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APPRISE

Institute for Study and Evaluation

CO LEAP Service Delivery Evaluation

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Executive Summary

This study focuses on the two financial energy assistance programs in Colorado – the Low Income Home Energy Assistance Program (LEAP) and Energy Outreach Colorado (EOC).

LEAP is a Federal Block Grant program that operates through Colorado's state LEAP office and a network of 64 county agencies across the state. LEAP primarily works to reduce the energy burdens of low-income households by providing assistance grants to households who are income-eligible and are vulnerable to rising energy costs. However, LEAP does provide expedited assistance for households in crisis situations and furnace repair or replacements for households without heat.

EOC is a private nonprofit that operates through a central office and a network of over 100 nonprofit organizations across the state. EOC primarily provides emergency assistance to prevent households from utility service termination, provides financial assistance to restore utility service, and provides grants to households who are out of bulk fuel needed to heat their homes.

Study Design

House Bill 08-1387 required that the Colorado Governor's Commission on Low-Income Energy Assistance "make recommendations to the Governor, the Speaker of the House of Representatives, and the President of the Senate regarding any necessary legislative changes to improve the effectiveness and efficiency of the state's low-income energy assistance services…" The Commission was directed to assess the strengths and weaknesses of the current delivery system, review service delivery models from other states, and make recommendations regarding the best way to target energy assistance resources, coordinate public and private energy assistance activities, streamline administrative processes, and suggest changes to statutes, rules, or policies affecting low-income energy consumers in the state.

To meet this mandate, Colorado retained APPRISE to conduct a study of financial energy assistance programs in Colorado. This report describes the research that was conducted, the findings from that research, and provides recommendations to improve the efficiency and effectiveness of the programs that were studied.

The program design and implementation research focused on the policies and procedures that are used for delivering services to clients. This research included document review and in-depth interviews with state managers, service delivery agency managers, and other key informants.

The low-income energy needs assessment and program analysis developed information on the needs of low-income households in Colorado and the extent to which the current delivery system addresses those needs. This research included analysis of American Community Survey data, analysis of the LEAP and EOC databases, and a survey with LEAP recipients and non-recipients.

Demographic and Regional Analysis

Analysis of 2005-2007 American Community Survey (ACS) data provided information on the energy assistance needs of low-income households throughout Colorado. In 2007, about 22 percent of households in Colorado had income below 185 percent of the Federal Poverty Level and were income-eligible for LEAP. Many of these households had unaffordable energy bills. About 16 percent of low-income households in Colorado had a total electric and gas bill of $2,500 or more. Electric and gas energy burden was 25 percent or more for 17 percent of low-income households. Twenty-four percent of low-income households in Colorado with utility bills had at least one senior in the home.

LEAP Policies and Procedures

The Colorado LEAP is a state supervised, county administered program. The state office is responsible for communication with the Federal LIHEAP office, setting the rules and regulations for the program, overseeing the LEAP budget, training and overseeing the agencies, working with the authorized utility and bulk fuel vendors, maintaining the LEAP information technology system, and conducting statewide outreach.

Sixty-four county agencies administer the program. They are responsible for conducting outreach, taking applications, sending out letters to clients who are missing information or documentation, and entering application information into the computer system.

Program Resources

Table ES-1 displays the resources that were available for the Colorado LEAP in the last three fiscal years. The table shows that Colorado's LEAP funding increased significantly in 2007-2008 due to Federal contingency funds, and even more significantly in 2008-2009 due to much higher Federal LIHEAP funding. The total LEAP funds available in 2008-2009 were over $83.5 million.

Table ES-1
Colorado LEAP Funding (Millions)

Funding Source	2006-2007	2007-2008	2008-2009
Federal Funding	$31.349	$31.729	$63.474
Federal Contingency	--	$9.765	$9.414
TANF Block Grant	$1.500	$1.500	$1.500
Carry-Over	$4.507	$2.368	$0.841
Severance Tax	$5.950	$5.95	$5.950
Leveraging	--	--	$0.222
Energy Outreach CO	$1.015	$2.15	$2.150
Total Funding	**$44.320**	**$53.462**	**$83.552**

Eligibility Criteria

The key eligibility criteria for Colorado LEAP are summarized below.

- Income Eligibility: The household must have income at or below 185 percent of the Federal Poverty Index.

- Vulnerability: The household must be affected by the rising costs of home heating to be considered vulnerable. The household must be responsible for paying heating costs, either directly to a provider or as a portion of their rental costs.

- Residency/Citizenship: The household must reside in Colorado and meet the lawful presence in the U.S. requirements.

Emergency Benefits

A household that has had heating service discontinued or threatened with discontinuance, or is out of fuel or will run out of fuel within fourteen calendar days is eligible for an emergency or expedited application. Agencies are required to process these applications expeditiously and address the emergency within ten working days of notification.

Heating Benefits Calculation

The Basic Program benefit is calculated as follows:

[(6-month heating cost) * (1- % reduction)] – (monthly income*household contribution)

Each year a percentage reduction in heating costs is determined to ensure that the state does not run out of LEAP funds prior to the end of the season. The household's contribution ranges from zero to three percent of the household income, depending on the household poverty level. All eligible households receive at least the minimum benefit, up to and including, the maximum benefit amount established for the program year. For 2008-2009 the minimum benefit was $350 and the maximum benefit was $900.

Heating Benefits Payment

The Basic Benefit is usually disbursed in two payments. The initial payment is issued beginning in November. Final payments are issued beginning in February, unless the program is shortened due to inadequate funding. Payments are made directly to vendors or to clients depending on whether the vendor has an agreement with the LEAP office and whether heat is included in rent.

Households facing an emergency on their primary heating fuel when there is no signed vendor agreement with the fuel provider, or households who have an eviction notice when the heat is included in the rent may have their application processed immediately. If eligible, the household may receive an advance payment up to their total benefit amount to meet their heating emergency.

Electric Diversion

Counties that choose to participate in electric diversion may allow eligible households to divert up to one half of their LEAP benefit to their electric vendor if the electricity is needed to operate their furnace. An average of only four to six counties chose to provide electric diversion payments over the past few years.

Crisis Benefits

The Crisis Intervention Program is designed to address non-fuel related emergencies primarily with heating system repairs or replacements for the primary heating source. Non-fuel related payments to eligible households must be the minimum amount required to alleviate the crisis not to exceed $1,500 total during the entire program year.

Outreach

The state LEAP office conducts statewide outreach. In FY 2007-2008 the state outreach consisted of columns in community newspapers throughout Colorado, distribution of the community columns to over 1,700 organizations, LEAP posters distributed to community organizations, and LEAP materials included in EOC's outreach program.

The county departments have responsibility for the operation of countywide outreach programs. The counties are required to coordinate with other agencies and organizations, provide access to program information and application forms, provide referrals to weatherization and other energy conservation programs, encourage utility company referrals, and assist disabled and elderly applicants. The county departments are required to develop outreach plans that describe the specific activities they will perform.

Application

The CO Department of Human Services (CDHS) mails applications to old age pension and public assistance households and previous year recipients. Basic Program applicants may submit completed applications either in person, by fax, or by mail. The county office must determine LEAP eligibility within 50 calendar days from the date of the application. The county office must notify the household of approval or denial in writing.

LEAP Agencies

The LEAP agency manager interviews revealed many issues that should be considered when examining how the efficiency and effectiveness of LEAP can be improved. The agency interviews suggest that the seasonal nature of the program, administrative funding levels, the application process, agency outreach, and the state monitoring process should be considered when identifying changes that could improve the effectiveness and efficiency of Colorado's LEAP.

LEAP Statistics

The Colorado LEAP office provided APPRISE with a copy of its 2007-2008 LEAP database. The database contains information on grant applications and awards from October 1, 2007 through September 30, 2008. All applications that were made during the 2008 Fiscal Year and all applications mailed to households that did not apply are included in the database.

Client Characteristics

In FY 2008 there were over 112,000 applications for LEAP in Colorado and 82 percent of the applicants received LEAP.

Colorado did a good job in reaching senior households in FY 2008. The analysis showed that 28 percent of recipients had a senior household member compared to 24 percent of low-income households in Colorado with a utility bill.

LEAP did a good job of reducing the heating burden for recipient households. Prior to LEAP, heat costs represented more than six percent of income for 26 percent of recipients and more than nine percent of income for 12 percent of recipients. After LEAP, the heating burden was more than six percent of income for only three percent of recipients and more than nine percent of income for only one percent of recipients.

Applications

Clients were most likely to indicate that they learned about LEAP through an application they received in the mail. Other common responses were that they learned about LEAP through a social services office, a friend, the heating company, or the food stamp office.

Only five percent of applicants said that they learned about LEAP through the television and only two percent, or under 2,000 households, said that they learned about LEAP only through the television and no other source. Therefore, the investment ($160,000 in FY 2009) that the LEAP office makes in buying television advertisement spots is probably not cost-effective.

Payments

Electronic heating data are obtained from vendors that have vendor agreements with the Colorado LEAP office or other vendors that supply the data through a manual process. The analysis showed that 77 percent of benefits were calculated based on actual 6-month heating costs and 23 percent were calculated based on Colorado's flat rate table that creates a proxy heating cost.

One of the concerns cited in some of the agency and stakeholder interviews was the length of time that clients must wait for their applications to be processed and to receive their benefits. The analysis showed that one quarter of the clients had to wait more than two months to receive their first payment. The analysis suggests that an application bottleneck develops over the first few months of the LEAP season. Further analysis showed that the bottleneck is probably on the agency processing side, rather than on the state processing side.

The mean benefit amount was $452. While 36 percent received a total payment of less than $250, 19 percent received a total payment of more than $750. Benefits were higher for households that did not have their heat included in their rent, for households with lower poverty levels, and for households with greater heating costs.

EOC Policies and Procedures

EOC is a private nonprofit that operates through a central office and a network of over 100 nonprofit organizations across the state. EOC primarily provides emergency assistance to prevent households from utility service termination, provides financial assistance to restore utility service, and provides grants to households who are out of bulk fuel needed to heat their homes.

EOC Grant Management

EOC's emergency grant assistance program is managed by EOC staff and administered by a network of agencies around the state. Some EOC agencies specifically serve certain demographic groups such as the elderly or single mothers, and some serve different populations because of where they are located or because of a certain illness.

EOC Assistance

Energy Outreach Colorado (EOC) provides assistance for low-income households' utility bills through direct payment on low-income accounts to utilities, contributions toward the state LEAP program, and through their network of emergency assistance sites. The table below shows EOC assistance for the 2007-2008 program year.

Table ES-2
2007-2008 EOC Energy Assistance

Assistance Method	Funding
Utility payments	$3,020,000
LEAP	$2,150,000
Emergency Assistance Sites	$5,575,000
Total Funding	**$10,745,000**

In the 2007-2008 program year, EOC assisted 21,299 clients through emergency assistance sites and utility payments, with an average grant of $404.

Outreach and Targeting

EOC's outreach is done in conjunction with LEAP through the utilities, reaching out to everyone who is income-eligible for LEAP, although the EOC grant does not have income guidelines. EOC conducts paid media advertisements to alert clients to the benefits and potential donors of the need. Much of the outreach is conducted to other organizations, so that these organizations can distribute the information through their community networks. The agencies do the same type of outreach on the local level in their communities.

EOC Grant Eligibility

Key eligibility guidelines for EOC grants are as follows.

- Clients must be billed directly by the utility company.

- Clients must provide a bill showing that their utility account is at least one day in arrears. This does not apply to vendors who require payment up-front for propane, fuel pellets, or other fuels.
- Payments should be enough to guarantee utility service for at least an additional 30 days for all types of accounts.
- The utility does not need to be the heating source.

Grant Application and Processing

In most but not all cases clients are required to come into the agency to apply for a grant. Agencies are required to enter grant data into EOC's database. EOC maintains the following agency guidelines.

- Agencies must make a payment commitment to the utility and must pay the utility within two weeks.
- The agency must counsel clients about bill payments.
- The agency must negotiate and mediate with utility vendors on the client's behalf.
- Agencies should "consider" helping clients with excessively large bills. If they do not consider them to be a good risk or deserving of help, it is the agency's choice whether to help them. The agency must document the reasons for the choice.
- The agency can decide whether or not to assist undocumented residents.

EOC Benefits

EOC grants can help households with their natural gas, electricity, coal, propane, oil, solid fuel pellets, and firewood costs. Clients with separate gas and electricity utilities can receive grants for the two different vendors. Payment cannot be made directly to the client or the landlord. The agency determines the grant amount after looking at the client's arrearages, heating costs, household income, LEAP grant, use of another fuel, and crisis level. While there is not a minimum grant amount, the maximum grant amount is $1,200 to $1,500.

EOC Agencies

Agency managers reported that the EOC grant process works well. One issue that was noted by three of the four managers interviewed was that EOC did not provide enough funding to cover their staff salaries. This seemed to be a larger burden for the one agency that provides grants to two energy providers for 70 percent of its clients. EOC may want to consider providing additional administrative funds for agencies that provide a large percentage of their grants to multiple energy providers.

One area that EOC management may want to review is the outreach that is provided by the agencies to make households in need aware of the EOC assistance that is available. None of the managers who were interviewed reported many proactive actions taken to reach clients other than those who come to the agency because they heard about the program through word of mouth or because they are visiting the agency for other assistance.

EOC Statistics

EOC provided APPRISE with a copy of its 2007-2008 grant database. This database contains data on grants that were awarded to clients between November 1, 2007 and October 23, 2008.

In the 2007-2008 year there were 20,187 EOC grants awarded, and the grants averaged $418. Approximately one-third of the households received grants directly through Xcel, rather than applying at an agency.

Many of the households served contained vulnerable members. Sixty-one percent had children, eight percent had senior household members, and 27 percent had disabled household members. However, the percent of elderly households that received grants is much lower than the percentage of low-income households in Colorado with seniors.

While EOC grants are not limited to LEAP income-eligible households, the analysis showed that the vast majority of households that received grants were income-eligible for LEAP. Only eight percent of EOC grant recipients had income above 185 percent of the poverty level.

Client Perceptions

APPRISE conducted a survey with Colorado LEAP recipients, LEAP non-applicants, LEAP denials, and low-income non-recipient households in Colorado. The survey showed that the LEAP recipients and denials face the greatest need for assistance. Even with the assistance, the recipients faced problems meeting their energy needs and other needs and maintaining utility service. Denials should be referred to Energy Outreach Colorado and other sources of assistance that may be available.

Many of the low-income non-recipients were not aware of LEAP and many felt that they did not need assistance. All groups of respondents were unlikely to be aware of Energy Outreach Colorado and the Energy Saving Partners program. These results point to the need for more outreach about all of these programs.

Key Findings and Recommendations

This section synthesizes the information from all of the research activities that were conducted to develop a set of findings and recommendations for the financial energy assistance programs in Colorado.

LEAP Program Administration

We make several recommendations for improving administrative efficiency and effectiveness.

- Administrative funding – Colorado should re-evaluate county LEAP agency administrative distributions.

- Administrative funding – The Colorado LEAP office should consider requests for administrative funding at the beginning of the LEAP season. This would help agencies to plan for and hire the needed number of staff members to process LEAP applications.

- LEAP Help Line – All client calls should be routed first to the LEAP help line, and only returned to the agency if the LEAP help line cannot provide the needed information. This would allow agencies to concentrate on processing the applications.

- Program Data Utilization – The Colorado LEAP should make use of their program data to assess program performance and target areas for improvement.

- Centralization of application processing – Colorado LEAP could consider a gradual move toward more centralized application processing. They could start, for example, by processing expedited applications at the state level or by processing applications from the larger agencies at the state office. A gradual movement towards centralized processing would allow the state to consider whether this change resulted in increased efficiencies in program administration, and whether they should increase program centralization by moving additional work from the local agencies to the state office.

- Examine potential for update of IT system – Montana and Minnesota LIHEAP directors both offered to share their IT systems with Colorado. Colorado IT staff have previously discussed IT enhancements with staff in Minnesota. If Colorado is seriously considering an IT upgrade, the Colorado IT staff should meet again with the IT departments in these states, assess the level of investment that would be required and the potential benefit, and determine whether they could work with one of these systems that have been implemented and are working well.

LEAP Outreach and Targeting

We make the following recommendations for LEAP outreach and targeting.

- Mailed applications – Given the high percentage of clients who say that they learned about the LEAP benefit through the mail, Colorado LEAP should consider increasing the groups that they mail applications to. One group that could be targeted is households that received LEAP two years ago, but did not apply.

- Mailed packet – Almost half of the households that were mailed applications but did not apply did not remember that they had received a LEAP application packet in the mail the previous year. Colorado LEAP should evaluate the mailer that they use and assess whether a more noticeable LEAP packet could be mailed.

- Television advertising – Given the small number of clients that reported that they learned about LEAP only through television and the large expense that is associated with this outreach, Colorado LEAP should reconsider whether this is a cost-effective investment that should be continued.

- LEAP website – The Colorado LEAP website should be revamped in a more client friendly format. Program rules and links should be clearer and easier to navigate. There should also be a link to EOC for clients who need additional assistance.

- State oversight of agency outreach – The state LEAP office should emphasize the importance of outreach to the county agencies, work with agencies to improve their outreach and targeting, and monitor the agency outreach plans and agency outreach activity.

LEAP Application

We make the following recommendations with respect to the LEAP application.

- Elimination of shortened application – The Colorado LEAP office should examine the impact that elimination of the shorter application (this year) has had on Old Age Pension applications and denials in FY 2009.

- Test methods to reduce incomplete applications – The large number of incomplete applications that county agencies receive increases the administrative cost of the program and makes it difficult for agencies to process applications in a timely manner. Colorado should investigate methods to reduce the percentage of applications that are incomplete. One idea that could be tested is to send the client his/her previous year's application to help the client remember how the form needs to be completed.

- Valid identification – There is anecdotal evidence that some agencies have not accepted passports and other states' drivers' licenses. The Colorado LEAP office should train county agency staff to accept all valid forms of identification.

- Revise the affidavit – create a new affidavit that is less confusing for clients.

- Denials – Try to reduce the number of denials and refer denied clients to EOC for assistance.

LEAP Application Processing

Recommendations for LEAP application processing are summarized below.

- Application processing requirement – The state LEAP office should assess whether they can revise the agency processing requirements so that agencies are not required to use an inefficient 2-step process.

- Application season – Colorado should attempt to smooth out their application season so that the influx of clients in November is reduced. One potential approach is to do an early mailing of applications to seniors. This population is more stable and represents approximately 25 percent of Colorado's LEAP grantees. This mailing could be done in August instead of October, allowing staff to begin processing the applications a few months earlier.

- Centralized application processing – Colorado could consider a gradual move toward more centralized processing. They could start, for example, by processing expedited applications at the state level or by processing applications from the larger agencies at the state office. A gradual movement towards centralized processing would allow the state to consider whether this change resulted in increased efficiencies in program administration, and whether they should increase program centralization by moving additional work from the local agencies to the state office.

LEAP Benefits

Recommendations for LEAP benefits are summarized below.

- Benefits for lowest poverty level households – Colorado should consider increasing the benefit levels for clients with income below 50 percent of the Federal Poverty Level.

- Eliminate electric diversion – There are so few clients that make use of this benefit that it does not appear to be worthwhile to continue to offer it. Clients who need assistance with their electric bill and have non-electric heat should be referred to EOC for electric benefits.

- Review electronic card payment – The Colorado LEAP office should investigate the extent to which electronic card benefits are forfeited because they are not used. If a large number of clients do forfeit their benefits, the office should offer another method of payment or provide additional information on how to use the card.

LEAP Crisis Intervention Program

Below we make a recommendation for the CIP.

- CIP and energy conservation – The Colorado LEAP office should make sure that LEAP agency staff understand the CIP conservation education requirement and that the weatherization agencies that implement the program fulfill this requirement.

EOC Program Administration

Following is a summary of the recommendations for EOC administrative procedures.

- Administrative funding – EOC should consider providing additional administrative funds for agencies that provide a large percentage of their grants to two energy providers.

- Agency procedures – EOC should consider establishing more consistent procedures among agencies.

- Case management – One particular area that EOC should examine is whether some agencies need to focus more on case management.

- High bills – EOC should considering extending their more extensive case management through their Emergency Fund Agency to additional clients, perhaps those with bills over $800 or $1,000.

EOC Outreach and Targeting

Recommendations for improving EOC outreach are summarized below.

- Senior households – EOC should recruit more agencies that focus on serving the elderly.

- Agency outreach – EOC should review agency outreach to needy households and work with their agencies to develop more comprehensive outreach strategies.

Coordination of LEAP and EOC

There appear to be ways that LEAP and EOC can work in a more coordinated fashion without reducing options that are available to clients. This may include some combination of the following.

- Application availability and assistance – Ensure that applications for LEAP are available at EOC offices. EOC agency staff could assist clients to determine if they are eligible for LEAP, and if so, assist them with the LEAP application.

- Joint benefit determination – EOC agency staff could contact the utility and determine the total payment needed to forestall a shutoff. If this amount is greater than the estimated LEAP benefit, agency staff could determine if they could fill the gap between the estimated LEAP grant and the total amount of assistance needed for clients who had not yet applied for LEAP that season.

- County agency EOC grant processing – LEAP agency staff could be provided with the ability to take EOC applications as well as LEAP applications for clients who need additional assistance.

- Joint application – LEAP and EOC could work together to develop a joint application that would be sent into the EOC system if the LEAP benefit was denied or was not sufficient to meet the client's needs. The application could also be sent to the EOC system if the client had a need for electric assistance but did not use electric heat.

Coordination of LEAP and Energy Efficiency Services

Below we summarize recommendations for coordination of LEAP and energy efficiency services.

- Joint application – Under a recent change in the Governor's Energy Office, instead of having the weatherization agencies contact clients for service delivery, the clients are instead sent a postcard in the mail on which they are asked to indicate whether they would prefer to receive an energy kit or to have someone visit their home for an audit. GEO and LEAP should work together to develop a joint application for LEAP and energy efficiency services. Clients could be asked on the LEAP application to indicate which type of service delivery they would prefer to receive (if eligible) right on the LEAP application, rather than sending a follow-up postcard that clients may ignore.

I. Introduction

Colorado has two programs that provide financial assistance to help low-income households meet their energy needs. Additionally, they have several low-income energy efficiency initiatives to reduce the energy usage of low-income households, increase the affordability of energy bills, and improve the comfort and safety of their homes. This study focuses on the two financial assistance programs in Colorado – the Low Income Home Energy Assistance Program (LEAP) and Energy Outreach Colorado (EOC).

LEAP is a Federal Block Grant program that operates through Colorado's state LEAP office and a network of 64 county agencies across the state.[1] LEAP primarily works to reduce the energy burden of low-income households by providing assistance grants to households who are income-eligible and are vulnerable to rising heating costs. However, LEAP also provides expedited assistance for households in crisis situations and furnace repair or replacements for households without heat.

EOC is a private nonprofit that operates through a central office and a network of over 100 nonprofit organizations across the state. EOC primarily provides emergency assistance to prevent households from utility service termination, provides financial assistance to restore utility service, and provides grants to households who are out of bulk fuel needed to heat their homes.

A. Background

House Bill 08-1387 required that the Colorado Governor's Commission on Low-Income Energy Assistance "make recommendations to the Governor, the Speaker of the House of Representatives, and the President of the Senate regarding any necessary legislative changes to improve the effectiveness and efficiency of the state's low-income energy assistance services…" The Commission was directed to assess the strengths and weaknesses of the current delivery system, review service delivery models from other states, and make recommendations regarding the best way to target energy assistance resources, coordinate public and private energy assistance activities, streamline administrative processes, and suggest changes to statutes, rules, or policies affecting low-income energy consumers in the state.

To meet this mandate, Colorado retained APPRISE to conduct a study of financial energy assistance programs in Colorado. This report describes the research that was conducted, the findings from the research, and provides recommendations to improve the efficiency and effectiveness of the programs that were studied.

[1] Note, this program is referred to as LIHEAP by the Federal Office and some other state offices.

B. *Research Objectives and Activities*

The research was divided into two primary tasks, each with several subtasks. The first task was a review of the program design and implementation, and the second task was an analysis of low-income energy needs in Colorado and an assessment of how well the current programs meet those needs.

Program Design and Implementation Research

The program design and implementation research focused on the policies and procedures that are used for delivering services to clients. This research included document review and in-depth interviews with state managers, service delivery agency managers, and other key informants.

1) Document Review – We reviewed all documents provided by the Colorado LEAP program managers and the Energy Outreach Colorado program managers. These documents included program plans, program rules, training manuals, budgets, contracts, and agency monitoring reports.
2) State Program Manager Interviews – We conducted interviews with the LEAP and EOC program managers to confirm our understanding of the programs based on the document review, fill in gaps in how the programs are designed and operated, obtain statistics on program resources, and explore initial ideas about potential changes to program design and implementation.
3) Agency Manager Interviews – We conducted interviews with managers at a sample of county agencies that deliver LEAP and nonprofit agencies that deliver EOC grants. The purpose of these interviews was to document how service delivery procedures are implemented and to identify potential barriers to the effectiveness and efficiency of the service delivery systems.
4) Key Informant Interviews – We conducted interviews with individuals in Colorado who interact with the energy assistance programs to obtain feedback from knowledgeable and interested parties as to how the current Colorado energy assistance programs are working and potential improvements to these programs. Interviews were conducted with county agency directors, utility company managers, LEAP contractor managers, and a low-income energy conservation program manager.
5) Other State LIHEAP Director Interviews and Review – We conducted interviews with LIHEAP directors in three other states to assess innovative aspects to their LIHEAP delivery that could be considered in Colorado. We reviewed documents from two other state LIHEAP programs because of the uniqueness of their program designs.

Low-Income Energy Needs Assessment and Program Analysis

The low-income energy needs assessment and program analysis developed information on the needs of low-income households in Colorado and the extent to which the current delivery system addresses those needs. This research included analysis of American Community Survey data, analysis of the LEAP and EOC databases, and a survey with LEAP recipients and non-recipients.

1) Public Use Data Analysis – We used the 2007 American Community Survey data to document the needs of low-income households statewide. In addition, we used three years of ACS data (2005-2007) to develop information for the major geographic subdivisions in Colorado.
2) Recipient Database Analysis – We analyzed the Fiscal Year 2008 LEAP databases with information on all households who applied for LEAP, were mailed an application, or received LEAP in Fiscal Year 2008. We analyzed the characteristics of LEAP recipients, non-applicants, and denials and the characteristics of the grants that were awarded. We also obtained the database of Fiscal Year 2008 EOC grant recipients and analyzed the characteristics of these households and the grants that they received.
3) Recipient and Non-Recipient Survey – We conducted a telephone survey with households that received LEAP in Fiscal Year 2008, received an application but did not apply in Fiscal Year 2008, and were denied benefits in 2008. We also interviewed low-income households in Colorado who were not mailed an application and did not apply for or receive LEAP benefits. These surveys provided additional information on the characteristics of LEAP beneficiaries, barriers to LEAP benefit award, and impacts of the program on recipient households.

C. Organization of the Report

Seven sections follow this introduction.

- *Section II – Research Design*: This section provides a detailed description of the research that was conducted.
- *Section III – Demographic and Regional Analysis of Low-Income Energy Needs in Colorado*: This section describes the energy needs of low-income households in Colorado and in geographic regions of the state.
- *Section IV – Colorado LEAP Program*: This section describes the design and implementation of the Low-Income Energy Assistance Program in Colorado, based on review of program documents, interviews with state managers, interviews with agency program managers, and analysis of the FY 2008 LEAP database.
- *Section V – Energy Outreach Colorado Program*: This section describes the design and implementation of the EOC Program, based on review of program documents, interviews with EOC program managers, interviews with agency program managers, and analysis of the FY 2008 EOC database.
- *Section VI – Client Perceptions*: This section provides an analysis and summary of the findings from a survey with LEAP recipients, non-applicants, denials, and low-income households in Colorado.

- *Section VII – Alternative Program Models*: This section provides a review of alternative program models that have been implemented in other states that Colorado may want to consider. These models are very different from Colorado's current approach.

- *Section VIII – Findings and Recommendations*: This section reviews the benefits and constraints of the current low-income energy financial assistance programs in Colorado and makes recommendations for program improvements.

APPRISE prepared this report under contract to Colorado's Department of Human Services. Colorado's Department of Human Services facilitated this research by furnishing program information and the program database to APPRISE. Energy Outreach Colorado (EOC) facilitated this research by furnishing program information and their program database to APPRISE. Any errors or omissions in this report are the responsibility of APPRISE. Further, the statements, findings, conclusions, and recommendations are solely those of analysts from APPRISE and do not necessarily reflect the views of the Department of Human Services or Energy Outreach Colorado.

II. Research Design

House Bill 08-1387 required that the Colorado Governor's Commission on Low-Income Energy Assistance "make recommendations to the Governor, the Speaker of the House of Representatives, and the President of the Senate regarding any necessary legislative changes to improve the effectiveness and efficiency of the state's low-income energy assistance services…" The Commission is directed to assess the strengths and weaknesses of the current delivery system, review service delivery models from other states, and make recommendations regarding the best way to target energy assistance resources, coordinate public and private energy assistance activities, streamline administrative processes, and suggest changes to statutes, rules, or policies affecting low-income energy consumers in the state.

To meet this mandate, APPRISE was retained to conduct a study of energy assistance programs in Colorado. APPRISE designed a research plan to address these issues. This section describes the research that was conducted.

A. Program Design and Implementation Research

The program design and implementation research focused on the policies and procedures that are used for delivering services to clients. This research included document review and in-depth interviews with state managers, service delivery agency managers, LEAP contractor managers, and other key informants.

Document Review

We reviewed all documents provided by the Colorado LEAP program managers and the Energy Outreach Colorado program managers. The following documents were included.

LEAP Documentation

- 2008-2009 LEAP New Tech Training Operations Manual
- 2008-2009 LEAP Rules
- 2007-2008 LEAP Rules
- 2007 LEAP State Plan
- 2008-2009 LEAP Budget
- 2008-2009 County Administration and Outreach Allocation
- 2007-2011 Metered Fuel Vendor Agreement
- 2007-2011 Bulk Fuel Vendor Agreement
- 2008 LEAP County Summary Report
- 2008 LEAP Benefit Adjustment Memo
- LEAP Denial and Approval letters for clients
- 2008 LEAP Monitoring Schedule
- LEAP Management File Review Questions
- Crisis Intervention File Review Questions
- Electric Diversion File Review Questions

- County Monitoring Reports
- 2005 HHS Audit Report
- LEAP Agency Letters
    - 2007-2008 LEAP Outreach Incentive Program
    - 2008-2009 LEAP Mass Mailing and LEAP Forms
    - 2007-2008 LEAP Mass Mailing
    - 2008-2009 LEAP Training Schedule, Program Updates
    - 2007-2008 LEAP Training Schedule, Program Updates
    - 2007-2008 LEAP Monitoring Plan and Corrective Action Process
    - 2007-2008 LEAP Administrative and Outreach Allocations
    - 2007-2008 LEAP Overpay and Duplicate Payment Reports Procedures
- 2007-2008 Larimer Outreach Incentive Plan

EOC Documentation

- 2008-2009 Guidelines for Assistance
- 2008-2009 Agency Grant Application Guidelines
- Agency Training Presentation
- EOC Emergency Fund guidelines (for bills greater than $1,200)
- Online Agency Grant Application
- Client Assistance Application
- EOC Fact Sheet
- Agency Grant Distribution Spreadsheet

The review of these documents provided a good foundation for understanding the design and implementation of these energy assistance programs.

State Program Manager Interviews

We conducted interviews with the following key program managers.

- Colorado LEAP Director
- Director of Colorado's Department of Human Services, Office of Self Sufficiency
- Energy Outreach Colorado Director

These interviews confirmed our understanding of the programs based on the document review, filled in gaps in how the programs are designed and operated, obtained statistics on program resources, and explored initial ideas about potential changes to program design and implementation.

State Contractor Interviews

We conducted interviews with managers for the following state contractors.

- eCallogy – company that handles the LEAP toll free hotline.
- Bawmann Group – company that conducts outreach for LEAP.

Agency Manager Interviews

Interviews were conducted with managers at a sample of county agencies that deliver LEAP and nonprofit agencies that delivery Energy Outreach Colorado grants. The purpose of these interviews was to document how service delivery procedures are implemented and to identify potential barriers to the effectiveness and efficiency of the service delivery systems.

A sample of seven county LEAP agencies around Colorado were selected to represent the different geographic regions, urban and rural areas, and small and large county offices. The following county agencies were included.

- Adams
- Boulder
- Denver
- Eagle
- Huerfano
- Mesa
- Pueblo

A detailed list of interview questions was developed for the LEAP agency manager interviews. The following topics were included in the interview questions.

- Agency management and staff
- LEAP resources
- LEAP guidelines, training, and quality control
- LEAP application
- Agency application processing
- LEAP benefits
- Agency outreach and targeting
- State monitoring
- Agency LEAP assessment

Energy Outreach Colorado selected the following agencies to represent the different geographic regions, urban and rural areas, and an agency that focuses on seniors.

