

26.4 PAYMENT AND AUTHORIZATION PROCESS

Payments are made either to the vendor on behalf of the client or by direct payment to the AG as specified below.

A. REGULAR LIEAP BENEFITS

1. Direct Payment

Direct payment of Regular LIEAP is made only in the following situations:

- The primary source of home heating is a bulk fuel such as fuel oil, liquefied petroleum gas, coal, kerosene or wood, and the client does not indicate that an emergency exists.
- Heating costs are included in the rent or mortgage payment as a specified amount.
- The PSC-regulated home heating supplier that services the household has not entered into a contractual agreement with the Department.
- Home heating costs are paid separately to a landlord or other entity.

2. Vendor Payment

Vendor payments are made only in the following situations:

- The home heating provider is a PSC-regulated heating supplier that has entered into an agreement with DHHR.
- The heating bill is in the name of someone not living in the household.
- A bulk fuel user is without or in immediate danger of being without fuel for home heating and the following conditions apply:
 - The amount required to eliminate the emergency is equal to or less than the Regular LIEAP benefit; and,
 - The client verifies that he will be without fuel for home heating prior to the receipt of a direct payment check and states that he has no resources with which to purchase a temporary supply; and,

- The bulk fuel supplier will not make a delivery unless it is pre-authorized by the Worker, but agrees to provide fuel for at least 30 days from the date he is made aware of and accepts the Department's payment; and,
- The client agrees to the vendor payment instead of the direct payment.

See item B,3 below for instructions in completing the appropriate form to make vendor payment of Regular LIEAP benefits.

B. EMERGENCY LIEAP BENEFITS

Payment of Emergency LIEAP benefits is made by vendor payment only, except as described in B,4 below.

1. Authorization Of The Emergency LIEAP Payment

The following procedure is used to authorize Emergency LIEAP vendor payments:

- Form OFS-67 must be completed as instructed below in item 2, Completion and Processing of Form OFS-67.
- The completed form is given to the vendor to authorize the delivery of bulk fuel or to restore or continue the heating service.

NOTE: When payment is being authorized to PSC-regulated heating providers or to landlords, the first day of the 30-day period of service begins on the date the vendor is made aware of and accepts the Department's payment. The client must sign the form on the date he receives it from the Worker.

- The vendor signs and returns the form to the county office and the payment is processed by the Financial Clerk.

2. Completion And Processing Of Form OFS-67 For Emergency LIEAP Payments

a. Data Entry

The Worker enters the necessary case identification and the return address of the county DHHR office in RAPIDS.

b. Recordings

The quantity of fuel must be entered in the recording section. When bulk fuel deliveries are being authorized, the Worker, client and vendor must agree on the exact amount of fuel to be delivered. When electric or gas service is being authorized, the time period of the overdue bill must be entered. For all PSC-regulated heating providers or landlords, the Worker must also enter the beginning and ending dates of the 30-day period of service. The period begins on the date the vendor is made aware of and accepts the Emergency LIEAP payments and ends 29 days later.

c. Payment Authorization

The dollar amount of the delivery must be entered. All signatures and dates must be entered as indicated at the bottom of the form.

After the vendor returns the voucher to the county office, the Financial Clerk clears it for payment in RAPIDS.

3. Use Of Form DF-67 For Regular LIEAP Payments

It may sometimes be necessary to use the DF-67 form to make vendor payment of Regular LIEAP benefits to prevent bulk fuel emergencies. When this occurs, the following instructions apply:

- Form DF-67 is used to authorize the delivery in almost the same manner as described above for Emergency LIEAP. The difference is that no voucher is RAPIDS-generated. Instead, the Worker completes the DF-67 as required to authorize delivery of the home heating service.
- Vendor payment is then made to the home heating supplier when the DF-67 voucher is returned and is properly signed.

When completing this form, the dollar amount authorized must be identical to the amount of the correct LIEAP benefit payment chart at Appendix A.

NOTE: This procedure is also used to make payment to utility companies that did not enter into an agreement with the Department and a DF-67 is demanded prior to the delivery.

The OFS-LIEAP-5 form, Authorization for Delivery and Payment of Emergency Regular LIEAP, may be used instead of the DF-67 form, as follows:

- The Worker must first determine that the vendor accepts the form instead of the DF-67 and guarantees delivery.
- The Worker must insure that vendor payment and not direct payment is made.
- The vendor is not required to return the form to the county office to process payment.
- The Worker must use only the amount of the Regular LIEAP payment that the applicant is eligible to receive.
- The applicant's signature must be entered in the space on the form before the Worker can authorize payment on the applicant's behalf.
- The form may be faxed to the utility as appropriate.

4. Special Payments

There may be situations in which a vendor payment is not possible or appropriate. With the approval of the State LIEAP Coordinator, the Supervisor may authorize direct payment to the applicant or a mutually acceptable third party. Approvals are made on a case-by-case basis only and may not be used to create a precedent for future payments.

C. LIEAP FUEL SUPPLIER AGREEMENT (DFA-LIEAP-7)

The LIEAP Fuel Supplier Agreement (FSA) requires all vendors who receive LIEAP payments to comply with certain program requirements. No LIEAP payment can be made to any home heating vendor who has not signed an agreement. The agreement is signed only once, unless the vendor changes his address or his incorporated name. The FSA file is maintained by the DFA LIEAP Coordinator.

The Worker must require that new vendors complete, sign and date the Fuel Supplier Agreement. The name and address of the business and the employer identification number or the individual's SSN must be entered. In addition, the type of fuel must be indicated at the top of the form.

After the vendor completes the agreement, it must be forwarded to the local office Financial Clerk for entry into the RAPIDS vendor file. The Financial Clerk must write the vendor number issued by RAPIDS in the space provided at the top of the agreement and forward the FSA to the Division of Family Assistance to the attention of the LIEAP Coordinator. The LIEAP Coordinator will review, sign, and file the form.