

Low Income and Utility Assistance Workgroup  
Final Report  
*March 2024*

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## Background

The Office of Home Energy Programs (OHEP) is an office within the Family Investment Administration (FIA) of the Department of Human Services (DHS). The department is also responsible for the administration of other major safety net programs, including but not limited to the Supplemental Nutrition Assistance Program (SNAP), Temporary Cash Assistance (TCA), and Temporary Disability Assistance (TDAP).

The Office of Home Energy Programs is responsible for the administration of the Maryland Energy Assistance Program (MEAP) and the Electric Universal Service Program (EUSP). It is also designated to take applications for the Utility Service Protection Plan (USPP) and the Weatherization Assistance Program (WAP). Electric Arrearage Retirement Assistance (EARA) and Gas Arrearage Retirement Assistance (GARA) are components of EUSP and MEAP. MEAP is funded through the federal Low Income Home Energy Assistance Program (LIHEAP). OHEP maintains a single application for all energy programs.

OHEP services are offered through Local Departments of Social Services (LDSS), Community Action Agencies (CAAs), and two local government offices, collectively known as Local Administering Agencies (LAAs). These 22 agencies across 24 jurisdictions distribute over \$122.4 million in assistance benefits each fiscal year.

Between state fiscal years 2016 and 2021 there had been a steady decline in both the number of OHEP applications received and the number of applications receiving benefits. In FY 2020 and FY 2021 OHEP saw this negative trend in applications accelerate despite robust outreach efforts. Chapter 638 of the 2021 legislative session resulted in additional time for applicants denied for missing information to submit outstanding documents. A clear increase in approval ratings coincides with this change, however, work remains to be done to reduce administrative burdens for both applicants and eligibility workers.

To assist Marylanders with addressing inequitable energy burdens, House Bill 606 was passed during the 2021 Legislative Session to establish a workgroup tasked with examining the forms of federal, State, local, and private assistance available to low-income residential electric and natural gas customers. The workgroup consists of representatives from State, local, and private agencies, OHEP, and the legislature. The workgroup's mission was to study how to extend and enhance existing programs by capturing several viewpoints from a variety of different stakeholders.

The workgroup studied and discussed: different systems and forms of financial assistance available to low-income electric and natural gas customers; inefficiencies and gaps in the processing of applications for financial assistance to low-income electric and natural gas customers; the feasibility of establishing a new or expanding the existing natural gas universal service program; coordination of benefits under existing financial assistance programs; anticipated short-term and long-term demand for financial assistance; the feasibility of

establishing one or more financial assistance programs for small businesses in low-income communities; enhanced customer service in OHEP local offices; increased communication efforts to customers; landlord enforcement initiatives and establishing guidelines for HUD homes.

The workgroup held public meetings that commenced on November 17, 2021, and concluded on November 21, 2023. The meetings have been held via Google Meet with call-in information and notes made available on the DHS OHEP website. These meetings gave workgroup members and interested parties an opportunity to share, learn, and discuss how Energy Assistance Programs function within the State. The kickoff meeting also provided a platform for the National Energy Assistance Directors Association to give a presentation providing the landscape of the Low-Income Home Energy Assistance Program both nationally and statewide.

The final report that follows is the result of an interagency, intergovernmental and community collaboration involving:

- A designee appointed by the Secretary of Human Services
- A designee appointed by the Secretary of Housing and Community Development
- A designee appointed by the Attorney General
- A designee of the Chairman of the Public Service Commission
- A designee representing the Maryland Office of People's Counsel
- A member of the Senate appointed by the President of the Senate
- A member of the House of Delegates appointed by the Speaker of the House
- Two members representing the interests of low-income residential electric and natural gas customers, appointed by the Governor.
- Two members representing natural gas and electric utilities, appointed by the Governor.

## Workgroup Recommendations

The following list of recommendations were compiled by the working group from 2021 to 2023. The recommendations outlined below address a variety of issues related to energy assistance and energy affordability. These recommendations range from ambitious policy goals to specific customer service improvements to increase the number of applications resulting in benefits for eligible households.

## Recommendations to Improve and Enhance the Resident Application Process

The workgroup found a variety of challenges and obstacles to accessing existing energy assistance benefit programs. These obstacles ranged from adversarial language used on application forms to inefficient office processes and inconsistent application of OHEP policy and procedures.