- Senior's Resource Center, Littleton
- Jeffco Action Center, Lakewood (large agency in metropolitan area)
- Grand Valley Catholic Outreach, Grand Junction (Western Slope, rural)
- Rural Communities Resource Center, Akron (Eastern Plains, rural)

A detailed list of interview questions was developed for the EOC agency manager interviews. The following topics were included in the interview questions.

- Agency management and staff
- EOC resources

- EOC guidelines, training, and quality control
- EOC application
- Agency application processing
- EOC benefits
- Agency outreach and targeting
- Agency EOC assessment

Interviews with Other Key Informants

Additional interviews were conducted with individuals in Colorado who interact with the energy assistance programs to obtain feedback from knowledgeable and interested parties as to how the current Colorado energy assistance programs are working and potential improvements to these programs. Interviews were conducted with several representatives from different sectors to obtain varied viewpoints on how the low-income energy assistance programs can be improved. Interviews were conducted with two directors at county agencies, three utility company managers who work with the LEAP program, and a program manager for low-income energy conservation programs in the Governor's Energy Office.

The interviews focused on the assessments that informants had made about the efficiency and effectiveness of LEAP and recommendations that they had for improvements. Specific policy changes that were addressed included:

- Centralized program administration
- Seasonal agency staff employment/ staff turnover
- LEAP outreach
- Automatic enrollment and/or coordinated application with other programs
- Year-round application
- Web-based application

Interviews with Other LIHEAP Directors

One of the objectives of this research was to examine LIHEAP service delivery models in other states and assess whether there are aspects of these other models that could be applied in Colorado to improve the efficiency and effectiveness of Colorado's LEAP program.

Three states were selected for interviews with their LIHEAP directors because they had innovative aspects to the LIHEAP delivery that could be considered in Colorado.

- Minnesota – The LIHEAP office had recently undertaken a major technological upgrade to improve the efficiency of their program.

- Montana – The LIHEAP program uses a web-based application system.

- Ohio – The LIHEAP program utilizes a combination of local agency-level intake and centralized, state level application processing.

Two additional states were included for documentation review because of the uniqueness of their programs.

- Michigan – Their LIHEAP benefits are delivered in conjunction with the state income tax.

- New Jersey – The LIHEAP program is integrated with a ratepayer-funded universal service program that limits electric and gas energy burden. Additionally, the LIHEAP program has coordinated application with the state's Food Stamp program.

Interviews with state LIHEAP directors focused on the following topics.

- Centralized program administration
- Integration with other assistance programs
- Coordination of LEAP with state income taxes
- Outreach and targeting

B. *Low Income Energy Needs Assessment and Program Analysis*

The needs assessment and program analysis developed information on the needs of low-income households in Colorado and the extent to which the current delivery system addresses those needs. This research included analysis of American Community Survey data to develop a profile of low-income households in Colorado, analysis of the LEAP and EOC databases to develop a profile of households who receive assistance, and a survey with LEAP recipients and non-recipients to assess how Colorado LEAP meets the needs of low-income households and barriers to receipt of LEAP assistance.

Public Use Data Analysis

We used the 2007 American Community Survey data to document the needs of low-income households statewide. In addition, we used three years of ACS data (2005-2007) to develop information for the major geographic subdivisions in Colorado. These analyses covered the following issues.

- LEAP income eligibility
- Main heating fuel used
- Direct payment of energy bills
- Energy costs and energy burden
- Demographic characteristics

Recipient Database Analysis

We obtained databases from LEAP for all households who applied for LEAP, were mailed an application, or received LEAP in Fiscal Year 2008. We analyzed the characteristics of LEAP recipients, non-applicants, and denials and the characteristics of the grants that were awarded. This analysis covered the following issues.

- Client characteristics (recipients, non-applicants, and denials)
- Applications and eligibility
- LEAP assistance payments
- Emergency and crisis assistance

We also obtained the database of FY 2008 EOC grant recipients and analyzed the characteristics of these households and the grants that they received. This analysis covered the following issues.

- Grant recipient characteristics
- Grant characteristics
- Agency service delivery characteristics

Recipient and Non-Recipient Survey

We conducted a telephone survey with households that received LEAP in Fiscal Year 2008, received an application but did not apply in Fiscal Year 2008, and were denied benefits in 2008. We also interviewed low-income households in Colorado who were not mailed an application and did not apply for or receive LEAP benefits. These surveys provide additional information on the characteristics of LEAP beneficiaries, barriers to LEAP benefit award, and impacts of the program on recipient households. The following topics were included.

- Demographic characteristics
- Problems meeting energy needs
- The need for LEAP

III. Demographic and Regional Analysis of Low-Income Energy Needs in Colorado

This section provides a profile of Colorado's low-income households using data from the 2007 American Community Survey (ACS). In addition, we used three years of ACS data (2005-2007) to develop information for the major geographic subdivisions in Colorado. These data provide information on the energy assistance needs of low-income households throughout Colorado.

A. *State Level Analysis*

Table III-1 displays eligibility for LEAP, based on Colorado's 185 percent of poverty eligibility criteria. For 2007, the income standard for a one-person household was about \$18,889 and the income standard for a four-person household was about \$38,203. For the analysis of low-income households in Colorado, we focus on households with incomes at or below 185% of the HHS Poverty Guideline. In 2007, 22 percent of households in Colorado were income-eligible for LEAP.

Table III-1
Eligibility for LEAP

Poverty Group	Number of Households	Percent of Households
Income at or below 185%	413,610	22%
Income above 185%	1,446,351	78%
ALL CO HOUSEHOLDS	1,859,961	100%

Source: 2007 ACS

Table III-2 displays the main heating fuel used by low-income households in Colorado. The table shows that the majority of low-income households in Colorado, 70 percent, use utility gas as their heating fuel. Electricity was used as the main heating fuel for 21 percent of low-income households in Colorado.

Table III-2
Main Heating Fuel for Low-Income Households

Main Heating Fuel	Number of Households	Percent of Households
Utility Gas	288,485	70%
Electricity	88,743	21%
Other Fuels	33,191	8%
No fuel used	3,191	1%
ALL LOW INCOME CO HOUSEHOLDS	413,610	100%

Source: 2007 ACS

Table III-3 displays the percentage of low-income households that pay directly for their electric and gas bills. The table shows that 87 percent of low-income households pay for their electric bill and 66 percent pay for their gas bill.

Table III-3
Low-Income Households
Direct Payment for Electric and/or Gas Bill

Bill Payment	Number of Households	Percent of Households
Electric Bill – Direct Payment	360,640	87%
Gas Bill – Direct Payment	274,994	66%
ALL LOW INCOME CO HOUSEHOLDS	413,610	100%

Source: 2007 ACS

Table III-4 displays the percentage of households for whom residential energy bills are available. The table shows that 75 percent of households have bills available, 14 percent have their heat included in their rent, two percent did not report their bill, and nine percent have a delivered fuel for their main source of heat. Most of the households in Colorado with delivered fuels use propane, and because of the way the survey question on bulk fuel costs is worded in the ACS, data on propane are not available.[2] Therefore, in the following tables, we are able to present total energy costs for households that use electric and gas and reported data on these costs. These data are available for 75 percent of low-income households in Colorado.

Table III-4
Residential Energy Bills for Low-Income Households

Residential Energy Bill	Number of Households	Percent of Households
Residential Bill Available	310,957	75%
Heat Included in Rent	55,980	14%
Electric/Gas Bill Not Reported	10,291	2%
Delivered Fuel Main Heat	36,382	9%
ALL INCOME ELIGIBLE	413,610	100%

Source: 2007 ACS

Tables III-5 displays the distribution of total electric and gas expenditures for low-income households that only use electric and gas. The table shows that about one-third have a total electric and gas bill that is less than $1,000 per year, while 16 percent have an annual bill of $2,500 or more.

[2] The question about bulk fuel cost in the ACS is “In the past 12 months, what was the cost of oil, coal, kerosene, wood, etc for this house, apartment, or mobile home?”

Table III-5[3]
Electric and Gas Bills for Low-Income Households

Electric and Gas Bill	Number of Households	Percent of Households
$1 - $499	21,129	7%
$500 - $999	80,199	26%
$1,000 - $1,499	71,816	23%
$1,500 - $1,999	56,084	18%
$2,000 - $2,499	33,024	11%
$2,500 or more	48,705	16%
TOTAL	310,957	100%

Source: 2007 ACS

Table III-6 shows that energy burden is less than five percent of income for 22 percent of the households, while it is 25 percent or more for 17 percent of low-income households who only use electric and gas.

Table III-6
Electric and Gas Burden for Low-Income Households

Electric and Gas Burden	Number of Households	Percent of Households
0% to less than 5%	67,756	22%
5% to less than 10%	101,856	33%
10% to less than 15%	51,402	17%
15% to less than 20%	25,538	8%
20% to less than 25%	12,871	4%
25% or more	51,534	17%
TOTAL	310,957	100%

Source: 2007 ACS

Table III-7 furnishes information on the presence of vulnerable members in the household and illustrates what share of the population might be particularly susceptible to energy-related health risks. The table shows that 17 percent of low-income households with utility bills have a disabled household member, 24 percent have a senior in the household (65 or older), 23 percent have a young child, and 36 percent do not have a vulnerable household member.

Table III-7
Vulnerability Status for Low-Income Households

Vulnerability Status	Number of Households	Percent of Households
Disabled	70,808	17%

[3] Households who are missing either an electric or a gas bill are excluded.

Vulnerability Status	Number of Households	Percent of Households
Senior	100,112	24%
Young Child	93,681	23%
No Vulnerable	149,009	36%
TOTAL	413,610	100%

Source: 2007 ACS

Table III-8 presents statistics on the language spoken at home. The table shows that nearly one-quarter of the households speak Spanish at home.

Table III-8
Language Spoken at Home by Low-Income Households

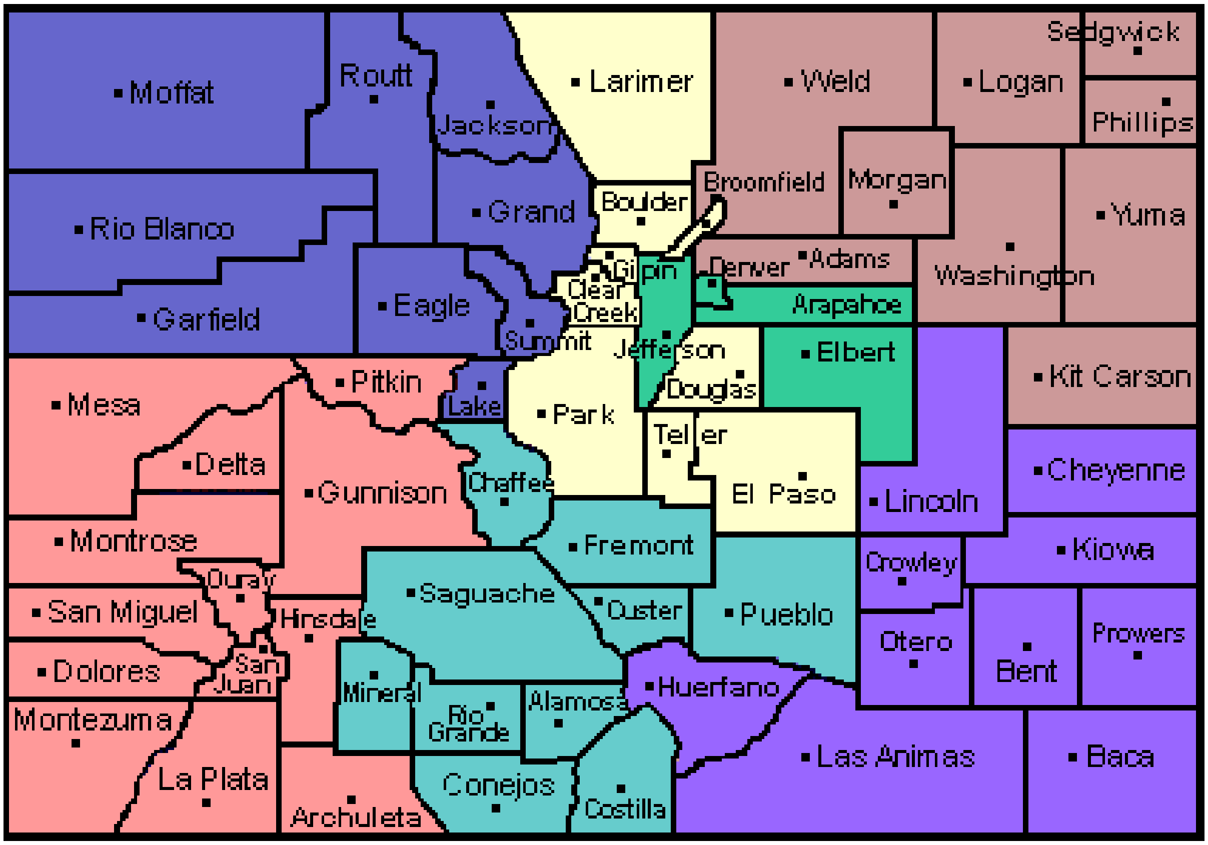
Language Spoken	Number of Households	Percent of Households
English	296,869	72%
Spanish	92,619	22%
Indo-European	11,229	3%
Other	12,893	3%
TOTAL	413,610	100%

Source: 2007 ACS

B. Regional Analysis

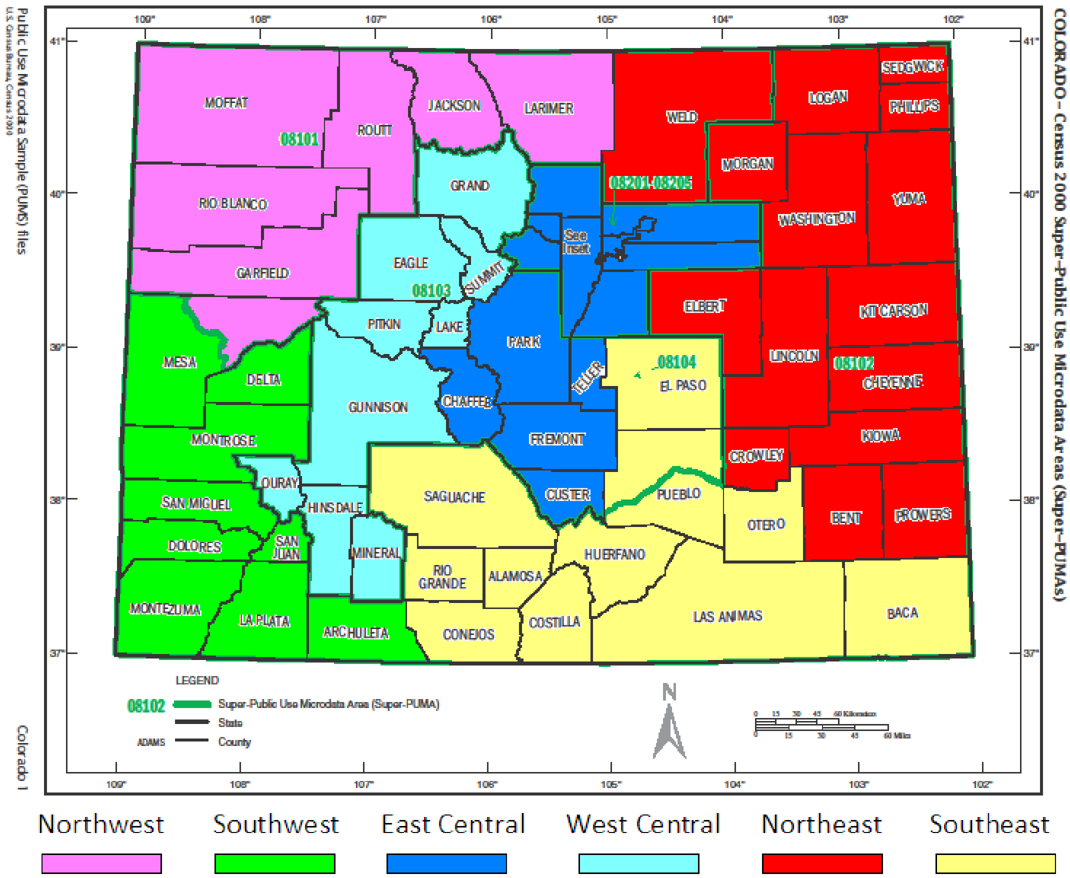
This section provides analysis of the energy needs of low-income households in regions within Colorado. The map below shows the regional divisions that Colorado uses when analyzing different areas within the state.

Map III-1 - Colorado Regional Analysis



Using the ACS data, we can approximate these regions as shown in the map below. All tables in this section use this regional division of Colorado.

Map III-2 – Regions for Colorado Data Analysis



All tables shown in this section use the average of the 2005, 2006, and 2007 ACS data. It is necessary to combine these three data files because the sample in each year is not large enough to produce reliable estimates by region. Therefore, all results shown in this section are representative of 2006.

Table III-9 displays eligibility for LEAP for Colorado overall and for each of the six analysis regions. The table shows that while 23 percent of households in Colorado are income-eligible for LEAP, eligibility in the six regions ranges from 18 percent in the West Central region to 27 percent in the Northeast.

Table III-9
Eligibility for LEAP
By Colorado Region

Poverty Group	CO	Northwest	Southwest	West Central	East Central	Northeast	Southeast
Income at or below 185%	23%	22%	26%	18%	21%	27%	26%
Income above 185%	77%	78%	74%	82%	79%	73%	74%
ALL CO HOUSEHOLDS	100%	100%	100%	100%	100%	100%	100%

Source: 2005, 2006, 2007 ACS

Table III-10 displays the main heating fuel used by region. The table shows that 70 percent of low-income households in Colorado use utility gas for heating. This percentage varies from 53 percent in the West Central region to 73 percent in the East Central region.

Table III-10
Main Heating Fuel for Low-Income Households
By Colorado Region

Main Heating Fuel	CO	Northwest	Southwest	West Central	East Central	Northeast	Southeast
Utility Gas	70%	64%	59%	53%	73%	70%	70%
Electricity	21%	28%	19%	27%	22%	15%	18%
Other Fuels	8%	8%	21%	20%	4%	15%	11%
No fuel used	1%	0%	0%	0%	1%	0%	0%
ALL LOW INCOME CO HOUSEHOLDS	100%	100%	100%	100%	100%	100%	100%

Source: 2005, 2006, 2007 ACS

Table III-11 displays the percentage of low-income households that directly pay for the electric and gas bill. The table shows that while 94 percent of households in the Southwest directly pay for their electric bill, only 78 percent in the West Central region directly pay for the electric bill. Households in the West Central region are also less likely to pay directly for their gas bill.

Table III-11
Low-Income Households
Direct Payment for Electric and/or Gas Bill
By Colorado Region

Bill Payment	CO	Northwest	Southwest	West Central	East Central	Northeast	Southeast
Electric Bill – Direct Payment	88%	86%	94%	78%	88%	86%	88%
Gas Bill – Direct Payment	68%	64%	66%	55%	68%	67%	69%
ALL LOW INCOME CO HOUSEHOLDS	100%	100%	100%	100%	100%	100%	100%

Source: 2005, 2006, 2007 ACS

Table III-12 displays the percentage of households for whom residential energy bills are available by region. The table shows that the percentage of households that have bills available varies from 62 percent in the West Central region to 78 percent in the Northwest and East Central regions.

Table III-12
Residential Energy Bills for Low-Income Households
By Colorado Region

Residential Energy Bill	CO	Northwest	Southwest	West Central	East Central	Northeast	Southeast
Residential Bill Available	76%	78%	72%	62%	78%	71%	75%
Heat Included in Rent	13%	13%	5%	17%	14%	12%	12%
Electric/Gas Bill Not Reported	2%	1%	1%	1%	3%	2%	2%
Delivered Fuel Main Heat	9%	8%	22%	20%	5%	15%	11%
ALL INCOME ELIGIBLE	100%	100%	100%	100%	100%	100%	100%

Source: 2005, 2006, 2007 ACS

Table III-13 displays electric and gas bills for low-income households by region. The table shows that households in the Northeast have the highest combined bills. Twenty-two percent of households in the Northeast have electric and gas bills of $2,500 or more.

Table III-13[4]
Electric and Gas Bills for Low-Income Households
By Colorado Region

Electric and Gas Bill	CO	Northwest	Southwest	West Central	East Central	Northeast	Southeast
$1 - $499	8%	6%	4%	8%	10%	5%	6%
$500 - $999	25%	31%	25%	26%	26%	20%	25%
$1,000 - $1,499	22%	19%	23%	27%	21%	26%	23%
$1,500 - $1,999	17%	17%	19%	14%	16%	15%	19%
$2,000 - $2,499	12%	10%	10%	7%	12%	12%	12%
$2,500 or more	16%	16%	18%	17%	15%	22%	15%
ALL INCOME ELIGIBLE	100%	100%	100%	100%	100%	100%	100%

Source: 2005, 2006, 2007 ACS

Table III-14 displays electric and gas burden for low-income households in Colorado by region. The table does not show large variability by region.

[4] Households who are missing either an electric or a gas bill are excluded.

Table III-14
Electric and Gas Burden for Low-Income Households
By Colorado Region

Electric and Gas Burden	CO	Northwest	Southwest	West Central	East Central	Northeast	Southeast
0% to less than 5%	21%	20%	16%	20%	23%	18%	19%
5% to less than 10%	32%	33%	33%	42%	32%	32%	32%
10% to less than 15%	16%	19%	18%	13%	15%	17%	16%
15% to less than 20%	8%	8%	10%	2%	8%	8%	11%
20% to less than 25%	5%	5%	6%	3%	4%	5%	4%
25% or more	18%	14%	17%	20%	18%	19%	17%
ALL INCOME ELIGIBLE	100%	100%	100%	100%	100%	100%	100%

Source: 2005, 2006, 2007 ACS

Table III-15 displays vulnerability status for low-income households by region. The table shows some variability in the percentage of low-income households that are vulnerable. For example, while 20 percent of low-income households in the Southeast region have a disabled household member, only seven percent in the West Central region have a disabled household member. While 33 percent of households in the Southwest region have a senior household member, only 11 percent of the households in the West Central region have a senior household member.

Table III-15
Vulnerability Status for Low-Income Households
By Colorado Region

Vulnerability Status	CO	Northwest	Southwest	West Central	East Central	Northeast	Southeast
Disabled	17%	17%	15%	7%	17%	16%	20%
Senior	24%	21%	33%	11%	23%	27%	26%
Young Child	22%	17%	24%	22%	22%	22%	23%
No Vulnerable	37%	46%	29%	59%	38%	36%	31%
TOTAL	100%	100%	100%	100%	100%	100%	100%

Source: 2005, 2006, 2007 ACS

Table III-16 displays the language spoken at home by region. The table shows that the East Central region has the largest percentage of non-English speakers; one-third of these households do not speak English at home.

Table III-16
Language Spoken at Home by Low-Income Households
By Colorado Region

Language Spoken	CO	Northwest	Southwest	West Central	East Central	Northeast	Southeast
English	72%	81%	79%	71%	68%	71%	75%
Spanish	22%	15%	18%	26%	24%	26%	20%
Indo-European	3%	2%	1%	4%	4%	2%	3%
Other	3%	2%	2%	.	4%	2%	2%
TOTAL	100%	100%	100%	100%	100%	100%	100%

Source: 2005, 2006, 2007 ACS

C. Summary

The data analyses provided information on the energy assistance and energy efficiency needs of low-income households in Colorado. In 2007, about 22 percent of households in Colorado were income-eligible for LEAP. Eighty-seven percent of these household pay directly for their electric bills and 66 percent pay directly for the gas bills.

About 16 percent of low-income households in Colorado have a total electric and gas bill of $2,500 or more. Electric and gas energy burden is 25 percent or more for 17 percent of low-income households.

While 24 percent of low-income households have a senior household member, 22 percent speak Spanish at home.

The research also showed that there is variability in need and demographic characteristics of low-income households with utility bills across Colorado. LEAP income eligibility in the six regions ranged from 18 percent in the West Central region to 27 percent in the Northeast. While 53 percent of low-income households in the West Central region use utility gas for heating, 73 percent in the East Central region use utility gas. Households in the Northeast have the highest electric and gas bills. Twenty-two percent of households in the Northeast have electric and gas bills of $2,500 or more.

The analyses showed some variability in the percentage of low-income households that are vulnerable across the state. Low-income households in the Southeast region were most likely to have a disabled household member or an elderly household member. The East Central region has the largest percentage of non-English speakers; one-third of these households do not speak English at home.

IV. Colorado LEAP Program

LEAP is a Federal Block Grant program that operates through Colorado's state LEAP office and a network of 64 county agencies across the state. Colorado LEAP primarily works to reduce the energy burdens of low-income households by providing assistance grants to households that are income-eligible and are vulnerable to rising heating costs. However, Colorado LEAP also provides expedited assistance for households in crisis situations and furnace repair or replacements for households without heat.

The mission of the Low Income Home Energy Assistance Program (LIHEAP), as developed by the Federal LIHEAP office and the National Panel on the LIHEAP Model Performance Plan is to "assist low-income households, particularly those with the lowest incomes, that pay a high proportion of household income for home energy, primarily in meeting their immediate home energy needs."

The primary goals of LIHEAP are to:

1) Target energy assistance to low-income households with the highest home energy needs, taking into account both energy burden and vulnerable household members.

2) To increase energy affordability for LIHEAP recipient households.

A. Policies and Procedures

This section describes how the Colorado LEAP program is designed and implemented.

Program Management

The Colorado LEAP is a state supervised, county administered program. There are five staff members in the state office and another staff member in the Office of Information Technology Services who supports the program. The state office is responsible for communication with the Federal LIHEAP office, setting the rules and regulations for the program, overseeing the LEAP budget, training and overseeing the agencies, working with the authorized utility and bulk fuel vendors, maintaining the LEAP information technology system, and conducting statewide outreach.

The following staff members work at the state level on the Colorado LEAP program.

- LEAP Director – He oversees the program and communicates with the Federal LIHEAP office.

- Program Manager I – She oversees state rules and regulations, and is responsible for agency training and monitoring.

- Program Manager II – He focuses on the LEAP management information system and oversees the crisis furnace repair and replacement component. He also does training and monitoring of the county offices.

- Financial Manager – She is responsible for accounting, contracts, and purchasing. She oversees the vendor contracts for furnace repair and replacement and the automated fuel vendors where the LEAP benefit is provided directly to the fuel companies. She is also responsible for agency training and monitoring.

- Administrative Assistant – She provides administrative support for LEAP.

- Information Technology Manager – He works in the Governor's Office of Information Technology Services, but supports the LEAP program. He works on the LEAP database and the website.

Sixty-four county agencies administer the program. They are responsible for conducting outreach, taking applications, sending out letters to clients who are missing information or documentation, and entering application information into the computer system.

Program Resources

Table IV-1 displays the resources that were available for Colorado LEAP in the last three fiscal years. The table shows that Colorado's LEAP funding increased significantly in 2007-2008 due to Federal contingency funds, and even more significantly in 2008-2009 due to much higher Federal LIHEAP funding. The total LEAP funds available in 2008-2009 are over $83.5 million.

Table IV-1
CO LIHEAP Funding (Millions)

Funding Source	2006-2007	2007-2008	2008-2009
Federal Funding	$31.349	$31.729	$63.474
Federal Contingency	--	$9.765	$9.414
TANF Block Grant	$1.500	$1.500	$1.500
Carry-Over	$4.507	$2.368	$0.841
Severance Tax	$5.950	$5.95	$5.950
Leveraging	--	--	$0.222
Energy Outreach CO	$1.015	$2.15	$2.150
Total Funding	**$44.320**	**$53.462**	**$83.552**

The limits for expenditure of the 2007-2008 funds were as follows.

- $2.89 million for county administration

- $700,000 for county outreach[5]
- $2 million for Crisis Intervention Program (CIP)
- $5 million for weatherization[6]
- $530,332 for State administration
- $490,906 for State outreach

The allowable administrative expenses include:

- Personnel costs
- Office space
- Office furnishings
- Telephone
- Computers
- Office supplies and equipment
- Mailing Costs
- Travel

Allowable outreach expenditures include:

- Mailing costs
- Phone inquiries
- Countywide outreach visits
- Visits to outlying locations
- Home visits
- Group intake/orientation
- Energy conservation outreach
- Referral for other services
- Advertisements

In the past, counties have slightly overspent their administrative budgets. Some counties don't spend their entire allocation and some overspend their allocation. Last year, one county overspent in administration, but there was enough in the overall administration budget that the state was able to cover their expenses. The overspending in administration would be funded by the county general funds if the state did not have enough to cover the county costs.

Eligibility Criteria

This section summarizes the eligibility criteria for Colorado's LEAP.

[5] Counties are allowed to transfer funds from administration to outreach, but not the other way around. In previous years, they have overspent in administration and under spent in outreach.

[6] LEAP sends 15 percent of the LEAP funding to the Governor's Energy Office (GEO) for weatherization. GEO uses the weatherization funds under DOE rules and reports all but $500,000 in LEAP funding in their state plan. The hold the $500,000 to provide some flexibility on the number of units and the per unit average cost. This allows GEO to target more high-need homes.

Income Eligibility

- The household must have income at or below 185 percent of the Federal Poverty Index.
- The household income is defined as the countable gross income in any four weeks of the eight weeks prior to application that best represents the applicant's current income situation.
- The household's assets are not considered for the purpose of determining eligibility for assistance.
- Public assistance income includes income received from the following Department of Human Services programs:
  - Colorado Works
  - Old Age Pension (OAP, both the SSI-supplement and State-only groups)
  - Aid to the Needy Disabled (both the SSI-supplement and State-only groups)
  - Aid to the Blind (AB, both the SSI-supplement and State-only groups)
  - Non-Categorical Refugee Assistance (NCRA)

Vulnerability

A household must be affected by the rising costs of home heating to be considered vulnerable. The household must be responsible for paying heating costs, either directly to a provider, or as a portion of their rental costs. The following categories of households are considered vulnerable.

- The household pays home heating costs directly to a vendor.
- The household lives in non-subsidized housing and pays home heating costs either in the form of rent or as a separate charge in addition to rent.
- The household resides in subsidized housing and the meter identifies specific heating usage of that unit and the household is subject to a surcharge or increased cost for home heating; or the tenant is subject to a heating surcharge assessed by means other than an individual meter. Such surcharges may include percentage fess assessed to the tenant for home heating.
- The applicant household is in a residence where more than one household resides and contributes toward the total expenses of the residence.
- The household lives in a traditional dwelling, defined as a house, apartment, townhouse, mobile home, recreational vehicle, 5th wheels, or camper.

Households that live in the following types of living arrangements are considered to not be vulnerable to the rising costs of home heating costs.

- Institutional group care facilities.
- Correctional facilities.
- Dormitories, fraternities, or sororities.
- Subsidized housing where the household does not have an individual check meter or cannot provide other evidence of responsibility for paying home heating surcharges.
- Homeless or nontraditional dwelling.

Residency/Citizenship

- Residency: applicant households must reside in Colorado.
- Citizenship: the applicant must meet the lawful presence in the U.S. requirements. There is no requirement for length of residency in the United States.

Mandatory Weatherization

Households approved to receive a LEAP benefit must agree to have their dwelling weatherized if contacted by a state-authorized weatherization agency. The Governor's Energy Office provides the State LEAP office with a listing of all households that refuse to have their dwellings weatherized. If the household still resides in the dwelling for which they have refused weatherization, the household cannot receive LEAP benefits unless the household has a medical reason for refusal of weatherization, the household claims a safety issue, or the landlord refuses weatherization of the household's dwelling.

Eligibility Period

The eligibility period for the Basic Low-Income Energy Assistance Program is November 1st through April 30th. The furnace repair/replacement component of the Crisis Intervention Program operates year round. All other components of the Crisis Intervention Program operate from November 1 through April 30. The county processes all CIP applications during the heating season and the State administers most county CIP applications from May 1 through October 31st.

Emergency/Expedited Applicant

A household that has had heat service discontinued or threatened with discontinuance, or is out of fuel or will run out of fuel within fourteen calendar days is eligible for an emergency or expedited application. Agencies are required to process applications for households in these situations expeditiously and address the emergency within ten working days of notification of the emergency by the applicant to the county department.

If the applicant has a metered fuel with a vendor that has a vendor agreement with LEAP and the vendor is notified that the household was approved for a Basic LEAP benefit, the vendor is required to do the following.

- Initiate service, continue service, or restore service to the household within 24 hours of notification and continue utility service for at least sixty days after the notice, unless:
  - The household is in a pending shutoff situation and the Basic LEAP program year benefit is less than 25 percent of the household's arrearage, or
  - The household is shut off and the Basic LEAP program year benefit is less than 50 percent of the household's arrearage.

- In those cases, the vendor may refuse to accept the Basic LEAP program year benefit and not be required to continue service, reinstate service, or deliver fuel. If the vendor refuses to accept the payment, the vendor must notify the county within three working days and the benefit is then paid directly to the household.

If the applicant has a bulk fuel with a vendor that has a vendor agreement with LEAP and the vendor is notified that the household was approved for a Basic LEAP benefit, the vendor is required to do the following.

- Deliver fuel to the household as soon as possible or within 24 hours if the household is out of fuel or in imminent danger of running out of fuel and continue to deliver fuel until the current LEAP program year benefit is exhausted unless the household is out of fuel and the benefit is less than 50 percent of the household's arrearage.

