



LOW INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM GRANT ALLOCATION PLAN

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STATE OF CONNECTICUT
DEPARTMENT OF SOCIAL SERVICES

Submitted by:
Deidre S. Gifford, MD, MPH, Commissioner
Connecticut Department of Social Services

TABLE OF CONTENTS

I. INTRODUCTION	4
II. ADMINISTRATION	4
III. PROGRAM DEFINITIONS.....	5
IV. INCOME ELIGIBILITY	7
V. ELIGIBILITY CERTIFICATION	7
VI. PROGRAM INTEGRITY	9
VII. FRAUD	10
VIII. HOUSEHOLDS WITH DISCONNECTED SERVICES.....	10
IX. HOUSEHOLDS WITH PENDING DISCONNECTIONS OR ARREARAGES.....	11
X. HOUSEHOLDS WITH NO ARREARAGES	11
XI. PROGRAM DATES.....	11
XII. ADDITIONAL BENEFITS/SERVICES	11
XIII. PAYMENTS	12
XIV. VENDORS.....	12
XV. INFORMATION AND REFERRAL	13
XVI. BUDGET	13

**LOW INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM
GRANT ALLOCATION PLAN
For Federal Fiscal Year 2022**

I. INTRODUCTION

The Connecticut Low Income Household Water Assistance Program (LIHWAP) is designed to assist low-income households with water and wastewater bills, specifically those with the lowest incomes that pay a high proportion of household income for drinking water and wastewater services, by providing funds to owners or operators of public water systems or treatment works to provide restoration services, reduce arrearages of and rates charged to such households for such services.

LIHWAP is, as currently envisioned, a one-time program funded by the U.S. Department of Health and Human Services' (HHS) Low Income Household Water Assistance Program (LIHWAP) Grant. The estimated budget used in this allocation plan for the operation of Connecticut's LIHWAP for FFY 2022 includes a one-time allocation of \$5,469,833 from the Consolidated Appropriations Act of 2021 and a one-time allocation of \$4,286,703 from the American Rescue Plan Act of 2021 for a total of \$9,756,536. This constitutes the Department of Social Services budget available under the LIHWAP grant ("the Plan").

DSS and the Connecticut Community Action Agencies (CAAs) will work in conjunction with local governments, private human services providers, and the Water Planning Council, to assist Connecticut residents who are LIHWAP eligible in maximizing potential water assistance options.

Water assistance benefits shall include the following:

- A. WATER ASSISTANCE BENEFITS
 - 1. Households with Disconnected Services
 - 2. Households with Pending Disconnection or Arrearages
 - 3. Households with No Arrearages

II. ADMINISTRATION

The Department of Social Services' responsibilities in the administration of the are to:

- A. Prepare and submit the LIHWAP Allocation Plan to the federal government.
- B. Compile and submit any program reports required under state and federal law to the appropriate bodies.
- C. Act as grantee agency for the state for all LIHWAP funds.
- D. Ensure coordination of the LIHWAP with other utility assistance programs offered by the state and other public entities.

- E. Contract with Community Action Agencies (CAAs) or entities to provide standardized services to all eligible households; including those households receiving assistance from DSS programs, and to process applications from any such households wishing to apply for benefits.
- F. Execute agreements with owners or operators of public water systems or treatment works to ensure program standardization and provide current lists of eligible vendors to DSS contractors.
- G. Ensure vendors are paid no later than thirty (30) business days after the CAA's receipt of an authorized invoice for payment.
- H. Provide informational materials to inform clients in writing of other related programs administered or funded by the state.
- I. Complete weekly and quarterly fiscal and program activity reports.
- J. Allocate personnel resources necessary to provide reasonable protection against client or vendor fraud, develop anti-fraud strategies designed to strengthen program integrity, maintain a fraud referral method for reporting suspected program abuse and investigate all reported claims of suspected program abuse.
- K. Develop an estimated budget of total expenditures for the program year, and for DSS and each contracting agency, a line-item budget of administrative expenditures for LIHWAP. The budget shall be based on the release of the grant funding level.
- L. Monitor the performance of the CAAs and program vendors in delivering services and in reporting to DSS.
- M. Provide standard application forms and format for all water assistance programs administered by the Department. The application form shall include a statement that non-qualified aliens are not eligible for water assistance benefits (other household members who are either qualified aliens or citizens may be eligible for water assistance benefits).
- N. Maintain a system to verify recipients' Social Security Numbers as part of the ongoing effort to maximize program integrity.

