**Heating Assistance Benefit Computation**

**Step 1 – Community fuel points**

APIA has assigned heating cost points to each community in the Aleutian Pribilof Islands Region based upon the community’s annual utility cost. Heating fuel cost for each community is determined through data collected by APIA from the last fiscal year as well as from the State of Alaska Department of Commerce community reports from January of 2015. These community points are subject to change.

**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:

(1) The factor of 1 if the household resides in a two-bedroom single family home;

(2) The factor of 1.4 if the household resides in a mobile home with heated living space of 980 square feet or more;

(3) 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;

(4) The factor of 0.15 if the household resides in a one-room dwelling such as a studio apartment, hotel or boarding home;

(5) The factor of 0.35 if the household resides on a boat;

(6) The factor of 0.55 if the household resides in a one-bedroom dwelling, or a one-room house or cabin without bedrooms;

(7) The factor of 1.3 if the household resides in a three-or-more-bedroom single family, duplex or triplex home;

(8) The factor of 0.7 if the household resides in a two-bedroom unit in an apartment building of four or more attached units.

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 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. (See matrix)

* 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 who are 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 to be eligible for heating assistance.

**Step 7 – Multiply by the benefit rate to determine household benefit**

The division will multiply the heating cost points by the FY 2016 benefit rate of $150 to determine the amount of the household’s heating assistance.

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.

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| **Example 1** |  | **Benefit calculation:** |
| Step 1. | Community | Smallville | 5 points |
| Step 2. | Dwelling | 3 bedroom house | 5 points x 1.3 = 6.5 points |
| Step 3. | Household Size, Income | 4, $2,300 | 101-125% of poverty = 60% 6.5 points x 0.6 = 3.9 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 | 3.9 points |
| Step 6. | Round points |  | Rounded = 4 points |
| Step 7. | Multiply by benefit rate |  | 4 points x150= $600 |

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|  | **Example 2** |  | **Benefit calculation:** |
| Step 1. | Community | Metropolis | 10 points |
| Step 2. | Dwelling | 2 bedroom, 4+unit bldg. | 10 points x 0.7 = 7 points |
| Step 3. | Household Size, Income | 2, $1,925 | 126-150% of poverty =50%7 points x 0.5 = 3.5 points |
| Step4. | Household includes elderly,disabled or child under age 6 | Yes | 3.5 points + 1 = 4.5 points |
| Step 5. | Heating points of 2.0 or more | Yes | 4.5 points |
| Step 6. | Round points |  | Rounded = 5 points |
| Step 7. | Multiply by benefit rate |  | 5 points x$150 = $750 |

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|  | **Example 3** |  | **Benefit calculation:** |
| Step 1. | Community | Gotham | 27 points |
| Step 2. | Dwelling | 2 bedroom house | No adjustment |
| Step 3. | Household Size, Income | 5, $2,300 | 76-100% of poverty = 70%27 points x 0.7 = 18.9 points |
| Step 4. | Household includes elderly,disabled or child under age 6 | Yes | 18.9 points + 1 = 19.9 points |
| Step 5. | Heating points of 2.0 or more | Yes | 19.9 points |
| Step 6. | Round points |  | Rounded = 20 points |
| Step 7. | Multiply by benefit rate |  | 20 points x$150= $3,000 |

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|  | **Example 4** |  | **Benefit calculation:** |
| Step 1. | Community, Fuel | Smallville | 5 points |
| Step 2. | Dwelling | Studio apartment | 5 points x 0.15 = 0.75 points |
| Step 3. | Household Size, Income | 1, $1,450 | 126-150% of poverty = 50%.75 points x 0.5 = 0.375 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 | 0.375 points |
| Step 6. | Round points |  | N/A |
| Step 7. | Multiply by benefit rate |  | Ineligible |