- In this case, the vendor may refuse to accept the Basic LEAP program year benefit and not be required to deliver fuel. If the vendor refuses to accept the payment, they must notify the county within three working days and the benefit is then paid directly to the household.

Reasons for Denial of Benefits

Households may be denied LEAP benefits for the following reasons:

- Excess income
- Not vulnerable to rising home heating costs
- Does not meet citizen/alien status requirements (no member of the household is a U.S. citizen or a registered alien.)
- Duplicate household or previously approved as part of another household
- Voluntary withdrawal of application
- Received Basic Program Benefits from another county
- Failed to provide complete application information or required verification
- Not a resident of Colorado
- Failed to sign application form
- Filed application after program deadline
- Moved to another county while application was pending
- Unable to locate
- Refused weatherization services
- Already received full basic LEAP benefit
- Failed to provide valid identification
- Failed to provide an affidavit
- Failed to provide both ID and affidavit

Heating Benefits Calculation

The Colorado LEAP rules state that "the Basic Program is intended to help meet winter home heating costs of households composed of low-income families and individuals." This section describes how the benefit is calculated.

Benefit Calculation Summary

The Basic Program benefit is calculated as follows:

[(6-month heating cost) * (1- % reduction)] – (monthly income*household contribution)

Heating Costs
The 6-month heating cost is determined as follows.

- The applicant's estimated home heating cost is the total actual home heating costs for the primary heating fuel for November 1 through April 30 of the prior year's heating season. The estimated heating costs do not include payment arrearages, investigative charges, reconnection fees, or other charges not related to residential fuel prices and consumption levels.

- Colorado has five automated vendors who exchange heating costs requests through the LEAP applications database system.

- All other LEAP authorized vendors are not automated. The heating costs are requested through the LEAP applications databases system. The system generates a report each week. The county faxes the reports to the vendor, the vendor writes in the costs on the faxed report and returns it to the county by fax. The county enters the data and processes the application.

- Flat rates are used only if actual costs are not available.

- Households that use electric heat have their electric usage costs reduced to the percentage amounts:

Table IV-2
Percent of Electric Costs for Heat

Home Type	Percent of Electric Costs for Heat
House or mobile home	62%
Townhouse, duplex, triplex, fourplex	48%
Apartment, condo, hotel, rooming house	43%
Cabin, RV, 5th wheel, camper	50%

- If home heating costs are not available or determined invalid by the county department, the following flat rate amounts are used. (Other fuels may include wood pellets and corn or corn products.) These flat rates are based upon the previous LEAP program year actual heating costs statewide by fuel type and dwelling type.

Table IV-3
Flat Rate Heating Costs

2007-2008 Costs						
Home Type	**Natural Gas**	**Propane/ Fuel Oil**	**Electric**	**Wood**	**Coal**	**Other**
House or mobile home	$745	$1,027	$990	$732	$595	$547
Townhouse, duplex, triplex, fourplex	$610	$817	$757	$250	$250	$250
Apartment, condo, hotel, rooming house	$506	$810	$631	$250	$250	$250
Cabin, RV, 5th wheel, camper	$225	$403	$225	$225	$225	--

2008-2009 Costs						
Home Type	**Natural Gas**	**Propane/ Fuel Oil**	**Electric**	**Wood**	**Coal**	**Other**
House or mobile home	$745	$1,091	$1,015	$911	$695	$695
Townhouse, duplex, triplex, fourplex	$610	$890	$808	$482	$482	$482
Apartment, condo, hotel, rooming house	$506	$810	$631	$482	$482	$482
Cabin, RV, 5th wheel, camper	$432	$432	$432	$432	$432	$432

- If home heating costs are included as part of the rental costs, the following standard amounts are used. These are 35 percent of the flat rates.

Table IV-4
Costs for Heat in Rent

2007-2008 Costs for Heat in Rent					
Home Type	**Natural Gas**	**Propane/ Fuel Oil**	**Electric**	**Wood**	**Coal**
House or mobile home	$298	$411	$396	--	--
Townhouse, duplex, triplex, fourplex	$244	$326	$303	--	--
Apartment, condo, hotel, rooming house	$202	$324	$100	--	--
Cabin, RV, 5th wheel, camper	$100	$100	$100	$100	$100

2008-2009 Costs for Heat in Rent					
Home Type	**Natural Gas**	**Propane/ Fuel Oil**	**Electric**	**Wood**	**Coal**
House or mobile home	$298	$436	$406	--	--
Townhouse, duplex, triplex, fourplex	$244	$356	$324	--	--
Apartment, condo, hotel, rooming house	$202	$324	$250	--	--
Cabin, RV, 5th wheel, camper	$250	$250	$250	$250	$250

- If the household shares living arrangements with other households, the estimated home heating costs are divided by the number of separate households that share the same residence.

- If the household resides in subsidized housing, $30 per month or $180 per heating season is deducted from the estimated home heating costs.

Percentage Reduction

Each year a percentage reduction in heating costs is determined to ensure that the state does not run out of LEAP funds prior to the end of the season. The estimated expenditure for the year is based on the previous year's data. Additionally, the expected number of recipients, the level of home heating costs, and the weather are factored in. The home heating costs are reduced until they are close to the amount that is available for benefits that year. Over the last few years the reduction has been as follows.

- 2006-2007: 50% - 50% would be paid
- 2007-2008: 27% - 73% would be paid
- 2008-2009: 20% - 80% would be paid

Household Contribution

The household's contribution depends on poverty level and is calculated as follows:

Table IV-5
Household Contribution

Level of Poverty	Household Contribution
0-75%	0%
76-100%	1% of countable income
101-150%	2% of countable income
151-185%	3% of countable income

Minimum and Maximum Benefit

All eligible households receive at least the minimum, up to and including, the maximum benefit amount established for the program year. For 2008-2009 the minimum benefit is $350 and the maximum benefit is $900.

Heating Benefits Payment

The Basic Benefit is usually disbursed in two payments. The initial payment is issued beginning in November. Final payments are issued beginning in February, unless the program is shortened due to inadequate funding.

- For cases in which there is a minimum payment, the entire payment is made on the regularly scheduled payroll following the approval date.

- For all cases approved after the February payroll, the initial and final payments are combined and paid at the next regularly scheduled payroll following the approval date.

<u>Electric Diversion</u>
Counties that choose to participate in electric diversion may allow eligible households to divert up to one half of their LEAP benefit to their electric vendor if the electricity is needed to operate their furnace. Counties are required notify the State Department in writing by November 1 if they wish to administer electric diversion payments. The decision remains in effect throughout the LEAP program year. An average of only four to six counties have chosen to provide electric diversion payments over the past few years.

Participating counties may approve electric diversions when electricity is provided by a different vendor than the primary heating fuel and the eligible household has an electric shut-off notice or has had electric services discontinued. The household must furnish a written statement requesting a benefit diversion and provide a copy of the electric discontinuance notice. In cases of pending electric shut-offs, the county department shall contact the vendor the same day or the next working day to attempt to forestall the service discontinuance. Counties are required to process electric diversion requests within ten working days of the written request. If the maximum allowance is not enough to forestall the shut-off or restore service, the electric diversion is not allowed.

<u>Vendor and Client Payment</u>
Payments are made directly to vendors or to clients depending on whether the vendor has an agreement with the LEAP office and whether heat is included in rent.

- If the household pays home heating costs directly to a fuel vendor and there is a written vendor agreement with that vendor, the payment is made directly to the vendor payment.

- If the household pays home heating costs directly to the fuel vendor but a written vendor agreement has not been secured, the payment is issued directly to the household.

- If the household pays home heating costs to a landlord, the payment is made directly to the eligible household.

- When a direct vendor payment is made, the county department is required to notify the household of the amount and month such assistance is scheduled to be made on the household's behalf.

<u>Expedited Benefit Payment</u>
When there is a signed vendor agreement with a heating fuel provider and the household has an emergency on the primary heating fuel, the household may have the LEAP application processed immediately. Eligibility must be determined within 14 days of notification of the emergency.

- If the household is in a shutoff situation with an automated approved vendor, the county may request a 10-day hold to process the application.

- If the household's service is already discontinued, no 10-day hold is available.

Advance Benefit Payment of the Basic Program Benefit

Households facing an emergency on the primary heating fuel when there is no signed vendor agreement with the fuel provider, or households that have an eviction notice when the heat is included in the rent may have the application processed immediately. If eligible, the household may receive an advance payment up to the total benefit amount to meet the heating emergency.

- The need for an advance payment due to an emergency must be documented by:

  - A shut-off notice or other documentation of intent to terminate heating services by the heating supplier or landlord or that termination of services has occurred.
  - A written declaration by the household that the fuel supply has been or will be depleted within the next two weeks.
  - Eviction notice that clearly states heat is included in the rent.

- Eligibility must be determined within 10 working days of notification of the emergency.

- When an application request for an advance of the Basic Program benefit payment has been filed with the county department, the county is required to notify the fuel vendor the same day or next working day to attempt to forestall a termination of service or to restore service.

- The amount of the advance payment should be the amount required to alleviate the emergency, up to the total basic benefit amount.

- Advance payments are made to the applicant.

- The state advises the counties that advance payments should not exceed 80 percent of the total basic benefit. If benefits are reduced during the program year, and the total benefit has been advanced, the county is required to establish a recovery. If an advance payment is limited to 80 percent of the total basic benefit, a recovery probably will not be needed.

Crisis Benefits

The Colorado LEAP rules state that "the Crisis Intervention Program is intended to assist households composed of low-income families and individuals who are in home heating crisis situations." The program is designed to address non-fuel related emergencies primarily with heating system repairs or replacements for the primary heating source.

- The State Department is required to reserve a reasonable amount of Federal Funds based on data from prior years for the Crisis Intervention Program.

- Crisis Intervention funds are available from November 1 through April 30 for full benefit coverage and from May 1 through October 31 for the repair or replacement of the primary heating system for households who received LEAP benefits during the preceding November 1 through April 30.

Crisis Definition
A home heating related crisis is defined as follows:

- Primary heating system failures which have resulted in no heat.
- Other situations where heat is escaping from the dwelling to such an extent that the primary heating system cannot maintain a safe indoor air temperature.
- Severe snowstorms which require emergency removal of snow.
- Funds for or provision of emergency clothing or blankets, emergency shelter and/or alternative fuel provisions in case of severe cold, major heating system failure, fire, flood, or fuel shortage where the heating system's failures cannot be corrected by minor repairs, the household is burned out or flooded out or the fuel supplier cannot deliver due to inability to maintain his supply for sale.
- Energy costs necessary to operate a life support system which is necessary for the health of an approved applicant or member of an approved household.
- Other crises which are directly related to home heating costs other than payment of the primary heating fuel or heating utility bills.

Crisis Applications
- Applications for CIP benefits are taken from November 1 through April 30 or until funds are exhausted.
- Applications for furnace repair or replacement are taken from May 1 through October 31, unless funds are exhausted.
- Applications for furnace repair or replacement for households who were eligible for LEAP during the preceding November through April are sent to the state LEAP office for eligibility and payment determination by state staff.
- The county office is responsible for locating a CIP provider to provide the services. There is not a requirement to obtain more than one estimate to perform the CIP. Most of the counties use the local weatherization providers for this work.
- CIP applications must be processed within four working days. County departments are required to provide some type of assistance to any eligible household in a heating crisis within 48 hours. A life threatening situation must have some form of assistance within 18 hours. The assistance may be a referral to other human service agencies, fuel providers, individuals, or other agencies which are able to remedy the crisis situation.

Crisis Eligibility
- Households must first meet the Basic Program eligibility criteria.

- Eligibility determination must be expedited to handle the emergency situation.
- In addition:
  - Households must be in a home heating related crisis.
  - The county/state department is required to deny any CIP non-fuel application where repair work begins prior to county authorization, unless such work is essential to remedy a life-threatening situation.
  - A life-threatening situation exists when the health and safety of the applicant household is in jeopardy as a result of a heating system failure or excessive loss of heat to a residence during periods of extreme cold weather.
  - County or state personnel are required to obtain permission from the landlord before conducting repairs at a rental unit. County/state personnel are required to provide some form of assistance to CIP applicants such as space heaters for ten working days from the data of application or until they can obtain landlord permission and complete permanent repairs.
- If the emergency occurs during non business hours, and emergency repair work is required, the county department may retroactively approve a CIP application if it is submitted within five working days, the emergency is fully documented, and the costs of the repair work are justified.
- The procedures for eligibility determination are the same as the Basic Program, except that eligibility shall be expedited to handle the emergency situation.

<u>Crisis Benefits</u>

- The county or state must require contractors performing CIP non-fuel services to provide recipient households with verbal and written information regarding energy conservation and efficient maintenance of home energy systems.
- Non-fuel related payments to eligible households shall be the minimum amount required to alleviate the crisis not to exceed $1,500 total during the entire program year. If the repair cannot be done for that amount, the household will be required to obtain the balance, or make arrangements with the company/repair person for the balance before a CIP payment is made. If the maximum amount of non-fuel related payments will not remedy the emergency, the application must be denied.
- County or state departments must require the household to participate financially in averting the emergency to the extent that it does not deprive the household of income required for necessary living expenses.
- For non-fuel related emergencies the payment may be made directly to the household or the vendor/repair company.

<u>Crisis Benefit Denial</u>

CIP benefits can be denied for any of the following reasons.

- Work began on CIP non-fuel emergency before approval and authorization.
- Household is a duplicate household.
- Household has voluntarily withdrawn application.
- Household failed to provide complete application information or required verification.

- Household is not in a home heating related emergency situation when the household applies for CIP assistance.
- The CIP benefit will not remedy the emergency situation.
- The household failed to apply within five working days or as extended by the county.
- The household has received the maximum program benefits.
- The household filed the application after the program deadline.
- The household failed to sign the application.
- The household moved to another county while the application was pending.
- Unable to locate.
- Does not meet eligibility requirements for Summer CIP.
- Landlord or authorized landlord representative refused CIP.
- The applicant is not Basic Program eligible.
- CIP does not cover routine maintenance.
- Someone other than LEAP paid for the CIP repair in its entirety.

Agency Training

The state office has a four-day new technician training and a one half day to one full day veteran technician training each year in four or five regions across the state. Because LEAP is a seasonal program, there is a lot of turnover in the staff and a lot of demand for the new technician training.

During the training, the state staff walk the technicians through the system. The focus is on processing the applications and understanding state rules for eligibility and payment. During the training sessions, the technicians practice processing the applications on the computer system. The training sessions also cover some of the other state regulations such as lawful presence. The veteran's training covers updates to the legislation or regulatory changes.

Agency Monitoring

TheColorado LEAP program is administered by 64 county offices. This section describes how the state LEAP office monitors the work of these agencies.

- The state LEAP office uses a random selection process to determine the cases to be reviewed. The cases may include basic and crisis intervention approvals and/or denials, electric diversions, emergency, and non-emergency cases. The state LEAP office is required to notify each county LEAP office selected for on-site review in writing, at least one week in advance of being monitored and request that the county files for the cases be made available.

- The state LEAP office performs on-site monitoring of five of the following "big ten" county LEAP Programs on a bi-annual basis for compliance with the LEAP Rules: Adams, Arapahoe, Boulder, Denver, El Paso, Jefferson, Larimer, Mesa, Pueblo, and Weld.

- The county LEAP office is required to make the complete case files selected for review available in advance of the scheduled on-site monitoring visit.

- LEAP case files submitted for review are considered complete when they contain the following: all documents used to determine eligibility including, but not limited to, the LEAP application, proof of lawful presence, proof of vulnerability, proof of income, printed copies of all electronic files used as historical data, and all other supporting documents related to the eligibility determination.

- For Crisis Intervention Program files reviewed, the case files submitted for review are considered complete when they contain all of the above, and in addition the following: was the work approved prior to completion, was landlord permission secured if a rental dwelling, does the case file contain a work completion form signed by the applicant, does the case file contain a detailed invoice listing all parts, and materials and labor costs.

- The state LEAP office performs an exit interview for the counties that are monitored on-site. The exit interview is performed on the final day of the monitoring visit. The initial findings of the monitoring visit are briefly discussed during this exit interview.

- For the mail-in counties, the selected case files must be mailed in their entirety directly to the state LEAP office within ten business days upon request.

- The state sends a written report of findings to the county LEAP director. The county LEAP office is required to submit a Corrective Action Plan that includes the following:

  - A description of how non-compliance issues have been corrected, or
  - A plan illustrating how the issue(s) will be corrected that includes the specific actions to be taken and the timeframe for each action.

The state LEAP office reviews and either accepts or rejects the plan.

During recent monitoring, the state has found some issues related to data entry, system errors, failure to process an application in a timely manner, incorrect income calculations, and failure to provide proper documentation. Based on a new process implemented in the past year, corrective action plans are required for all counties for which findings have been made. Last year, that was for all of the counties. However, the state office noted that the findings are sometimes few and minor. The agency plans that were submitted were found acceptable by the state.

<u>Outreach</u>

The state LEAP office conducts statewide outreach. The state conducted the following outreach in FY 2007-2008.

- Six community columns were drafted on the availability of assistance; giving the gift of warmth; tips for keeping one's house warm; tips on weatherizing one's house, an increase in benefit amount for families; and how to apply for assistance before the April 30th deadline. These columns were distributed November 2007 through April 2008 to approximately 225 community newspapers, five of which are senior citizen focused, throughout Colorado.

- A database of community partners was developed for distribution of electronic LEAP communications and the community columns. The database consists of more than 1,700 organizations including schools (K-12 statewide); service organizations such as the Rotary and Lion's Clubs; and human services organizations including aging services and community health services.

- LEAP posters were offered to all community organizations in the database as well as the Archdiocese of Pueblo, the Archdiocese of Denver and DMV locations throughout the state. As a result, 134 posters were sent out to schools, churches, community health care organizations, and organizations for the disabled.

- LEAP material was included in EOC's Energy Hog program at 11 Denver County Public Schools, reaching approximately 2,400 children.

The county department has responsibility for the operation of a countywide outreach program. The county may opt to contract with other agencies to perform all or part of the required outreach activities. Counties must assure that the outreach includes:

- Coordination with other agencies, organizations, and groups to facilitate the participation of potentially eligible persons with emphasis on the most vulnerable (elderly, disabled, homebound, and non-English speaking).

- Access to Basic Program information and application forms. Outreach staff must identify locations in the county, such as community action programs, social security offices, low-income housing sites, and other sites for distribution of information. In addition, the county must have sufficient telephone lines to ensure access to information without requiring office visits.

- An effective countywide information and referral system involving local agencies and organizations.

- A referral system to weatherization and other energy conservation programs in the county.

- Special efforts to meet the needs of target groups (such as home visits for homebound clients). County offices shall assist disabled and elderly applicants in completing applications and securing the required verification

- Regular communication with cooperating agencies to identify concerns or problems.

- Encourage utility companies to refer their customers to the county departments.

The county department is required to develop an outreach plan that describes specific activities the county will perform to carry out the specific responsibilities outlined above. The plan must be available for public inspection at the county department. Additionally, county offices must meet the following requirements:

- County departments must comply with outreach reporting requirements as prescribed by the State Department.

- Public Assistance and food stamp households must be notified during the certification and recertification procedures of the availability of the Low Income Energy Assistance Programs and the eligibility criteria for receiving such assistance.

- Eligible households must be referred for participation in weatherization, energy conservation, and other related assistance upon the household's request.

Outreach Incentive Awards

TheColorado LEAP office provided LEAP Outreach Incentive awards to counties in the 2006-2007 season. After counties performed outreach activities during this LEAP season, they submitted their applications for outreach incentive allocations. State staff rated these applications and allocated money to the counties that submitted an application. Funds from the 2006-2007 heating season budget were set aside for this purpose.

LEAP distributed a total of $100,000 to 26 counties for innovative outreach efforts undertaken in 2006-2007. The Outreach Incentive Awards were eliminated in Fiscal Year 2007 because the state felt that the program did not achieve the objective of encouraging the counties to experiment with different outreach methods.

Application

The CO Department of Human Services (CDHS) mails applications to certain groups of households. These mailings include applications with pre-printed household demographic information from the previous season, an information sheet, a Share Colorado flyer, and a county self-addressed pre-paid envelope. The office mails the OAP and public assistance households (OAP, AND, AB, TANF, SSI, and Medicaid) the packet in October and the previous year recipients as well as non public assistance (NPA) Food Stamp households in November.

Application Procedures

- Basic Program applicants may submit completed applications either in person, by fax, or by mail. The county department cannot require office interviews for purposes of determining eligibility.

- Counties are allowed to continue to accept the 2005 and 2007 application forms in FY 2009. However, there is a new application form this season.
- The counties are required to have an interpreter available to assist non-English speaking applicants in completing application forms and to provide information.

Application Processing

- Beginning November 1, counties are required to enter all applications into the LEAP database in a pending status within 15 business days from the date the application was received in the county LEAP office.
- The county must approve or deny all applications by June 19th.
- If the application is not complete, the county LEAP office is required to notify the applicant household in writing through a LEAP system-generated letter, of information or verification necessary to determine eligibility and/or payment level.
- The applicant household is given two weeks from the date the notice was postmarked to provide the requested information and/or verification. Clients who fail to submit the required verification must be denied.
- The county office must determine LEAP eligibility within 50 calendar days from the date of the application.
- The county office must notify the household of approval or denial in writing.

Targeting

- According to Colorado's 2009 LIHEAP State Plan, the program gives priority to the elderly, disabled, and TANF recipients.
- Disabled is defined as "persons who receive vocational rehabilitation assistance, social Security disability, SSI, AB, and or veterans disability payments or who provide a physician's statement which indicates incapacity to engage in gainful employment."
- Elderly is defined as "aged 60 or over".

B. Agency Perceptions

The research included interviews with LEAP managers at a sample of county LEAP intake agencies. The purpose of this task was to confirm interpretation of the service delivery procedures and to identify potential barriers to the effectiveness and efficiency of the service delivery systems.

Research Methodology

A detailed list of interview questions was developed for the LEAP agency manager interviews. The following topics were included in the interview questions.

- Agency management and staff
- LEAP resources
- LEAP guidelines, training, and quality control
- LEAP application
- Agency application processing

- LEAP benefits
- Agency outreach and targeting
- State monitoring
- Agency LEAP assessment

The interview protocols were used when conducting interviews with a sample of seven agencies around the state. The following agencies were included.

- Adams
- Boulder
- Denver
- Eagle
- Huerfano
- Mesa
- Pueblo

Findings

This section summarizes the findings from the seven agency interviews.

Agency Management and Staff

By design, the agencies that were interviewed varied widely in terms of the number of cases processed and the number of staff members that do the work. They ranged from one staff member to 24 staff members. The vast majority of the staff members who work on LEAP are seasonal workers. Because of the seasonality of the employment, there is large turnover, with many new caseworkers each year. In two of the smaller agencies, the managers reported that the LEAP workers were not seasonal employees.

LEAP Resources

Four of the seven agency managers noted that the administrative funding provided by the state was not sufficient. These managers reported that that the funding did not even cover the staff salaries. Other resource needs that were mentioned included equipment, computers, telephones, furniture, and outreach.

One agency manager noted that the agency must exhaust their administrative funding prior to requesting additional funding. This makes it difficult for the agency to plan and hire the correct number of staff members to process the LEAP applications. The manager noted that by the time they ask for additional funding to hire staff, the LEAP season is over.

LEAP Guidelines, Training, and Quality Control

All of the LEAP managers that were interviewed reported that the LEAP guidelines are well documented. One manager noted that the guidelines are not updated early enough, and that the state should finalize the rules earlier than they do.

All but one of the managers reported that the annual training sessions provided by the state do a good job of meeting their information needs. One manager noted that there is a lack of preparation on the part of the state trainers, there are discrepancies between the rules and what is taught, and that incorrect information is provided at the trainings.

Several of the managers noted that staff receive in-house training or on-the-job training in addition to the training that is provided by the state. All of the managers noted that they randomly check applications that are processed by their staff to make sure that the job is done correctly.

LEAP Application

Agency managers were asked several questions about client understanding of the application process. Most of the managers said that the clients, for the most part, understand the application process. One of the managers felt that about half of the clients understand the process and half do not. All of the managers reported that clients understand that the payments are made directly to the utility company and that clients do not have an issue with the weatherization requirement. Five of the seven managers reported that they receive many calls from clients asking when they will receive their benefits.

The parts of the application process that managers cited clients do not understand include the length of time that it takes for the benefit decision to be made, the citizenship and identification part of the required documentation, lack of identification for elderly clients and clients who do not drive, and the reporting of monthly rather than annual income.

Four of the seven managers reported that clients often come to the office for assistance with the application. The types of questions that the clients have were reported as follows.

- How the program works (for new applicants)
- Whether or not the client qualifies for assistance
- Assistance amount
- Reason for denial of benefits
- What documentation is needed
- What income verification information is needed
- When the benefit will be received
- How and why the agency pays the utility company
- Household composition issues

Many of the managers reported that incomplete applications are a serious issue and take up a large amount of the staff time. Three of the managers said that 70 to 85 percent of the applications are incomplete and four said that 30 to 50 percent are incomplete. Most of the managers said that clients are able to supply the additional requested information within the required time period.

Some of the managers thought that there was nothing that they could do to reduce the number of incomplete applications. Other managers reported that they conduct outreach to help the clients understand what is needed and assist clients with the application. One agency noted that they have community partners that can assist with the application, and that they try to use information from the clients' applications for other programs to complete the LEAP application if necessary. Two managers suggested that the application could be clearer or could be re-written for a lower grade reading level.

Managers were not concerned about changes to the LEAP application for the current program year. However, there was one manager who felt that the LEAP application items are not adequately defined within the manual rules.

There was variability by agency in terms of the number of clients who apply by mail versus the number who come into the office to apply. The estimate for the percentage of mailed applications ranged from 60 to 90 percent across agencies.

Agency Application Processing

Most of the agency managers reported that they have a good process for handling the volume of LEAP applications that they receive, and that with hard work, they can process the applications in a timely manner. One manager noted that it is very difficult because the initial volume of applications is overwhelming. Other managers also noted that they receive a vast number of applications in the first few weeks of the season, but reported that they were able to handle the work because of their experience and organization.

When asked about the procedures for processing the applications, most of the managers described a several step process. All but one of the managers noted that they enter the information into the database initially when "pending" the case, and later go back to determine if the application is complete. (One of the managers at the smaller agencies reported that they do these two steps simultaneously.) Two of the managers noted that the two step process of pending the case and then checking the application reduces the efficiency of application processing, and that it would be more efficient to do it all in one step. However, they follow the procedure because they are required by the state to enter the applications into the database within 15 days of receipt.

Two of the managers noted that they take another step when processing the applications. One noted that they look for existing client files from previous years, and another noted that they check several databases to review what other benefits the clients receive.

When asked what questions or issues the staff faces when processing the applications, the following issues were mentioned.

- The staff has problems with the high volume of incomplete applications they receive.
- When a client is denied and the client calls to ask why.
- The volume of applications.
- When the client needs a new furnace, it is hard to get it done because they only have two vendors in the county who replace furnaces.
- Determining whether the information supplied is fraudulent.
- Applying program rules versus written or unwritten state policies.
- Clients apply in one county and move to another.

- Applicants mark more than one box on the affidavit.

Most of the managers reported that their volume of LEAP applications has been consistent over the past several years. Only one manager reported that the volume fluctuates by a large amount.

Only one of the managers noted that they had a big issue with clients that move from one county to another.

LEAP Benefits

There was variability in the manager responses about the frequency of expedited payment requests. Some of the managers said it was only a few percent, and several reported that 10 to 35 percent of clients request expedited payments. A few of the managers said that the expedited requests were higher this year than in previous years.

A few of the managers said that it was difficult to meet the expedited application requirement with the other agency responsibilities, or that they needed to hire an additional worker that the county had to pay for. Three of the managers said that the challenge in meeting the time requirement was missing information or verification on the LEAP application. Managers reported that not many of the clients requested an advance payment, but that they would approve the advance payment if the proper documentation was presented.

Managers reported that the furnace replacement process works well. They are able to serve all of the clients in need with their available funds. They also reported that they don’t have to deny furnace replacement to clients when the cost exceeds the $1,500 maximum because the weatherization agency makes up the difference. None of the managers reported that a co-pay is required, but two noted that they ask the client to make a voluntary contribution toward the cost. None of the managers reported difficult obtaining agreement from the landlord. All of the managers reported that they were very satisfied with the furnace replacement vendors.

Most of the managers were not familiar with the requirement that furnace vendors provide information to clients about energy conservation, since this work is provided by a separate vendor. Two of the managers noted that the vendors provide clients with pamphlets that discuss energy conservation and furnace maintenance.

Two of the seven managers reported that their agencies administer electric diversion cases, but that they were not very common. The other managers reported that they did not provide these benefits because there was too much paperwork required, or that there were not many requests for the benefit.

Agency Outreach and Targeting

The agency managers reported varying levels of outreach that they conduct for LEAP. Five of the agencies reported that they have outreach plans and provided copies of the outreach plans to APPRISE. Two managers reported that they do not have outreach plans.

The most common method for outreach that the managers cited was visiting community partner agencies or providing local agencies with posters and applications. Several of the managers noted that they advertise in the newspaper, on television, or on the radio.

Some of the managers did not recognize the need for targeted outreach. One specifically said that the agency does not need to do much outreach. When asked about specific groups, managers were most likely to cite outreach that was specifically targeted to the elderly. They reported that they work with senior centers, advertise in newspapers that the elderly read, visit senior resource fairs, and work with the agency's adult programs.

Only three of the agencies mentioned specific actions that they take to reach out to disabled clients. When asked what they do to target TANF recipients, four of the managers noted that they work with the TANF department in their agency.

Most of the managers did not acknowledge the difficulty that is faced in reaching some of the vulnerable groups that are unlikely to apply for assistance. All of the managers said that they were successful in reaching these groups, although one noted that there is always room for improvement. When asked what barriers are faced in reaching these groups, three of the managers said that they did not face any barriers. The barriers that were cited included individuals that could not read or write or did not have valid identification, late allocation of outreach funding, so that outreach could not be planned in advance, reaching individuals who are not connected to other agencies or organizations, and lack of time to do enough outreach.

Six of the seven managers said that they have a Spanish speaking staff member and one reported that the agency uses a language line. Half of the managers reported that they face a large demand for these services.

While some of the agencies appeared to be very active in making referrals, others were not. The most common types of referrals that managers reported were food assistance; referrals to other organizations including Energy Outreach Colorado, Catholic Charities, United Way, YMCA, and the Salvation Army; and referrals for special services for seniors. Other referrals that were mentioned included TANF, medical assistance, veteran's programs, weatherization, family services, head start, housing assistance, and employment assistance.

Six of the managers reported that they conduct home visits and one reported that they communicate with homebound clients by phone.

All but one of the managers reported that they do not receive feedback from the state about their outreach plans or the outreach that they conduct. One manager noted that they had received positive feedback from the state since they implemented an aggressive outreach plan.

<u>State Monitoring</u>

Agency managers were mixed in their assessment of the state monitoring process. Most of the agencies said that their reviews went very well and they only had a few errors. One of the managers said that their agency had done very poorly. Four of the seven managers said that they had been required to submit a corrective action plan at some point.

A few of the managers expressed very positive views about the state monitoring process. One noted that it was useful as a training opportunity, and allowed the agency to learn, clarify information, and gain information from other counties. Another manager noted that the process not only helps ensure that agencies are doing a good job, but also that they follow the rules and regulations, conduct outreach, make referrals for weatherization, and administer all components of the program.

There were a few managers who had some complaints about the state monitoring. One noted that the review is based upon non-written criterion, and that what worked one year did not work the following year, even though they had the same reviewer and the guidelines had not changed. Another manager noted that the inconsistency in the reviews had to do with differences in assessments made by different state staff who use the same tools but have different standards.

Four of the seven managers said that the monitoring process was a good way to determine if the agency was doing a good job, and one noted that it was not enough on its own.

Changes that were recommended for the monitoring process included taking a larger sample of cases for review, more frequent reviews throughout the season with fewer cases each time, the ability to review and comment on results prior to when the auditor left the agency, and greater state oversight of the reviewers and the results.

<u>Agency LEAP assessment</u>

Managers were most likely to cite challenges that were related to administrative funding, either that there was not enough funding, it was difficult to stay within their budget, or that the funding was often not available until mid-season. Other challenges that were noted were difficulty for clients who cannot provide identification, and difficulty to maintain staff.

Recommendations included raising the income limit, providing a larger benefit, providing additional funding for staff or furniture, and increasing the number of automated vendors. Two of the managers noted that they were pleased that the state reinstated monthly meetings with stakeholders.

Summary

The LEAP agency manager interviews revealed many issues that should be considered when examining how the efficiency and effectiveness of LEAP can be improved.

- *Employment Seasonality*: The vast majority of the staff members who work on LEAP are seasonal workers. Because of the seasonality of the employment, there is large turnover, with many new caseworkers each year. This adds to training costs and reduces the amount of experience that processing staff have, which may contribute to the large number of errors that are found during agency monitoring.

- *Administrative Funding*: Several managers noted that the administrative funding provided by the state was not sufficient, and did not even cover staff salaries.

- *Application Issues*: The parts of the application process that managers cited clients do not understand include the length of time that it takes for the benefit decision to be made, the citizenship and identification part of the required documentation, lack of identification for elderly clients and clients who do not drive, and the reporting of monthly rather than annual income.