III. PROGRAM DEFINITIONS

For the purposes of the Plan the following terms are defined:

Boarders - Persons whose meals are included in their rent. Boarders are not eligible to receive LIHWAP benefits.

Categorical Eligibility – A determination that a household is eligible for LIHWAP assistance based on eligibility and enrollment in another means-tested program including Temporary Assistance for Needy Families (TANF), the Supplemental Nutrition Assistance Program (SNAP), Refugee Cash Assistance, Supplemental Security Income (SSI) or the Low Income Home Energy Assistance Program (LIHEAP). If a household is determined categorically eligible, intake staff do not need to repeat the income test for purposes of qualifying for LIHWAP assistance.

Dwelling Unit – Any residential property, (i.e., apartment, house, or stationary mobile home) in which the occupants have exclusive kitchen facilities. It does not include commercial property, accommodations that have not been issued a certificate of occupancy or accommodations that are not listed as residential units in the tax assessor's records for the municipality where such accommodations are located.

Household Water Burden – The percentage of household income spent for drinking water and wastewater services.

Household - Any individual or group of individuals who: are living together in a dwelling unit; or who purchase residential drinking and wastewater services in common. Persons renting a room(s) within a dwelling unit are considered to be household members. Households do not include individuals who are boarders in rooming houses, who reside at an institution of higher learning, are incarcerated, or are foster children or foster adults.

Income/Mean of Support - Gross salaries/wages, tips, pensions, dividends, annuity distributions, interest, gross rental income, estate or trust income, royalties, social security and veterans' benefits (excluding Aid and Attendance pension benefits), unemployment compensation, workers' compensation, monetary and non-monetary contributions from friends and relatives, alimony, child support, lottery winnings, self-employment income, and governmental assistance not otherwise excluded as income.

Life-tenant – A person entitled by law to occupy a property or dwelling for the duration of his/her life and who is responsible for maintaining the property.

Non-Qualified Aliens – Individual(s) who are in this country illegally and individual(s) who are here legally but temporarily, on student, tourist, or work visas.

Primary Source of Water – The principal drinking or wastewater services source used by a household to service its dwelling unit.

Refugee Cash Assistance – DSS administered federal funds related to the resettlement of refugees, assigned by the U.S. State Department to local affiliates of national voluntary resettlement agencies in Connecticut.

State Administered General Assistance (SAGA) – a state-funded program that provides a cash assistance benefit to individuals with very low income and assets and who are unable to work.

State Supplement to the Aged, Blind and Disabled Program (State Supp) – a state-funded program that provides a cash assistance benefit to individuals who receive SSI or other income necessary to pay for basic living expenses.

Supplemental Security Income (SSI) – is a federal income supplement program designed to help aged, blind, and disabled people, who have little or no income; and it provides cash to meet basic needs for food, clothing, and shelter.

Supplemental Nutrition Assistance Program (SNAP) – a federally funded program administered by the U.S. Department of Agriculture and DSS that provides nutrition benefits to supplement the food budget of needy families so they can purchase healthy food and move towards self-sufficiency.

Temporary Assistance for Needy Families (TANF) – a federal block grant administered by the Office of Family Assistance (OFA) in ACF/HHS (Administration of Children and families within the US Department of Health and Human Services) and DSS to help low-income families with children achieve economic self-sufficiency.

Temporary Family Assistance (TFA) – the state's cash assistance program for families funded through TANF.

Vendors – Persons or companies that provide a source of drinking or wastewater services to dwelling units supported by proper documentation.

Vulnerable Household – Any household in which one or more members is either elderly (defined as 60 years of age or older), disabled or under the age of six.

