



Pennsylvania Department of Human Services
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM
2019 VENDOR AGREEMENT - UTILITY

Vendor Name and Address

Vendor Number

This Agreement is entered into for the purpose of facilitating the provision of Low-Income Home Energy Assistance Program (LIHEAP) benefits to low-income households through the delivery of utility service from a participating LIHEAP vendor to the LIHEAP beneficiary who is a customer of the vendor. The Commonwealth of Pennsylvania defines a LIHEAP vendor as a company or agent of the company that supplies home heating energy or service in exchange for payment. The term does not include landlords, housing authorities, hotel managers or proprietors, rental agents and other parties who are not direct suppliers of home heating, energy or service.

Eligible LIHEAP households receive one LIHEAP Cash grant based on the size, region, income and fuel type of their household. Receipt of a customer's LIHEAP Cash grant requires no data entry by the vendor. LIHEAP Crisis grants are available to LIHEAP recipients who encounter a heating emergency. Subject to the availability of funds, the Department of Human Services (DHS) may opt to provide eligible LIHEAP households with additional LIHEAP Cash or Crisis grants.

By signing this agreement, the Vendor agrees to communicate with DHS by phone and email and be responsive to DHS requests so that a customer's LIHEAP application or request for Crisis can be processed timely. The vendor also agrees to accept all LIHEAP grants and apply them to customer accounts according to the conditions of this vendor agreement and DHS instructions.

Participating LIHEAP vendors are paid through the Pennsylvania Treasury by check or direct deposit. A list of corresponding payments is posted to the LIHEAP Crisis Claim data entry system, identifying customer names, addresses and the amount of LIHEAP Cash and Crisis payments each customer will receive, associated with a specific Treasury Pay Date.

The business or company written above, herein referred to as the "vendor," cannot enter into any subcontracts under this agreement with other subcontractors who are currently suspended or debarred by the commonwealth or other state or federal government. If any vendor enters into any subcontracts under this agreement with any subcontractors who become suspended or debarred by the commonwealth or other state or federal government during the term of this agreement or any extensions or renewals thereof, the commonwealth shall have the right to require the vendor to terminate such subcontracts to remain a LIHEAP vendor.

The vendor agrees to be responsible for reimbursing the commonwealth for all necessary and reasonable costs and expenses incurred by the Office of the Inspector General or the Attorney General relating to an investigation of the vendor's compliance with the terms of this or any other agreement between the vendor and the commonwealth which results in the suspension or debarment of the vendor.

Vendors will adhere to LIHEAP policy and procedures as defined in the LIHEAP State Plan, will report any discovery of fraud, and address any questions regarding participation in LIHEAP to the LIHEAP Vendor Unit. A copy of the current LIHEAP State Plan can be obtained on the LIHEAP Vendor Website at: www.dhs.pa.gov/provider/informationforliheapvendors/index.htm.

By fully completing and submitting the signature page of the 2019 LIHEAP Vendor Agreement, the vendor agrees to comply with the following conditions to remain a LIHEAP Vendor in good standing and receive LIHEAP payments through the commonwealth:

1. Apply LIHEAP grants to customer accounts in the following manner only:
 - a) Apply the full amount of each LIHEAP benefit to the respective account of each designated LIHEAP customer. For customers who have chosen their own supplier, the entire LIHEAP grant must be applied to cover the costs of both the distribution and supply portion of the bill each month until the LIHEAP benefit has been exhausted.

