

**State of Alaska
FY2023 Governor's Operating Budget**

**Department of Health
Energy Assistance Program
Component Budget Summary**

Component: Energy Assistance Program

Contribution to Department's Mission

The Energy Assistance Program component is designed to promote the general welfare and safeguard the health and well-being of Alaska's population by offsetting the cost of home heating for low-income families.

Core Services

- Program staff make timely and accurate eligibility determinations to issue heating assistance payments to the client's home energy vendor.
- Provides administrative support for federally-funded tribal heating assistance programs, including grant management and oversight for Tribal organizations operating regional Alaska Affordable Heating Assistance Programs.

Major Component Accomplishments in 2021

- Assisted 4,653 households to heat their homes.
- Drafted regulation change to allow prosecution for fraud and update funding formula.
- Worked with a contractor to implement a new eligibility system for the program.

Key Component Challenges

- The volatility of fuel costs and generally high prices in many communities make it difficult to accurately project the number of households that will apply and qualify for heating assistance. This impacts the program's ability to project accurate benefit amounts since funding must cover all anticipated eligible households and to determine staffing levels needed to process applications within recommended timeframes.
- The uncertainty of the block grant funding for the federal Low-Income Home Energy Assistance Program (LIHEAP) continues to create challenges in planning and administering the program each year. The funding allocation is frequently determined after benefit levels are set and seasonal program operations begin.
- Manually collecting annual client heating and electric usage is an arduous task without a vendor portal or automation of this process. The program must currently generate Microsoft Excel spreadsheets that need to be mailed via certified mail to their vendors and then key in all the information when the sheets are returned.
- Collection of client usage will help the state determine if benefits are in fact providing the highest benefit to the most vulnerable and needy households. The present determination formula does not always adequately meet the needs of some households and more than meets the needs of others.
- The current software program used to register applications, determine eligibility, generate payments, generate reports, and provide historical data is written in Common Business Oriented Language (COBOL). Work to replace this program was done throughout FY2018. Changes were made to the program for the upcoming year as the division transitions to statewide work.
- Changing to a year-round program will allow clients to submit applications throughout the year, but the majority of applications will still be received at the opening of the season. Placing the program into the statewide workflow will allow those cases to be worked more quickly.

Significant Changes in Results to be Delivered in FY2023

- Continue implementation of federally mandated performance measures for the Low-Income Home Energy Assistance Program.
- Roll-out of eligibility determinations to the statewide workforce.
- Changing the program to a year-round program, no longer limited to November through April.
- Additional funding for weatherization services to assist additional families.

Statutory and Regulatory Authority

Public Law 97-35 L.I.H.E.A.P. Act of 1981
AS 47.25.621-.626 Alaska Affordable Heating Program
7 AAC 44 Heating Assistance Program

Contact Information

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Component Detail All Funds
Department of Health

Component: Energy Assistance Program (226)
RDU: Public Assistance (73)

Formula Component

	FY2021 Actuals	FY2022 Conference Committee	FY2022 Authorized	FY2022 Management Plan	FY2023 Governor	FY2022 Management Plan vs FY2023 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	5,524.5	9,665.0	33,366.0	33,366.0	9,665.0	-23,701.0	-71.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	5,524.5	9,665.0	33,366.0	33,366.0	9,665.0	-23,701.0	-71.0%
Fund Sources:							
1002 Fed Rcpts (Fed)	5,524.5	9,665.0	9,665.0	9,665.0	9,665.0	0.0	0.0%
1265 COVID Fed (Fed)	0.0	0.0	23,701.0	23,701.0	0.0	-23,701.0	-100.0%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	5,524.5	9,665.0	33,366.0	33,366.0	9,665.0	-23,701.0	-71.0%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Health