IV. INCOME ELIGIBILITY

- A. Any household which makes direct to vendor payments for drinking or wastewater services and in which a household member is participating in one or more of the following programs is considered “categorically eligible” and will automatically be considered income eligible for drinking or wastewater services assistance at a benefit level not less than that provided for households with income between 0% - 150% of the federal poverty guidelines (FPG):
1. Temporary Family Assistance
 2. State Supplement to the Aged, Blind and Disabled
 3. Refugee Cash Assistance Program
 4. Supplemental Nutrition Assistance Program
 5. Supplemental Security Income
 6. Low-Income Home Energy Assistance Program (LIHEAP)

Although categorically eligible, they must meet all other eligibility requirements to receive benefits.

150 PERCENT OF THE FEDERAL POVERTY GUIDELINES

Household Size	1	2	3	4	5	6	7	8
Annual Income	\$19,320	\$26,130	\$32,940	\$39,750	\$46,560	\$53,370	\$60,180	\$66,990

(For households with more than eight members, add \$6,810 for each additional member.)

- B. With the exception of categorically eligible households described under Section IV A above, LIHWAP benefits are available to eligible households with incomes at or below 60% of the State Median Income.

60 PERCENT OF STATE MEDIAN INCOME GUIDELINES

Household Size	1	2	3	4	5	6	7	8
Annual Income	\$39,027	\$51,035	\$63,044	\$75,052	\$87,060	\$99,069	\$101,320	\$103,572

V. ELIGIBILITY CERTIFICATION

- A. Basic Eligibility Criteria for Categorically Eligible Households

All households that are categorically eligible as described in section IV; subsection A must apply in order to receive LIHWAP benefits. Categorically eligible households are deemed to have met all income eligibility and income verification requirements based on their enrollment in the DSS programs cited in section IV. A. Their income is considered verified based on the enrollment in the DSS program.

Categorically eligible households who receive SNAP, TFA, State Supp, Refugee Cash Assistance, or SSI shall be determined income eligible, but must meet all other program requirements in order to receive LIHWAP benefits.

B. Basic Eligibility Criteria for All Other Eligible Households

1. Income Documentation

All other households will be required to document their income for the four weeks prior to the date of application, which is then annualized. Households shall have the option of documenting income for the previous fifty-two weeks prior to the date of application if that more accurately reflects their annual gross income. Households receiving income from self-employment are required to complete a Self-Employment Worksheet, detailing income for the previous six or twelve calendar months.

2. Household Water Burden

At the time of application, each household that makes direct-to-vendor payments for their drinking or wastewater services are required to submit a current copy of their drinking water or wastewater services bill, regardless of the household's drinking or wastewater services source. This information will be used to determine a household's water burden.

Applicants may apply for drinking and wastewater assistance in person at their local CAA or intake site or may download the drinking/wastewater application from the DSS website or request one from their local CAA and mail the completed application, with all required supporting documentation, to their local CAA. In the event that a fully online application process approved by DSS is developed and made available during the program year, applicants may use this online application process to apply for assistance. In-person applications are taken in confidential settings to the maximum extent practicable. With the exception of households determined to be categorically eligible, regardless of the application method, documentation of income must be verifiable, or supported by affidavits, and households are required to fully comply with all reasonable requests for assistance in verifying documentation. The state, through its agents or grantees, reserves the right to investigate and verify the income of households in order to protect the integrity of its programs.

C. Households Claiming No Income

Households claiming no income in the four weeks prior to the application date must sign and submit an affidavit declaring their means of support for that period. The affidavit is required to include authorization to allow the state, through its agents or grantees, to verify all income and the financial status of the household.

D. Household "52-week" Option

Any household has the option of having an eligibility determination based on income from all household members for the fifty-two (52) weeks prior to the date of application if that presents a more accurate reflection of the household's annual income.

E. Temporary Family Assistance (TFA) Disqualified Household

Households whose TFA benefits have expired as a result of established time limitations will be contacted directly by the CAA to encourage their participation in the drinking and wastewater services assistance programs.

F. Prioritized Services

Households with disconnected water services or pending disconnection of water services shall receive “prioritized services”.

Prioritized services for disconnected water services include processing of completed applications in twenty-four (24) hours or on the next business day, in order to determine eligibility.

Prioritized services for pending disconnection of water services include processing of completed applications in forty-eight (48) hours or two business days, in order to determine eligibility.