- b) If a household is authorized for a LIHEAP Cash grant before the date of its request for Crisis benefits, any existing credit, **including the LIHEAP Cash grant that has been authorized and not yet received**, is considered to be available and will be used to solve the Crisis.
 - c) Late payment charges must be frozen at the amount they are at the time notification of eligibility for LIHEAP is received by the vendor and may not be increased for the remainder of the LIHEAP program year, defined as the date that applications for LIHEAP benefits are no longer accepted.
 - d) LIHEAP Cash and Crisis grants may be used for reconnection fees but will not be used for security deposits, service maintenance contracts, or other finance charges.
2. Public utilities that operate Customer Assistance Programs (CAP) will:
- a) Contact customers and attempt to enroll in CAP (if not already enrolled) when the utility becomes aware that the household is low-income, validated by receipt of a LIHEAP Cash or Crisis grant.
 - b) Apply the LIHEAP Cash grant to the customer's account in the following manner:
 - To resolve any past-due CAP payments,
 - To the current CAP payment,
 - Remaining LIHEAP funds will be credited to future CAP payments.
- NOTE: A CAP payment is the amount the customer is required to pay under the terms of the utility's CAP agreement.
3. Public utilities that operate a CAP will not consider the customer's LIHEAP benefit as an available resource in the computation that determines the amount of household's monthly CAP payment.
4. LIHEAP Cash grants received on behalf of a LIHEAP customer are available to cover utility costs for the season in which they are authorized through the end of the following heating season. See Section 7: Vendor Refunds.
5. LIHEAP Crisis grants and Cash grants that are used to resolve a Crisis may be used in the following manner:
- a) To prevent termination or restore home-heating service to a household that is without heat due to termination of the main or secondary source of heat by a utility company.
 - b) Are authorized by DHS or its representatives **in the minimum amount needed to resolve the Crisis** based on the amount listed on a utility termination notice, subject to the minimum and maximum LIHEAP Crisis benefits allowed.
 - c) The existence of a Crisis must be validated by a DHS representative, including the minimum amount needed to resolve the utility emergency. A utility's plan to terminate service is considered to be valid for 60 days from the date of the termination notice, even if service was not terminated after the 10-day period indicated on the notice.
 - d) Are only guaranteed for authorizations approved by DHS or its representatives. Every request for Crisis must be made by the LIHEAP household to its designated DHS office, which will evaluate eligibility and determine the amount the household has available to resolve the Crisis. A DHS representative will contact the vendor to convey eligibility.
 - e) Are assigned an authorization number to resolve a specific Crisis situation.
 - f) Must maintain service to such households for no less than 30 calendar days from the date of the resolution of the Crisis. In some circumstances the 30-day hold may not begin until the end of winter moratorium.
 - g) Utility companies governed by the Public Utility Commission will adhere to the winter termination procedure referred to in §601.62(2) (ii)(A) of Appendix B of the LIHEAP State Plan.
 - h) Customers approved for a LIHEAP Crisis grant related to the LIHEAP Term Program (including the Utility File Transfer Program) are not eligible to receive a duplicate LIHEAP Crisis grant pledged at the request of the household for the same 30-day pledge period.
 - i) Regulated utilities that accept a Crisis grant during the winter moratorium period (12/1- 3/31) must maintain service until at least May 1. In most instances, this precludes the issuance of an additional Crisis grant to the same utility for the same household for the remainder of the season, since the 30-day hold on the account begins on April 1.
 - j) Vendors will make every attempt to resolve the customer's heating emergency with consideration of the following time frames:
 - Before the customer is without heat;
 - Within 48 hours if the customer is already without heat; or
 - Within 18 hours if a medical emergency or life-threatening situation exists.
6. To receive payment paid in full or in part with LIHEAP Crisis funds:
- a) The vendor must perform Crisis claim data entry into a web-based program and submit documentation of the termination by mail, fax or electronic upload. Payment may be rejected if appropriate documentation is not provided.

- b) Claim processing must occur **within 30 calendar days** of the date a Crisis grant is authorized by DHS. Exceptions to the 30-day rule may be granted for claims entered on or after the 31st day and up to 30 days after the close of the LIHEAP season if funds are available.
 - c) Data entry will be for no more than the amount that was authorized by a DHS representative to resolve the emergency after subtracting available LIHEAP credits, which could include the LIHEAP Cash grant.
 - d) An active worklist of Crisis authorizations awaiting vendor action and pending Crisis claims is available on the Crisis Claim data entry system.
 - e) Acceptable Crisis documentation includes a termination or restoration notice confirming the dollar amount needed to restore service or prevent service interruption. Failure to provide adequate documentation will delay payment.
 - f) LIHEAP recipients cannot be billed for services or late payment fees as a result of a vendor's failure to comply with the conditions of this agreement.
7. Refund LIHEAP credits to DHS as required, by check or expedited recoupment, within 30 days from the date of discovery, after the basis for return is known. A LIHEAP Refund Form (HSEA 37) must accompany payment. **It is also important to indicate the individual number of the customer that was provided on the LIHEAP Provider Payment List when payment was received** and a description of the reason the funds are being returned. A user-friendly form is located on the LIHEAP Vendor website. The commonwealth cannot return vendor funds or any portion thereof to the vendor. **For this reason, LIHEAP Vendors should accurately evaluate their records and ensure the accuracy of LIHEAP refunds before submitting them to the Commonwealth of Pennsylvania.** Vendors may contact the Vendor Unit at 1-877-537-9517 to verify dates and amounts of LIHEAP grants received by the households before sending a refund check.

NOTE: Vendors will never give or refund LIHEAP funds to a customer.