  Many of the managers reported that incomplete applications are a serious issue and take up a large amount of the staff time. Three of the managers said that 70 to 85 percent of the applications are incomplete and four said that 30 to 50 percent are incomplete. Two managers suggested that the application could be clearer or could be re-written for a lower grade reading level.

  Managers noted that they receive a very large percentage of their applications in the first few weeks of the season.

- *Furnace Replacement:* Managers reported that the furnace replacement process works well. They are able to serve all of the clients in need with their available funds. They also reported that they don't have to deny furnace replacement to clients when the cost exceeds the $1,500 maximum because the weatherization agency makes up the difference. All of the managers reported that they were very satisfied with the furnace replacement vendors.

  Most of the managers were not familiar with the requirement that furnace vendors provide information to clients about energy conservation, since this work is provided by a separate vendor.

- *Agency Outreach:* The agency managers reported varying levels of outreach that they conduct for LEAP. Two managers reported that they do not have outreach plans.

  Some of the managers did not recognize the need for targeted outreach. Most of the managers did not acknowledge the difficulty that is faced in reaching some of the vulnerable groups that are unlikely to apply for assistance. One specifically said that the agency does not need to do much outreach.
  All but one of the managers reported that they do not receive feedback from the state about their outreach plans or the outreach that they conduct.

- *State Monitoring:* Agency managers were mixed in their assessment of the state monitoring process. Changes that were recommended for the process included taking a larger sample of cases for review, more frequent reviews throughout the season with fewer cases each time, the ability to review and comment on results prior to the auditor leaving the agency, and greater state oversight of the reviewers and the results.

The agency interviews suggest that the seasonal nature of the program, administrative funding levels, the application process, agency outreach, and the state monitoring process should be considered when identifying changes that could improve the effectiveness and efficiency of Colorado's LEAP.

C. *Statistics*

The Colorado LEAP office provided APPRISE with a copy of its Fiscal Year 2008 LEAP database. The database contains information on grant applications and awards from October 1, 2007 through September 30, 2008. All applications that were made and all applications mailed to households that did not apply are included in the database.

Client Characteristics

The LEAP database contains information on Fiscal Year 2008 LEAP recipients, denials, and non-applicants who received an application in the mail. Households who received LEAP in the prior year, and households who received Old Age Pension, Aid to the Blind, Aid to the Needy Disabled, Social Security, TANF, and Food Stamps received an application in the mail.

Table IV-6 shows the number and percentage of clients that fall into each of these three groups. Sixty-six percent received LIHEAP, 14 percent were denied, and 20 percent did not apply. There were over 112,000 applicants and 92,000 LEAP recipients in FY 2008. Of the FY 2008 applicants, 82 percent received LEAP.

Table IV-6
LEAP Recipients, Denials, and Non-Applicants

	Number	Percent of Total	Percent of Applicants
LEAP Recipient	92,314	66%	82%
LEAP Denial	19,786	14%	18%
LEAP Non-Applicant	27,206	20%	--
Total	139,306	100%	100%

Table IV-7 displays the household size for the clients in the LEAP database. The table shows that the majority of all of the groups were one or two-person households. Denials were more likely to be one-person households and non-applicants were more likely to have more than one household member.

Table IV-7
Household Size

	Recipient	Denial	Non-Applicant
1	40%	48%	31%
2	21%	19%	22%
3	15%	15%	19%
4	12%	10%	15%
5 or More	12%	8%	13%

Table IV-8 displays demographic characteristics of households in the LEAP database.[7] The table shows that recipients were more likely to have elderly household members than denials or non-applicants. Twenty-eight percent of the recipients had an elderly household member. Our analysis of the American Community Survey data showed that 24 percent of low-income households in Colorado with a utility bill had an elderly household member. Therefore, this table shows that the Colorado LEAP did a good job of reaching elderly households.

Approximately half of the recipients had children and about 60 percent of the denials and non-applicants had children.

The LEAP application collects information on whether the head of household is male or female. Table IV-8 shows that approximately 70 percent of all groups had a female head of household.

Table IV-8
Household Demographics

	Recipient	Denial	Non-Applicant
Elderly	28%	18%	16%
Disabled	31%	23%	23%
Child 0-2	15%	18%	21%
Child 3-5	17%	19%	22%
Child 6-20	42%	46%	50%
Any Child	51%	58%	63%
Female	71%	69%	71%

[7] Demographic data were missing for approximately one-third of the denials. The statistics in tables IV-8 through IV-12 display percentages of those for whom demographic data were available.

Table IV-9 displays the race of the head of household, as reported on the LEAP application. The table shows that about 30 percent of the client heads were Hispanic, 45 percent were other white, ten percent were African American, and a few percent were Native American or Asian.

Table IV-9
Race of Head of Household

	Recipient	Denial	Non-Applicant
Hispanic	30%	29%	27%
Other White	48%	43%	48%
African American	9%	10%	10%
Native American	2%	2%	2%
Asian	1%	2%	1%
Other	2%	2%	2%
Unknown	8%	12%	11%

Table IV-10 displays whether the applicant owned the home and whether the applicant reported that the housing was subsidized, based on responses to the question on the application that asked, "Do you live in subsidized, low-income housing (section 8, senior citizen apartments, public housing, etc.)?"

Table IV-10 shows that 35 percent of recipients, 30 percent of denials, and 28 percent of non-applicants owned their homes. The table also shows that 22 percent of recipients, 19 percent of denials, and 17 percent of non-applicants reported that they lived in subsidized housing.

Table IV-10
Home Ownership

	Recipient	Denial	Non-Applicant
Own	35%	30%	28%
Subsidized	22%	19%	17%

The application asked the applicant to check a box if any member of the household received LEAP last year. Non-applicant data is based on the client information in the database. Table IV-11 shows that 58 percent of recipients, 34 percent of denials, and 45 percent of non-applicants received LEAP in the prior year.

Table IV-11
Received LEAP Last Year

	Recipient	Denial	Non-Applicant
Yes	58%	34%	45%

	Recipient	Denial	Non-Applicant
No	42%	66%	55%

Table IV-12 examines whether there was earned income in the household. The table shows that one-third of recipients and 38 percent of denials reported that they had employment income.

Table IV-12
Employment Income

	Recipient	Denial
Yes	33%	38%
No	67%	62%

The Colorado LEAP database has an income value of $0 for households who reported no income and for households that did not provide income data. Table IV-13 shows that six percent of recipients reported that they had no income, 66 percent of denials had no income data or did not provide these data, and these data were not available for 97 percent of non-applicants.

Table IV-13
Income Data

	Recipient	Denial	Non-Applicant
$0 Income / No Data	6%	66%	97%
Income Reported	94%	34%	3%

Table IV-14 shows the annual income distribution for recipients, and denials, both for all households and when zero income households or those without data are excluded. We focus on the column that includes $0 in income for recipients, as these households had verified that they did not have income. The table shows that 40 percent of recipients had annual income of less than $10,000, about 40 percent had income between $10,000 and $20,000, and 21 percent had income of $20,000 or more. Denials were more likely to have income above $40,000.

Table IV-14
Annual Income Distribution

	Recipient		Denial	
	All	Non-Zero Income	All	Non-Zero Income
Observations	92,314	87,217	19,786	6,815
$0	6%	--	66%	--
<=$10,000	34%	36%	5%	15%

	Recipient		Denial	
	All	Non-Zero Income	All	Non-Zero Income
$10,001 - $20,000	39%	42%	5%	13%
$20,001 - $30,000	15%	16%	10%	28%
$30,001 - $40,000	5%	5%	8%	23%
>$40,000	1%	1%	7%	20%

Table IV-15 displays the poverty level distribution for recipients and denials. The table shows that about 19 percent of recipients have income below 50 percent of the poverty level, 38 percent have income between 50 and 100 percent, and 43 percent have income between 100 percent and 185 percent of poverty. Sixty-four percent of denials with income data have income above 185 percent of poverty.

Table IV-15
Poverty Level Distribution

	Recipient		Denial	
	All	Non-Zero Income	All	Non-Zero Income
Observations	92,314	87,217	19,786	6,815
$0	6%	--	66%	--
<=50%	13%	14%	2%	6%
51% - 100%	38%	40%	5%	14%
101% - 185%	43%	46%	6%	17%
>185%	0%	0%	22%	64%

Colorado's CBMS system contains data for many of Colorado's assistance programs, including Old Age Pension, Aid to the Blind, Aid to the Needy Disabled, Social Security, Temporary Aid to Needy Families, and Food Stamps. All of these households are mailed LEAP applications. Table IV-16 shows that 53 percent of recipients, 26 percent of denials, and 81 percent of non-applicants were in the CBMS system.

Old Age Pension households (OAP) were flagged in Colorado's IT system to receive a special shortened application. Fiscal year 2008 was the last year that the shortened application was in use. Table IV-16 shows that eight percent of recipients, two percent of denials, and four percent of non-applicants were flagged as OAP households.

Table IV-16
CBMS and OAP Households

	Recipient	Denial	Non-Applicant
CBMS Case	53%	26%	81%

	Recipient	Denial	Non-Applicant
OAP Household	8%	2%	4%

Table IV-17A breaks down clients into income eligibility category. The table shows that 71 percent of recipients were eligible based on income alone, ten percent were eligible based on Food Stamp receipt, seven percent were eligible based on Aid to the Needy Disabled receipt, seven percent were eligible based on Old Age Pension receipt, four percent were eligible based on TANF receipt, and one percent were eligible based upon Qualified Medicare Beneficiary receipt. Denials and non-applicants were less likely to be income-eligible based upon participation in one of those programs.

Table IV-17A
Income Category

	Recipient	Denial	Non-Applicant
Income Eligible Only	71%	84%	76%
Food Stamps / Non PA	10%	7%	10%
Aid to the Needy Disabled	7%	3%	4%
Old Age Pension	7%	3%	4%
TANF	4%	4%	5%
Qualified Medicare Beneficiary	1%	<1%	<1%

Table IV-17B displays the household poverty level by income eligibility category. The table shows that households who were income-eligible only were more likely to have income above 100 percent of the poverty level than those who were eligible based on the participation in assistance programs (except for the other group which is mostly Qualified Medicare Beneficiary). Recipients who received food stamps and TANF were most likely to have income below 50 percent of poverty.

Table IV-17B
Poverty Level for Recipients
By Income Eligibility Category

	Recipient					
	Income Eligible Only	**Food Stamps / Non PA**	**Aid to the Needy Disabled**	**Old Age Pension**	**TANF**	**Other**
Observations	65,243	9,093	6,190	6,754	3,989	1,045
$0	6%	8%	1%	<1%	6%	<1%
<=50%	12%	22%	11%	1%	34%	1%
51% - 100%	32%	42%	68%	67%	34%	20%
101% - 185%	49%	28%	21%	31%	26%	79%

Table IV-18 displays the main heating fuel for recipients, denials, and non-applicants. Most of the clients use natural gas for heating. A minority use propane and electric heat.

Table IV-18
Heating Fuel

	Recipient	Denial	Non-Applicant
Natural Gas	85%	87%	86%
Propane	8%	5%	7%
Electric	6%	7%	6%
Wood	1%	1%	1%
Coal, Fuel Oil, Kerosene, Other	<1%	<1%	<1%

Table IV-19 displays whether the client pays for heat directly or whether the heat is included in rent. The table shows that 94 percent of recipients and non-applicants pay for heat directly and six percent have heat costs included in their rent payments. Information is not available for 35 percent of denials, so the table displays heating fuel payment information for the 65 percent of denials for whom this information is available. The table shows that denials were more likely to have their heat included in their rent payment.

Table IV-19
Heating Fuel Payment

	Recipient	Denial	Non-Applicant
Directly	94%	83%	94%
In Rent	6%	15%	6%
Someone Else	0%	2%	0%

Six months heating cost data are obtained electronically from five heating fuel vendors and manually from other heating fuel vendors. Table IV-20A shows that heating data were obtained electronically for 68 percent of clients and manually for nine percent of clients. Note that there are another six percent of clients who have one of the five vendors that provide electronic data transfer, but data were not available for these clients, probably due to the fact that these clients did not have a long enough usage history.

Table IV-20A
Heating Data Availability

	Recipient	
	Number	Percent
Electronic Data Transfer	63,001	68%
Manual Data Transfer	8,114	9%
No Data – Heat in Rent	5,726	6%

	Recipient	
	Number	Percent
No Data – Electronic Vendor	5,787	6%
No Data - Other	9,722	11%

Table IV-20B shows that heating data were available for 77 percent of recipients, 55 percent of denials, and 50 percent of non-applicants. The mean heating cost is approximately $550 for each group.

Table IV-20B
Heating Bill

	Recipient	Denial	Non-Applicant
Observations	71,115	10,970	13,599
Percent With Data Available	77%	55%	50%
Mean	$565	$544	$540
Min	$11	$5	$11
Median	$520	$514	$515
Max	$4,832	$9990	$2,752

Table IV-21 displays the heating bill distribution for clients with available heating data. The table shows that about half have a heating bill of $500 or more and six percent have a heating bill of $1,000 or more.

Table IV-21
Heating Bill

	Recipient	Denial	Non-Applicant
Observations	71,115	10,970	13,599
< $250	7%	8%	6%
$250 - $499	39%	39%	41%
$500 - $749	36%	37%	38%
$750 - $999	12%	12%	12%
$1,000 or More	6%	4%	3%

Table IV-22A displays the percentage of income that the heating burden represents for recipients with heating bill information available and with non-zero income. The pre-LEAP burden is the heating bill divided by income. The post-LEAP burden is the heating bill minus the LEAP benefit divided by income. The table shows that prior to receiving LEAP, the heating bill made up less than three percent of income for about one-third of recipients, between three and six percent of income for about one-third of recipients, between six and nine percent of income for 14 percent of recipients, and more than nine percent of income for 12 percent of recipients. After LEAP is subtracted, the heating burden was less than three percent for 91 percent of recipients and more than nine percent for only one percent of recipients. The table shows that, by targeting the level of benefits to the heating bill, LEAP is doing a good job of reducing the heating burden for recipient households.

Table IV-22A
Heating Burden

	Recipient	
Observations	67,344	
Percent with Data Available	73%	
	Pre-Leap Burden	**Post-Leap Burden**
<=3%	36%	91%
3% - 6%	37%	7%
6% - 9%	14%	2%
>9%	12%	1%

Table IV-22B displays pre and post LEAP heating burden by poverty group. The table shows that the LEAP benefit reduce heating burden to less than six percent of income for almost all households with income above 50 percent of poverty. However, fourteen percent of households with income below 50 percent of poverty still had a heating burden of more than six percent after receipt of LEAP benefits, and seven percent of these households still had a heating burden of more than nine percent after receipt of benefits. Colorado should consider whether these households should receive a higher benefit.

Table IV-22B
Heating Burden by Poverty Level

	Recipient					
Poverty Group	**<50%**		**51%-100%**		**101%-185%**	
Observations	8,977		26,094		32,273	
	Pre-Leap	**Post-Leap**	**Pre-Leap**	**Post-Leap**	**Pre-Leap**	**Post-Leap**
<=3%	3%	69%	20%	91%	58%	96%
3% - 6%	18%	17%	46%	7%	36%	4%
6% - 9%	22%	7%	23%	1%	6%	<1%
>9%	57%	7%	11%	1%	1%	<1%

Table IV-23 displays the heating vendor for recipients, denials, and non-applicants. The heating vendor is available for 83 percent of recipients. Half of the recipients purchase their heating fuel from Xcel and about 25 percent purchase their heating fuel from five other vendors.

Table IV-23
Heating Vendor

	Recipient	Denial	Non-Applicant
Xcel Energy	54%	47%	53%
Colorado Springs Utility	9%	10%	11%
Atmos Energy	7%	5%	6%
Source Gas	5%	3%	0%
Aquilla	2%	1%	2%
City of Trinidad	1%	<1%	1%
Kinder Morgan	0%	0%	4%
Not Available	17%	30%	18%
Other	5%	4%	5%

Applications

The LEAP application asks clients to check boxes that apply to how they learned about LEAP. Table IV-24A provides these data for the recipients and for the 56 percent of denials that provided this information. The percentages add to more than 100 percent because clients can check off multiple boxes. The most common response for both recipients and denials was that they received the application in the mail. Other common responses were that they learned about LEAP through a social services office, a friend, their heating company, and the food stamp office.

Given the high percent of clients who say that they learned about the LEAP benefit through the mail, the Colorado LEAP should consider increasing the groups that they mail applications to. One group that may be targeted is households who received LEAP two years ago, but did not apply the previous group.

Table IV-24A
How Client Learned about LEAP

	Recipient	Denial
Received Application in Mail	50%	35%
Social Services Office	13%	15%
Friend	12%	17%
Heating Company	11%	14%
Food Stamp Office	11%	13%
Direct Mailer	7%	5%
LEAP Poster	6%	8%
Television	4%	5%
Newspaper	1%	1%
Senior Center	1%	1%

	Recipient	Denial
Radio	<1%	1%
Billboard	<1%	<1%
Bus Bench	<1%	<1%
Other	3%	5%

Table IV-24A showed that only four percent of recipients and five percent of denials learned about LEAP through the television. This may include paid advertisements that were on television, as well as marketing through appearances on the news and other informative programs. The Colorado LEAP program spends a large percentage of their LEAP outreach budget to buy television advertisements for LEAP ($80,000 in FY 2008 and $160,000 in FY 2009, in addition to the amount spent on producing a new commercial.) Some county agencies spend additional outreach funds on television advertisements. Therefore, it is important to understand the impact that this approach has on program knowledge. Table IV-24B examines the percent of recipients and denials that learned about LEAP through television alone (and no other source.)

Table IV-24B shows that only 1,858 clients or two percent of LEAP recipients and 341 clients or two percent of denials only learned about LEAP through the television. The table also shows the percent of seniors, disabled, and households with children that learned about the program only through television was also two percent of each of these groups. Therefore, it does not appear that the investment in television advertisements is a good one for the Colorado LEAP office.

Table IV-24B
Client Who Learned about LEAP Only Through the Television

	Recipient		Denial	
	Number	**Percent**	**Number**	**Percent**
Only Through Television – All Clients	1,858	2%	341	2%
Only Through Television - Seniors	472	2%	54	2%
Only Through Television - Disabled	487	2%	46	2%
Only Through Television - Children	915	2%	181	2%

Table IV-25 displays the type of application that was submitted by the recipients and denials. The table shows that 92 percent of recipients submitted long applications and eight percent submitted the shortened OAP application. Ninety-six percent of denials submitted long applications and two percent submitted OAP applications. Approximately one percent of each group submitted a Spanish application. The OAP application is no longer available in FY 2009. The Colorado LEAP office should examine whether this change has an adverse impact on the percent of elderly households that receive LEAP.

Table IV-25
Application

	Recipient	Denial
Long	92%	96%
Spanish	1%	1%
OAP	8%	2%

Table IV-26A displays the reason for the denied applications. The table shows that 59 percent were denied because they had an incomplete application or missing verification and 25 percent were denied because they were over the income eligibility limit. Ten percent were denied because they were not vulnerable to heating costs and two percent did not have identification. Other reasons for denial included duplicate household, not Colorado resident, voluntary withdrawal, received LEAP in a different state or county, not a citizen, application was not signed, moved, and did not accept weatherization. Each of these comprised less than one half of one percent of the denials.

Table IV-26A
Eligibility Code for Denials

	Denial
Incomplete Information or Verification	59%
Over Income	25%
Not Vulnerable	10%
No Identification	2%
No Affidavit	1%
Missed Deadline	1%
Unable to Locate	1%
Other	1%

Table IV-26B examines the eligibility code for denials by whether they received LEAP last year to examine whether those who received LEAP the prior year were less likely to be denied due to an incomplete application. The table shows that this was not the case. Approximately the same percentage of clients who did and did not receive LEAP the prior year were denied due to incomplete information or verification.

Table IV-26B
Eligibility Code for Denials
By Whether they Received LEAP Last Year

	Denial		
	Received LEAP Last Year	Did Not Receive LEAP Last Year	Not Reported
Observations	4,537	8,774	6,475
Incomplete Information or Verification	53%	55%	68%
Over Income	28%	30%	15%
Not Vulnerable	11%	9%	10%
Other	8%	6%	7%

One of the issues raised by several county agency managers was that the program was difficult to administer because such a large percentage of the applications are received in the first few weeks after the program opens on October 1st each year. Table IV-27 displays the distribution of the application date from recipients, denials, and all applications. The table shows that six percent of applications were received in October and 41 percent were received in November. Only 15 percent were received in March and April.

Table IV-27
Application Date

	Recipient	Denial	All Applications
October 2007	7%	2%	6%
November 2007	43%	30%	41%
December 2007	16%	18%	16%
January 2008	13%	16%	13%
February 2008	8%	12%	9%
March 2008	6%	9%	7%
April 2008	7%	12%	8%
May - Sept 2008	0%	1%	<1%

Notices are mailed to clients to inform them of benefit award or denial. Table IV-28 displays the date of the first client notice. The table shows that about 40 percent of the notices were sent by the end of the calendar year.

Table IV-28
Date of First Notice

	Recipient	Denial	All Applications
October 2007	2%	<1%	2%
November 2007	18%	6%	16%
December 2007	22%	14%	20%
January 2008	23%	20%	22%
February 2008	16%	23%	17%
March 2008	10%	17%	11%
April 2008	6%	12%	7%
May - Sept 2008	3%	9%	4%

Table IV-29 displays the type of first notice that the clients received. The table shows that 92 percent of recipients received an approval on their first notice and 7 percent received a denial. Overall, 76 percent of first notices were approvals and 23 percent were denials. However, agencies request additional information or verification from clients prior to submitting applications to the Colorado LEAP system for approval. The county is required to send a letter requesting the missing information and allow the household 14 days to provide the requested information or verification.

Table IV-29
Type of First Notice

	Recipients	Denials	All Applicants
Basic Approval	92%	1%	76%
Basic Denial	7%	99%	23%
Other Approval	<1%	<1%	<1%

The Colorado database contains information on five notices sent to households. Table IV-30 displays the notice number on which approval for LEAP was sent to the recipient. The table shows that 93 percent received approval in their first notice, six percent received approval in their second notice, one percent received approval in their third notice, and less than one percent received approval on the fourth or fifth notice.

Table IV-30
Notice Number on Which Approval Was Received

	Recipient
1	93%
2	6%
3	1%

	Recipient
4	<1%
5	<1%

The denials received denials on their last notice. Table IV-31 shows the number of notices that the denials received. The table shows that 93 percent received only one notice, five percent received two notices, one percent received three notices, and less than one percent received four or five notices.

Table IV-31
Number of Notices for Denials

	Denial
1	93%
2	5%
3	1%
4	<1%
5	<1%

Clients who apply for LEAP are required to agree to receive weatherization services to improve the energy efficiency of their homes. Table IV-32 shows that only six clients were noted in the database as a weatherization denial. Therefore, the extent to which this provision is enforced is not clear.

Table IV-32
Weatherization Denials

	Denial	
	Number	**Percent**
Yes	6	.03%
No	19,779	99.98%

Payment

Electronic heating data are obtained from five vendors that have vendor agreements with the Colorado LEAP office. Table IV-33 shows that 77 percent of benefits were calculated based on the actual 6-month heating costs, and 23 percent were calculated based on Colorado's flat rate table that creates a proxy heating cost. The flat rate costs were developed based on the average previous LEAP Program year actual heating costs statewide for the specific fuel type and dwelling type.

Table IV-33
Type of Payment Calculation

	Recipients
Six Month Heating Cost	77%
Flat Rate	23%

Payments are made electronically to vendors that have vendor agreements with the Colorado LEAP office. Table IV-34 shows that 83 percent of payments were made directly to vendors and 17 percent were made to the clients.

Table IV-34
Payment Method

	Recipients
Vendor	83%
Client	17%

LEAP benefits are disbursed in two payments to allow the LEAP office to provide benefits to all eligible applicants and to make use of the full LEAP funding allotment for the year. Since the full allotment and the number of applicants is not known at the start of the LEAP season, this distribution method ensures that LEAP dollars are distributed fairly to all applicants.

The initial payments are issued beginning in November and the final payments are issued beginning in February, unless the program is shortened due to inadequate funding. Clients who are eligible for the minimum benefit receive their full payment in one installment. Clients who are approved after the February payroll receive one final payment at the next regularly scheduled payroll following the approval date.

While clients do not normally receive more than two payments, they can receive up to ten payments. More than two payments may be received if there is supplemental LEAP funding or if a client receives crisis benefits.

Table IV-35 displays the type of payment received. Percentages total to more than 100 percent because clients may receive more than one type of payment. All clients received a final payment. Sixty percent of clients also received an initial payment. A few percent received an advance payment, to prevent service termination or restore service, and one percent received a CIP payment. Only 40 clients received an electric diversion payment to assist with their electric non-heating costs.

Table IV-35
Payment Type

	Recipients	
	Number	Percent
Initial	55,683	60%
Final	92,182	100%
Advance	1,491	2%
CIP	1,324	1%
Electric Diversion	40	<1%

Initial LEAP payments are made to clients beginning in November. Table IV-36 shows that 17 percent of clients received their first payment in November, 22 percent received it in December, and 23 percent received it in January. About one-third of the clients received their first payment in February or later.

Table IV-36
First Payment Date

	Recipient
November 2007	17%
December 2007	22%
January 2008	23%
February 2008	16%
March 2008	11%
April 2008	8%
May - Sept 2008	4%

One of the concerns cited in some of the agency and stakeholder interviews was the length of time that clients must wait for their applications to be processed and to receive their benefits. Table IV-37A shows the distribution of the number of days that elapsed between the date the application was received by the county agency and the date that the first payment was made. The table shows that only eight percent of the clients received their first payment in two weeks or less. However, almost one-quarter of the clients received their first payment in between two and four weeks. One quarter of the clients had to wait more than two months to receive their first payment.[8]

[8] The distribution of time from application received date to first payment date is the same when those whose application was not approved with the first notice is removed.

Table IV-37A
Number of Days Between
Application Received Date and First Payment Date

	Recipient
<15 Days	8%
15-29 Days	24%
30-44 Days	23%
45-59 Days	20%
60-89 Days	22%
90 Days or More	3%

Table IV-37B suggests that there is a bottleneck that develops over the first few months of the LEAP season. While more than 85 percent of applications that were received in October received their first payment in less than 45 days, only 46 percent that were received in November and 33 percent that were received in December received their first payment in less than 45 days. While only eight percent that were received in October took more than two months for the first payment, 35 percent received in November and 39 percent received in December took more than two months for the first payment.

Table IV-37B
Number of Days Between
Application Received Date and First Payment Date
By Date of Application Receipt

	Recipient				
	Oct 2007	Nov 2007	Dec 2007	Jan/Feb 2008	Mar/Apr 2008
Number of Observations	6,600	39,799	14,910	19,267	11,737
Percent	7%	43%	16%	21%	13%
<15 Days	<1%	4%	6%	13%	20%
15-29 Days	20%	23%	14%	29%	36%
30-44 Days	66%	19%	13%	19%	28%
45-59 Days	5%	20%	28%	21%	15%
60-89 Days	6%	30%	35%	16%	2%
90 Days or More	2%	5%	4%	2%	<1%

The analysis above raises the question as to whether the delay in benefits is on the agency side of application process or the state side of payment processing. Table IV-38A breaks down the time between the application was received at the agency and the first payment was made into three segments. The first segment is the time between the application was received and the signature date, the second segment is the time between the signature ate and the first notice date, and the third segment is the time between the first notice date and the first payment date.

The time between the application was received and the signature date is the agency processing time, as the signature date is the date that the supervisor approved and signed the case file. The other two segments represent the time that it took the state to issue the notice and the time that it took the state to make the payment after the payment notice was issued. The table also shows the total state processing time, the time between the signature date and the first payment date. The table shows that the agency time is likely to take more than the state time. While only five percent of the cases take more than 45 days with the state processing, one-quarter of the cases take more than 45 days with the agency processing.

The state payment is made once each month. Therefore, the amount of time that the payment takes relates to the date that the notice is issued compared to the date that all payments are made that month.

Table IV-38A
Number of Days Between
Application Received Date and First Payment Date

	Recipient				
	Total Processing Time	Agency Processing Time	State Processing Time		Total State Processing Time
	Time Between Application Received and First Payment	Time Between Application Received and Signature Date	Time Between Signature Date and First Notice Date	Time Between First Notice Date and First Payment Date	Time Between Signature Date and First Payment Date
<15 Days	8%	37%	95%	48%	44%
15-29 Days	24%	21%	3%	44%	44%
30-44 Days	23%	18%	1%	5%	8%
45-59 Days	20%	16%	<1%	1%	2%
60-89 Days	22%	8%	<1%	1%	2%
90 Days or More	3%	<1%	<1%	1%	1%

Table IV-38B suggests that there was a bottleneck on the agency side. While 83 percent of applications that were received in October had the signature date in less than 30 days, only 49 percent that were received in November and 38 percent that were received in December had their signature date in less than 30 days. While only four percent that were received in October took more than 45 days for the agency to process, 30 percent received in November and 44 percent received in December took more than 45 days for the agency to process.

Table IV-38B
Number of Days Between
Application Received Date and Signature Date
By Date of Application Receipt
(Agency Processing)

	Recipient				
	Oct 2007	**Nov 2007**	**Dec 2007**	**Jan/Feb 2008**	**Mar/Apr 2008**
Number of Observations	6,600	39,799	14,910	19,267	11,737
Percent	7%	43%	16%	21%	13%
<15 Days	53%	27%	24%	43%	67%
15-29 Days	30%	22%	14%	20%	24%
30-44 Days	12%	21%	17%	22%	7%
45-59 Days	3%	19%	29%	12%	1%
60-89 Days	1%	11%	15%	3%	<1%
90 Days or More	<1%	<1%	1%	<1%	<1%

There does not appear to be such a bottleneck that develops on the state side. Table IV-38C shows that the state processing time actually decreases after October. While in October, the time between the signature date and the payment date is more than 30 days for 33 percent of the recipients, in November and December it is more than 30 days for only 9 percent of the recipients.

Table IV-38C
Number of Days Between
Signature Date and First Payment Date
By Date of Application Receipt
(State Processing)

	Recipient				
	Oct 2007	**Nov 2007**	**Dec 2007**	**Jan/Feb 2008**	**Mar/Apr 2008**
Number of Observations	6,600	39,799	14,910	19,267	11,737
Percent	7%	43%	16%	21%	13%
<15 Days	26%	44%	47%	48%	40%
15-29 Days	42%	46%	43%	40%	41%
30-44 Days	29%	6%	5%	5%	9%
45-59 Days	1%	2%	2%	2%	2%
60-89 Days	1%	1%	2%	3%	4%
90 Days or More	1%	<1%	1%	1%	5%

Table IV-39 displays the final payment date for the recipients. Most of the recipients, 86 percent had a final payment date in March 2008. This was due to the fact that there was a supplementary increase in March 2008. Without the supplementary increase, the majority of final payments would have been in February. Ten percent had a final payment date in April and four percent had a final payment date after April.

Table IV-39
Final Payment Date

	Recipient
February 2008	<1%
March 2008	86%
April 2008	10%
May - Sept 2008	4%

Table IV-40A examines the payment amount for the LEAP recipients, both the first payment and the total amount of payments received. The table shows that mean first payment was $228 and the mean total payment was $452. While 36 percent received a total payment of less than $250, 19 percent received a total payment of more than $750.

Table IV-40A
LEAP Payment Amount

	Recipient	
	First Payment	Total Payments
<$100	11%	<1%
$100 - $249	60%	36%
$250 - $499	19%	26%
$500 - $749	8%	19%
$750 or More	2%	19%
Mean Payment	$228	$452

Table IV-40B displays total LEAP payments by poverty group. The table shows that recipients with income above poverty were less likely to receive benefits above $500. Their mean benefit was $365 compared to a mean benefit of $536 for clients with income at or below 50 percent of poverty and $508 for clients with income between 51 and 100 percent of poverty.

Table IV-40B
Total LEAP Payments
By Poverty Group

	Recipient		
	<=50%	51% - 100%	101% -185%
Observations	17,210	35,252	39,852
<$250	20%	24%	52%
$250 - $499	29%	28%	24%
$500 - $749	24%	23%	14%
$750 or More	27%	24%	10%
Mean Payment	$536	$508	$365

Clients who have their heat included in their rent have their heat costs calculated as 35 percent of the flat heating cost rates. Table IV-40C shows that clients with heat included in rent received lower LEAP benefits than those who paid their heating costs directly. Only six percent of those with heat included in rent had a benefit of more than $500, compared to 40 percent of those who paid for their heat directly. The mean LEAP benefit was $465 for those who paid for their heat directly and $257 for those who had their heat included in their rent.

Table IV-40C
Total LEAP Payments
By How Heat Costs Are Paid

	Recipient	
	Directly	In Rent
Observations	86,319	5,995
<$250	34%	60%
$250 - $499	26%	34%
$500 - $749	20%	5%
$750 or More	20%	1%
Mean Payment	$465	$257

Table IV-40D displays the total LEAP payment by the recipient’s six month heating cost. The table shows that clients who had greater heating costs received greater LEAP benefits. Mean benefits were $192 for clients with heating costs below $250 and $835 for clients with heating costs of $1,000 or more.