G. Notification of Appeals

The CAA shall perform the eligibility determination process and provide a written notice of the results of such determination to the household within forty-five (45) calendar days, excluding state designated holidays.

If a household does not agree with the CAA’s eligibility determination or receives notification of eligibility/ineligibility within the time specified above, the household has the right to request a desk review with the CAA. If the household is dissatisfied with the results of the desk review, the household has the right to request a Fair Hearing with the Department of Social Services. At the time of application, all households receive written notification of their rights and obligations, including the procedures for requesting a desk review or fair hearing. The decision made by DSS shall be deemed final.

H. Social Security Numbers

Social Security Numbers provided by the applicant for all household members will be entered in the Social Security Number fields. Except as noted below, Social Security Numbers are required for all household members.

Exceptions are made for applicants and/or household members who have either:

- Applied for, but not yet received a Social Security Number; or,
- Are not required to have a Social Security Number (includes battered spouses and victims of human trafficking).

I. Non-Qualified Aliens

Non-qualified aliens are not eligible for LIHWAP benefits. However, other household members who are either qualified aliens or citizens may be eligible for LIHWAP benefits.

J. Households with Non-Qualified Aliens

Non-qualified aliens shall not be included as part of the household when determining eligibility for LIHWAP benefits; however, income from non-qualified aliens is required to be included when determining eligibility for LIHWAP benefits.

VI. **PROGRAM INTEGRITY**

Social Security Numbers are collected by the CAAs for all LIHWAP applicants and household members, except those identified in Section V. subsection I. The CAAs through the automated Social Security Number data transfer system implemented by DSS, will electronically transmit the Social Security Numbers of all applicants and household members requesting benefits through LIHWAP.

As part of the ongoing effort to ensure that LIHWAP benefits are only provided to eligible households, the CAAs administering LIHWAP will continue to have inquiry access to the Department's ImpaCT system. This access enables participating CAAs to confirm the identity of those applicants and household members who are currently or have previously received assistance through various DSS administered programs, including but not limited to: Temporary Family Assistance, Supplemental Nutrition Assistance Program (SNAP), Refugee Cash Assistance Program and State Supplement to the Aged, Blind and Disabled. This access provides a valuable resource to the participating CAAs aiding with issues concerning household composition, address, and income.

In order to further support program integrity and facilitate the enrollment of qualifying individuals, DSS and the CAAs will match pending application information against DSS enrollment files as a means to qualify individuals. DSS programs that confer categorical eligibility for LIHWAP require adherence to income verification policies comparable to or more demanding than those required for LIHWAP.

In an effort to ensure the authenticity of vendors, all drinking and wastewater services vendors wishing to participate in the LIHWAP must provide DSS and/or the participating CAAs with verification that they have registered with the Department of Consumer Protection (DCP) in accordance with section 16a-23m of the Connecticut General Statutes.

VII. FRAUD

Persons who, following the completion of due process procedures defined in the agency regulations, are found to have misrepresented their circumstances when applying for drinking or wastewater services assistance are subject to prosecution and/or recoupments of benefits provided, and are ineligible to receive services during the remainder of the current program year. In addition, said households are prohibited from participation for a period of two program years subsequent to the year in which the misrepresentation occurred. Persons who divert benefits to ineligible households are subject to the same penalties, following proper due process as defined in agency regulations.

Vendors suspected of fraud, misrepresentation, or a violation of any aspect of the "Vendor Participation Document" may be suspended from participation in the LIHWAP while legal proceedings are pending. Vendors convicted of fraud are suspended from participation in the LIHWAP for a period of five years following the year in which the offense occurred or was identified.

The Department maintains a Fraud Hotline (1-800-842-2155) for individuals and vendors to report cases of suspected program abuse. Additionally, the Department has a fraud webpage that details information about efforts to identify and eliminate fraud. Please access www.ct.gov/dss and select the "Report Fraud Abuse" icon under the Program and Services section. Suspected fraud of LIHWAP services can also be reported by completing a complaint form found on the webpage.

Finally, the CAAs refer applications to the Office of Community Services of the DSS when there is a questionable discrepancy or suspected misrepresentation by an applicant.

