

State of Alaska

Heating Assistance Benefit Computation**Step 1 – Community fuel points**

The division has assigned heating cost points to each community in the state, based upon the community's annual fuel cost and climatic conditions. These points are listed in Appendix A.

- If the household uses natural gas and another fuel type for heat, the division will use the community heating cost points for natural gas.
- If the household uses self-harvested wood or coal for heat, the division will use the community heating cost points for oil multiplied by 0.5.
- If the household uses purchased wood or coal for heat, the division will use the community heating cost points for oil multiplied by 0.8.

Step 2 – Dwelling type

The division will multiply the community heating cost points by the first one of the following factors that describes the household's dwelling. If more than one factor applies, the division will use the factor listed first:

- (0) the factor of 1 if the household resides in a single-family home with two bedrooms.
- (1) the factor of 1.4 if the household resides in a mobile home with heated living space of 980 square feet or more;
- (2) the factor of 0.4 if the household resides in a travel trailer or mobile home less than 35 feet in length, or in an RV, tent or pickup camper;
- (3) the factor of 0.15 if the household resides in a one-room dwelling such as a studio apartment, hotel or boarding home;
- (4) the factor of 0.35 if the household resides on a boat;
- (5) the factor of 0.55 if the household resides in a one-bedroom dwelling, or a one-room house or cabin without bedrooms;
- (6) the factor of 1.3 if the household resides in a three-or-more-bedroom single family, duplex or triplex home;
- (7) the factor of 0.7 if the household resides in a two-bedroom unit in an apartment building of four or more attached units.
- (8) no factor is applied for Subsidized Rental Housing Utility Deposit applications.

If the household resides in a single residence with one or more other households, the heating cost points are reduced to the household's proportionate share of the home heating expenses.

Step 3 – Household size and income

The division reviews and verifies each household's gross income for the month prior to application. Verification may be provided through: documentary evidence (wage stub, award

letter, etc.); Division of Public Assistance and Department of Labor records; or impartial third parties such as fee agents, village council representatives, or social service agencies.

The division will assign each household the following percentage of heating cost points based upon the household's gross monthly income and family size, expressed as a percentage of the Alaska poverty level. The Alaska poverty level figures are included in Appendix B.

- 100 percent of points if the household's gross monthly income is no more than 25 percent of the Alaska poverty level;
- 90 percent of points if the household's gross monthly income is more than 25 percent but no more than 50 percent of the Alaska poverty level;
- 80 percent of points if the household's gross monthly income is more than 50 percent but no more than 75 percent of the Alaska poverty level;
- 70 percent of points if the household's gross monthly income is more than 75 percent but no more than 100 percent of the Alaska poverty level;
- 60 percent of points if the household's gross monthly income is more than 100 percent but no more than 125 percent of the Alaska poverty level;
- 50 percent of points if the household's gross monthly income is more than 125 percent of the Alaska poverty level but no more than the maximum allowable.

If the household's gross monthly income exceeds the maximum allowable poverty level the household is not eligible.

Step 4 – Priority groups

The division will add one point to the income adjusted heating cost points if the household includes one or more members 60 years of age or older, legally disabled, or under six years of age.

Step 5 – Round points

The division will round the final total heating cost points to the nearest whole number. The total heating cost points may not exceed 35 points.

Step 6 – Heating points of 2.0 or more

Households must have heating cost points of 2.0 or more before rounding to be eligible for heating assistance.

Step 7 – Multiply by the benefit rate

The division will multiply by the FY 2014 benefit rate of \$150.

Step 8 – Reduce the benefit by 10%

The division will multiply the amount in Step 7 by 10% and then reduce the final benefit by that amount. This is being done to compensate for funding cuts

The amount of heating assistance may be reduced by the amount of the unpaid balance that the household owes the division for previously awarded heating assistance to which the household was not entitled. The division will use this method of recoupment of

overpayments only if the household has not responded to the division’s request for repayment or the household defaults on its repayment agreement.

The following examples illustrate how a household’s heating assistance benefit is determined.

Example 1			Benefit calculation:
Step 1.	Community, Fuel	Anchorage, N Gas	4 points
Step 2.	Dwelling	3 bedroom house	3 points x 1.3 = 3.9 points
Step 3.	Household Size, Income	4; \$2,530	101-125% of poverty = 60% 3.9 points x 0.6 = 2.34 points
Step 4.	Household includes elderly, disabled or child under age 6	No	N/A
Step 5.	Heating points of 2.0 or more	Yes	2.34 points
Step 6.	Round points		Rounded = 2 points
Step 7.	Multiply by benefit rate		2 points x 150 = \$300
Step 8.	Multiply by 10% and reduce benefit rate by that amount to obtain the final benefit		\$300 X 10% = \$30 \$300 - \$30 = \$270

Example 2			Benefit calculation:
Step 1.	Community, Fuel	Fairbanks, Oil	14 points
Step 2.	Dwelling	2 bedrm, 4+unit bldg	14 points x 0.7 = 9.8 points
Step 3.	Household Size, Income	2; \$2,102	126-150% of poverty = 50% 9.8 points x 0.5 = 4.9 points
Step 4.	Household includes elderly, disabled or child under age 6	Yes	4.9 points + 1 = 5.9 points
Step 5.	Heating points of 2.0 or more	Yes	5.9 points
Step 6.	Round points		Rounded = 6 points
Step 7.	Multiply by benefit rate		6 points x \$150 = \$900
Step 8.	Multiply by 10% and reduce benefit rate by that amount to obtain the final benefit		\$900 X 10% = \$90 \$900 - \$90 = \$810

Example 3			Benefit calculation:
Step 1.	Community, Fuel	Savoonga, Oil	23 points
Step 2.	Dwelling	2 bedroom house	No adjustment
Step 3.	Household Size, Income	5, \$2,300	76-100% of poverty = 70% 23 points x 0.7 = 16.1 points
Step 4.	Household includes elderly, disabled or child under age 6	Yes	16.1 points + 1 = 17.1 points
Step 5.	Heating points of 2.0 or more	Yes	17.1 points
Step 6.	Round points		Rounded = 17 points
Step 7.	Multiply by benefit rate		17 points X \$150 = \$2,550
Step 8.	Multiply by 10% and reduce benefit rate by that amount to obtain the final benefit		\$2,550 X 10% = \$255; \$2,550 - \$255 = \$2295

Example 4			Benefit calculation:
Step 1.	Community, Fuel	Anchorage, N Gas	3 points
Step 2.	Dwelling	Studio apartment	3 points x 0.15 = 0.45 points
Step 3.	Household Size, Income	1, \$1,500	126-150% of poverty = 50% .45 points x 0.5 = 0.225 points
Step 4.	Household includes elderly, disabled or child under age 6	No	N/A
Step 5.	Heating points of 2.0 or more	No	0.225 points
Step 6.	Round points		N/A
Step 7.	Multiply by benefit rate		Ineligible
Step 8.	Multiply by 10% and reduce benefit rate by that amount to obtain the final benefit		Ineligible