property not used as a home or income producing | X | |
| Federal Emergency Management Assistance or Disaster Assistance | | X |
| Household or personal belongings (includes essential and non-essential personal property) | | X |
| Motor vehicles | | X |
| Primary residence, including mobile home, and all contiguous property | | X |
| Income producing property | | X |

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|--|---|---|
| Insurance (including burial, term, and whole life cash values) | | X |
| Value of prepaid burial contracts | | X |
| Value of burial plots | | X |
| Savings of a student under age 18 who is saving his money for school expenses | | X |
| Relocation assistance payments | | X |
| The portion of monthly income deposited in a checking account to meet monthly needs | | X |
| Non-saleable life estate or remainder interest | | X |
| Heirs' property | | X |
| HUD community development block grants | | X |
| Real property (land or buildings) including mobile homes | | X |
| The remaining balance of any lump sum payment received prior to the month of application | X | |

350.08 BENEFIT DETERMINATION AND METHOD OF PAYMENT

- A. Benefits are based on the household's size and income at the time of application.
- The income limit is 130% of the federal poverty level.
 - To determine benefit levels, the income limit is broken down into two categories so that families with the lowest incomes receive the higher benefit.
 - There are three benefit level amounts designated according to household size and income.
 - Households that heat with coal and/or wood will receive a benefit of \$300 regardless of household size; however, the income will still need to be at or below the 130% income limit.
- B. Benefits are paid directly to energy providers who have an approved energy provider agreement on file with the county. Counties may want to establish additional agreements with the energy providers, such as a promise to pay, purchase order, etc. for households whose primary heat source is kerosene, fuel oil and the like.

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If a county has a LIEAP balance of \$500 or less, approval for an even \$200, \$300, \$400, or \$500 may be given. Partial payments such as an amount of \$70 or \$100 for LIEAP are not allowed.

- B. The chart below reflects the benefit levels based on household size and income category.

Income Ranges by Family Size

Percentages of 130% Poverty Income Limit

| Household Size | 0 – 50% (Represents 0 - 75% of 100%) | 51% - 100% (Represents 76 - 130% of 100%) |
|---|--|---|
| Payment Amount | \$400.00 | \$300 |
| 1 | \$0-\$736 | \$736- \$1,472 |
| 2 | \$0-\$992 | \$992- \$1,984 |
| 3 | \$0-\$1,247 | \$1,247-\$2,495 |
| Payment Amount | \$500.00 | \$400.00 |
| 4 | \$0- \$1,503 | \$1504- \$3,006 |
| 5 | \$0- \$1,759 | \$1,760- \$3,518 |
| 6 | \$0- \$2,014 | \$2,015- \$4,029 |
| 7 | \$0- \$2,270 | \$2,271- \$4,540 |
| 8 | \$0- \$2,526 | \$2,527- \$5,052 |
| 9 | \$0- \$2,781 | \$2,782- \$5,563 |
| 10 | \$0- \$3,037 | \$3,038- \$6,074 |
| 11 | \$0- \$3,293 | \$3,294- \$6,586 |
| 12 | \$0- \$3,548 | \$3,549- \$7,097 |
| 13 | \$0- \$3,804 | \$3,805- \$7,608 |
| 14 | \$0- \$4,060 | \$4,061- \$8,120 |
| 15 | \$0- \$4,315 | \$4,316- \$8,631 |
| 16 | \$0- \$1,503 | \$1504- \$3,006 |
| 17 | \$0- \$1,759 | \$1,760- \$3,518 |
| 18 | \$0- \$2,014 | \$2,015- \$4,029 |
| 19 | \$0- \$2,270 | \$2,271- \$4,540 |
| 20 | \$0- \$2,526 | \$2,527- \$5,052 |
| 21 | \$0- \$2,781 | \$2,782- \$5,563 |
| 22 | \$0- \$3,037 | \$3,038- \$6,074 |
| 23 | \$0- \$3,293 | \$3,294- \$6,586 |
| 24 | \$0- \$3,548 | \$3,549- \$7,097 |
| 25 | \$0- \$3,804 | \$3,805- \$7,608 |
| 26 | \$0- \$4,060 | \$4,061- \$8,120 |
| Households heating with Coal and/or Wood will receive \$300.00 | | |

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350.09 MOVE BY HOUSEHOLD / CREDIT BALANCE / RETURNED PAYMENTS

A. Move by Household:

Explain to applicant that if the household moves or ends service prior to the energy provider receiving payment, the household should contact the old energy provider with the new energy provider information so payment can be forwarded.

B. Credit Balance:

1. If a household moves and leaves a credit balance with the energy provider, the energy provider should attempt to settle the credit with the household directly. Settlement of the credit is **between** the household and the energy provider.
2. If the energy provider is aware of the household's new energy provider, the credit balance can be forwarded to the new energy provider.
3. If the energy provider is unable to contact the household to settle a credit balance, the county is responsible for trying to locate the household. If the county is unable to locate the household, the credit balance should be returned to the local county agency. Follow the instructions in 350.09 C.

C. Returned Payments:

The local agency must attempt to locate the household to settle the credit. If the household cannot be located, the local county agency must:

1. Return the funds to the controller's office via the DSS-1571; **and**
2. Notify DSS automation at 919-527-6270 to credit the county's funds in NC FAST.
3. Refer to NC FAST job aid Energy – Overpayment and Underpayment for instructions on keying in NC FAST.

350.10 PAYMENTS FOR DECEASED, INCARCERATED, OR INSTITUTIONALIZED PAYEES

A. Deceased Payees:

1. If an applicant becomes deceased after a LIEAP payment has been made to energy provider and the payment results in a credit, the county should verify if there are any other adults remaining in the household. If so, the credit will remain.
2. If there are no other adults residing in the applicant's household, the energy provider is responsible for returning the credit amount to the local county agency. The county will forward the payment amount with a cover letter giving identifying information, reason why submitted, and date of death if known, to the Clerk of Court to be applied to the deceased payee's estate.

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3. If no administrator has been appointed to the applicant's estate, the Clerk of Court disburses the funds as follows:
 - Provide for spouse's and children's needs for the year as allowed by law.
 - Pay or reimburse others for funeral expenses up to a maximum of \$2,000.
 - Pay or reimburse others for hospital, medical, and physician's bills incurred during the individual's last illness (not to exceed a period of 12 months).
 - Pay the balance to the surviving spouse or to the heirs if there is no spouse.
4. If the Clerk of Court returns a check to the local county agency and states the payee's estate has been settled, the local county agency would refer to job aid Energy-Overpayment Underpayments in NC FAST Help to process funds that have been returned.

B. Incarcerated or Institutionalized Payee:

If a LIEAP payment is made to an energy provider and it results in a credit due to the applicant becoming incarcerated or institutionalized and there are no other adults in the home; the energy provider is responsible for returning the payment amount to the local county agency. The local county agency would refer to job aid Energy-Overpayment Underpayments in NC FAST Help to process funds that have been returned.