VIII. HOUSEHOLDS WITH DISCONNECTED SERVICES

The State will implement a Crisis Assistance Benefit, not to exceed \$1,000 per household, including all fees and charges to address the drinking or wastewater services needs of eligible households that have had their drinking or wastewater services disconnected.

A household qualifying for a Crisis Assistance Benefit under these circumstances will have their application processed within twenty-four (24) hours and the vendor will be notified of approval within eighteen (18) hours after the application is processed.

IX. HOUSEHOLDS WITH PENDING DISCONNECTIONS OR ARREARAGES

The State will implement a Crisis Assistance Benefit, not to exceed \$1,000 per household, including all fees and charges to address the drinking or wastewater services needs of eligible households that are at imminent risk of having their drinking or wastewater services disconnected.

A household qualifying for a Crisis Assistance Benefit under these circumstances will have their application processed within forty-eight (48) hours and the vendor will be notified of approval within seventy-two (72) hours after the application is processed.

X. HOUSEHOLDS WITH NO ARREARAGES

The State will implement Basic Benefit awards that are determined based on income, household size and vulnerability. Vulnerable households and households with the lowest incomes receive the highest awards.

Note: Boarders are not eligible to receive Basic Benefits.

The chart below details the Basis Benefit awards:

BASIC BENEFITS

Level	Poverty Guidelines	Vulnerable Households	Non-Vulnerable Households
1	Up to 100% of FPG	\$300	\$150
2	101% FPG – 125% FPG	\$250	\$125
3	126% FPG – 150% FPG	\$200	\$100
4	151% FPG – 200% FPG	\$150	\$75
5	201% FPG – 60% SMI	\$100	\$50

If the final funding level released for FFY 2022 is greater or less than the estimated funding level used to develop this Plan, DSS may adjust the benefits and/or income eligibility criteria to reflect the difference.

XI. PROGRAM DATES

For FFY 2022, program dates are as follows:

November 1, 2021	First day that the program will make water assistance payments.
May 31, 2022	The last day that a household can apply to establish its eligibility for benefits.
June 15, 2022	Last day to submit water utility bills.

XII. ADDITIONAL BENEFITS/SERVICES

This allocation plan has been prepared based on the assumption that the total funding available for the FFY 2022 LIHWAP program will be \$9,756,536.

If the state receives funding at a level less than that specified in the Plan, benefit payment levels and/or income eligibility criteria may be adjusted. The Department will determine priorities for applying any reductions accordingly and may take into consideration recommendations from the Water Planning Council and the Low-Income Energy Assistance Board.

In accordance with the demonstrated need for expanded operational flexibility observed during the COVID-19 pandemic, DSS will explore means by which to offer an online application process for drinking and wastewater services assistance. DSS will explore options for integrating application collection and eligibility determinations within new or existing system functionality for health and human services programs, including but not limited to the “MyCT” initiative.

XIII. PAYMENTS

In order for drinking or wastewater services households to receive LIHWAP benefits, bills for drinking or wastewater services must be presented to the CAA and must be in the name of a household member who is of majority status or an emancipated minor. All payments will be made to the drinking or wastewater services vendor.

In order for a household to receive a LIHWAP benefit, the drinking water or wastewater services account must be in the name of a household member who is of majority status, or an emancipated minor. Verification of the drinking water or wastewater services account number must be provided. Only residential accounts are eligible for payment. LIHWAP benefit payments will be credited to the household's drinking water or wastewater services account. If a household moves and cannot be located, and a credit balance resulting from a LIHWAP payment(s) exists in their drinking water or wastewater services account, the vendor shall return the balance is to be returned directly to DSS within sixty (60) days of the close of the drinking water or wastewater services account.

No payments will be issued on behalf of, nor services authorized to, unoccupied dwelling units.

LIHWAP benefits may be used to pay for the cost of reconnecting a household's drinking or wastewater services if the household makes direct-to-vendor payments. LIHWAP benefits may be used to pay for the cost of reconnecting a household's drinking or wastewater services, provided the charge is the same that the vendor charges to all similarly situated customers who are not receiving LIHWAP assistance.