Component: Energy Assistance Program (226)
RDU: Public Assistance (73)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2022 Conference Committee To FY2022 Authorized *****												
FY2022 Conference Committee												
	ConfCom	9,665.0	0.0	0.0	0.0	0.0	0.0	9,665.0	0.0	0	0	0
1002 Fed Rcpts		9,665.0										
ARPA Low Income Home Energy Assistance Program Sec18(e) Ch1 SSSLA2021 P115 L27 (HB69) (FY21-FY24)												
	CarryFwd	23,701.0	0.0	0.0	0.0	0.0	0.0	23,701.0	0.0	0	0	0
1265 COVID Fed		23,701.0										
Carry forward of the unexpended balance of the appropriation made in Sec18(e) Ch1 SSSLA2021 P115 L27 (HB69) for the low income home energy assistance program.												
Sec18(e) The amount of federal receipts received from the American Rescue Plan Act of 2021 (P.L. 117-2) for the following purposes in the fiscal years ending June 30, 2021, and June 30, 2022, estimated to be \$94,351,400, is appropriated to the Department of Health and Social Services for the fiscal years ending June 30, 2021, June 30, 2022, June 30, 2023, and June 30, 2024, for the following purposes and in the following estimated amounts:												
Family violence and child abuse prevention and treatment funding -- \$291,000												
Low income home energy assistance program -- \$23,701,000												
Mental health treatment funding -- \$3,038,000												
Senior and disabilities services community-based grants -- \$7,045,000												
Special supplemental nutrition program for women, infants, and children benefits improvements -- \$1,160,000												
Substance abuse block grant funding -- \$4,706,000												
United States Centers for Disease Control and Prevention funding for COVID-19 testing -- \$22,033,800												
United States Centers for Disease Control and Prevention for COVID-19 vaccination activities -- \$32,376,600												
Original Appropriation: \$ 23,701.0												
FY2021 Expenditures: \$ 0.0												
FY2022 Carryforward: \$ 23,701.0												
	Subtotal	33,366.0	0.0	0.0	0.0	0.0	0.0	33,366.0	0.0	0	0	0
***** Changes From FY2022 Management Plan To FY2023 Governor *****												
Reverse ARPA Low Income Home Energy Assistance Program Sec18(e) Ch1 SSSLA2021 P115 L27 (HB69) (FY21-FY24)												
	OTI	-23,701.0	0.0	0.0	0.0	0.0	0.0	-23,701.0	0.0	0	0	0
1265 COVID Fed		-23,701.0										
Reverse one-time federal authority for funding received from the American Rescue Plan Act of 2021 (P.L. 117-2).												
	Totals	9,665.0	0.0	0.0	0.0	0.0	0.0	9,665.0	0.0	0	0	0

Line Item Detail (1676)
Department of Health
Grants, Benefits

Component: Energy Assistance Program (226)

Line Number	Line Name		FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
7000	Grants, Benefits		5,524.5	33,366.0	9,665.0
Object Class	Servicing Agency	Explanation	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
7000 Grants, Benefits Detail Totals			5,524.5	33,366.0	9,665.0
7002	Benefits	The federally funded Low Income Home Energy Assistance Program (LIHEAP) assists families with energy costs through benefit payments.	4,418.6	31,849.7	8,148.7
7003	Sub-Recipient Pass-Through Grants	Reimbursable Services Agreement for Weatherization Services	1,105.9	1,516.3	1,516.3

Revenue Detail (1681)
Department of Health

Component: Energy Assistance Program (226)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2021 Actuals	FY2022 Management Plan	FY2023 Governor
5002 Fed Rcpts (1002 Fed Rcpts)			5,524.5	33,366.0	9,665.0
5019 Federal - Miscellaneous Grants		Low Income Home Energy Assistance Program (LIHEAP) block grant funding is dependent on federal agency grant appropriations. This is a 100 percent federally funded program.	5,524.5	33,366.0	9,665.0
5265 COVID Fed (1265 COVID Fed)			0.0	23,701.0	0.0
5028 Federal COVID Stimulus - Miscellaneous Grants		COVID federal funds	0.0	23,701.0	0.0