Table IV-40D
Total LEAP Payments
By Six Month Heating Cost

	Recipient				
	<$250	**$250-$499**	**$500-$749**	**$750-$999**	**$1,000 or More**
Observations	4,856	27,904	25,577	8,478	4,277
<$250	91%	57%	21%	9%	3%
$250 - $499	9%	31%	32%	13%	6%
$500 - $749	<1%	11%	33%	25%	10%
$750 or More	<1%	1%	14%	52%	80%
Mean Payment	$192	$289	$494	$697	$835

Table IV-40E displays the total LEAP payment by the recipient's six month heating burden. The table shows that clients who had greater heating burdens received greater LEAP benefits. Mean benefits were $231 for clients with heating burdens of three percent or less and were $669 for clients with heating burdens of more than nine percent.

Table IV-40E
Total LEAP Payments
By Heating Cost Burden

	Recipient			
	<=3%	**3%-6%**	**6%-9%**	**>9%**
Observations	24,124	25,137	9,752	8,331
<$250	77%	22%	9%	11%
$250 - $499	19%	37%	22%	19%
$500 - $749	3%	30%	31%	21%
$750 or More	1%	11%	38%	49%
Mean Payment	$231	$466	$635	$669

Emergencies and Crisis Assistance

Table IV-41 examines the type of applications for recipients and denials. The table shows that 80 percent of applications were regular, 16 percent were expedited, and one percent were advance payment requests.

Table IV-41
Application Type

	Recipient	Denial	All Applications
Regular	81%	74%	80%

Expedited	17%	12%	16%
Advanced	2%	<1%	1%
Missing	0%	14%	2%

Table IV-42 examines whether the client had a pending emergency and whether there was a 10-day hold requested. The table shows that four percent had a pending emergency and an additional 15 percent had a ten-day hold request for their utility not to be shut off.

Table IV-42
Pending Emergency

	Recipient	Denial	All Applications
No	80%	83%	81%
Yes	4%	3%	4%
10-Day Hold Requested	16%	13%	15%

Table IV-43 shows that 14 percent of the applications were placed on the ten-day hold file.

Table IV-43
Ten Day Hold File

	Recipient	Denial	All Applications
No	86%	87%	86%
Yes	14%	13%	14%

Table IV-44 examines the type of emergency that was faced by the applicant for the LEAP recipients. There were 1,428 recipients with an emergency type in the LEAP database. Clients can have more than one type of emergency, so the column totals to more than 100 percent. The table shows that half of the emergencies related to the client running out of fuel, in 30 percent of the emergencies the client had a shutoff notice, in 13 percent there was a heating system failure, in five percent of cases there was an eviction notice, and in two percent of the cases the client was already disconnected.

Table IV-44
Payment Emergency Type

	LEAP Recipients	
	Number	**Percent**
Out of Fuel	734	51%
Shut Off Notice	430	30%
Heating System Failure	183	13%
Eviction Notice	67	5%

Disconnected	35	2%

Table IV-45 examines the crisis eligibility code. The table shows that 98 percent of the clients did not apply for crisis assistance. The majority of the others were approved.

Table IV-45
Crisis Eligibility Code

	LEAP Recipients	
	Number	**Percent**
Did Not Apply	90,731	98%
Approved	1,462	2%
Valid	111	<1%
Missing	10	<1%
Total	92,314	100%

Summary

This analysis provides a good understanding of the characteristics of the applicants and non-applicants and the LEAP grants.

<u>Client Characteristics</u>

In FY 2008 there were over 112,000 applications for LEAP in Colorado and 82 percent of the applicants received LEAP.

Colorado did a good job in reaching senior households in FY 2008. The analysis showed that 28 percent of recipients had a senior household member compared to 24 percent of low-income households in Colorado with a utility bill. Just over half of the recipients had a child in the home.

Nineteen percent of recipients had income below 50 percent of the poverty level, 38 percent had income between 51 and 100 percent of poverty, and 43 percent had income between 101 and 185 percent of poverty. Sixty-four percent of denials that provided income data had income above 185 percent of poverty.

While 71 percent of recipients were eligible based on income alone, ten percent were eligible based upon food stamp receipt, seven percent were eligible based upon Aid to the Needy Disabled receipt, seven percent were eligible based upon Old Age Pension receipt, and four percent were eligible based upon TANF receipt.

Most of the clients, about 85 percent, used natural gas for heating. Most of the remainder were split between propane and electric heat. LEAP recipients had an average 6-month heating bill of $565. About half of the recipients had a heating bill of $500 or more, and six percent had a heating bill of $1,000 or more.

LEAP did a good job of reducing the heating burden for recipient households. Prior to LEAP, heat costs represented more than six percent of income for 26 percent of recipients and more than nine percent of income for 12 percent of recipients. After LEAP, the heating burden was more than six percent of income for only three percent of recipients and more than nine percent of income for only one percent of recipients.

Applications

Clients were most likely to say that they learned about LEAP through an application they received in the mail. Other common responses were that they learned about LEAP through a social services office, a friend, the heating company, and the food stamp office.

Only five percent of applicants said that they learned about LEAP through the television and only two percent, or under 2,000 households, said that they learned about LEAP only through the television and no other source. Therefore, the investment ($80,000 in FY 2008 and $160,000 in FY 2009) that the LEAP office makes in buying television advertisement spots is probably not cost-effective.

Eight percent of recipients and two percent of denials submitted the shortened application for Old Age Pension applicants. This shortened application is no longer offered, beginning in FY 2009. The Colorado LEAP office should examine the impact that this change has on Old Age Pension applications and denials.

The analysis confirmed that the majority of applications were received in the first few months of the season. While seven percent of applications were received in October, 43 percent were received in November, and 16 percent were received in December.

While agency managers noted that the majority of applications that are received need to be sent back to clients for additional information, the analysis showed that 23 percent of first notices were denials and that 93 percent of recipients were approved with the first notice. However, information requests for additional information or verification data are likely to be sent out by the agency prior to the first official notice.

Most of the denials, 93 percent received only one notice and five percent received two notices.

Clients who apply for LEAP are required to agree to accept weatherization services to improve the energy efficiency of their homes. However, only six clients were noted in the database as a weatherization denial. Therefore, the extent to which this provision is enforced is not clear.

Payments

Electronic heating data are obtained from five vendors that have vendor agreements with the Colorado LEAP office. The analysis showed that 77 percent of benefits were calculated based on actual 6-month heating costs and 23 percent were calculated based on Colorado's flat rate table that creates a proxy heating cost.

Most of the payments, 83 percent were made directly to the vendors. Initial LEAP payments are made to clients beginning in November. While 17 percent of clients received their first payment in November, 22 percent received it in December, and 23 percent received it in January. About one-third of the clients received their first payment in February or later.

One of the concerns cited in some of the agency and stakeholder interviews was the length of time that clients must wait for their applications to be processed and to receive their benefits. The analysis showed that only eight percent of the clients received their first payment in two weeks or less. However, almost one-quarter of the clients received their first payment in between two and four weeks. One quarter of the clients had to wait more than two months to receive their first payment.

The analysis suggests that an application bottleneck develops over the first few months of the LEAP season. While only eight percent of the applications that were received in October took more than two months for the first payment, 35 percent received in November and 39 percent received in December took more than two months for the first payment.

Further analysis showed that the bottleneck is on the agency processing side, rather than on the state processing side. The time between the date the application was received and the date that the agency manager approved and signed the application increased in the first few months of the LEAP season. While only four percent that were received in October took more than 45 days for the agency to process, 30 percent received in November and 44 percent received in December took more than 45 days for the agency to process. There did not appear to be a bottleneck on the state processing side.

The mean benefit amount was $452. While 36 percent received a total payment of less than $250, 19 percent received a total payment of more than $750. Benefits were higher for households that did not have their heat included in their rent, for households with lower poverty levels, and for households with greater heating costs.

Emergencies and Crisis Assistance

While 80 percent of applications were regular, 16 percent were expedited, and one percent requested advance payment. Fourteen percent of recipients were placed on a ten-day hold file to prevent utility service termination. Most of the documented payment emergencies related to clients who ran out of fuel or who received a shutoff notice.

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V. Energy Outreach Colorado Program

Energy Outreach Colorado is a private nonprofit that operates through a central office and a network of over 100 nonprofit organizations across the state. EOC primarily provides emergency assistance to prevent households from utility service termination, to restore utility service, and to enable households that are out of bulk fuel to purchase this fuel that is needed to heat their homes.

Energy Outreach Colorado's mission is "Helping all Coloradans afford home energy." Their goals are to:

1) Enhance the long-term self-sufficiency of eligible low-income families by ensuring that their utilities are not disconnected and reducing their utility bill through energy efficiency improvements; and

2) Strengthen families who are living in poverty by connecting them to energy assistance resources.

The EOC grant fills in some gaps that LEAP does not meet.

1) When the LEAP benefit is not enough to restore service or prevent termination, the EOC grant can provide additional assistance. In cases where the utilities know that additional assistance will be provided by EOC, they may be more likely to accept the LEAP grant to prevent service termination, even if it does not cover 50 percent of the customer's arrearages.

2) EOC provides assistance to either or both of the client's fuels. Most clients do not get electric benefits from LEAP if electricity is not their main heating fuel.

3) If the household is denied LEAP due to income eligibility, lack of identification, or inability to document lawful presence, EOC can provide assistance.

4) EOC provides assistance in May through October when LEAP is closed.

5) While LEAP has mechanisms in place to help households meet their emergency assistance needs, there are times when this assistance may not be timely enough. In these cases, EOC can provide assistance more quickly.

6) EOC works with a diverse network of agencies that some households may be more likely to feel comfortable working with.

A. Policies and Procedures

This section describes how EOC energy assistance grants are administered.

EOC Grant Management

EOC's emergency grant assistance program is managed by EOC staff and administered by a network of agencies around the state. EOC has one manager who oversees all of EOC's programs, a database manager who managers the donor database and the client database, and a program manager who is responsible for the following.

- Agency communication.
- The agency grant process.
- The grant application process.
- Grant distribution.
- Working with the committee of community volunteers that helps to select new grantees.
- Auditing agencies.
- Removing agencies if they are not performing.
- Training agency staff members on the EOC database, EOC grant policies, and grant procedures .
- Liaison with state and county LEAP offices if clients fall through cracks.
- Administration of emergency grants for bills over $2,000.
- Community outreach.

EOC's administration costs are usually five to seven percent of the budget.

EOC Agencies

EOC provides grants to over 100 agencies across Colorado to assist low-income households with their utility bills. Most of these agencies have been working with EOC for many years.

The requirements for the agencies are that they:

- Serve a geographic area within Colorado.
- Be a 501(c)3, a governmental organization, or a utility company.
- Provide direct services to clients and respond to emergency utility needs.
- Have a non-discrimination policy.
- Be fiscally sound.

EOC usually adds between three and five agencies each year. EOC looks for gaps in service, or places where they are having a hard time distributing restricted grants. The program manager conducts outreach to connect with new agencies. EOC's policy is to have two agencies in a location so a client has a choice where possible.

The challenge EOC currently faces is whether to keep adding new agencies or to strengthen the agencies that they are currently working with. The EOC grant has become a bigger part of the agency revenue and EOC is concerned that their capacity could be challenged when they have big windfalls of dollars such as the late fees from Xcel or some additional State funding.

Different EOC agencies serve different populations. There are agencies that specifically serve certain demographic groups such as the elderly or single mothers, and there are some that serve different populations because of where they are located or because of a certain illness. EOC tries to refer clients to agencies that deal with their specific needs.

When determining the allocation of funds among agencies, EOC looks at the funds that are restricted to certain utility territories or geographic areas first. EOC considers the agencies' capacity and ability to disburse funds in a timely and efficient manner. EOC can track how agencies do in terms of distributing the funds throughout the quarter and in terms of entering the application data.

Funding is disbursed to agencies on a quarterly basis. Agencies cannot pre-spend a quarter's grants. Funds remaining at the end of the quarter can be carried over to the next quarter, except for the fourth quarter when remaining funds must be returned to EOC. Agencies can use up to five percent of the grant amount for administration.

EOC Funding

EOC receives funding from a variety of sources, primarily those listed below.

- Statutory – unclaimed utility deposits or refunds.
- State money – severance tax fund operating account.
- Unclaimed LEAP dollars (these get put back into LEAP).
- Utility customer donations - over 20,000 customers donate to EOC monthly on their utility bill.
- EOC has a newsletter that requests contributions.
- Oil and gas companies.
- Utilities (amount depends on their size) – either annually or a match of customer donations. (EOC works with over 60 utilities across the state.); settlement funds i.e. late fees from Xcel Energy customers.
- Corporate foundations or companies.
- Private family foundations and community foundations.
- Limited special events such as a golf tournament.

All of EOC's donors have the opportunity to restrict donations. In some cases the dollars are restricted geographically or to certain programs. Most individual donations are unrestricted, but some are restricted geographically or to certain programs. Utilities sometimes restrict donations to their service territories. Corporations sometimes restrict donations to their geographic area or to certain types of programs.

EOC Assistance

EOC provides assistance for low-income households' utility bills through direct payment on low-income accounts to utilities, contributions toward the state LEAP program, and through their network of emergency assistance sites. The table below shows EOC assistance for the 2007-2008 program year.

Table V-1
2007-2008 EOC Energy Assistance

Assistance Method	Funding
Utility payments	$3,020,000
LEAP	$2,150,000
Emergency Assistance Sites	$5,575,000
Total Funding	**$10,745,000**

In the 2007-2008 program year, EOC assisted 21,299 clients through emergency assistance sites and utility payments, with an average payment of $404.

The direct utility funding is as a result of Xcel's last electric rate case. In this rate case Xcel added late fees and the Commission directed Xcel to donate the revenue from the late fees to EOC. These funds are restricted to be spent on Xcel customers.

The funds that were brought in through the late fees were higher than what was originally expected. EOC and Xcel decided to use these funds to provide direct payments to Xcel customers who were on life support or medical hold with arrearages. Xcel found these customers through an analysis of their database, and EOC provided the payments directly for the benefit of these customers, without going through one of their agencies.

Outreach and Targeting

EOC's outreach is done in conjunction with LEAP through the utilities, reaching out to everyone who is income-eligible for LEAP, although the EOC grant does not have income guidelines. Many of the households who receive EOC grants also receive LEAP and other public benefits. EOC strongly encourages clients to apply for LEAP before EOC, but agencies can help clients without a LEAP denial notice (although this would not be a common occurrence.) Seniors, for example, are often more willing to go to a local church or emergency assistance organization than to go to a county assistance office.

In addition to working with the utilities on their customer communication pieces, EOC conducts paid media advertisements to alert clients to the benefits and potential donors of the need. Some outreach is targeted to donors and some is targeted to clients. Much of the outreach is conducted to other organizations, so that these organizations can distribute the information through their community networks. EOC speaks to different groups such as the Council on Aging, AARP, and food banks; and attends church fairs and big community events. EOC does call-in shows during the beginning of the heating season and other public relations efforts as the weather changes so clients know how to access assistance.

The agencies do the same type of outreach on the local level in their communities. However, agencies are often so busy working with the clients that they don't feel the need to do outreach, especially if they are working at their capacity.

EOC recognized that they only reach a third of low-income households and are therefore always working to have more clients enroll. They do not have a good understanding of which groups they are missing. However, they know that seniors and the working poor often pay their bill and don't realize that they are eligible for benefits.

EOC reports that they work to target grants to vulnerable groups. Many of the agencies that EOC works with are focused on these demographic groups. EOC has been working with some of the agencies for a long time now, but they worked hard to get some of these agencies in the network. EOC specifically targeted the agencies that that serve these groups. As a result of this work, EOC has the network that they have.

<u>EOC Grant Eligibility</u>

Eligibility guidelines for EOC grants are as follows.

- Clients must be billed directly by the utility company.
- Clients must provide a bill showing that their utility account is at least one day in arrears. This does not apply to vendors who require payment up-front for propane, fuel pellets, or other fuels.
- Payments should be enough to guarantee utility service for at least an additional 30 days for all types of accounts.
- Benefits cannot fund charges that have not yet been incurred.
- Benefits cannot be used for clients' deposits for new accounts.
- The utility does not need to be the heating source.
- Clients cannot receive more than one grant during the grant period (November 1 through October 31).
- Clients must apply for and receive a designation letter from the LEAP program before EOC funds are used.
- Clients must sign a confidentiality release.

<u>Grant Application and Processing</u>

In most but not all cases clients are required to come into the agency to apply for a grant. There are some agencies where clients can apply via mail if they live in really remote areas or they can apply by telephone, especially for the elderly who are unable to leave the house or those who are disabled.

EOC leaves it up to each agency to manage the application process. Some agencies only have certain days or hours for applications.

Agencies are required to enter grant data into EOC's database, including client name, address, telephone number, demographic data, household data, income data, utility data and weather the dwelling has been weatherized.

EOC maintains the following agency guidelines.

- Agencies make a payment commitment to the utility and must pay the utility within two weeks.
- The agency must counsel clients about bill payments.
- The agency must negotiate and mediate with utility vendors on their behalf.
- Agencies should "consider" helping clients with excessively large bills. If they do not consider them to be a good risk or deserving of help, it is the agency's choice whether to help them. The agency must document the reasons for the choice.
- The agency can decide whether or not to assist undocumented residents.

EOC Benefits

EOC grants can help households with their natural gas, electricity, coal, propane, oil, solid fuel pellets, and firewood costs. Clients with separate gas and electricity utilities can receive grants to the two different vendors. (The agency must pay both on the same day.) Payment cannot be made directly to the client or the landlord.

In Fiscal Year 2008, the average grant was $400. For the average client, EOC pays about 25 percent of the annual utility costs. If the client applies to EOC in the summer, EOC tries to make sure that the client accesses other services and applies for weatherization. The case manager at the agency refers the client to the local weatherization agency and gives the client a card to apply for a free energy kit.

The agency determines the grant amount after looking at the client's arrearages, heating costs, household income, LEAP grant, use of another fuel, and crisis level. Some of the agencies are more conservative than others and base their grant determination partly on whether the customer has recently made payments on the utility bill.

Attitudes regarding provision of benefits to clients with high bill balances varies by agency. For example, EOC knows of one agency that would never pay a bill over $600, but provides a lot of case management. Another agency very commonly pays full bills, and serves more as an emergency assistance organization. If EOC sees a client with a lot of needs, EOC will refer the client to an agency that has a better case management process.

EOC does not require that the agencies provide specific information to clients when they apply for assistance. They encourage agencies to provide information about energy efficiency, tell the clients to work with the utility on payment arrangements, and to be honest and pay their utility bill, particularly if the client is on a medical hold or on life support. Some of the agencies have a holistic case management approach and spend a lot of time working with the clients on budgeting. Others are not as detailed.

EOC believes that it works well to provide agencies with the broad operating guidelines and then let each agency approach the process in an individual way. EOC tries to add information into their training as they see trends. They have trained the agencies to assess each client's particular situation. For example, if the client has not had a job and now does have one, or if paying the bill in full will help the client get back on his or her feet, they advise the agency to consider this.

While there is not a minimum grant amount, the maximum grant amount is $1,200 to $1,500. Special procedures have been put into place for clients who have bills higher than $1,200.

- Clients are referred to EOC's Emergency Fund Agency for processing.
- The emergency fund cannot be used for bills larger than $2,000.
- In extenuating cases of $2,000 and above the agency will confer with EOC for a special determination.
- EOC will work with the CO Department of Human Services to attempt to provide these cases with additional help.

EOC introduced the emergency case management agency in the beginning of 2007-2008 because the EOC program manager was providing an increasing amount of case management and they had many clients with large utility arrearages that believed were symptoms of bigger problems. While this situation used to be rare, utilities have started tightening their collections practices and EOC now sees many past due balances layered on top of current balances.

Counseling is done in person or by telephone if the client is not located in Denver. The case manager communicates with the utility company and with other case managers to determine whether there is a mental health issue or some other more severe issue that needs to be dealt with. EOC notes that this process has raised their awareness of utility issues, client challenges, and the types of other partners that are needed to assist more clients to access to these services. In December through July, there were 30 families seen in this program.

Agency Training

Training sessions are done every year for all agencies. This year, EOC conducted five agency training sessions around the state. The program manager reviewed the guidelines of the grant and EOC's expectations for data entry. Agency staff were given the opportunity to work with a training module to practice the agency grant process.

This year, EOC combined their grant making training with energy efficiency training. EOC is trying to work with case managers to understand the opportunities for energy efficiency. Last year EOC distributed efficiency kits to clients in the agency offices, but it was difficult for the agencies to work through inventory issues. EOC has begun a different process where they ask the client questions, give the client options for services, enter the information into a database, and send the information to GEO. GEO then mails the client a kit or calls the client for service delivery.

Agency Assessment

At the time of grant application, EOC does an agency financial review, examines the agency's most recent audit, and examines the agency's financial statements. EOC looks at whether the agency is financially healthy and what part of the agency's budget is the EOC grant.

EOC can monitor the agency's data entry on an ongoing basis and examine whether the agency is spending money too quickly or too slowly. EOC also considers if there were client complaints.

If the utility reports that they are having problems getting payments from the agency, EOC would intervene.

There have been agencies that have been denied funding because of poor performance in a previous year. This was based on not entering data, not giving out grants, internal operations, failing to follow guidelines or not communicating with EOC when they asked questions. EOC also has agencies that apply for a grant and are denied because they don't have the capacity to distribute the grants, don't do enough emergency assistance, or are duplication of an agency that EOC is already working with.

While agencies send their outreach materials to EOC, they have not done a full assessment of agency outreach.

B. Agency Perceptions

The research included interviews with EOC grant managers at a sample of EOC granting agencies. The purpose of this task was to confirm interpretation of EOC service delivery procedures and to identify potential barriers to the effectiveness and efficiency of the service delivery systems.

<u>Research Methodology</u>
A detailed list of interview questions was developed for the EOC agency manager interviews. The following topics were included in the interview questions.

- Agency management and staff
- EOC resources
- EOC guidelines, training, and quality control
- EOC application
- Agency application processing
- EOC benefits
- Agency outreach and targeting
- Agency EOC assessment

The interview protocols were used when conducting interviews with a sample of four agencies selected by Energy Outreach Colorado. The following agencies were included.

- Senior's Resource Center, Littleton
- Jeffco Action Center, Lakewood (large agency in metropolitan area)
- Grand Valley Catholic Outreach, Grand Junction (Western Slope, rural)
- Rural Communities Resource Center, Akron (Eastern Plains, rural)

Findings

This section summarizes the findings across the agencies.

Agency Management and Staff

Agencies that provide EOC grants provide many other services as well. These services include the following.

- Victim assistance services
- Transportation assistance
- Food stamps outreach
- Homelessness prevention
- Soup kitchen
- Food pantry
- Clothing bank
- Emergency housing
- Children’s book program
- Rental assistance
- Transitional housing for the homeless
- Housing for homeless with mental and physical illness
- Day center for the homeless
- Medical assistance
- Prisoner reentry program
- Tobacco youth program
- Youth center
- Domestic violence assistance
- Literacy
- Family health
- Fiscal management

Unlike the LEAP staff, the EOC grant assistance workers are year round employees. Agency managers noted that EOC management monitors their work by reviewing their database entries and periodic visits to their office.

EOC Resources

Agency EOC managers reported that their EOC funding level was equal to or approximately equal to the amount they had requested. All of the managers said that the funding was not enough to serve all of the clients who come and request utility assistance. One of the managers noted that the agency does not assist all clients that come in, but works to stretch the funding so they don’t run out of money before the next grant period. Another manager noted that they have to turn down at least two clients for each client that they assist.

One of the managers noted that the agency carries over funds from the first quarter to the next because it is LEAP season. The other managers stated that they rarely have funds to carry over from one-quarter to another. All of the managers reported that they deplete their EOC grant funding by the end of the year.

When asked whether the five percent administrative allocation was enough to meet the program needs, one of the managers said that it was, and the other three said that additional administrative funding was needed. These three managers stated that additional funding was needed to pay staff salaries. One manager noted that the agency needed additional funding for program overhead and two noted that it would be helpful to have additional grant funding.

EOC Guidelines, Training, and Quality Control

All of the agency managers reported that the program guidelines and requirements are well documented. They reported that they receive training at an annual EOC meeting. Until the current year the meeting was only held in Denver and agency staff in other regions were not required to attend. For the first time this year, EOC also held training sessions in other regions of the state. The two managers from outside the Denver area noted that they appreciated the opportunity to attend the meeting in their home region.

Managers were generally satisfied with the training offered by EOC. Three of the managers noted that the session covered the weatherization program and energy conservation tips, as well as the grant processing procedures. While one manager noted that the training should be more focused on energy assistance, another manager noted that they understand the EOC rules and it was very useful to cover energy conservation and weatherization.

EOC application

Managers reported that clients generally understand the EOC grant program, the application process, and the fact that payments are made directly to the utility company.

Three of the managers stated that clients are required to come to their office to apply for the EOC grant. Two said that if the client is homebound, the client may have a proxy come to the office in his/her place. The third said that they allow exceptions for clients who do not have transportation and when there is bad weather. This agency will send the clients the intake form and go over the form with clients over the phone. This manager noted that five to seven percent of their client applications are done by mail and phone.

The fourth manager noted that they request that clients come to their office, but because they serve seniors who are sometimes frail and homebound, they have received permission from EOC to not require clients to come to their office. In about 20 percent of the cases, they go to the client's home, and in the other 80 percent, the client comes to their office.

Mangers reported that clients do not have many questions about grant assistance. The questions that are most commonly asked are as follows.

- Why the client cannot receive assistance more than once per year.

- How to apply, how payments are made, how quickly they can receive help, how many times they can receive assistance, and why they need to apply for LEAP first.
- Whether the agency can provide assistance.
- Whether the agency can help with bills other than energy bills, such as food and telephone bills.

The managers noted that they do not receive many incomplete applications because the client is usually assisted with the application at the office. One manager noted that the only issue they face is for applicants who are immigrants who do not have social security numbers to verify their identity. The manager stated that in this case, they enter into the database that they are not able to verify the client's identity.

Agency Application Processing

Agency managers did not report issues or concerns with the grant processing procedures or the data entry process. One manager noted that the reports that the database can generate are helpful, but that it would be useful to add additional reports such as the number of clients who received and did not receive LEAP, and whether the client did not apply or LEAP was closed at the time.

Two of the managers reported that their application volume had been stable over the past few years, and two noted that the number of applications received had been growing. One manager noted that the growth in applications had put pressure on the grant processing staff.

Two of the managers described additional work that they do, beyond formal grant application processing. One manager stated that the intake workers ask the client to rate his/her standing with regards to family support, education, employment, healthcare, utilities, parenting, legal issues, and asks the clients to set goals for improvements in these different domains; and that they also go over budgeting issues with some families. Another manager noted that they provide financial counseling.

EOC Benefits

Three of the agency managers reported that most of the clients apply for LEAP before they apply for EOC grants. Mangers stated that they let clients know that they must do this when they call to inquire about assistance or come to the office.

One manager reported that most of their EOC applicants apply for EOC grants every year because the poverty level is high, the unemployment rate is high, and their clients are struggling with medical and other bills. The other managers noted that repeat applications are not very common. One manager stated that they don't receive many repeat applications because they tell clients that the EOC grant assistance is a one-time benefit. (However, they will help clients if they do apply again.)

Managers reported that grant amounts are determined on a case-by-case basis. However, they said that they benefits depend on the client's balance, the agency's available funding, what the vendor will accept to maintain or restore service, the client's payment history, the client's options for borrowing funds, whether the client has children in the home, and whether the client is working and trying to pay off the bills.

All of the managers reported that they do not require a co-pay from clients who apply for the grant and that they do not have an income cutoff level for grant award.

Three of the managers said that clients have one utility that they apply for assistance with. The fourth manager noted that about 70 percent of their clients have two energy bills and that the agency does award grants to two providers for this 70 percent of their client base.

Mangers noted that they infrequently serve clients with large balances. One manager noted that if the balance is over $5,000, they will check with EOC to determine if it is appropriate to assist the client. One manager stated that when clients have balances over $1,200, they encourage clients to make payment arrangements and they help clients with food stamps and other assistance. Managers reported that they do not have set minimum and maximum levels for their grant assistance.

When asked whether they negotiate with utilities and fuel vendors on the clients' behalf, the managers had varied responses. One manager noted that they do the best that they can, but the utilities set the standards on how much assistance is needed to prevent termination. Another noted that they speak to the utility to see whether there is anything that is forgivable on the bill. The third manager stated that they try to negotiate to make the utility accept the lowest amount possible. The last manager said that when the client's electricity is shut off and they need a deposit to restore it, they negotiate with the vendor for the amount of the deposit to be reduced. All of the managers reported that the utilities and fuel vendors agree to hold terminations so that the agency can process the EOC grant application.

All of the managers reported that they provide some form of payment counseling to the clients. One manager noted that it is difficult to counsel the clients because they are very poor and the seniors have difficulty keeping up with inflation. Another noted that their staff talk to the clients about budgeting and managing money because the application process requires that the client understands his/her total budget. Another manager said that they ask the clients to set goals as to how they will continue to meet their obligations and discuss these goals with the clients. One manager noted that they help clients set up budget billing.

All of the managers reported that they frequently make referrals. The following referrals were mentioned by the managers.

- LEAP
- Weatherization
- 211
- Child care
- Housing assistance
- Legal services
- Counseling agencies

- Employment assistance
- Home visitation
- WIC
- Food banks

One manager noted that they give clients an EOC fact sheet on how to conserve energy and they talk to clients about the weatherizaiton program and provide weatherization applications.

Agency Outreach and Targeting

Agency managers did not report many proactive actions taken to conduct outreach for EOC grant assistance. Most of the managers reported that clients hear about the assistance and come on their own. When asked specifically about outreach conducted to target the elderly, disabled, and households with young children, two managers noted that no actions were taken, one noted that they do this outreach through specific programs they have at the agency, and one through the agency's general outreach. Only one of the managers reported that they might be able to do a better job in reaching the elderly and disabled. Two managers noted that it is difficult to serve the elderly because they are too proud to ask for assistance. Another barrier that was noted was that there is not much funding for conducting outreach.

All of the managers reported that they have Spanish speaking staff and three of the four noted that they have a high demand for this service. Two of the agencies reported that they conduct home visits, and two reported that they do not conduct home visits.

Agency EOC Assessment

Agency managers reported that the program works well. Challenges that were cited included reaching frail, isolated seniors and the need for more funding because of an increased applicant load. The one agency that provides grants to two vendors for a large percentage of their clients reported that they need to be able to pay more for staff time, and that it is a challenge to pay both vendors on the same day.

Managers did not have many recommendations for improving the program. One manager noted that it would be useful to be able to serve clients more than once per year in emergency situations and to be able to help clients with deposits. Managers also noted that EOC was a great partner and that the EOC staff do a very good job. They said that EOC has listened to their suggestions and has made it easy to administer the program.

When asked whether any information was needed from EOC, one manager noted that they could use additional training on changes that were recently made to the database.

Summary

Agency managers reported that the EOC grant process works well. One issue that was noted by three of the four managers interviewed was that EOC did not provide enough funding to cover their staff salaries. This seemed to be a larger burden for the one agency that provides grants to two energy providers for 70 percent of its clients. EOC may want to consider providing additional administrative funds for agencies that provide a large percentage of their grants to multiple energy providers.

The managers reported that the grant funds that they receive are not sufficient to serve all clients who request assistance, and that they try to stretch the funds to last throughout the grant period.

One area that EOC management may want to review is the outreach that is provided by the agencies to make households in need aware of the EOC assistance that is available. None of the managers that were interviewed reported many proactive actions taken to reach clients other than those who come to the agency because they heard about the program through word of mouth or because they are visiting the agency for other assistance. The managers expressed a general sentiment that they already have great demand for energy assistance. However, additional outreach may help EOC to reach clients who don't normally apply for assistance, but have great need, and to serve a greater percentage of households with elderly members.

C. Statistics

EOC provided APPRISE with a copy of its Fiscal Year 2008 EOC grant database. This database contains data on grants that were awarded to clients between November 1, 2007 and October 23, 2008. This section provides analysis and summary of those data.

Grant Recipient Characteristics

EOC's agencies are not required to enter data for households who are denied grants, so only a small number of denied grants were included in the database. Therefore, this summary focuses on households that received grants.

Table V-2A displays the number of grants that were awarded in the 2007-2008 year and statistics on the amount of the grants. The table shows that 20,187 grants were awarded during the year, and the grants averaged $418. While ten percent received grants of less than $92, ten percent received grants over $949. The median grant amount was $280.

Table V-2A
EOC Grant Amounts

Number of Grants	Grant Amount							
	Mean	Min	Percentile					Max
			10	25	50	75	90	
20,187	$418	$1	$92	$157	$280	$499	$949	$5,706

Approximately one-third of the households received grants directly through Xcel, rather than applying at an agency. These grants were provided through $3 million in funding from

Xcel's late payment charges, as ordered by the Colorado Public Service Commission. These funds were used to provide direct payments to Xcel customers who were on life support or medical hold with arrearages. Xcel found these customers through an analysis of their database, and EOC provides the payments directly for the benefit of these customers, without going through one of their agencies.