Each site making authorizations or payments will be responsible for keeping an up-to-date record for each eligible household. This record will detail the benefits awarded to the household and will include the services authorized and payments issued on behalf of the household.

To the extent permissible under federal or state law and in accordance with subsection (f) of 42 USC 8624, the amount of any LIHWAP payments provided directly to, or indirectly for the benefit of, an eligible household shall not be considered income or resources of such household or any member thereof for any purpose under any federal or state law, including any law relating to taxation, SNAP, or other public assistance or welfare programs.

XIV. VENDORS

All drinking and wastewater services vendors wishing to participate in the LIHWAP must sign a “Vendor Participation Document.” In accordance with requirements from the United States Department of Health and Human Services, vendors may be required to provide annual drinking and wastewater services

consumption data for their customers that receive LIHWAP benefits. The collection of this data will allow for the determination of a household's water burden.

The purpose of the "Vendor Participation Document" is to ensure program standardization, fair treatment of LIHWAP customers by vendors, and to establish the conditions for payment on behalf of customers receiving assistance through the LIHWAP, including a requirement that vendors who accept LIHWAP payments to restore or prevent disconnection, or reduce arrearages, shall ensure that the household's water service is maintained for a minimum of 90 days from the date of payment shall work with clients on a payment arrangement for ongoing service.

The state reserves the right to terminate vendor participation in cases where the vendor is suspected of fraud, misrepresentation, or a violation of the "Vendor Participation Document."

The state reserves the right to inspect/audit the records of drinking water or wastewater services vendors receiving payment under the LIHWAP to ensure compliance with program requirements.

XV. INFORMATION AND REFERRAL

The State of Connecticut will work with local governments and other human services providers to implement localized information and referral systems that will address the needs of LIHWAP eligible households who have exhausted their benefits. DSS will coordinate with 211 to serve as the referral network system and will work to identify services for LIHWAP households that will help to alleviate crises following exhaustion of benefits.

All LIHEAP recipient households will be informed of the availability of LIHWAP benefits. In addition, referral flyers describing drinking and wastewater services assistance programs, will be made available at DSS and CAA offices. DSS will coordinate with vendors to provide customer households with drinking water and wastewater services bill inserts. CAAs will provide access to a network of intake sites throughout the state (e.g., senior citizen centers, municipal social services offices). In addition, CAAs will assist homebound households in applying for LIHWAP benefits. This may involve helping to complete telephone or mail-in applications or outreach visits to households with homebound members.

CAAs will utilize a single application to determine eligibility for the LIHWAP. DSS anticipates that the LIHWAP application form will be the same form as used for LIHEAP. DSS will explore options for establishing an online application and eligibility determination process.

XVI. BUDGET

A. The LIHWAP budget for FFY 2022 is delivered as follows:

\$ 5,469,833	Consolidated Appropriations Act of 2021
\$ 4,286,703	American Rescue Plan Act of 2021
\$ 9,756,536	Total FY 2022

B. LIHWAP estimated benefit payment/administration breakdown¹:

\$ 8,193,056	LIHWAP Benefit Payments
\$ 820,475	Consolidated Appropriations Act Admin

¹ To the extent that a reduction in funds available under LIHWAP requires modification of the administrative budgets, DSS shall make such reallocation as is necessary.

\$ 643,005	American Rescue Plan Act Admin
\$ 100,000	Outreach Activities
\$ 9,756,536	Total

HHS has granted approval for LIHWAP grantees to expend up to 15 percent of funds for administrative costs. DSS will retain the authority to spend up to that percentage in light of the potentially significant costs associated with setting up and administering a new program, however they will seek to achieve efficiencies of scale through the close overlap of LIHWAP with LIHEAP. Any unexpended balance initially identified for administrative costs will be shifted to provide expanded benefit payments.

C. Estimates of the FFY 2022 LIHWAP caseload are based on the LIHEAP estimates:

Total eligible households	20,000
Total eligible elderly	8,100
Total eligible with disabled	6,960
Total eligible with young children	3,360

Of the total estimated FFY 2022 LIHEAP eligible caseload, it is anticipated that 40.5% will have elderly members, 34.8% will have disabled members and 16.8% will have a young child/children. Connecticut expects that the LIHWAP caseload will be similar.