LIHEAP refunds will be sent with a check payable to the **COMMONWEALTH OF PENNSYLVANIA**, directed to:

**Commonwealth of Pennsylvania
DHS–LIHEAP Vendor Refunds
P.O. Box 2675 (WOB Room 224)
Harrisburg, PA 17105-2675**

- a) **Examples when the vendor will return LIHEAP credits include, but are not limited to the following:**
 - A customer's whereabouts are unknown,
 - A customer changes vendor,
 - A customer dies, departs the area serviced by the vendor, or the customer no longer has a heating responsibility,
 - The vendor receives a duplicate payment,
 - The vendor is deactivated and is no longer a participating LIHEAP vendor,
 - LIHEAP Cash grants received in error,
 - An overpayment caused by vendor error. Vendor error includes but is not limited to: the vendor failing to provide appropriate or accurate customer account information, non-equitable pricing, LIHEAP funds were erroneously applied toward a security deposit, a billing error or application of LIHEAP funding is detected, failure to provide service, or using a communal account for LIHEAP funds. If this occurs, the vendor is responsible for reimbursement from the vendor's funds, not by removing LIHEAP credits from the customer's account.
 - The end of each LIHEAP program year. LIHEAP funds are available for use for two heating seasons, which includes the heating season of receipt and the heating season immediately following. LIHEAP funds that have not been expended must be returned to DHS by July 31 of that year. DHS will notify vendors of the need to identify accounts and return funds.
- b) DHS is authorized to recoup past-due LIHEAP balances. This is done by debiting any current or future LIHEAP payment for an amount equal to the outstanding un-refunded balance that is due to DHS from the vendor. A record of the balance of funds owed is established by DHS who first contacts the vendor to request a refund and confirm the amount. DHS will send the vendor up to three dunning letters requesting payment of the funds. If the vendor fails to respond after the third notice, the amount of the balance of funds owed to DHS will be deducted from the vendor's next payment(s) until the funds are repaid. The vendor acknowledges that DHS will reduce vendor payments by the amount of the balance of funds owed to allow for the expeditious collection of these debts. If funds are unable to be recouped, outstanding balances will be referred to the Attorney General's Office for collection proceedings and all other legal remedies.

8. Provide all requested information established in DHS policies and procedures. This could include information on the annual heating usage and cost incurred by LIHEAP households necessary for compliance with federal reporting requirements if this information is gathered by customer name or account number and the customer has been served by the vendor at the same address for the entire annual period.
9. Vendors are holding, on DHS' behalf, federal money for the benefit of recipient customers. Vendors are prohibited from using LIHEAP funds for purposes other than home heating. This requirement does not supersede the provisions of the Federal Bankruptcy Act, 11 U.S.C., Section 366.
10. To promptly notify the LIHEAP Vendor Unit whenever discrepancies in approved applications are found. Examples include a vacant residence, a request for service at an address other than what was indicated on the Remittance Advice (payment voucher) or other situations when the vendor is aware of potentially fraudulent activity.
11. To not discriminate against any eligible household in regard to terms and conditions of sale, credit, service or price, nor treat adversely any household receiving LIHEAP because of such assistance.
12. To ensure the retention of LIHEAP customer confidentiality in the use of social media.
13. To notify DHS at least 120 days before filing for bankruptcy and return all funds not expended on LIHEAP clients at least 91 days before filing for bankruptcy.
14. To resolve crisis payment disputes with DHS' Bureau of Hearings and Appeals if not resolved informally with DHS staff.
15. To present for review or reproduction records maintained by the vendor concerning overall pricing, conditions of sale, credit, and service upon request by DHS for audit or investigation purposes, as provided in this agreement.
16. If DHS receives a notice of levy, DHS will turn over rights to property such as money, credit and deposits in accordance to the notice.
17. Vendors will retain all books, records and documents pertaining to LIHEAP payments **for four years from the receipt of payment** or until all questioned costs or activities have been resolved to the satisfaction of the commonwealth, or as required by applicable federal laws and regulations. All records must be maintained in a legible, readable condition. If records are maintained in a computer, the vendor must cooperate in providing printed versions of such records. Recipient-specific records should clearly identify both Cash and Crisis payments from LIHEAP, charges to the account, and documentation supporting these entries by individual household.

The commonwealth reserves the right for state and federal agencies or their authorized representatives to perform financial and compliance audits if deemed necessary by commonwealth or federal agencies. If an audit of this agreement will be performed, the vendor will be given 60 days advance notice.

A new LIHEAP Vendor Agreement is required every two years unless changes require this time frame to be shortened. **This agreement will terminate June 30, 2021, unless superseded by a new agreement, or terminated for convenience upon 30-day written notice by either DHS or by the vendor. Failure to comply with any of these conditions may result in removal from the approved vendor file and suspension of further payments to the vendor for client services.**

LIHEAP VENDOR HELPLINE
Toll Free Number 1-877-537-9517
Fax 717-231-5516
Email Address: RA-LIHEAPVendors@pa.gov

LIHEAP VENDOR WEBSITE
www.dhs.pa.gov/provider/informationforliheapvendors/index.htm