Table V-2B displays grant statistics by whether the grant was a direct Xcel grant. The table shows that 6,730 grants were awarded directly through Xcel and 13,457 were awarded by the EOC agencies. The mean grant amount was approximately the same for both types of grants. The median grant amount for the agency grants was $294 and the median grant amount for the Xcel grants was $259. While ten percent of the agency grants were more than $800, ten percent of the Xcel grants were more than $1,291.

Table V-2B
Grant Amounts

	Number of Grants	Grant Amount							
		Mean	Min	Percentile					Max
				10	25	50	75	90	
Agency Grants	13,457	$407	$1	$101	$166	$294	$500	$800	$5,706
Xcel Grants	6,730	$439	$1	$70	$138	$259	$477	$1,291	$2,357
All Grants	20,187	$418	$1	$92	$157	$280	$499	$949	$5,706

Table V-3A displays the composition of the grant recipient households. The direct Xcel grants do not contain demographic data because these clients did not contact agencies and fill out applications. Therefore, the table only displays demographic data for the clients who applied for grants at the agencies.

Table V-3A shows that 57 percent of the grant recipients have only one adult in the home, 61 percent have one or more children, and 71 percent have one or more dependents.

Table V-3A
Composition of Grant Recipient Households
Agency Grants

	Number of Adults	Number of Children	Number of Dependents
0	--	39%	29%
1	57%	17%	20%
2	38%	20%	21%
3	4%	14%	15%
4	1%	6%	8%
5 or more	<1%	4%	6%

Table V-3B displays the percentage of EOC grant recipients that have vulnerable household members. The table shows that 61 percent of grant recipients have children, 8 percent have senior household member(s), 27 percent have disabled household member(s), 32 percent were in single parent families, and 28 percent do not have a child, senior, or disabled household member.

Table V-3B
Vulnerable Households
Agency Grants

Children	Senior	Disabled	Single Parent[1]	Nonvulnerable
61%	8%	27%	32%	28%

[1]Single Parent is defined as one adult living with one or more children.

Table V-4 displays the distribution of household income by vulnerable characteristics. The table shows that about half of the households have annual income below $10,000, 30 percent have income between $10,000 and $20,000, 13 percent have income between $20,000 and $30,000, and eight percent have income above $30,000. Households with senior members were less likely to have income above $30,000. Households with disabled members were more likely to have income below $10,000.

Table V-4
Household Income
By Vulnerable Group

Income Level	All Agency Grants	Children	Senior	Disabled	Single Parent	Nonvulnerable
<=$10,000	49%	44%	50%	58%	56%	51%
$10,001 - $20,000	30%	30%	39%	31%	29%	28%
$20,001 - $30,000	13%	16%	9%	8%	12%	12%
$30,001 - $40,000	5%	6%	1%	3%	3%	5%
>$40,000	3%	4%	1%	1%	1%	3%

Table V-5 displays household poverty level by vulnerable group. The table shows that 36 percent of grant recipients have income below 50 percent of the poverty level, 32 percent have income between 51 and 100 percent of the poverty level, 24 percent have income between 101 and 185 percent of the poverty level, and eight percent have income above 185 percent of the poverty level, which is the Colorado LEAP eligibility limit. Households with seniors were less likely to have income below 50 percent of poverty and single parent families were more likely to have income below 50 percent of poverty. Households without vulnerable members were most likely to have income above the LEAP eligibility limit.

Table V-5
Household Poverty Level
By Vulnerable Group

Poverty Level	All Agency Grants	Children	Senior	Disabled	Single Parent	Nonvulnerable
<=50%	36%	41%	17%	29%	48%	38%
51% - 100%	32%	31%	41%	42%	30%	25%
101% - 185%	24%	22%	35%	24%	18%	23%
>185%	8%	6%	8%	5%	4%	14%

Table V-6 displays employment status by vulnerable group. The table shows that 42 percent of all agency grant recipients were employed. Households with children were more likely to be employed, and households with seniors and disabled members were less likely to be employed.

Table V-6
Employment Status
By Vulnerable Group

Employment Status	All Agency Grants	Children	Senior	Disabled	Single Parent	Nonvulnerable
Employed	42%	52%	6%	11%	49%	48%
Not Employed	49%	41%	84%	81%	44%	33%
Missing	9%	7%	10%	8%	7%	19%

Table V-7 displays the LEAP status of households that received agency grants. The table shows that 45 percent of EOC grant recipients received LEAP. A significant percentage, 16 percent, did not apply for LEAP. Households with seniors and disabled members were more likely to receive LEAP and nonvulnerable households were less likely to receive LEAP.

Table V-7
LEAP Status
By Vulnerable Group

LEAP Status	All Agency Grants	Children	Senior	Disabled	Single Parent	Nonvulnerable
Received LEAP	45%	44%	57%	55%	48%	36%
Denied LEAP	7%	7%	6%	6%	6%	8%
Not Eligible	7%	7%	7%	6%	5%	8%
Did not Apply	16%	17%	11%	11%	15%	17%
LEAP Closed	8%	9%	5%	7%	9%	8%
Not Reported	17%	17%	15%	15%	16%	23%

Grant Characteristics

This section focuses on the characteristics of the grants that were awarded.

Table V-8 displays the fuel type for the grant that was awarded. This table shows that about three-quarters of all grants were awarded to gas/electric accounts and 62 percent of the agency awarded grants were awarded to gas/electric accounts. All of the Xcel grants were awarded to Xcel, and so to gas/electric accounts by definition (a few may be misclassified).

Table V-8
Fuel Type

Heating Fuel	All Grants	Agency Grants	Xcel Grants
Gas/Electric	74%	62%	99%
Electric	18%	28%	0%
Propane	4%	5%	0%
Natural Gas	3%	5%	1%
Other	1%	1%	0%

Table V-9 displays the fuel type for the grant award by vulnerable group. The table shows that senior households were more likely to receive propane grants than other types of households.

Table V-9
Fuel Type
By Vulnerable Group

Heating Fuel	All Agency Grants	Children	Senior	Disabled	Single Parent	Nonvulnerable
Gas/Electric	62%	63%	63%	61%	70%	57%
Electric	28%	28%	20%	26%	23%	32%
Propane	5%	4%	10%	7%	3%	6%
Natural Gas	5%	4%	5%	4%	3%	5%
Other	1%	<1%	2%	1%	<1%	1%

Table V-10 displays the percentage of grant recipients who had a shutoff notice, by vulnerable group. The table shows that overall, 44 percent of grant recipients had a shutoff notice. Seniors were less likely to have a shutoff notice than other groups.

Table V-10
Shutoff Notice
By Vulnerable Group

All Agency Grants	Children	Senior	Disabled	Single Parent	Nonvulnerable
44%	47%	28%	40%	46%	42%

Table V-11 displays the percent of grant recipients that applied during each month of the year. Overall, there were a large percentage of applications in July and in August, but this is due to the fact that all of the Xcel grants were processed during these months. The agency grant applications were distributed throughout the year. The months with the greatest percentage of applications were February, May, and August. October, right before the LEAP season starts, had the lowest percentage of applications.

Table V-11
Application Month

Application Month	All Grants	Agency Grants	Xcel Grants
January	5%	8%	0%
February	8%	12%	0%
March	6%	9%	0%
April	4%	5%	0%
May	9%	14%	0%
June	5%	8%	0%
July	23%	8%	54%
August	23%	12%	46%
September	6%	9%	0%
October	2%	3%	0%
November	4%	6%	0%
December	4%	6%	0%

Agency Characteristics

This section examines how grant awards differ between agencies.

There were 113 agencies that distributed grants in FY 2008. These agencies differed greatly in their level of activity. The number of grants by agency ranged from a total of four grants for the year to over 800 grants for the year. The average agency awarded 119 grants over the year. Half of the agencies awarded more than 78 grants and ten percent awarded more than 250 grants.

The agencies also differed in the mean level of grants that they awarded. The mean agency awarded grants that averaged $371. However, the average was as low as $95 for one agency, and as high as $1,136 for the Denver Urban Ministries, the agency that does the counseling for customers with high balances. The next highest agency average grant amount was $1,108.

Table V-12
Agency Grant Awards
Statistics By Agency

	Statistics By Agency							
	Mean	Min	Percentile					Max
			10	25	50	75	90	
Number of Grants	119	4	28	44	78	142	250	822
Grant Amount	$371	$95	$204	$248	$339	$434	$590	$1,136

Table V-13 displays agency level statistics on the percentage of grants that were provided to vulnerable households. The table shows that there is significant diversity in the types of families that the different agencies serve. Sixty percent of recipients in the mean agency have children. However, 76 percent or more of the grant recipients have children in 10 percent of the agencies. Eight percent of recipients were senior households in the mean agency, but some agencies serve no senior households and one agency has half of its clients made up of senior households. There appear to be agencies that specialize in serving disabled households as well.

Table V-13
Agency Targeting
Statistics By Agency

	Statistics By Agency							
	Mean	Min	Percentile					Max
			10	25	50	75	90	
Children	60%	0%	39%	53%	63%	71%	76%	94%
Elderly	8%	0%	0%	2%	6%	9%	15%	50%
Disabled	32%	0%	11%	21%	29%	39%	57%	95%

Summary

In the 2007-2008 year there were 20,187 EOC grants awarded, and the grants averaged $418. Approximately one-third of the households received grants directly through Xcel, rather than applying at an agency, through late payment charge revenue.

Many of the households served contained vulnerable members. Sixty-one percent had children, eight percent had senior household members, and 27 percent had disabled household members.

While EOC grants are not limited to LEAP income-eligible households, the analysis showed that the vast majority of households that received grants were income-eligible for LEAP. Only eight percent of EOC grant recipients had income above 185 percent of the poverty level.

The analysis showed that 45 percent of EOC grant recipients received LEAP, but that a significant percentage, 16 percent, did not apply for LEAP. Households with seniors and disabled members were more likely to have received LEAP.

About three-quarters of all grants were awarded to gas/electric accounts and 62 percent of the agency awarded grants were awarded to gas/electric accounts. Many of the grant recipients, 44 percent, had a shutoff notice at the time of grant award.

There was great variability by agency in terms of the number and average amount of grants that were awarded. The number of grants awarded by agency ranged from four to 822 and the mean grant amount by agency ranged from $371 to $1,136. There was also significant diversity in the types of households that the agencies serve. For example, while some agencies did not serve any senior households, fifty percent of the recipients in one agency had an elderly household member.

VI. Client Perceptions

A survey was conducted with Colorado LEAP recipients, LEAP non-applicants, LEAP denials, and low-income households in Colorado to document how the LEAP application process works, how clients come to learn about the program, why low-income households do not apply, challenges in receiving benefits, and the impact of the program.

A. *Survey Methodology*

This section describes the methodology for the survey, including procedures for sample selection and survey implementation.

Survey Sample

Interviews were conducted with four groups of households:

- LEAP recipients – households in Colorado who received LEAP assistance in Fiscal Year 2008 (between November 2007 and June 2008).
- LEAP denials – clients who applied for LEAP assistance and were denied benefits in Fiscal Year 2008.
- Non-applicants – clients who were sent a LEAP application in Fiscal Year 2008 (because they received LEAP the previous year) but did not apply for benefits.
- Low-income households in Colorado who did not receive an application for LEAP in the mail, apply for LEAP, or receive LEAP in Fiscal Year 2008.

The sample of LEAP recipients, LEAP denials, and non-applicants were selected from Colorado's LEAP database for Fiscal Year 2008.

The sample of low-income households in Colorado, purchased from Genesys Sampling Systems, was developed from an unduplicated list of over 97 million households in the U.S. with listed telephone numbers. The list was developed from multiple sources to increase coverage rates, including telephone directories, automobile and motorcycle registrations, real estate listings, and driver's license data. The database is updated bi-monthly to provide current data on active households.

This survey attempted to collect data from a sample of low-income households who are income-eligible for LEAP. To accomplish that goal, the requested sample targeted households with estimated annual income at or below $25,000. The sample income data were developed by the sample vendor from self reports to a panel survey within the past two years and through multiple regression analysis using home value, occupation, and automobile data, as well as other variables as predictors.

The listed sample does not include households without telephones or with unlisted telephone numbers.

Survey Implementation

A survey advance letter was sent to the clients in the four sample groups. This letter announced the survey, notified potential respondents that they might be called to participate in the survey, explained the purpose of the survey, and gave potential respondents the option to call the phone center to complete the survey at their convenience.

APPRISE retained TMR Inc. to conduct the telephone survey through its call center. A researcher from APPRISE trained TMR's employees on the survey instrument and monitored survey implementation. TMR's manager in charge of the survey instructed interviewers how to use the computerized version of the survey to record customer responses.

Interviewer training consisted of two hour-long sessions – one for daytime and one for evening interviewers. This training session provided interviewers with an overview of the project, purpose behind questions asked, and strategies to provide accurate clarification and elicit acceptable responses through neutral probing techniques.

Interviewer monitoring allowed APPRISE researchers to both listen to the way interviewers conducted surveys and review the answers they chose on the computerized data entry form. There were two methods for monitoring the quality of the survey implementation. First, the initial implementation of the survey was monitored in person at the telephone center, where the monitor could listen to the interviews as they were conducted and observe the answers as they were recorded. After the first day, live monitoring was conducted by telephone, where the monitor could listen to the live survey and provide feedback on survey implementation (but could not observe the answers being recorded by the interviewer.) To provide an additional check on the accuracy of interviewers' data entry, we received daily recordings of a sample of interviews with the accompanying data file. The monitor listened to the interview while checking the data file to ensure that questions were accurately coded and entered into the database.

Telephone interviews were conducted between November 13, 2008 and December 8, 2008. During this time period, 401 interviews were completed.

Survey Response Rates

Table VI-1 details the number of respondents selected to complete the survey, number of completed interviews, cooperation rates, and response rates for the sample. Table VI-2 provides these statistics for each of the four sample groups. The tables present the following information:

- *Number selected*: Initially, 300 LEAP recipients, 150 LEAP denials, 150 non-applicants, and 300 low-income households were selected. Due to the high number of non-interviews and unusable telephone numbers, an additional sample of 100 denial cases, 200 non-applicant cases, and 300 low-income cases was selected. The final sample consisted of 1,500 cases in total.

- *Unusable*: There were 567 cases deemed unusable because no one was present in the home during the survey who was able to complete the survey, or because phone numbers were unavailable, disconnected, or incorrect. These households are not included in the denominator of the response rate or the cooperation rate. They are included in the denominator of the completed interview rate.

- *Non-Interviews*: There were 217 cases classified as non-interviews because the qualified respondent refused to complete the interview, or because the respondent asked the interviewer to call back to complete the interview at a later time, but did not complete the interview during the field period. These households are included in the denominator of the cooperation rate, the response rate, and the completed interview rate.

- *Unknown eligibility*: There were 311 cases that were determined to have unknown eligibility to complete the interview, due to answering machines, no answers, and language barriers, or due to reaching the maximum number of calling attempts.9 These households are not included in the denominator of the cooperation rate. They are included in the denominator of the response rate and the completed interview rate.

- *Completed interviews*: The completed interviews are households that were reached and that answered the full set of survey questions by telephone. In total, 401 interviews were completed.

- *Cooperation rate*: The cooperation rate is the percent of eligible households contacted who completed the survey. This is calculated as the number of completed interviews divided by the interviews plus the number of non-interviews (refusals plus non-completed callbacks10). Overall, this survey achieved a 64 percent cooperation rate.

- *Response rate*: The response rate is the number of completed interviews divided by the number of completed interviews plus the number of non-interviews (refusals plus non-completed callbacks) plus all cases of unknown eligibility (due to answering machines, language barriers or maximum calling attempts reached). This survey attained a 43 percent response rate.

- *Completed Interview Rate*: The completed interview rate is the percentage of households selected that completed the survey. This survey attained a 27 percent completed interview rate.

[9]The telephone interview center conducted interviews with respondents with a language barrier by arranging a callback with an English-speaking member of household whenever possible. However, there were 57 cases in which an interview could not be completed due to a language barrier.

[10] Non-completed callbacks include respondents who asked the interviewer to call back at a later time to complete the interview, but did not complete the interview by the end of the field period.

Table VI-1
Sample and Response Rates

	Total Sample
Number Selected	1,500
Unusable	567
Non-Interviews	217
Unknown Eligibility	311
Completed Interviews	401
Cooperation Rate	64%
Response Rate	43%
Completed Interview Rate	27%

Table VI-2A displays the number of interviews completed by original sample group. The response rate ranged from 37 percent for the low-income group to 60 percent for the LEAP-recipient group.

Table VI-2A
Number of Completed Interviews by Original Sample Group

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Number Selected	300	250	350	600
Unusable	87	99	201	180
Non-Interviews	26	27	29	139
Unknown Eligibility	60	62	64	125
Completed Interviews	127	62	56	156
Cooperation Rate	83%	70%	66%	53%
Response Rate	60%	41%	38%	37%
Completed Interview Rate	42%	25%	16%	26%

Table VI-2B displays the number selected and the number of completed interviews by final sample group. The final sample group differed because respondents were recoded based on their answers to screener questions regarding LEAP receipt, application to LEAP, and receipt of a LEAP application. After the recoding, there were 149 completed interviews with LEAP recipients, 65 completed interviews with LEAP denials, 66 completed interviews with non-applicants, and 121 completed interviews with low-income households.

Table VI-2B
Number of Completed Interviews by Final Sample Group

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Number Selected (Recoded)	322	253	360	565
Completed Interviews (Recoded)	149	65	66	121
Completed Interview Rate	46%	26%	18%	21%

Weights

The survey retained a higher response rate with elderly households than with non-elderly households. This was especially true for the low-income non-recipient households. Weights were created to adjust the statistics for the differential response and provide results that are representative of the populations studied. All estimates in this report are weighted to provide the most accurate representation of the population studied.

B. Demographics

This section presents data on the demographic and income characteristics of the LEAP-recipient, LEAP-denial, non-applicant, and low-income non-recipient households. Tables presented in this section may not total to 100 percent due to rounding. All tables furnish statistics by recoded respondent group. Unless the number of respondents is shown, the tables include all 401 respondents to the survey, 149 recipients, 65 denials, 66 non-applicants, and 121 low-income households who did not apply for or receive LEAP.

Table VI-3 displays the percentage of households by number of total household members for each respondent group. The table shows that many of the households were single person households.

Table VI-3
Number of Household Members

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
1	30%	24%	20%	37%
2	22%	22%	21%	37%
3	18%	15%	22%	15%
4	10%	23%	12%	7%
5	12%	10%	19%	2%
6 or more	8%	7%	5%	2%
Don't Know / Refused	0%	0%	1%	0%

Table VI-4 displays the percentage of households with vulnerable members. The table shows the percentage of respondents in each group with senior members, disabled members, and children. The table shows that about 20 percent of LEAP recipients and denials are single parent households. Seven percent of non-applicant households and four percent of low-income non-recipients are single-parent households.

Table VI-4
Household with Vulnerable Members

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Senior (60 or older)	28%	18%	17%	24%
Disabled	45%	33%	42%	28%
Child 18 or Younger	51%	60%	56%	26%
Child 5 or Younger	26%	28%	28%	9%
Single Parent Household	21%	23%	7%	4%

Table VI-5 presents the percentage of households that have at least one member who is a senior, disabled, or a child under age 18. The table shows that 93 percent of the LEAP-recipient respondents lived in households that we have defined as vulnerable. Eighty-seven percent of denial households, 89 of non-applicant households, and 68 percent of low-income non-recipients had vulnerable household members.

Table VI-5
Household With At Least One Vulnerable Member

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Yes	93%	87%	89%	68%
No	7%	13%	11%	32%

Table VI-6 displays home ownership data. The table shows that 42 percent of recipients, 37 percent of denials, 49 percent of non-applicants, and 55 percent of low-income non-recipients owned their homes.

Table VI-6
Home Ownership

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Own	42%	37%	49%	55%
Rent	57%	61%	44%	42%
Other	1%	2%	6%	<1%
Refused	0%	0%	2%	2%

Table VI-7 displays annual household income. Income data for LEAP recipients, denials and non-applicants were reported in the LEAP database. Income data for low-income non-recipients are from the survey response. The table shows that the non-applicant and denial households were most likely to have income below $10,000. Eighty-nine percent of the non-applicants and 63 percent of the denials had income below $10,000.

The low-income households were designed to be similar in income level to the LEAP recipients. The sample targeted households with annual income at or below $25,000, but income data for the sample are not precise. The sample income data were developed by the sample vendor from self reports to a panel survey within the past two years and through multiple regression analysis using home value, occupation, and automobile data, as well as other variables as predictors. The table shows that the low-income non-recipient households were more likely than the other groups to have annual income greater than $40,000.

Table VI-7
Annual Income

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Less than $10,000	34%	63%	89%	5%
$ 10,001 - $ 20,000	39%	9%	2%	19%
$ 20,001 - $ 30,000	17%	10%	4%	9%
$ 30,001 - $ 40,000	5%	8%	1%	11%
More than $ 40,000	4%	10%	3%	30%
No Income Information	1%	1%	2%	26%

Table VI-8A displays respondents' incomes as a percentage of the 2008 Federal Poverty Level. Again, these data are from the state LEAP database, with the exception of low-income non-recipient households. The table shows that 14 percent of recipients, 58 percent of denials, and 88 percent of non-applicants had income at or below 50 percent of the poverty level. Based on income eligibility guidelines for LEAP in Colorado, all of the LEAP recipients had income below 185 percent of the poverty level. Many of the low-income non-recipients had income above the eligibility level. In some of the tables that follow, we examine the subgroup of low-income non-recipients with income at or below 185 percent of the poverty level. There were 39 respondents in this group.

Table VI-8A
Poverty Level

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
0% - 50%	14%	58%	88%	0%
51% - 100%	36%	9%	3%	13%
101% - 185%	48%	8%	4%	17%
More than 185%	0%	24%	3%	45%
No Income Information	1%	1%	2%	26%

Table VI-8B further examines poverty levels for LEAP denials. The table shows that about half of the denials who had income above 185 percent of poverty had income below 200 percent of poverty and about half had income between 200 and 250 percent of poverty. This suggests that these households may still have a large need for energy assistance.

Table VI-8B
Poverty Level for LEAP Denials

	LEAP Denial
At or Below 185%	75%
186% - 200%	11%
201% - 250%	11%
251% - 300%	2%
More than 300%	1%
No Income Information	1%

Table VI-8C further explores poverty levels for all of the respondents in the low-income sample, prior to recoding some of these respondents into the recipient, denial, and non-applicant groups.

There were 156 respondents in the low-income group prior to recoding and 121 after recoding. There were 118 of the 156 that provided income data. The table shows that 53 percent of these had income at or below 185 percent of poverty and 65 percent had income below 250 percent of poverty.

Table VI-8C
Poverty Level for All Low-Income Before Recoding

	Low-Income Before Recoding	Low-Income Before Recoding Only with Income
Number of Respondents	156	118
At or Below 185%	41%	53%
186% - 200%	2%	2%
201% - 250%	8%	10%
251% - 300%	18%	23%
More than 300%	9%	11%
No Income Information	22%	--

Respondents were asked whether in the 12 months preceding the survey their household received:

- Income from employment

- Any form of retirement income including Social Security, pensions, and other funds
- Public assistance benefits from Temporary Assistance For Needy Families, Social Security Insurance, or general or public assistance
- Non-cash benefits, including food stamps and public or subsidized housing.

Table VI-9 shows that 34 percent of recipients, 45 percent of denials, 49 percent of non-applicants, and 47 percent of low-income non-recipients received employment income. Approximately one-third of the recipients and low-income non-recipients received retirement income. Twenty-three percent of the denial households and 24 percent of the non-applicant households had retirement income. Low-income non-recipients with income at or below 185 percent of poverty were more likely to have retirement income. Recipient households were most likely to report that they received non-cash benefits.

Table VI-9
Types of Income and Benefits Received

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Wages or Self Employment Income	34%	45%	49%	47%	39%
Retirement Income	33%	23%	24%	34%	56%
Public Assistance	36%	30%	26%	13%	15%
Non-cash Benefits	52%	30%	25%	11%	16%

Respondents were asked whether they had been unemployed during the year. Table II-8 shows that 36 percent of recipients, 45 percent of denials, 43 percent of non-applicants, 28 percent of low-income non-recipients, and 40 percent of non-recipients with income below 185 percent of poverty reported that they had been unemployed during the year.

Table VI-10
Unemployed During the Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Yes	36%	45%	43%	28%	40%
No	63%	55%	57%	72%	60%
Don't Know / Refused	1%	0%	0%	0%	0%

Table VI-11 displays responses to the survey question, "Which fuel is used most for heating your home?" The majority reported that they used natural gas for heating. Electricity and propane were the next most common heating fuels.

Table VI-11
Primary Fuel Used for Home Heating

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Natural Gas	64%	47%	59%	66%
Electricity	16%	23%	20%	11%
Bottled Gas (LPG or Propane)	10%	7%	6%	4%
Fuel Oil or Kerosene	<1%	0%	0%	0%
Wood	<1%	2%	3%	7%
Other Fuel	2%	2%	0%	0%
No Fuel Used	0%	2%	0%	0%
Don't Know / Refused	7%	17%	12%	13%

Households were asked whether their heat is included in their rent. Table VI-12 shows that six percent of recipients and non-applicants, 12 percent of denials, and 10 percent of low-income households reported that they have their heat included in their rent.

Table VI-12
Heat included in Rent

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Yes	6%	12%	6%	10%
No	51%	51%	45%	32%
Refused	1%	0%	0%	2%
Own Home	42%	37%	49%	55%

Respondents were asked to report the main way that they cool their homes on the hottest days of the summer. Table VI-13 shows that the most common response for all of the groups was fans. A large percentage also used evaporative cooling and air conditioning. However, approximately twenty percent of the respondents reported that they did not use a cooling method.

Table VI-13
Primary Method of Summer Cooling

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Fans	29%	36%	25%	23%	28%
Evaporative or Swamp Cooling	18%	20%	22%	22%	18%
Window or Wall Air Conditioning	18%	20%	17%	21%	21%
Central Air Conditioning	16%	3%	11%	26%	15%
No Cooling Method Used	17%	19%	25%	9%	17%

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Don't Know / Refused	1%	2%	0%	<1%	0%

C. Problems Meeting Energy Needs

This section examines the financial challenges and difficult choices made by the respondents to manage their total residential energy costs.

<u>Energy Bills and Burden</u>

Respondents were asked for the total annual costs of their electricity, gas, and other fuels for their home. Table VI-14 shows that approximately 80 percent of the respondents provided an estimate. Almost half of the households reported annual energy costs of over $1,500. The low-income non-recipients were less likely than the other groups to report energy costs of more than $2,000, indicating that they may have less of a need for energy assistance than the other groups.

Table VI-14
Annual Total Residential Energy Costs

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Less than $ 500	5%	1%	1%	6%	12%
$ 501 - $ 1,000	13%	17%	17%	21%	19%
$ 1,001 - $ 1,500	22%	15%	21%	14%	13%
$ 1,501 - $ 2,000	18%	18%	12%	30%	33%
Over $ 2,000	26%	29%	31%	10%	12%
Don't Know / Refused	16%	20%	18%	19%	11%

Table VI-15 displays residential energy burden, based on the energy costs that respondents reported, the income that was available in the LEAP database or from the survey responses, and the LEAP benefit that was provided in the LEAP database. Pre-LEAP total residential energy burden is calculated as the proportion of income spent on total residential energy costs. Post-LEAP total residential energy burden is calculated only for LEAP recipients. It is the proportion of income spent on total residential energy costs less the LEAP benefit dollars received. Data are only shown for LEAP recipients and low-income non-recipients, because few of the denials and non-applications had enough data to calculate energy burden.

The table shows that 16 percent of recipients had a pre-LEAP energy burden that was greater than 15 percent and five percent had a pre-LEAP energy burden that was greater than 25 percent. LEAP benefits had a significant impact on energy burden. The table shows that seven percent of recipients had a post-LEAP burden that was greater than 15 percent and two percent had a post-LEAP burden that was greater than 25 percent.

The mean pre-LEAP burden was 11 percent for LEAP recipients and five percent for low-income non-recipients. The mean post-LEAP burden was 7 percent for LEAP recipients.

Table VI-15
Total Residential Energy Burden

	LEAP Recipient		Low-Income
	Pre-LEAP	Post-LEAP	Pre-LEAP
Number of Respondents	95	95	74
0% - 5%	22%	36%	67%
6% - 10%	34%	42%	21%
11% - 15%	29%	15%	11%
16% - 20%	8%	4%	1%
21% - 25%	3%	1%	<1%
More than 25%	5%	2%	<1%
Mean Burden	11%	7%	5%

Constructive Actions Taken to Meet the Need

The survey asked respondents whether they took specific actions to reduce their energy bills. These actions included efforts to reduce heating bills, cooling bills, and year-round bills. The majority of households reported that they took most of these actions. A large percentage of the households reported that they use CFLs. Further analysis of the data showed that all households reported that they took at least one of the actions.

Table VI-16
Actions Taken to Bring Down Energy Bills

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Winter Actions				
Put Plastic on Windows	40%	22%	32%	28%
Turn Down the Heat When You Go to Bed	83%	81%	86%	85%
Summer Actions				
Keep Shades and Curtains Closed in Daytime	87%	90%	87%	86%
Use Fans and Open Windows	88%	90%	86%	84%
Other Energy Saving Actions				
Wash Clothes in Cold Water	82%	75%	70%	65%
Use Compact Fluorescent Light Bulbs	68%	69%	68%	59%

Signs of the Problem

Respondents were asked whether they worried about their ability to pay their home energy bills in the year preceding the survey, due in part to their energy expenses. Table VI-17 shows that with the exception of the low-income non-recipients, the majority of the respondents reported that they worried about paying their home energy bill during the year.

Table VI-17
Worried About Paying Home Energy Bill Due to Not Having Enough Money for the Energy Bill During Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Almost Every Month	30%	47%	24%	11%	7%
Some Months	33%	19%	20%	14%	33%
1 or 2 Months	12%	15%	15%	2%	1%
Never / No	25%	19%	42%	72%	59%

Table VI-18 shows whether respondents reported that they reduced expenses for household necessities in the year preceding the survey, due in part to their energy expenses. Eighty-two percent of recipients, 85 percent of denials, 74 percent of non-applicants, 46 percent of low-income non-recipients, and 70 percent of non-recipients with income below 185 percent of poverty reported that they reduced expenses for what they consider to be basic household necessities.

Table VI-18
Reduced Expenses for Household Necessities Due to Not Having Enough Money for the Energy Bill During the Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Almost Every Month	48%	48%	40%	20%	25%
Some Months	24%	30%	23%	21%	44%
1 or 2 Months	10%	7%	11%	5%	1%
Never / No	15%	16%	24%	52%	29%
Don't Know	2%	0%	2%	2%	1%

Respondents were asked whether they borrowed from a friend or relative to pay their home energy bill in the year prior to the survey. Table VI-19 shows that 39 percent of recipients, 52 percent of denials, 37 percent of non-applicants, nine percent of low-income non-recipients reported that they borrowed at some point during the past year to help pay their energy bills.

Table VI-19
Borrowed from a Friend or Relative to Pay Home Energy Bill Due to Not Having Enough Money for the Energy Bill During the Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Almost Every Month	4%	4%	5%	0%	0%

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Some Months	19%	31%	19%	9%	14%
1 or 2 Months	16%	17%	13%	0%	0%
Never / No	61%	48%	63%	91%	86%

Responses to the Problem

Respondents were asked whether they closed off part of their home because they could not afford to heat or cool it in the year prior to the survey. Table VI-20 shows that 42 percent of recipients, 38 percent of denials, 29 percent of non-applicants, 24 percent of low-income non-recipients, and 42 percent of non-recipients with income below 185 percent of poverty reported that they took this action during the past year.

Table VI-20
Closed Off Part of Home Because Could Not Afford to Heat or Cool It Due to Not Having Enough Money for the Energy Bill During the Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Almost Every Month	14%	9%	20%	10%	11%
Some Months	25%	27%	5%	12%	31%
1 or 2 Months	3%	2%	4%	2%	0%
Never / No	58%	62%	71%	76%	57%
Don’t Know	0%	0%	0%	<1%	1%

Table VI-21 displays whether respondents reported that they kept their home at an unsafe or unhealthy temperature in the year preceding the survey, due in part to their energy expenses. The table shows that 29 percent of recipients, 21 percent of denials and non-applicants, eight percent of low-income non-recipients, and 17 percent of non-recipients with income below 185 percent of poverty reported that they took this action at some point during the year prior to the survey.

Table VI-21
Kept Home at Temperature You Felt Was Unsafe or Unhealthy Due to Not Having Enough Money for the Energy Bill During Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Almost Every Month	6%	1%	7%	<1%	0%
Some Months	16%	14%	12%	7%	15%
1 or 2 Months	7%	6%	2%	1%	2%
Never / No	71%	79%	79%	92%	83%
Don’t Know	<1%	0%	0%	0%	0%

Table VI-22 shows the percent of respondents who said that they left their home for part of the day because it was too hot or too cold and they did not have enough money for the energy bill during the past year. The table shows that 28 percent of recipients, 16 percent of denials, 20 percent of non-applicants, and 12 percent of low-income non-recipients reported that they took this action.

