



June 13, 2023

To: Executive Committee

From: Brenda Wilson

Subject: Low-Income Home Energy Assistance (LIHEAP) and Low Income Household Water Assistance (LIHWAP) Programs

Action Recommended: Approve Discontinuing the Delivery of Programs

BACKGROUND: For many years, S&DS has contracted with Lane County as a service provider of the Low-Income Home Energy Assistance Program (LIHEAP). LIHEAP is a federally funded program that aims to keep families safe and healthy by providing assistance in managing costs associated with home energy bills and other energy-related expenses, while reducing risk from unsafe heating and cooling practices. Lane County's LIHEAP serves low-income households, at or below 60% Area Median Income (AMI), on a first-come, first-served basis.

Prior to the COVID-19 pandemic, these funds were available only during a few winter months when temperatures dropped significantly. During the pandemic and due to increased community need, the County expanded LIHEAP to be available during the summer and has now expanded the Program to year-round. Lane County has reached out to S&DS to participate in a new water assistance focused program, Low Income Household Water Assistance Program (LIHWAP), which would function as a similar model to LIHEAP on a year-round basis. This has made the delivering of the program more complicated – and more costly.

ISSUES: S&DS' current contract period expires September 30, 2023. S&DS served 561 unduplicated consumers during our 20-21 fiscal year, and 546 unduplicated consumers between July 1, 2021 and March 31, 2022.

LIHEAP has been challenging to deliver due to the limitation on administrative expenses from the County and the workload on S&DS staff to ensure program requirements are met. 85% of allocated funds go directly to the consumer and LCOG receives the remaining 15% for Program Delivery and Administrative Costs. In other words, for every \$100 we provide to a consumer in assistance, LCOG receives \$15. Due to the workload required to provide these services, we have been supplementing the program with Medicaid funds.

S&DS recognizes LIHEAP as a valuable resource to our consumers, however supplementing the program with Medicaid funds is inappropriate. To support both LIHEAP and LIHWAP, S&DS would need to allocate dedicated staffing levels, or increase FTE to accommodate the additional workload, which would require additional Medicaid funds to backfill the programs.

Accordingly, I recommend we stop delivering this service. Our consumers, however, would not be without access to these funds. Several organizations in Lane County also deliver both the LIHEAP and LIHWAP programs, and they staff their programs primarily with volunteers. If one of our consumers needs these funds, we would work with the other community partners to make sure our consumers had access to these funds.

Suggested Motion:

Recommend to the LCOG Board LCOG Discontinue the delivery LIHEAP and LIHWAP programs, effective October 1, 2023 when the current contract expires.