As the workgroup investigated available energy assistance in the state of Maryland, it was discovered that [myMDTHINK](#), an online application for benefits, including energy assistance, was not living up to its original intent. As Figure 1 illustrates, applications submitted online have a very low success rate for receiving benefits. With an average of 3,988 unique OHEP applicants attempting to complete the online application each month, only 8% receive grants. This figure represents not only applications that were successfully submitted for benefit determination, but also includes applications that were abandoned by the user before they were completed. This high rate of unsuccessful applications indicates the current iteration of the myMDTHINK application is a barrier to accessing utility assistance. The tables below reflect information presented to the Low Income Utility Assistance Workgroup.

Online consumer portal application statistics.

Application Status in <a href="#">myMDThink</a> Consumer Portal	Monthly Avg*	Percentage of Total Apps
OHEP Applications Submitted	3988	55%
Purged due to application in progress for more than 30 days	2791	39%
Deleted by the customer	701	10%

\*November 2021-August 2022

Figure 1: MyMDTHINK online consumer portal application statistics presented to the Low-Income Utility Assistance Workgroup on September 8, 2022.

## myMDThink OHEP Grant Rates

OHEP APPLICATION METRIC	# ACCOUNTS / MONTH	PERCENT OF APPLICATIONS
# Monthly MDThink OHEP apps	3,988	100%
# Purged after 30 days	2,791	70%
# Deleted by Applicant	701	18%
# MDThink apps reviewed by OHEP	496	12%
MDThink OHEP Denial Rate	39%	
# MDThink OHEP applications receiving grants	303	8%

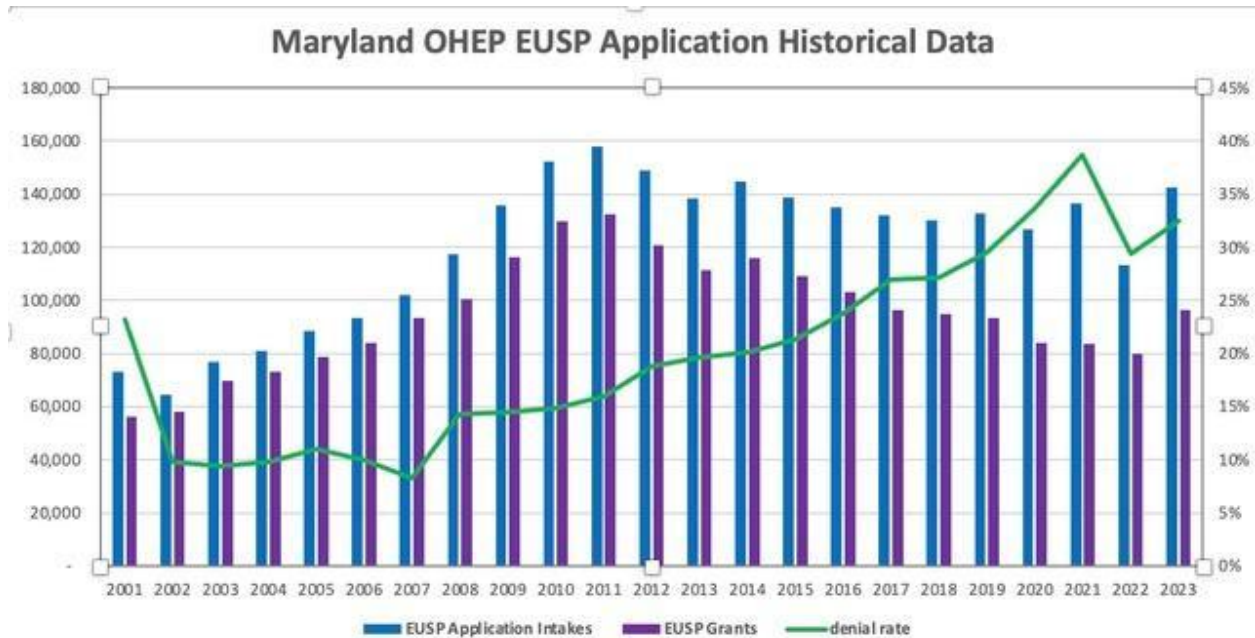


Figure 3 EUSP Participation and Denial Rates 2001-2023

In June of 2023, DHS launched a partnership with Code for America, a civic non-profit organization that assists government agencies and community organizations by building digital tools and services to improve service delivery. As part of this partnership, DHS and citizen advocates have coordinated with Code for America to identify pain points and areas of improvement needed for the myMDTHINK platform. Code for America will launch a pilot to test possible enhancements to the myMDTHINK platform in March 2024. This pilot will provide DHS and Code for America with important insights about the way Marylanders complete applications for assistance and identify further barriers to accessing these programs. The revised MDTHINK platform is slated for completion in winter of 2024.