Table VI-22
Left Home for Part of the Day Because it was Too Hot or Too Cold
Due to Not Having Enough Money for the Energy Bill During the Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Almost Every Month	2%	1%	0%	2%	0%
Some Months	17%	4%	7%	7%	15%
1 or 2 Months	9%	11%	13%	3%	2%
Never / No	70%	84%	80%	88%	83%
Don’t Know	2%	0%	0%	0%	0%

Respondents were asked whether they used their kitchen stove or oven to provide heat in the year preceding the survey, due in part to their energy expenses. Table VI-23 shows that 22 percent of recipients, 30 percent of denials, 24 percent of non-applicants, and 14 percent of low-income respondents reported that they took this dangerous action at some point during the past year.

Table VI-23
Used Kitchen Stove or Oven to Provide Heat Due to Not
Having Enough Money for the Energy Bill During Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Almost Every Month	0%	4%	2%	<1%	1%
Some Months	11%	14%	11%	11%	14%
1 or 2 Months	11%	12%	11%	3%	0%
Never / No	77%	70%	76%	86%	85%
Don’t Know	<1%	0%	0%	0%	0%

Inability to Pay Energy Bills

Respondents were asked whether they skipped paying or paid less than their entire home energy bill in the year preceding the survey. Table VI-24 shows that 50 percent of recipients, 64 percent of denial households, 51 percent of non-applicants, and 25 percent of low-income non-recipients reported that they took this action during the past year.

Table VI-24
Skipped Paying or Paid Less than Entire Home Energy Bill
Due to Not Having Enough Money for the Energy Bill During Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Almost Every Month	19%	8%	16%	6%	0%
Some Months	17%	38%	20%	12%	23%
1 or 2 Months	14%	18%	15%	7%	0%
Never / No	49%	35%	49%	75%	77%
Don't Know	<1%	0%	0%	1%	0%

Table VI-25 displays whether respondents received a notice or threat from an energy supplier to disconnect their electric or gas service, or to discontinue making fuel deliveries in the year preceding the survey. The table shows that 38 percent of recipients, 51 percent of denials, 31 percent of non-applicants, and 16 percent of low-income non-recipients reported that they received a notice or threat at some point during the past year.

Table VI-25
Received Notice or Threat to Disconnect or Discontinue Electricity or Home Heating Fuel Due to Not Having Enough Money for the Energy Bill During the Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Almost Every Month	7%	9%	7%	2%	0%
Some Months	15%	29%	15%	10%	15%
1 or 2 Months	16%	13%	9%	4%	0%
Never / No	62%	49%	66%	84%	85%
Don't Know	0%	0%	3%	0%	0%

Table VI-26 displays whether respondents had their electricity, gas service, or either of their utility services shut off due to nonpayment in the year prior to the survey. The table shows that 10 percent of recipients, 17 percent of denials, 12 percent of non-applicants, and 2 percent of low-income non-recipients had one of their utility services discontinued due to nonpayment during the past year.

Table VI-26
Electricity or Gas Service Was Shut Off Due to Nonpayment During the Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Electricity Shut Off	10%	17%	11%	2%	0%
Gas Service Shut Off	4%	11%	5%	2%	0%
Electricity or Gas Service Shut Off	10%	17%	12%	2%	0%

Table VI-27 displays whether respondents reported that there was a time in the year prior to the survey when they wanted to use their main source of heat, but could not for one of the following reasons:

- Their heating system was broken and the respondent was unable to pay for its repair or replacement,
- The respondent ran out of fuel oil, kerosene, LPG, propane, coal, or wood, because they were unable to pay for a delivery, or
- The utility company discontinued their gas or electric service because they were unable to pay their bill.

The table shows that 20 percent of recipients, 22 percent of denials, 19 percent of non-applicants, and three percent of low-income non-recipients reported that they could not their primary source of heat for one of the three specified reasons.

Table VI-27
Reasons Why Unable to Use Main Source of Heat
During the Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Heating System Broken and Unable to Pay for Repair/ Replacement	10%	6%	4%	<1%	0%
Unable to Pay for Fuel Delivery	2%	7%	6%	<1%	0%
Discontinued Gas or Electric Service Due to Nonpayment	11%	15%	9%	2%	0%
Unable to Use Main Source of Heat for Any of Three Reasons	20%	22%	19%	3%	0%

VI-28 displays whether respondents reported that they could not use their air conditioner for one or more of the following reasons:

The table shows that 19 percent of recipients, 20 percent of denials, 25 percent of non-applicants, and none of the low-income non-recipients were unable to use their air conditioning due to one of the two reasons.

Table VI-28
Reasons Why Unable to Use Air Conditioner
During the Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Air Conditioner Broken and Unable to Pay for Repair/Replacement	14%	10%	15%	0%
Disconnected Service Due to Nonpayment	7%	10%	10%	0%

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Unable to Air Conditioner for Any of Two Reasons	19%	20%	25%	0%

Respondents who reported that they had their service discontinued or could not pay for a fuel delivery were asked whether they faced the following problems:

- Had to go without showers or baths due to lack of hot water
- Had to go without hot meals due to lack of cooking fuel
- Had to use candles or lanterns due to lack of lights.

Table VI-29 shows that a considerable percentage of the recipient, denial, and non-applicant households reported that they faced some of these problems.

Table VI-29
Had to Do the Following Actions because the Utility Company Discontinued Electric or Gas Service or Due to Lack of Fuel Oil and Could not Pay for a Delivery During the Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Went Without Showers or Baths Due to Lack of Hot Water	7%	8%	7%	<1%	0%
Went Without Hot Meals Due to Lack of Cooking Fuel	5%	8%	5%	0%	0%
Used Candles or Lanterns Due to Lack of Lights	7%	10%	5%	2%	0%

Respondents were asked whether their electric or gas service was shut off at the time of the survey. Table III-17 displays whether respondents reported that their electric or natural gas service was shut off at the time of the survey. The table shows that one percent of recipients and non-applicant households, and four percent of denials reported that their electric or gas service was shut off at the time of the survey.

Table VI-30
Electric or Gas Service Shut Off at Time of Survey

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Yes	1%	4%	1%	0%
No	99%	96%	99%	100%

Housing Problems

Respondents were asked whether they faced housing problems due to energy bills in the past five years. Table VI-31 shows that many of the respondents reported that they skipped a rent or mortgage payment. The denials were most likely to report that they skipped one of these payments. Over a quarter of the denials reported that they moved in with friends or family.

Table VI-31
Housing Problems Faced Due to Energy Bills
In the Past Five Years

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Did Not Make Full Rent or Mortgage Payment	24%	47%	26%	10%	0%
Evicted From Home or Apartment	4%	7%	2%	<1%	0%
Had a Foreclosure on Mortgage	6%	7%	5%	2%	0%
Moved in With Friends or Family	11%	26%	8%	7%	14%
Moved into a Shelter or Was Homeless	1%	5%	2%	4%	14%

Medical and Health Problems

Respondents were asked a series of questions about health risks or problems they experienced as a result of their energy bills. Table VI-32 shows that a large percentage of the respondents reported that they went without food for at least one day and the majority of all groups except the low-income non-recipients reported that they went without medical or dental care. Many households also reported that they did not fill prescriptions or became ill because the home was too cold.

Table VI-32
Medical and Health Problems Faced Due to Energy Bills
In the Past Five Years

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Went Without Food for at Least One Day	38%	36%	25%	19%	31%
Went Without Medical or Dental Care	58%	70%	57%	28%	45%
Didn't Fill Prescription/Took Less Than the Full Dose of Prescribed Medicine	44%	49%	41%	10%	15%
Someone in Household Became Sick Because Home Was Too Cold	26%	23%	25%	9%	23%
Someone in Household Became Sick Because Home Was Too Cold and Needed to Go to the Doctor or Hospital	21%	18%	10%	9%	23%
Someone in Household Became Sick Because Home Was Too Hot	7%	8%	3%	0%	0%
Someone in Household Became Sick Because Home Was Too Hot and Needed to Go to the Doctor or Hospital	5%	8%	1%	0%	0%

Other Problems

Table VI-33 displays other problems that households faced in the past five years, due to their energy bills. The table shows that one-quarter of LEAP recipients and non-applicants and 44 percent of LEAP denials reported that they received a payday loan in the past five years to help cover their expenses. A few households also reported that they had a fire caused by unsafe heating or lighting.

Table VI-33
Other Problems Faced Due to Energy Bill
In the Past Five Years

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Got a Payday Loan to Cover Expenses	25%	44%	24%	9%	8%
Had Fire Caused by Unsafe Heating or Lighting	0%	2%	1%	2%	7%

D. *The Need for LEAP*

This section addresses respondents' experience with energy assistance and their assessments of the impact that energy assistance had on their circumstances.

History of LEAP Receipt

LEAP recipients and low-income households were asked whether they had received LEAP benefits in the year prior to the survey. Low-income households were re-coded as recipients if they reported that they received LEAP benefits in the year prior to the survey. Because LEAP is often paid directly on the household's utility bill, recipients may be unaware that they received these benefits.

Table VI-34 shows that 96 percent of the recipients recalled that they received LEAP benefits in the past year. This is higher than in some other states that have been researched. The 2008 NEADA Survey of LIHEAP recipients, that included recipients from 12 states across the country, found that 86 percent of recipients recalled LIHEAP receipt. Recall of LEAP may be higher in Colorado than in some other states because the program is not linked through direct application with other state programs and because Colorado provides direct bill recipients with a mailed notice of their benefit amount.

Table VI-34
Received LEAP During Past Year[11]

	LEAP Recipient
Yes	96%
No	2%
Don't Know	1%

LEAP denials and low-income households were asked whether they had applied for LEAP benefits in the year prior to the survey. Low-income households were re-coded as denials if

[11] If the respondent was initially confused or did not recall the program, interviewers were trained to assist their memory by describing energy assistance benefits, and using the term energy assistance throughout the survey instead of LEAP.

they indicated that they had applied for LEAP benefits in the year prior to the survey but did not receive benefits. Since the survey sample was drawn from the state LEAP database containing past year LEAP-denials, all denial households applied for LEAP and were denied LEAP assistance in the past year. However, respondents may not recall that they applied for these benefits, or may not recall when they applied. Table VI-35 shows that 74 percent of denials reported that they applied for LEAP in the past year.

Table VI-35
Applied for LEAP During Past Year

	LEAP Denial
Yes	74%
No	25%
Don't Know	1%

Non-applicants and low-income households were asked whether they received a LEAP application in the mail in the year prior to the survey. Low-income households were re-coded as non-applicants if they had received a LEAP application in the year prior to the survey. Since the survey sample was drawn from the state LEAP database containing past year non-applicants, all non-applicants were mailed an application in the past year. However, respondents may be unaware or may not recall that they received a LEAP application. Table VI-36 shows that only 57 percent of non-applicants reported that they had received a LEAP application in the mail in the past year.

Table IV-36
Received a LEAP Application in the Mail During Past Year

	Non-Applicant
Yes	57%
No	39%
Don't Know	4%

Respondents were asked whether they had ever received LEAP benefits. Table VI-37 displays that 96 percent of recipients, 52 percent of denials, 88 percent of non-applicants, and 10 percent of low-income non-recipients, and three percent of non-recipients with income below 185 percent of poverty reported that they received LEAP at some point in the past.

Table VI-37
Ever Received Benefits from LEAP

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Yes	96%	52%	88%	10%	3%
No	2%	46%	8%	90%	97%

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Don't Know	1%	2%	3%	<1%	0%

Respondents who recalled that they received LEAP benefits at some point in the past were asked in how many of the past five years they received LEAP. Table VI-38 shows that 25 percent of current recipients said that they received LEAP in one of the past five years and 21 percent said that they received LEAP benefits in all five of the past five years.

Table VI-38
Number of Years Received LEAP In the Past Five Years

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
None	2%	48%	12%	90%	97%
1	25%	24%	35%	2%	1%
2	25%	12%	23%	2%	0%
3	13%	3%	15%	0%	0%
4	10%	3%	5%	0%	0%
5	21%	5%	7%	0%	0%
Don't Know / Refused	3%	5%	4%	5%	2%

Respondents were asked whether they had applied or planned to apply for LEAP benefits this year. Table VI-39 shows that 95 percent of recipients, 59 percent of denials, and 54 percent of non-applicants reported that they did plan to apply for LEAP. Only 12 percent of the low-income non-recipients and 18 percent of the non-recipients with income below 185 percent of poverty said that they plan to apply for LEAP.

Table VI-39
Applied or Plans to Apply for LEAP This Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Yes	95%	59%	54%	12%	18%
No	3%	28%	42%	77%	55%
Don't Know	2%	13%	3%	11%	26%

Respondents were asked whether they were aware that there is a program through Energy Outreach Colorado that may provide help with their energy bills, in addition to LEAP or instead of LEAP. Table VI-40 shows that only 15 percent of LEAP recipients and non-applicants, six percent of denials, 16 percent of low-income non-recipients, and nine percent of non-recipients with income below 185 percent of poverty reported that they were aware of Energy Outreach Colorado.

Table VI-40
Aware of Energy Outreach Colorado

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Yes	15%	6%	15%	16%	9%
No	80%	94%	85%	81%	90%
Don't Know	5%	0%	0%	2%	1%

Respondents who were aware of Energy Outreach Colorado were asked whether they received assistance from Energy Outreach Colorado in the year preceding the survey. Table VI-41 shows that only two percent of recipients reported that they received assistance from Energy Outreach Colorado. None of the other respondent groups reported that they received assistance from Energy Outreach Colorado.

Table VI-41
Received Assistance from Energy Outreach Colorado During Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Yes	2%	0%	0%	0%
No	13%	6%	15%	16%
Don't Know	<1%	0%	0%	0%
Not Aware of EOC	85%	94%	85%	84%

Respondents were asked whether were aware of the ESP Program that provides weatherization services. Table VI-42 shows that 18 percent of recipients, nine percent of denials, 21 percent of non-applicants, 15 percent of low-income non-recipients, and seven percent of non-recipients with income below 185 percent of poverty reported that they knew about the ESP Program. Five percent of recipients, four percent of denials, six percent of non-applicants, and less than one percent of low-income respondents reported that they had participated in ESP or have had their homes weatherized.

Table VI-42
Aware of the ESP Program

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Yes	18%	9%	21%	15%	7%
No	69%	87%	70%	84%	90%
Participated in ESP/ Weatherization	5%	4%	6%	<1%	1%
Don't Know	8%	0%	3%	1%	2%

Respondents who were aware of the ESP Program were asked "Did you hear about the ESP Program from LEAP, from the Energy Outreach Colorado Program, from both, or neither?"

Table VI-43 shows that responses to this question. Less than half of the respondents who knew about the program learned about it through LEAP or EOC.

Table VI-43
Learned about the ESP Program from LEAP,
Energy Outreach Colorado Program, Both, or Neither

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Number of Respondents	33	9	18	27
Learned from LEAP	37%	36%	30%	2%
Learned from EOC	9%	15%	7%	0%
Learned from Both	2%	0%	3%	0%
Neither	46%	43%	43%	73%
Don't Know	6%	6%	17%	25%

Reasons for Participation/Nonparticipation

LEAP recipients who recalled that they received LEAP in the past year and LEAP denials who reported that they applied for LEAP in the past year were asked "What is the main reason that you felt you needed LEAP? Was it that your income was too low, your energy bills were too high, or your other personal or household expenses were too high?" Respondents from both groups were most likely to report that the main reason that they felt the need for LEAP was that their income was too low.

Table VI-44
What is the Main Reason that You Felt You Needed LEAP?

	LEAP Recipient	LEAP Denial
Number of Respondents	141	48
Income Too Low	63%	58%
Energy Bills Too High	28%	27%
Personal /Household Expenses Too High	5%	15%
Don't Know	3%	0%

LEAP recipients who recalled that they received LEAP assistance in the past year and LEAP denials who reported that they applied for LEAP in the past year were asked whether they applied for LEAP through the mail, at an agency, or whether a LEAP worker visited their home. Table VI-45 shows that approximately half of respondents from both groups applied for LEAP through the mail. Forty-one percent of recipients and 51 percent of denials applied at an agency. Only four percent of recipients and none of the denials reported that a LEAP worker came to their home.

Table VI-45
Method of Applying for LEAP

	LEAP Recipient	LEAP Denial
Number of Respondents	141	48
Mail	53%	49%
At and Agency	41%	51%
LEAP Worker Came to Home	4%	0%
Don't Know	2%	0%

LEAP recipients who recalled that they received LEAP in the past year were asked whether their application was accepted the first time, or whether they needed to supply more information or documentation. Table VI-46 shows that 69 percent of recipients said that their application was accepted the first time, while 27 percent reported that they needed to supply more information or documentation.

Table VI-46
Application Accepted the First Time or Needed to Supply More Information or Documentation

	LEAP Recipient
Number of Respondents	141
Application Accepted the First Time	69%
Had to Supply More Information	27%
Don't Know	4%

LEAP recipients who recalled that they received LEAP in the past year and LEAP denials who applied for LEAP in the past year were asked to assess the helpfulness of the LEAP workers. Table VI-47 displays that 79 percent of recipients and 56 percent of denials reported that the LEAP workers were very helpful or somewhat helpful. While only three percent of recipients reported that the LEAP workers were of little help or not at all helpful, 18 percent of denials said that LEAP workers were of little help or not at all helpful.

Table VI-47
Helpfulness of LEAP Workers

	LEAP Recipient	LEAP Denial
Number of Respondents	141	48
Very Helpful	69%	39%
Somewhat Helpful	10%	17%
Of Little Help	2%	6%
Not At All Helpful	1%	12%

	LEAP Recipient	LEAP Denial
Number of Respondents	141	48
Don't Know	17%	26%

Non-applicants were asked for the main reason why they did not apply for LEAP. They were asked whether they did not know about the program, whether they thought that they were ineligible, or whether they thought the application was too difficult. Table VI-48 shows that 42 percent of non-applicants reported that they did not think that they were eligible. Four percent of non-applicants reported that they did not apply for LEAP because they thought that the application was too difficult.

Table VI-48
Main Reason Why Not Applied for LEAP

	Non-Applicant
Did Not Think Was Eligible	42%
Application Too Difficult	4%
Did Not Know about Program	0%
Applied for LEAP	22%
Don't Know / Refused	32%

LEAP denials were asked whether they were denied LEAP assistance because they were not eligible, because they left out information on the application, they did not provide proof of income, or because of some other reason. Table VI-49 shows that 27 percent of respondents reported they were denied LEAP assistance because they were not eligible. Sixteen percent did not know why they were denied LEAP assistance.

Table VI-49
Reason for Denied LEAP Assistance

	LEAP Denial
Not Eligible	27%
Deadline Passed	10%
Did Not Provide Proof of Income	8%
Missing Information on Application	4%
Other	2%
Was Not Denied LEAP Assistance	34%
Don't Know	16%

Low-income respondents were asked whether they were aware of LEAP. Table VI-50 shows that 74 percent of low-income non-recipients said that they knew about the LEAP

Program and 64 percent of non-recipients with income below 185 percent of poverty said that they were aware of LEAP.

Table VI-50
Respondent Aware of the LEAP Program

	Low-Income	Low-Income ≤185%
Yes	74%	64%
No	26%	36%
Don't Know	<1%	0%

Low-income non-recipients who said that they were aware of the LEAP Program were asked why they did not apply for LEAP. Table VI-51 displays that 34 percent of low-income respondents said that they did not need LEAP, 15 percent said that they were not eligible for LEAP, nine percent reported that their income was too high to qualify for assistance, and six percent said that they did not have time to apply.

Table VI-51
Reason Why Not Applied for LEAP

	Low-Income	Low-Income ≤185%
Did Not Need It	34%	39%
Not Aware of LEAP Program	26%	36%
Not Eligible	15%	10%
Income Too High	9%	2%
Did Not Have Time	6%	7%
Deadline Passed	3%	1%
Did Not Know How to Apply	2%	0%
Other	<1%	1%
Don't Know	4%	4%

Utility Payment

The survey asked questions about respondents' efforts to meet utility bill payment obligations. Respondents were asked whether they tried to work out a payment arrangement with their gas or electric utility company in the past year. Table VI-52 shows that 41 percent of recipients and non-applicants and 59 percent of denials reported that they tried to work out a payment arrangement with their utility company. Seven percent of the low-income non-recipients reported that they did so.

Table VI-52
Tried to Work Out a Payment Arrangement with Gas or Electric Company
In the Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income	Low-Income ≤185%
Yes	41%	59%	41%	7%	2%
No	59%	41%	56%	93%	98%
Don't Know	<1%	0%	3%	0%	0%

Respondents who reported that they tried to work out a payment arrangement with their gas or electric company were asked whether they succeeded in working out a payment arrangement in the past year. Table VI-53 shows that 77 percent of recipients, 78 percent of denials, 73 percent of non-applicants, and 56 percent of low-income respondents were able to work out a payment arrangement.

Table VI-53
Was Able to Work Out a Payment Arrangement with Gas or Electric Company
In the Past Year

	LEAP Recipient	LEAP Denial	Non-Applicant	Low-Income
Number of Respondents	54	25	37	11
Yes	77%	78%	73%	56%
No	23%	22%	27%	39%
Don't Know	0%	0%	0%	4%

LEAP recipients who recalled that they received LEAP in the past year and who reported that they tried to work out a payment arrangement with their gas or electric company were asked whether they applied for LEAP assistance at this time. Table VI-54 shows that 73 percent of respondents reported that they did apply for LEAP at this time. Sixty-two percent of those who reported that they applied for LEAP at this time reported that they also received LEAP assistance.

Table VI-54
Applied for Assistance from LEAP
When Tried to Work Out a Payment Arrangement with Gas or Electric Company

	LEAP Recipient	
	Applied for Assistance from LEAP	Received Assistance from LEAP
Number of Respondents	52	39
Yes	73%	62%
No	27%	30%
Don't Know / Refused	0%	8%

Twenty-four LEAP recipients reported that they received assistance from LEAP and one recipient reported receipt of assistance from Energy Outreach Colorado when they tried to work out a payment arrangement with their utility company. Table VI-55 displays that 86 percent of respondents who received assistance from LEAP or Energy Outreach Colorado said that the assistance was sufficient to prevent utility service termination.

Table VI-55
Assistance from LEAP or Energy Outreach Colorado Was Sufficient to Prevent Termination of Gas or Electric Service

	LEAP Recipient
Number of Respondents	25
Yes	86%
No	14%

Problems that Would Have Been Faced in the Absence of LEAP

LEAP recipients who reported that they did not encounter some of the problems caused by unaffordable energy bills described in the previous sections were asked whether they believe they would have faced these problems if LEAP assistance had not been available. Table VI-56 shows that 81 percent of respondents reported that they would have worried about paying their home energy bill, 70 percent of respondents reported that they would have kept their home at unsafe or unhealthy levels, and 63 percent of respondents reported that they would have had their electricity or home heating fuel discontinued if LEAP had not been available.

Table VI-56
If LEAP Had Not Been Available, Problems that May Have Been Faced

	LEAP Recipient		
	Worried About Paying Home Energy Bill	**Kept Home at Unsafe or Unhealthy Levels**	**Had Electricity or Home Heating Fuel Discontinued**
Number of Respondents	41	103	124
Yes	81%	70%	63%
No	15%	29%	33%
Don't Know	3%	1%	4%

LEAP Restored Heat

Recipients who reported that they did not have use of their heat because their electricity or natural gas service was disconnected or their fuel delivery was discontinued, and who reported that they received LEAP benefits in the year preceding the survey, were asked whether LEAP helped restore their main source of heat. Table VI-57 shows that 63 percent of respondents said that LEAP helped them to restore their main source of heat that was not available due to shutoff. Table VI-57 also shows that 52 percent of respondents said that LEAP restored to heat that was not available due to broken heating equipment.

Table VI-57
LEAP Helped to Restore Heat Due to Shutoff or Broken Equipment

	LEAP Recipient	
	Restored Heat Due to Shutoff	Restored Heat Due to Broken Equipment
Number of Observations	12	13
Yes	63%	52%
No	37%	38%
Don't Know	0%	10%

Importance of LEAP

Respondents who reported that they received LEAP benefits in the year prior to the survey were asked, "How important has LEAP been in helping you to meet your needs?" Table VI-58 shows that 97 percent of respondents said that LEAP was very important or somewhat important.

Table VI-58
Importance of LEAP

	LEAP Recipient
Number of Respondents	141
Very Important	94%
Somewhat Important	3%
Of Little Importance	1%
Not At All Important	1%

E. Summary

Interviews were conducted with four groups of households in Colorado to develop a better understanding of the need for LEAP, barriers to application, and the impact of LEAP on program beneficiaries. The following groups of households were interviewed:

- LEAP recipients
- LEAP denials
- Non-applicants
- Other low-income households

Low-income non-recipients were included as an interview group to provide information on potential barriers to LEAP receipt and the characteristics and issues faced by income-eligible households that do not receive LEAP. The sample targeted households with annual income at or below $25,000 in an attempt to reach households with income at or below 185 percent of the poverty level. However, the sample was based upon survey responses within the past two years and multiple regression modeling, so these income data were not precise.

Based upon the responses to the survey, we coded 30 percent of these respondents as LEAP income-eligible, 45 percent as not income-eligible, and 26 percent did not provide income information. In several of the analyses, we examined the subgroup of low-income non-recipients with income below 185 percent of poverty, but this is a group of only 39 respondents.

Income and Employment

LEAP recipients had a variety of income sources.

- Approximately one-third of the LEAP recipients reported that they received employment income, one-third reported that they received retirement income, and one-third reported that they received public assistance in the past year. Approximately half of the LEAP recipients reported that they received non-cash benefits, including subsidized housing or food stamps.

- Denials and non-applicants were more likely than recipients to have employment income.

- Non-recipients with income below 185 percent of poverty were more likely to have retirement income.

Energy Bills and Energy Burden

LEAP recipients reported high energy costs and burden.

- One quarter of the LEAP recipients reported that their annual energy costs were more than $2,000. Twenty-nine percent of denials and 31 percent of non-applicants also reported energy costs of more than $2,000.

- Sixteen percent of LEAP recipients had an energy burden of more than 15 percent, and eight percent had an energy burden of more than 20 percent.

- Low income non-recipients, even those with income below 185 percent of the poverty level, were less likely to report such high energy costs. Only a few percent of the non-recipients with income below 185 percent of poverty had an energy burden of more than 15 percent. This indicates that these non-recipients may have less of a need for LEAP assistance.

Need for Energy Assistance

LEAP recipients showed many signs of need for energy assistance.

- Eighty-two percent of LEAP recipients said that they reduced expenditures on household necessities and 39 percent said that they borrowed money from a friend or relative because they did not have enough money to pay their energy bill.

- Forty-two percent of LEAP recipients said that they closed off part of their home because they could not afford to heat or cool it, 29 percent said that they kept their home at a temperature that they felt was unsafe or unhealthy, 28 percent said they left their home for part of the day because it was too hot or too cold, and 22 percent said that they used their kitchen oven or stove to provide heat.

Low-income non-recipients were less likely to report many of these problems.

Inability to Pay Energy Bills

Despite the LEAP assistance that they received, many of the respondents reported that they faced problems paying their energy bills.

- Half of the LEAP recipients reported that they skipped paying or paid less than their entire home energy bill and 38 percent reported that they received a notice or threat to disconnect or discontinue their electricity or home heating fuel in the past year.

- Ten percent of the LEAP respondents reported that their electric or gas service was shut off due to nonpayment in the past year.

Denials were more likely to face these problems and low-income non-recipients were less likely to face these problems.

Housing and Medical Problems

LEAP recipients also faced problems affording housing and medical care.

- Twenty-four percent of LEAP recipients reported that they did not make their full rent or mortgage payment in the past five years and four percent reported that they were evicted from their home or apartment.

- Thirty-eight percent of LEAP recipients reported that they went without food for at least one day and 58 percent reported that they went without medical or dental care in the past five years.

Again, denials were more likely to face some of these problems and low-income non-recipients were less likely.

History of LEAP Receipt and Plans to Apply

LEAP recipients were likely to recall LEAP benefit receipt.

- Ninety-six percent of the LEAP recipients recalled that they received LEAP benefits in the past year, higher than other states that have been studied. Recall of LEAP may be higher in Colorado than in some other states because the program is not linked through direct application with other state programs and because Colorado provides direct bill recipients with a mailed notice of their benefit amount.

- Only ten percent of the low-income non-recipients and three percent of the low-income non-recipients with income below 185 percent of poverty reported that they had ever received LEAP benefits.

- Most of the recipients felt a continued need for assistance. Ninety-five percent of LEAP recipients, 59 percent of denials, and 54 percent of non-applicants reported that they applied or plan to apply for LEAP in the current year. Only 18 percent of low-income non-recipients with income below 185 percent of poverty reported that they planned to apply.

- Low-income non-recipients were most likely to say that they had not applied for LEAP because they did not need assistance or they were not aware of the program. The next most common reasons they did not apply were they did not believe they were eligible and they did not have time to apply.

Awareness of Other Energy Programs in Colorado

Awareness of other low-income energy programs in Colorado was low.

- Only 15 percent of LEAP recipients and 16 percent of low-income non-recipients were aware of Energy Outreach Colorado.

- Only 18 percent of LEAP recipients and 15 percent of low-income non-recipients were aware of the Energy Savings Partners Program.

Importance of LEAP

LEAP had a big impact on the recipient households.

- Seventy percent said they would have kept their home at an unsafe or unhealthy temperature and 63 percent said that they would have had their electricity or home heating fuel disconnected if LEAP had not been available.

- Ninety-seven percent said that LEAP was very or somewhat important in helping them meet their needs.

Conclusion

The survey showed that the LEAP recipients and denials face the greatest need for assistance. Even with the assistance, the recipients faced problems meeting their energy needs and other needs and maintaining utility service. However, the LEAP benefit made a big difference for these households.

Many of the analyses that were conducted showed that the LEAP denials had the greatest need for energy assistance. This may be partially due to the fact that they did not receive LEAP. This suggests that providing greater assistance with applications to reduce the number of denials may be beneficial. Analysis of the poverty level of denials with income above 185 percent of poverty showed that about half had income below 200 percent of poverty and about half had income between 200 and 250 percent of poverty. These clients should be referred to Energy Outreach Colorado and other sources of assistance that may be available. The survey showed that only six percent of the denials were aware of Energy Outreach Colorado.

Many of the low-income non-recipients were not aware of LEAP and many felt that they did not need assistance. All groups of respondents were unlikely to be aware of Energy Outreach Colorado and the Energy Saving Partners program. These results point to the need for more outreach about all of these programs.

VII. Alternative Program Models

The following and final section of this report makes recommendations for modifying the financial energy assistance programs in Colorado. These recommendations do not require a complete revamping of the current programs, administrative structures, or technologies. The proposals made in the following section are incremental changes, some of which may have large impacts on the programs' efficiency and effectiveness. However, many of these incremental changes may be implemented without long range planning and without external management approval.

In this section, however, we discuss alternative program models that would require extensive change to the current program structure. These alternative program models were suggested in discussions with program managers or stakeholders. The potential shifts in program design are radical departures from current procedures. While we note the advantages and disadvantages of the various approaches, we cannot conclusively state that one approach or another would be superior to the current system that is used in Colorado. However, where applicable, we make some recommendations for moving in the direction of a new approach or further investigating a program change.

Six major changes are discussed in this section.

1) Web-based program application system
2) Centralized LEAP administration
3) Coordination of LEAP and EOC assistance
4) Categorical eligibility
5) Program integration
6) 12-Month application period

For each change we discuss advantages and disadvantages of the approach, and make recommendations for how Colorado could further assess the option.

A. *Web Based Application System*

One of the enhancements that has been discussed for Colorado's LEAP is a web-based application system that would allow clients to apply online for LEAP assistance. Research on other state LIHEAP programs found some examples of web-based applications. However, none of these programs provide direct online access for client application. Rather, these systems allow agency staff to enter required application information into the web-based system after clients submit paper application forms.

When asked why clients were not given the capability to apply online, there were three key obstacles cited.

1) At the time that the systems were implemented, the state required the client's actual signature.
2) Documentation of income information was required.
3) There was a concern about the number of users that the system would need to provide access to if clients could apply directly on line.

With increased acceptance of online transactions, it is possible that the hard signature limitation could be overcome, and clients could scan, mail, or fax their income documentation into the office. Additionally, as information technology capabilities have improved, a system could be designed to provide access to as many users as needed.

Advantages

There are several potential advantages to an upgraded system with web access.

- Increased program efficiency. A utility manager who works both in Colorado and another state that implemented a web-based system a few years ago noted that the LIHEAP program in the state with the new system works more efficiently than the program in Colorado.

- Provision of an additional avenue for clients to access the LEAP system. This could be through independent internet access at home or assisted access at a local agency. Clients could obtain assistance from staff at community organizations in completing their application.

- Reduced client burden. When applying online after the first benefit receipt, clients may be able to access and update a previous application, reducing the amount of work that is required to apply for benefits.

- Vendors could be given the ability to check benefit status and to accept or reject electronic payment online.

- The system could also allow clients to apply for several programs simultaneously.

Disadvantages

There are also disadvantages to completely overhauling the program's information technology system.

