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Public Hearing on the Low Income Home Energy Assistance Program (LIHEAP) Block Grant Allocation Plan for FFY 2023

August 29, 2022

Distinguished Chairpersons, Vice-Chairpersons, Ranking Members, and Members of the Appropriations, Human Services, and Energy & Technology Committees:

Thank you for holding this public hearing on the proposed Low Income Home Energy Assistance Program (LIHEAP) Block Grant Allocation Plan for FFY 2023. The Connecticut Association for Community Action (CAFCA) is the state association that works with Connecticut's Community Action Agencies (CAAs), the state and federal designated anti-poverty agencies serving over 200,000 low-income people in all 169 cities and towns across Connecticut.

The Community Action Agencies are proud partners with the Department of Social Services (DSS) and with other local agencies in the effort to raise awareness of and enroll people into the CT Energy Assistance Program (CEAP – CT's version of LIHEAP). Last year, CEAP helped over 92,000 families in the state who came to our doors or called our offices looking for assistance with their heating bills to avoid unnecessary energy crises.

CAAs stand ready to assist with application assistance this program year. Early intake for this program year will begin on September 1st.

The Importance of CEAP

Connecticut residents pay the fourth highest energy costs in the nation,¹ and **Connecticut households with incomes below 50% of the Federal Poverty Level pay 47% of their annual income simply for their home energy bills.** Connecticut households with incomes from 50-100% of the Federal Poverty

¹ McCann, Adam, "Most & Least Energy-Expensive States", *WalletHub*, July 6, 2022 <u>https://wallethub.com/edu/energy-costs-by-state/4833/</u>

Level use 25% of their income for energy costs². This is what our poorest families are up against during the cold winter months.

These high costs put families in crisis mode and threaten their ability to pay for other essential basic needs. This forces them to choose between heating their homes and other necessary costs like food, child care, health care, and housing.

Energy insecurity – when a household lacks consistent access to enough of the kinds of energy needed for health and safety – can lead to poor health outcomes for children³. Dr. Deborah Frank, M.D., distinguished professor and pediatrician with the Boston University School of Medicine and the Boston Medicine Center, testified before Congress⁴ that when certain household costs cannot be avoided and their heating bill is due, many poor families facing energy crises dip into the only flexible part of their budget to bridge the gap: their food budget. She notes that families and doctors know children will freeze to death before they starve to death, and that this tradeoff jeopardizes children's current and future health and development by increasing a family's food insecurity. This is known to doctors and researchers as the "heat or eat" dilemma⁵. She further stated:

"These untenable choices wreak havoc on all our citizens, but particularly on the health of our youngest and most vulnerable children. Babies and toddlers ages 0 to 3...are also among the most physiologically vulnerable to cold stress. We know...there is a partially effective medicine to protect children in this current epidemic of energy insecurity. That medicine is called LIHEAP. LIHEAP is a child survival program. LIHEAP is a child health program. LIHEAP is nutrition program, and LIHEAP is a child development program."

All this to say: while LIHEAP helps Connecticut's most vulnerable and at-risk households, including those with children, older adults and persons with disabilities, afford high home energy costs, it does so much more. At its core, it is a health and safety program that positively impacts overall health and wellness. In our Community Action Agencies, LIHEAP also serves as a gateway to other programs and services families may not have known they were eligible for, such as housing assistance, child care, or Supplemental Nutrition Assistance Program (SNAP) benefits. This effective, integrated service delivery approach provides families with the necessary short and long-term support they need to achieve and maintain economic stability.