While the enhanced myMDTHINK platform promises to improve access to energy assistance programs, by removing administrative and technical barriers that currently exist in the version of the platform, other administrative processes recommended by the workgroup are outlined below:

- Provide staff designated to digitize documents for applicants and match the documents to an application file using the Client ID in each OHEP office.
- Consider onsite self-service document kiosks, to allow applicants to scan their documents and match them to their application file using their client ID,
- For residents unable to visit a local office, send pre-addressed and pre-stamped envelopes with a list of required documents with the Client ID pre-populated on all notices. These mailings should also include clear instructions that the applicant should write their client ID on all documents they submit.
- Provide drop boxes with color-coded envelopes with a receipt process for applicants. This would provide applicants with receipts for off-hours document submission.
- Dedicated email addresses for missing documents should be created. These email

addresses would be distinct from inquiry mailboxes. Furthermore, the email system should automatically send an automatic receipt and further directions to the sender.

- Application intake and tracking processes should be uniform state-wide regardless of intake channel. This process must also include receipts when applications and documents are received.
- The Department should procure the services of a third-party consulting agency to perform an operational review of OHEP processes.

## Policy Recommendations for the Department

In recent years the Department has made several considerable policy revisions as the result of legislative and regulatory changes which have significantly expanded access to the program. These changes include, but are not limited to removing bill ownership requirements, increasing income eligibility thresholds, and implementing statutorily required processes (Uniform Redetermination Process and Categorical Eligibility). While the Department has expanded access to these programs there are still communities being underserved by the existing energy assistance framework.

- The Department should remove the requirement for Social Security Number verification for the Electric Universal Service Program. Furthermore, the Department should use internal records and system integrations to verify social security numbers for eligibility for the Maryland Energy Assistance Program.
- The Department should make EUSP benefits available to undocumented and mixed immigration status households by removing citizenship eligibility requirements for this program.
- The Department should revise its policies which require lease verification in a variety of circumstances, but specifically for verification of an applicant's residential address.
- The Department can continue to build trust and increase transparency by continuing to post monthly program progress reports and continue to build out reporting capacity and transparency.

## Customer Service Recommendations for the Department

Across the system, there is a lack of direct interactions with OHEP staff where applicants and potential applicants can ask questions, submit documentation, receive help filling out the application, or receive an update on the status of their application. Adding to the minimal in-person customer service, it is difficult for residents to reach an OHEP employee on the phone in many local offices— especially in large offices serving densely populated jurisdictions. For both new applicants and residents with pending applications, the consequences of lacking resident customer service are many, including the loss of power.

- The workgroup has come to the consensus that a lack of hands-on customer service creates a vicious cycle which increases call-in inquiries, repeat applications, and repeated in-office visits because applicants are unable to resolve issues the first time they contact the agency. The workgroup recommends that the Department prioritize

improving its customer service and provide ample avenues for applicants to resolve issues in the first interaction.

- The Department should create and enforce customer service metrics for LAA compliance reviews and utilize all appropriate resources and mechanisms to enforce compliance to program standards.
- The Department should include customer service metrics and accessibility standards as part of every LAA agreement. Furthermore, the Department should use all available tools and mechanisms for enforcing these standards.
- The Department should create or designate a minimum of one experienced OHEP staff member in each LAA to provide hands-on customer service and application assistance to applicants upon request. This function job description would include handling Critical Medical Needs Program cases, the workgroup suggests incorporating into each location. These individual's primary function would be to serve as a primary ('first touch point') liaison for applicants to contact to ask questions regarding application status, address and resolve program inquiries, return calls, confirm payments and commitments, and provide program timeline information. This recommendation would create a minimum of 24 paid merit positions across the state. In 2022 the Maryland General Assembly passed Senate Bill 719, which statutorily required OHEP offices to provide home visits for customers unable to apply in person or online. OHEP has implemented the requirements of this legislation and provided further guidance to LAAs regarding the appropriate response to a request for a home visit. To supplement the efforts of the General Assembly and the Department, the workgroup recommends the department implement an appointment scheduling system for OHEP home visits.
- For many years OHEP's expedited crisis application process was limited to applicants facing immediate or ongoing utility disconnections who applied for assistance between November 1 and March 31 of each year. Since OHEP implemented its year-round Utility Emergency Standard Operating Procedure at the start of FY24, the workgroup recommends the Department closely monitor compliance with these processes to ensure that applicants facing immediate disconnection are prioritized regardless of season.
- The Department should allow applicants to apply to any office throughout the state rather than limiting applications by jurisdiction.
- The Department should ensure that LAA contracts include standards around consistency and accountability for customer service and enhance enforcement mechanisms.
- Improve and clarify customer communications by implementing a text messaging platform through which applicants can receive status updates, submit documents, and ask questions.
- The Department should also create a state-level application resolution team to address applications that have exceeded application processing timelines.