²Fisher, Sheehan, and Colton (2022). *Connecticut 2021 Home Energy Affordability Gap State Fact Sheet. (2022)*. Available from: <u>http://www.homeenergyaffordabilitygap.com/03a_affordabilityData.html</u>

³ Bailey, Kathryn, et al. (2011). LIHEAP Stabilizes Family Housing and Protects Children's Health (Policy action brief). Available from: <u>http://neada.org/wp-content/uploads/2013/02/childrens_healthenergy_brief_feb11.pdf</u>

⁴ Climbing Cost of Heating Homes: Why LIHEAP is Essential: Hearing before the Senate Committee on Children and Families, Senate, 110th Cong. (2009) (testimony of Dr. Deborah A. Frank)

⁵ Stephanie Ettinger de Cuba, John Cook, and Deborah A. Frank, *Fuel for our Future: Impacts of Energy Insecurity on Children's Health, Nutrition, and Learning*, Children's Sentential Nutrition Assessment Program (C-SNAP), 2007, available at:

http://www.centerforhungerfreecommunities.org/sites/default/files/pdfs/fuel_for_our_future_energy%20insecurity_ Sept07.pdf

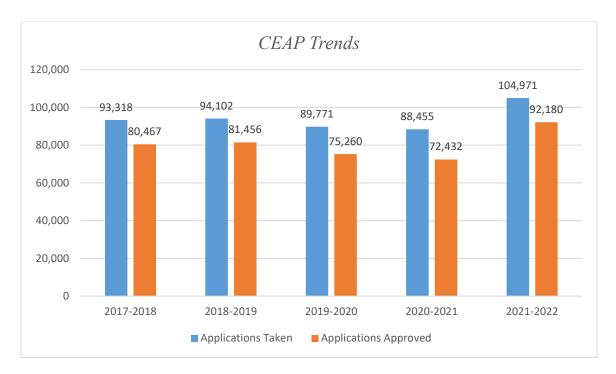
As you well know, programs like LIHEAP are critical investments in our communities. In addition to helping families with energy costs, this program funnels federal funds right back into our communities, when it pays for delivery of oil, wood pellets and other fuels, helping to keep small businesses thriving. In fact, 52% of Connecticut homeowners heat with oil.

The Impact of COVID-19

In Spring, 2020, when COVID-19 took hold, Community Action Agencies nimbly transitioned to providing services – including CEAP outreach and enrollment assistance – via telephone, mail, and drop-off.⁶ This allowed CAAs to continue to assist individuals and families in meeting needs, while keeping staff and customers safe.

Although the needs of our communities increased, many people were not leaving their homes; many outreach sites, such as Town Halls, were closed. In the 2019/2020 program year (which COVID hit partway through), our network processed 89,771 CEAP applications and provided 75,260 eligible households with energy assistance, representing a slight decrease both in applications received and approved from the prior year (4.6% and 7.6%, respectively). In 2020/2021, with these remote application processes working smoothly, our network processed 88,455 applications, and provided 72,432 eligible households with energy assistance, again a slight decrease (1.5% and 3.8%, respectively).

This past program year, we processed almost 105,000 applications and over 92,000 households received assistance – representing increases of 18.7% and 27.2%, respectively.



CAFCA, the CAA Network, and DSS have remained in constant communication during these times to ensure that CAAs had the resources and information they needed to reach and serve

⁶ There was one exception: TEAM, Inc always remained open to in-person customers.

customers during that time. Based on feedback and requests from the CAA network, DSS provided flexibilities during the past few program years that streamlined the application process considerably, allowing more households to access this needed program.

Comments on the Current Proposal

CAFCA asks the Committees to support the current LIHEAP proposal for FFY 2023. This proposal provides needed assistance for Connecticut residents. Moreover, it carries forward the lessons from the COVID pandemic, by incorporating many flexibilities that were initiated during the last program year, and which have proven valuable for Connecticut residents.

Specifically, we provide comments on the following areas of the proposal:

<u>Methods of Application</u>: CAAs, with DSS's support, have been flexible in taking in applications, particularly since the beginning of the pandemic, through a variety of methods. CAAs initiate applications via phone, through in-person appointments, and now through online applications (see Additional Suggestions, below). This plan allows for continuation of these methods, and acceptance of applications/supporting documents in person and via mail. We believe it also allows for continued use of secure drop boxes, which many CAAs have installed, to allow for contact-free submission of the CEAP application and supporting documents.

<u>Categorical eligibility:</u> CAFCA supports streamlining CEAP eligibility for those households with a member eligible for other means-tested programs, including SNAP, TANF, Refugee Assistance, and SSI. DSS already has verified income for these customers, and there is no need to duplicate these efforts.