## Service Coordination Recommendations

The workgroup found that there were several areas in which coordination between existing energy assistance programs and other entities should be improved at the state and the local



level.

To address issues relating to the coordination of services between OHEP and other available forms of financial assistance available to the low-income community, the Maryland General Assembly passed Chapter 207 of the Acts of 2023 (formerly HB0323). This legislation established categorical eligibility and automatic enrollment into OHEP programs for recipients of Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), and means-tested Veterans Affairs benefits in the state of Maryland starting on January 1, 2024. To implement this legislation, the department has taken the following steps:

- Incorporated the transition to categorical eligibility and automatic enrollment into the annual Low Income Home Energy Assistance Program (LIHEAP) Model Plan in September 2023. This annual plan for administering the LIHEAP program was submitted to the United States Department of Health and Human Services Administration for Children and Families (ACF) in September 2023 and was formally accepted by ACF on October 10, 2023.
- Revised income eligibility limits to align with SNAP, TANF, SSI, and Veterans disability benefit eligibility limits.
- Revised application processing and documentation requirements for LAAs to prevent application processing delays during implementation.
- Developed partial integration between the OHEP Data Management System and the Eligibility and Enrollment (E&E) system. This system integration will also ensure eligible SNAP households receive the Standard Utility Allowance automatically.
- Developed notices to notify categorically eligible households being referred to OHEP of their automatic enrollment for energy assistance.

As noted in the Department's December report submitted pursuant to the 2023 Joint Chairmen's Report, the transition to an all-Local Department of Social Services administrative service model and full integration into the Department's E&E system are suspended to allow for the revamp of the myMDTHINK consumer portal being performed by Code for America as discussed earlier in this report. Further planning for this transition will resume in FY2026 to ensure a seamless transition.

While the implementation of categorical eligibility on January 1, 2024, marks an unprecedented shift in the way OHEP's benefits are administered to eligible families, the workgroup has outlined recommendations for ways the Department can continue to improve coordination of its services among other assistance programs below.

- The Department should enhance coordination between energy assistance programs and housing programs to better support Section-8 families and prevent utility and housing crises.
- Modern integrations between energy assistance systems and utility systems would create administrative efficiencies and allow for closer coordination of service restorations and placing of holds. To date, OHEP has only one utility Application Programming Interface (API) to pull necessary usage and billing information for an

applicant into the OHEP data management system. The Department should seek to implement additional utility APIs to improve coordination with utilities across the state.

- The Department should re-engage past partnerships that have discontinued over the course of many years and create a network of partnering Community Based Organizations to provide outreach and application assistance to low-income communities throughout the state. These partners would be compensated based on the number of successful applications submitted.
- The workgroup recommends the Department increase its participation in rate making and regulatory proceedings.

## Outreach Recommendations

The workgroup found that awareness of existing energy assistance programs prevented some eligible households from applying for benefits. Below are the workgroup's recommendations to increase program awareness and evaluate the effectiveness of existing outreach efforts.

- The workgroup recommends the department create more marketing materials to inform potentially eligible households of available assistance programs and provide these materials to LAAs in a timely manner.
- The Department should expand language access by providing all program materials in a minimum of four languages.
- The Department should conduct an in-depth analysis of the newly implemented Uniform Redetermination Process for areas of improvement and process efficiencies.