<u>Assets test:</u> CAFCA strongly supports the continued elimination of the liquid assets test. Although some have expressed concern that some people have more money than their income demonstrates and would therefore be getting benefits they shouldn't receive, experience and data do not support that claim. Indeed, research⁷ demonstrates that the inclusion of a liquid assets test for energy assistance programs reduces program participation in a regressive manner, *hurting lowest income households the most*. Additionally, the test increases administrative costs and delays approval of applications. There is no practical downside to eliminating the assets test.

<u>Electronic signatures</u>: CAFCA supports the continued use of electronic signatures, which was first allowed in 2020 and has streamlined the application process for those who apply by mail or online.

<u>Outreach funds</u>: Last year, DSS dedicated funds to broad outreach, which included advertising in hyperlocal and foreign language newspapers, radio, malls, buses, convenience stores, and more. While we do not have direct proof of impact of these funds, the increase in applications was significant. CAFCA supports these types of continued outreach this program year.

⁷ Graff, Michelle, and Pirog, Maureen. *Red tape is not so hot: Asset tests impact participation in the Low-Income Home Energy Assistance Program.* Energy Policy (June, 2019). https://www.sciencedirect.com/science/article/abs/pii/S0301421519301259

Additional Suggestions

CAFCA also proposes the following for consideration:

<u>Online application</u>: CAFCA appreciates the development of the online application, which has made applying easier for some consumers. However, please note that the application does not yet interface with the Community Action Agencies' source systems; on the receiving end, CAA staff need to re-input all of the information, which is time-consuming. After conversations with DSS, it is our understanding that the agency will work to improve the interfacing, eventually eliminating this duplication of effort.

<u>Maintenance of screening questions:</u> It is our understanding that DSS has changed the LIHEAP application, removing certain screening questions, to make applying for LIHEAP as easy as possible. While CAFCA supports this goal, it is not clear that the application presents barriers to applying; in fact, this program year saw the largest number of applicants and approved households in the past several years. The network remains concerned about the removal of questions which help screen customers for multiple programs at one time – this holistic model is part of what makes Community Action work. Additionally, LIHEAP intake is one of the major drivers of customers becoming aware of other helpful programs, like SNAP and child care. CAFCA and the CAAs are requesting that DSS find a way to add these questions back in, even if at the end of the application.

Extra funds: If this program receives funding beyond the level anticipated, CAFCA recommends targeting those additional dollars to the lowest income and vulnerable households first.

<u>Data sharing</u>: Additional opportunities for data sharing should be explored and seriously considered. For example, within DSS, many CEAP clients are on the HUSKY program; DSS already has income information for these individuals. Outside of DSS, we understand from prior communication that DSS cannot share data from the CT Department of Labor regarding Unemployment Insurance; having that option would streamline the application process for those claiming income from unemployment.

On behalf of Connecticut's Community Action Network, I would like to thank all of you, as well as Commissioner Gifford and her team at the Department of Social Services, for your support of and advocacy for this critical program. For your information, I included a list of Community Action Agencies and their phone numbers so you can help your constituents access this program (see Table 1 on next page).

Agency	Area Covered	Energy Assistance #
Alliance for Community Empowerment (formerly ABCD)	Greater Bridgeport	(203) 384-6904
	Norwalk	(203) 838-8110
Access	Windham County	(860) 450-7400
	Tolland County	(860) 412-1600
CAANH	Greater New Haven	(203) 285-8018
CAAWC	Greater Danbury	(203) 748-5422
	Greater Stamford	(203) 357-0720
CRT	Hartford & Middlesex Counties	(860) 560-5800
HRA	Greater New Britain/Bristol	(860) 356-2000
NOI	Greater Waterbury	(203) 756-8151
	Greater Meriden	(203) 235-0278
	Greater Torrington	(860) 496-0622
TEAM	Lower Naugatuck Valley	(203) 736-5420
TVCCA	Southeastern CT	(860) 425-6681

 Table 1: Community Action Agencies & Phone Numbers for Energy & Water Assistance