## Recommendations for Lawmakers and Regulators

With home energy and heating prices having been increasing every year, the impact of energy assistance dollars grows more limited. Following sharp increases in energy costs in the post-COVID period the need for new, innovative programs to enhance existing energy assistance is becoming more pronounced. While auction proceeds from the Regional Greenhouse Gas Initiative, which funds the EUSP in part, continue to rise, rate payer funding for this program remains statutorily limited at \$37 million. In federal fiscal year 2023 OHEP received an annual allotment of \$81 million from LIHEAP for the Maryland Energy Assistance Program. These funds were supplemented with an additional \$40 million in emergency supplemental funding to address the COVID-19 recovery. In federal fiscal year 2024 Maryland's federal allotment for this program was \$74.4 million, which, while in alignment with pre-pandemic funding levels, is substantially lower than the standard federal allocations for FFY22 (\$80 million) and FFY21 (\$78 million), indicating a downward trend in available federal dollars for the program in the absence of supplemental emergency funds. As the reach of OHEP's programs continues to grow, larger conversations regarding energy affordability begin to take on more importance.

While the workgroup was unable to devote a significant amount of focus on these issues, that does not reflect their importance, but rather speaks to the complexity of the issues.

- Regulators and legislators should commission a study investigating the feasibility of various energy affordability mechanisms to address the growing need for energy

assistance dollars. This study should examine the cost and feasibility of implementing initiatives such as: Percentage of Income Programs, Low Income Utility Rate Tariffs, and Utility Discount Programs for low-income households. The Maryland Public Service Commission has initiated and is currently requesting comments related to Public Conference 59 ("PC59") which focuses on the analysis of Limited-Income Utility rate mechanisms and addresses broader eligibility criteria and impacts, and any other issues the Commission should consider relating to possible limited-income mechanisms and eligibility, and energy affordability.

- Maryland should expand and supplement available weatherization and energy efficiency programs to better address deficiencies in housing available to low-income residents. In the 2023 legislative session the Maryland General Assembly passed Chapter 257 (formerly HB169), which increases funding for and allows for additional coordination between funding sources for low to moderate income (LMI) rental unit energy efficiency improvements. This legislation also establishes additional funding to make health and safety repairs required to install energy efficiency measures. Additional federal funding has been allocated for LMI energy efficiency and electrification measures. With the passage of these two pieces of legislation, Maryland is ready to implement this recommendation.
- Maryland should consider establishing a Universal Heating Assistance program to act as a state-level supplement to the federally funded Maryland Energy Assistance Program.
- Regulators should place additional consideration to the impact of rate tariff increases on energy assistance recipients.

## Conclusion

The Office of Home Energy Programs has undergone significant changes in the last three years which have extended the reach of energy assistance benefits substantially, however, there is still much work to be done. Despite minor setbacks with the formation of the workgroup,, the Department has been receptive to workgroup feedback and has implemented immediate changes where possible– which is a promising sign for change. These immediate changes include:

- Revision of all written OHEP notices for tone, accessibility, and ease of use.
- Revision of OHEP Application to include “catch all” application options and self-identification for individuals in need of accommodations.
- Revised OHEP policy to no longer require utility bills to be in the applicant’s name to qualify for EUSP.
- Implemented mandatory use of the Eligibility and E&E worker portal as the first stop for document verification.
- Made permanent the methods of taking applications over the phone and telephonic signatures for applications.
- Implemented the Uniform Redetermination Process as required by statute.
- Established state-wide year-round standard operating procedures for the receipt and processing of applications facing a utility emergency.

- Launched utility application collection process with Maryland's two largest utility companies.
- Increased income eligibility limits to their highest statutorily allowable limits.

Within the next twelve months, the Department will:

- Create and enforce customer service metrics for its LAAs that are tied to contractual agreements with the LAAs.
- Incorporate customer service and accessibility language into all future LAA contracts.
- Monitor LAA compliance with the newly created Utility Emergency Standard Operating Procedure.
- Perform an in-depth analysis of the success of the newly implemented Uniform Redetermination Process.
- Conduct visits to OHEP offices to discuss the customer service issues described in this report and formulate a corrective action plan.

Some of the recommendations in this report would require monetary investments that do not exist today - this includes a recommendation to extend eligibility to mixed status households and undocumented immigrants, several recommendations to create new positions at the local and state levels, and a recommendation to install kiosks across OHEP offices. The department is committed to continuing discussions with the utility assistance workgroup members to explore whether there are funding sources that can be leveraged to implement the recommendations.