- Colorado currently has an IT system that works well for the state and provides information needed to manage the program. The state would need to invest a great amount of time and resources to upgrade to a new IT system.

- There would be a learning curve for all staff that access the information technology system.

- If Colorado decided to add the functionality of an online application system, they would be breaking new ground (within the LIHEAP program) and would have to work through some of the barriers that were noted above. However, Colorado could research other assistance programs that have moved to online application and determine whether these technologies could be used for LEAP.

Recommendation

Montana and Minnesota LIHEAP directors both offered to share their IT systems with Colorado. Colorado IT staff have previously discussed IT enhancements with staff in Minnesota. If Colorado is seriously considering an IT upgrade, the Colorado IT staff should meet again with the IT departments in these states, assess the level of investment that would be required and the potential benefit, and determine whether they could work with one of these systems that have been implemented and are working well.

B. Centralized LEAP Administration

One change proposed for Colorado LEAP is a move toward a more centralized or completely centralized program administration model. The current county-based system provides program access around the state through agencies that already provide other assistance benefits. However, the counties face problems due to the seasonal nature of the program and the large influx of applications that they receive in the fall. The goal of a change to a more centralized program administration would be to increase administrative efficiency and reduce the burden on the counties.

The Ohio LIHEAP program uses a combination of local and centralized program administration. Clients can apply for heating assistance by visiting a local agency or by mailing an application to the State LIHEAP office. Only clients applying for winter crisis assistance are required to visit agency offices. Half of the Ohio LIHEAP applicants apply by mail because they do not need the crisis assistance. Ninety percent of the non-crisis applicants apply by mail. Some of the applicants visit the local agencies even though it is not required because they prefer to apply in person.

While the centralized program administration reduces burden for local agencies, the Ohio State LIHEAP office hires 70 temporary staff members from September to January to process the LEAP applications and to answer calls at the call center. Many of the local agencies still need to hire temporary staff to assist with the regular and winter crisis applications. Some transfer staff from other programs to HEAP during the winter season.

Advantages

Potential advantages of a more centralized approach are summarized below.

- A more centralized approach could increase the efficiency and consistency of program administration.

- Hiring and training of workers to process applications could all be done at the state level.

- This model would reduce the burden on the local agencies.

- The state would have greater control over the amount of time taken to process applications.

Disadvantages
Potential disadvantages of this approach are summarized below.

- Many clients go to county offices to obtain assistances and ask questions about the application process. If this service was taken away, it could reduce access for some vulnerable populations. If a more centralized approach is undertaken, the state should provide funding for county agencies to provide information and application support.

- Processing all of the applications at the state level could pose challenges for the state office. The state office would need to recruit and hire a large number of temporary staff members each year, and they would need to find office space and computers for these workers to process the applications.

Recommendation
Colorado could consider a gradual move toward more centralized processing. They could start, for example, by processing expedited applications at the state level or by processing applications from the larger agencies at the state office. A gradual movement towards centralized processing would allow the state to consider whether this change resulted in increased efficiencies in program administration, and whether they should increase program centralization by moving additional work from the local agencies to the state office.

C. *Coordination of LEAP and EOC Assistance*

One concern that has been noted about the current assistance model in Colorado is that it is confusing to clients and it is inefficient to have two different programs that provide financial assistance for energy bills. There are many different options for increasing the cohesiveness of the financial energy assistance that is available in the state. One potential option is to offer a more coordinated approach to assistance. Under such a coordinated approach, clients could apply for LEAP, EOC grants, or both types of assistance at any county agency or EOC agency that they visited. Another option is to completely combine the funding from LEAP and EOC and create a new benefit formula where one benefit is provided based on the household's energy burden and emergency assistance needs.

Advantages
Potential advantages of a more coordinated approach to financial energy assistance are summarized below.

- Reduced confusion for low-income clients in Colorado.

- More equitable distribution of benefits.

- A joint application could reduce the amount of time and paperwork that is required of applicants.

Disadvantages

Potential disadvantages of a combined approach are summarized below.

- LEAP and EOC offer benefits through different types of agencies. Clients who receive other social services may be more likely to visit the county agencies and apply for LEAP. Clients who feel more comfortable with community nonprofits, such as seniors who visit agencies that cater to their demographic group, may be more likely to go to that type of agency for assistance.

- LEAP and Energy Outreach Colorado provide benefits in different ways. Some clients apply for a state benefit each year and some apply for emergency assistance when they have lost access to utility service or have run out of fuel.

- Having two different networks of agencies can increase the number of access points for clients and increase the probability that clients will be able to find help from one program or another. Any type of program combination may reduce the number of options that clients have to access assistance.

Recommendation

There appear to be ways that LEAP and EOC can work in a more coordinated fashion without reducing options that are available to clients. This may include some combination of the following.

- Ensure that applications for LEAP programs are available at EOC offices. EOC agency staff could assist clients to determine if they are eligible for LEAP, and if so, assist them with the LEAP application.

- EOC staff could contact the utility and determine the total payment needed to forestall a shutoff. They could determine if they could fill the gap between the LEAP grant and the total amount of assistance needed for clients who had not yet applied for LEAP that season.

- County agency staff could be provided with the ability to take EOC applications as well as LEAP applications for clients who need additional assistance.

- LEAP and EOC could work together to develop a joint application that would be sent into the EOC system if the LEAP benefit was denied or if the LEAP benefit was not sufficient to meet the client's needs. The application could also be sent to the EOC system if the client had a need for electric assistance but did not use electric heat.

Some of these approaches are complimentary to a coordinated web-based application process described above.

There are many possibilities for improving coordination between LEAP and EOC. It seems that LEAP and EOC management should work together to move toward a more coordinated approach that would improve access for clients while keeping access points and options for different needs open.

D. Categorical Eligibility

Under the Federal LIHEAP statute, state grantees can serve households that have at least one member who also receives assistance under Temporary Assistance for Needy Families, Supplemental Security Income, Food Stamps, and certain needs-tested Veteran Benefits. Colorado does not currently provide categorical eligible for LEAP because households must show that they are vulnerable to rising heat costs to be eligible for benefits. Households that live in subsidized housing and are not individually metered and cannot prove that their rent increases with heating costs, and households that live in institutional housing are not eligible for LEAP in Colorado.

Categorical eligibility has the following advantages and disadvantages.

Advantages
Potential advantages of categorical eligibility are summarized below.

- Reduced client burden.
- Increased administrative efficiency.

Disadvantages
Potential disadvantages of integration applications are summarized below.

- Colorado would need to provide benefits to some clients who are not vulnerable to rising heating costs.

Recommendation
Colorado may want to consider the impact of this change on administrative efficiency and client burden, and weigh these impacts against the loss in targeting efficiency that would result from providing benefits to some clients who are not vulnerable to rising heating costs.

E. Program Integration

Many low-income clients who have a need for energy assistance have a need for other types of social services as well. Some states have moved in the direction of providing the opportunity for clients to apply for several different types of benefits on one application. Some examples of program integration that have been implemented in other states include the following.

- Clients in Ohio can apply for HEAP, emergency HEAP, the Percentage of Income Payment Plan (PIPP) and the Home Weatherization Assistance Program (HWAP) with one energy assistance application. The HEAP application also has a consent release for household information to be sent to the local telephone company for application to Lifeline Program that provides a reduced telephone rate. The Ohio LIHEAP office also coordinates LIHEAP benefits with the Ohio Benefit Bank, so that when a client applies for the Earned Income Tax Credit, the client can also apply for Food Stamps and HEAP. In the future, clients will be able to apply for CSBG as well as any other program that the agencies administer when they apply for HEAP.

- The NJ LIHEAP Program has one application that allows clients to apply for LIHEAP heating benefits, cooling benefits, the ratepayer-funded Universal Service Program, and the Weatherization Assistance Program. The NJ Universal Service Program limits households' electric and gas bills each to three percent of a household's income after taking into account the LIHEAP benefit that the household is expected to receive.

  Also in New Jersey, there is coordination between the Food Stamps program and the LIHEAP program. When households fill out a food stamp application, they are also asked to complete information for the LEAP application. If those information are completed, applicants can be screened for LEAP eligibility.

- The Montana LIHEAP Program has one application for LIHEAP and weatherization.

Advantages

Potential advantages of program integration are summarized below.

- Reduced client burden.
- An increased number of access points for program application.
- Increased administrative efficiency.

Disadvantages

Potential disadvantages of integration applications are summarized below.

- Some clients only want to receive energy assistance benefits, and may be dissuaded from applying if they are asked for other information that will allow them to apply for other programs they are not interested in or do not want assistance from.
- Program integration can cause confusion when clients do not realize they have already applied for LIHEAP when they applied for another assistance program. These clients sometimes apply again for LIHEAP through the direct LIHEAP application route, causing administrative problems.
- It may be difficult when one program has a unique qualifying rule, such as for LEAP, that clients must be vulnerable to rising home heating costs.

Recommendation

Currently, clients who apply for LEAP in Colorado are referred to weatherization and energy efficiency services in Colorado. They do not apply directly for weatherization on the LEAP application. There is a waiver on the LEAP application that states that clients must accept weatherization services if offered, or they may be denied LEAP the following year. LEAP clients are sent to the Governor's Energy Office (GEO) and GEO screens the clients for recent weatherization service receipt. A list of LEAP clients who have not recently received services is sent to the weatherization agencies and these agencies contact the clients to deliver services. There is anecdotal evidence that clients do not focus on this aspect of the application and are skeptical when approached by the weatherization agency.

Under a recent change in the program, clients are instead sent a postcard in the mail on which they are asked to indicate whether they would prefer to receive an energy kit or to have someone visit their home for an audit. GEO and LEAP should work together to develop a joint application. Clients could be asked on the LEAP application to indicate which type of service delivery they would prefer to receive (if eligible) right on the LEAP application, rather than sending a follow-up postcard that clients may ignore.

If Colorado did move toward a joint application where clients could apply for LEAP and many other social services programs, we would recommend a two-tiered approach where clients could also opt for a simpler application that only provides access to LIHEAP.

F. 12-Month Application

The seasonal nature of the Colorado LEAP program creates inefficiencies, including the need for seasonal staff and constant retraining and the large influx of applications that county agencies must work with at the start of each season.

Some states have implemented a longer application period. Michigan accepts applications in January through September. New Jersey allows food stamp applicants to provide information for LIHEAP application throughout the year. Illinois sends applications to elderly households and accepts these applications before the start of the regular LIHEAP season in November.

Advantages

Potential advantages of a 12-month application period are summarized below.

- Reduced need for seasonal workers.
- Lower staff turnover.
- Less need for training staff.
- If applications can be spread more evenly through the year, this can reduce application processing time.

Disadvantages

Potential disadvantages of a 12-month application period are summarized below.

- The state cannot look at the most recent income information to determine client eligibility. (However, clients with income below 185 percent of poverty are unlikely to be high income households a few months later in the year.)

- Clients tend to apply for assistance as the weather gets colder and their bills get larger, so it may be difficult to avoid a large influx of applications in the fall.

- Because the state must wait until it receives the LEAP allocation to determine benefit amount and to begin distributing benefits, clients who apply several months before the benefits can be disbursed may have moved and the state may be unable to locate them when benefits are available.

Recommendation

Colorado should attempt to smooth out their application season so that the influx of clients in November is reduced. One potential approach is to do an early mailing of applications to seniors. This population is more stable and represents approximately 25 percent of Colorado's LEAP grantees. This mailing could be done in August instead of October, allowing staff to begin processing the applications a few months earlier. The state could send letters to the applicant informing them of acceptance or denial at the time of application, and send information on the benefit amount when the season has begun.

G. *Summary*

While some of the changes discussed in this section may be very time consuming to research and implement on a full scale, we have made recommendations for improving the efficiency and effectiveness of the Colorado LEAP and EOC programs by moving in the direction of some of these different approaches. It is important to note that the approaches discussed in this section are not mutually exclusively, and there are combinations of these approaches that can complement one another.

- One example is that increased coordination of EOC and LEAP goes hand-in-hand with a joint application for the two programs through online client access to a web-based application.

- Another example is that a 12-month application process could be handled by year round staff at the state level, with a more centralized program approach.

- A third example is that if LEAP agencies handle EOC applications, this would provide work for LEAP staff when there are fewer LEAP applications and help to smooth the work flow for the county agencies.

VIII. Findings and Recommendations

This section synthesizes the information from all of the research activities that were conducted to develop a set of findings and recommendations for the financial energy assistance programs in Colorado. Findings and recommendations are divided into following topics.

- LEAP Program Administration
- LEAP Outreach and Targeting
- LEAP Application
- LEAP Application Processing
- LEAP Benefits
- LEAP Crisis Intervention Program
- EOC Program Administration
- EOC Outreach and Targeting
- Coordination of LEAP and EOC
- Coordination of LEAP and Energy Efficiency Services

Within each area, we describe program elements that are working well, areas for review, and program recommendations.

A. LEAP Program Administration

Below we describe the parts of LEAP program administration that appear to be working well, areas for review, and program recommendations.

Working Well

Several aspects of the Colorado LEAP program administration model work well.

- Program documentation – All of the LEAP managers who were interviewed reported that the LEAP guidelines are well documented.

- Extensive data collection and maintenance – Review and analysis of the LEAP database for FY 2008 showed that the program collects and maintains extensive data that are useful for program administration and program research.

- Vendor agreements – Colorado LEAP has vendor agreements with many of the client vendors. This allows the office to provide electronic payment to utility accounts and to have utilities hold terminations when clients apply for LEAP.

- LEAP help line – Client questions about LEAP and the status of LEAP applications are referred to a LEAP toll-free hotline that is staffed by an outside contractor. The contractor has access to the LEAP database and can tell clients the current status of their LEAP application. Use of this hotline reduces the burden on county LEAP agencies.

- Training – All but one of the LEAP managers reported that the annual training sessions provided by the state do a good job of meeting their information needs.

- Quality control – All of the LEAP managers noted that they randomly check applications that are processed by their staff to make sure that the job is done correctly.

Areas for Review

The following issues were noted with the current LEAP administrative process.

- Administrative funding – Several LEAP managers noted that the administrative funding provided by the state was not sufficient, and did not even cover staff salaries. One agency manager noted that the agency must exhaust the administrative funding prior to requesting additional funding. This requirement makes it difficult for the agency to plan and hire the correct number of staff members to process the LEAP applications. The manager noted that by the time they can ask for additional funding to hire more staff, the LEAP season is over.

- HEAP help line – Five of the seven LEAP managers reported that they receive many calls from clients who ask when they will receive their benefits. These calls should be answered by the LEAP help line.

- Seasonal workers – LEAP agency managers reported that most of their staff members who work on LEAP are seasonal workers. Because of the seasonality of the employment, there is large turnover, with many new caseworkers each year. This adds to training costs and reduces the level of experience that processing staff have.

Recommendations

Based on the research, we make several recommendations for improving administrative efficiency and effectiveness.

- Administrative funding – Colorado should re-evaluate county LEAP agency administrative distributions.

- Agency funding requests – Colorado should consider requests for additional administrative funding at the beginning of the LEAP season. This would enable agencies to plan and hire the needed number of staff members to process LEAP applications.

- LEAP help line – All client calls should be routed first to the LEAP help line, and only returned to the agency if the LEAP help line cannot provide the needed information. This would allow agencies to concentrate on processing the applications.

- Data analysis – The Colorado LEAP should make use of their program data to assess program performance and target areas for improvement.

- Centralization of application processing - Colorado LEAP could consider a gradual move toward more centralized application processing. They could start, for example, by processing expedited applications at the state level or by processing applications from the larger agencies at the state office. A gradual movement towards centralized processing would allow the state to consider whether this change resulted in increased efficiencies in program administration, and whether they should increase program centralization by moving additional work from the local agencies to the state office.

- Examine potential for update of IT system – Montana and Minnesota LIHEAP directors both offered to share their IT systems with Colorado. Colorado IT staff have previously discussed IT enhancements with staff in Minnesota. If Colorado is seriously considering an IT upgrade, the Colorado IT staff should meet again with the IT departments in these states, assess the level of investment that would be required and the potential benefit, and determine whether they could work with one of these systems that has been implemented and is working well.

B. LEAP Outreach and Targeting

We discuss the aspects of LEAP outreach and targeting that are working well, areas for review, and program recommendations.

Working Well

Colorado LEAP is doing a good job of reaching households in need and senior households, and their mailed applications are a primary way that clients report that they find out about the program.

- Reaching households in need – In the survey, 34 percent of low-income non-recipients who said that they were aware of the LEAP Program said they did not apply for LEAP because they did not need LEAP. Others said that they were not eligible or that their income was too high. The survey also found that the low-income non-recipients had lower energy costs and did not have as many problems meeting their energy needs as the LEAP recipients.

- Mailed applications – The analysis of the LEAP database found that clients were most likely to indicate that they learned about LEAP through an application they received in the mail. Half of the recipients and 35 percent of the denials said that they learned about LEAP through an application that they received in the mail.

- Targeting seniors – Colorado did a good job reaching senior households in FY 2008. The analysis showed that 28 percent of recipients had a senior household member compared to 24 percent of low-income households in Colorado with a utility bill. This is excellent when compared to many other state LIHEAP programs that have great difficulty reaching senior households that are often reluctant to apply for assistance.

Areas for Review

There are several areas of LEAP outreach that should be reviewed.

- Mailed applications – In the survey, while the non-applicants were sampled from clients who were mailed an application the previous year, only 57 percent of these clients reported that they had received a LEAP application in the mail in the past year.

- LEAP television advertising – Analysis of the LEAP database showed that only five percent of applicants said that they learned about LEAP through the television and only two percent, or under 2,000 households, said that they learned about LEAP only through the television and no other source. The percent of seniors, disabled, and households with children that learned about the program only through television was also only two percent of each of these groups. Therefore, it does not appear that the investment in television advertisements is a good one for the Colorado LEAP office. The LEAP office spent $80,000 in television spot purchasing in FY 2008 and $160,000 in FY 2009. Additionally, some of the LEAP agency managers reported that they advertise on television. This investment is probably not cost-effective.

- Agency LEAP outreach and outreach plans – LEAP agency managers reported varying levels of outreach that they conduct for LEAP. Two managers reported that they do not have outreach plans.

- Agency targeted outreach – Some of the LEAP agency managers did not recognize the need for targeted outreach. Most of the managers did not acknowledge the difficulty that is faced in reaching some of the vulnerable groups that are unlikely to apply for assistance. One specifically said that the agency does not need to do much outreach. Only three of the seven managers mentioned specific actions that they take to reach out to disabled clients.

- State oversight of agency outreach – All but one of the LEAP agency managers reported that they do not receive feedback from the state about their outreach plans or the outreach that they conduct.

Recommendations

We made the following recommendations for LEAP outreach and targeting.

- Mailed applications – Given the high percentage of clients who say that they learned about the LEAP benefit through the mail, Colorado LEAP should consider increasing the groups that they mail applications to. One group that may be targeted is households who received LEAP two years ago, but did not apply the next year.

- Mailed packet – Almost half of the households that were mailed applications but did not apply did not remember that they had received a LEAP application packet in the mail the previous year. Colorado LEAP should evaluate the mailer that they use and assess whether a more noticeable LEAP packet could be mailed.

- Television advertising – Given the small number of clients that reported that they learned about LEAP only through television and the large expense that is associated with this outreach, Colorado LEAP should reconsider whether this is a cost-effective investment that should be continued. In 2009 Colorado doubled the amount of funding for television advertisement spot purchasing. They should examine whether or not this significantly increased the number of clients who said that they learned about LEAP only through television advertisements.

- LEAP website – The Colorado LEAP website should be revamped in a more client-friendly format. Program rules and links should be clearer and easier to navigate. There should also be a link to EOC for clients who need additional assistance.

- State oversight of agency outreach – The state LEAP office should emphasize the importance of outreach to the county agencies, work with the agencies to improve their outreach and targeting, and monitor the agency outreach plans and agency outreach activity.

C. LEAP Application

We discuss the aspects of the LEAP application that are working well, areas for review and program recommendations.

Working Well
Below we summarize the aspects of the LEAP application that work well.

- Application information – The Colorado LEAP application collects information that is helpful in improving the program, such as how the client learned about the program.

- Internet availability – The Colorado LEAP application is available for client download on the Colorado LEAP website. This provides easy access for clients.

Areas for Review
Colorado LEAP should review the following aspects of the LEAP application.

- Application issues – The parts of the application process that managers cited as problematic were the citizenship and identification part of the required documentation, lack of identification for elderly clients and clients who do not drive, the reporting of monthly rather than annual income, and that clients do not understand the length of time that it takes for the benefit decision to be made.

- Incomplete applications – Many of the LEAP agency managers reported that incomplete applications are a serious issue and take up a large amount of the staff time. Three of the LEAP agency managers said that 70 to 85 percent of the applications are incomplete and four said that 30 to 50 percent are incomplete. Two managers suggested that the application could be clearer or could be re-written for a lower grade reading level.

- Denials – The survey research found that denials have a greater need for additional assistance than LEAP recipients. Denials were more likely to say that they borrowed from a friend or relative to help pay their energy bill and that they skipped paying or paid less than their entire home energy bill in the year preceding the survey. They were also more likely to say that they had their electricity or gas service shut off due to nonpayment in the year prior to the survey.

- Application types – Prior to the current year, the Colorado LEAP provided the option of a shortened application for Old Age Pension applicants. They discontinued this option in FY 2009 because they found that many of these households had information that changed from the previous year and needed to fill in the long application. The analysis of FY 2008 data showed that eight percent of recipients and two percent of denials submitted the shortened application for Old Age Pension applicants.

- Affidavit – While the affidavit clearly states that clients should check only one box, it may be confusing to clients who want to check the box labeled "I am lawfully present in the United States pursuant to federal law" even if they are a citizen or a permanent resident. This affidavit could be rewritten to reduce the number of clients that fill in more than one box.

- Lawful presence requirement – House Bill 1023, passed in a special legislative session in 2006, requires that applicants meet a lawful presence in the U.S. requirement. Following the implementation of this requirement, the number of LEAP applications and the number of grants awarded declined significantly. There was anecdotal evidence that agencies were not accepting all valid forms of client identification, such as passports and other state drivers' licenses.

Recommendations

We make the following recommendations with respect to the LEAP application.

- Elimination of shortened application – The Colorado LEAP office should examine the impact that elimination of the shorter application has had on Old Age Pension applications and denials in FY 2009.

- Test methods to reduce incomplete applications – The large number of incomplete applications increases the administrative cost of the program and makes it difficult for agencies to process the applications in a timely manner. Colorado should investigate methods to reduce the percent of applications that are incomplete. One idea that could be tested would be to send the client his/her previous year's application to help the client remember how the form needs to be completed.

- Valid identification – Train agencies to accept all valid forms of identification.

- Revise affidavit – Create a new affidavit that is less confusing for clients.

- Denials – Try to reduce the number of denials and refer denied clients to EOC for assistance.

D. LEAP Application Processing

Aspects of LEAP application processing that work well, areas for review, and program recommendations are summarized below.

Working Well
We summarize below the aspects of LEAP application processing that are working well.

- Pending applications – All of the agency staff said that they take the first step in application processing, which is to pend applications, within the required time, and most reported that they take this step within a few days.

- Application processing review – The Colorado LEAP office does a systematic review of a sample of case files at the largest agencies each year and a sample of cases at some of the smaller agencies each year. This process is a good check on the agencies' work.

Areas for Review
Aspects of application processing that should be reviewed are summarized below.

- Influx of applications in the fall – Analysis of FY 2008 LEAP data showed that the majority of applications were received in the first few months of the season. While seven percent of applications were received in October, 43 percent were received in November, and 16 percent were received in December.

- Application processing time – One of the concerns cited in some of the agency and stakeholder interviews was the length of time that clients must wait for their applications to be processed and to receive their benefits. Analysis of FY 2008 LEAP data showed that only eight percent of the clients received their first payment in two weeks or less. While almost one-quarter of the clients received their first payment in between two and four weeks, one-quarter of the clients had to wait more than two months to receive their first payment.

- Agency bottleneck – Analysis of FY 2008 LEAP data suggests that an application bottleneck develops over the first few months of the LEAP season. While only eight percent of applications that were received in October took more than two months for the first payment, 35 percent received in November and 39 percent received in December took more than two months for the first payment.

  Further analysis showed that the bottleneck is on the agency processing side, rather than on the state processing side. The time between the date the application was received and the date that the agency manager approved and signed the application increased in the first few months of the LEAP season. While only four percent that were received in

October took more than 45 days for the agency to process, 30 percent received in November and 44 percent received in December took more than 45 days for the agency to process. There did not appear to be a bottleneck on the state processing side.

- Application processing requirements – Beginning November 1, counties are required to enter all applications into the LEAP database in a pending status within 15 business days from the date the application was received in the county LEAP office. The county office must determine LEAP eligibility within 50 calendar days from the date of the application. Two of the managers noted that the two step process of pending the case and then checking the application reduces the efficiency of application processing, and that it would be more efficient to do it all in one step. However, they follow the procedure because they are required by the state to enter the applications into the database within 15 days of receipt.

Recommendations
Recommendations for LEAP application processing are summarized below.

- Application processing requirement – The state LEAP office should assess whether they can revise the agency processing requirements so that agencies are not required to use an inefficient 2-step process.

- Application season – Colorado should attempt to smooth out their application season so that the influx of clients in November is reduced. One potential approach is to do an early mailing of applications to seniors. This population is more stable and represents approximately 25 percent of Colorado's LEAP grantees. This mailing could be done in August instead of October, allowing staff to begin processing the applications a few months earlier. The state could send letters to the applicants informing them of acceptance or denial at the time of application, and send information on the benefit amount when the LEAP season has begun. While we recommend that the application period and processing period be extended, we do not recommend a longer LEAP program year.

- Centralized application processing – Colorado could consider a gradual move toward more centralized processing. They could start, for example, by processing expedited applications at the state level or by processing applications from the larger agencies at the state office. A gradual movement towards centralized processing would allow the state to consider whether this change resulted in increased efficiencies in program administration, and whether they should increase program centralization by moving additional work from the local agencies to the state office.

E. LEAP Benefits

This section examines the aspects of LEAP benefits that are working well, areas for review and program recommendations.

Working Well

The Colorado LEAP benefit formula and calculation process has many favorable characteristics. Below we describe aspects of LEAP benefits that are working well.

- Benefit formula – The LEAP benefit calculation takes the client's heating costs and poverty level into account.

- Actual heating cost data – Electronic heating data are obtained from five vendors that have vendor agreements with the Colorado LEAP. In FY 2008, 66 percent of clients had heating cost data provided through this electronic data exchange. Additional heating cost data were obtained manually, and overall 77 percent of benefits were calculated based on actual 6-month heating costs. For 23 percent of clients, heating costs were calculated based on Colorado's flat rate table that was developed based on the average previous LEAP program year actual heating costs statewide for the specific fuel types and dwelling types.

- Benefits related to heating costs – The LEAP data analysis showed that clients who had greater heating costs received greater LEAP benefits. Mean benefits were $192 for clients with heating costs below $250 and $835 for clients with heating costs of $1,000 or more.

- Benefits related to heating burden – The LEAP data analysis showed that clients who had greater heating burdens received greater LEAP benefits. Mean benefits were $231 for clients with heating burdens of three percent or less and were $669 for clients with heating burdens of more than nine percent.

- LEAP benefit disbursement – LEAP benefits are disbursed in two payments to allow the LEAP office to provide benefits to all eligible applicants and to make use of the full LEAP funding allotment for the year. Since the full allotment and the number of applicants is not known at the start of the LEAP season, this distribution method ensures that LEAP dollars are distributed fairly to all applicants.

- LEAP impact on affordability – The survey found that 81 percent of respondents reported that they would have worried about paying their home energy bill, 70 percent of respondents reported that they would have kept their home at unsafe or unhealthy levels, and 63 percent of respondents reported that they would have had their electricity or home heating fuel discontinued if LEAP had not been available.

Areas for Review

Areas for review with respect to LEAP benefits are described below.

- Burden by poverty level – The LEAP data analysis showed that the LEAP benefit reduced heating burden to less than six percent of income for almost all households with income above 50 percent of poverty. However, fourteen percent of households with income below 50 percent of poverty still had a heating burden of more than six percent after receipt of LEAP benefits, and seven percent of these households still had a heating burden of more than nine percent after receipt of benefits.

- Electric diversion payments – Only about four counties administer electric diversion payments. Analysis of the LEAP data showed that only 40 clients received an electric diversion payment in FY 2008 to assist with their electric non-heating costs.

- Direct client payment – Clients who do not have vendors with agreements with the state receive their benefits on an electronic benefit card. There is anecdotal evidence that clients who don't receive other types of benefits are not familiar with how to use the card and subsequently lose their benefits.

Recommendations
Recommendations for LEAP benefits are summarized below.

- Benefits for lowest poverty level households – Colorado should consider increasing the benefit levels for clients with income below 50 percent of the Federal Poverty Level.

- Eliminate electric diversion – There are so few clients that make use of this benefit that it does not appear to be worthwhile to continue to offer it. Clients who need assistance with their electric bill and have non-electric heat should be referred to EOC for benefits.

- Review electronic card payment – The Colorado LEAP office should investigate the extent to which electronic card benefits are forfeited because they are not used. If it is a large number of clients, the office should offer another method of payment or provide additional information on how to use the card.

F. LEAP Crisis Intervention Program

Below we summarize aspects of the Crisis Intervention Program (CIP) that work well, areas for review and recommendations for the program.

Working Well
The research found that the CIP process works well.

- CIP Process – LEAP agency managers reported that the furnace replacement process works well. They are able to serve all of the clients in need with their available funds. They also reported that they don't have to deny furnace replacement to clients when the cost exceeds the $1,500 maximum because the weatherization agency makes up the difference. All of the managers reported that they were very satisfied with the furnace replacement vendors.

Areas for Review
There is one area of the CIP that the Colorado LEAP office should review.

- Energy conservation education – Most of the LEAP agency managers were not familiar with the requirement that furnace vendors provide information to clients about energy conservation, since this work is provided by a separate vendor. Two of the managers noted that the vendors provide clients with pamphlets that discuss energy conservation and furnace maintenance.

Recommendations

Below we make a recommendation for the CIP.

- CIP and energy conservation – The Colorado LEAP office should make sure that LEAP agency staff understand the CIP conservation education requirement and that the weatherization agencies that implement the program fulfill this requirement.

G. EOC Program Administration

This section examines the aspects of EOC program administration that are working well, need to be reviewed, and recommendations for program improvement.

Working Well

Below are aspects of EOC program administration that work particularly well.

- Data system – EOC has a good system for collecting and maintaining data. These data provide information that can help EOC assess and improve the program.

- Case management – EOC has implemented special procedures for clients who have bills higher than $1,200. Clients are referred to EOC's Emergency Fund Agency for processing. Counseling is done in person or by telephone if the client is not located in Denver. There were 30 families seen in this program between December 2007 and July 2008.

Areas for Review

The following is a summary of aspects of program administration for EOC to review.

- Administrative funding – One issue that was noted by three of the four EOC agency managers interviewed was that EOC did not provide enough funding to cover their staff salaries. This seemed to be a larger burden for the one agency that provides grants to two different energy providers for 70 percent of its clients.

- EOC agency autonomy – EOC management allows the grant-making agencies autonomy in many areas of the grant-making process. Some of these areas are listed below.
    - Application times – Some agencies only take applications on certain days of the week or have restricted hours when they take applications.
    - Undocumented residents – The agency can decide whether or not to assist undocumented residents.

- Recent payments – Some of the agencies base their grant determination partly on whether the customer has recently made payments on the utility bill.

- Assistance with large bills – Agencies can consider helping clients with excessively large bills, but are not required to assist clients who they feel are not a good risk. EOC management reported that they know of one agency that would never pay a bill over $600 and another agency that very commonly pays full bills, and serves more as an emergency assistance organization.

- Grant amount – The agency determines the grant amount after looking at the client's arrearages, heating costs, household income, LEAP grant, use of another fuel, and crisis level.

- Case management – Agencies vary in terms of the amount of case management that they provide. EOC management reported that they do not require that the agencies provide specific information to clients when they apply for assistance. They encourage agencies to provide information about energy efficiency, tell the clients to work with the utility on payment arrangements, and to be honest and pay their utility bill, particularly if the client is on a medical hold or on life support. But they said that some of the agencies have a holistic case management approach and spend a lot of time working with the clients on budgeting and others are not as detailed.

  Two of the agency managers described additional work that they do, beyond formal grant application processing. One manager stated that the intake workers ask the clients to rate their standing with regard to family support, education, employment, healthcare, utilities, parenting, and legal issues, and asks the clients to set goals for improvements in these different domains. They also go over budgeting issues with some families. Another agency manager noted that they provide financial counseling.

- Repeat grants – One agency manager reported that most of their EOC applicants apply for EOC grants every year because the poverty level is high, the unemployment rate is high, and their clients are struggling with medical and other bills. The other managers noted that repeat applications are not very common. One manager stated that they don't receive many repeat applications because they tell clients that the EOC grant assistance is a one-time benefit. (However, they will help clients if they do apply again.)

Recommendations

Following is a summary of the recommendations for EOC administrative procedures.

- Administrative funding – EOC should consider providing additional administrative funds for agencies that provide a large percentage of their grants to multiple energy providers.

- Agency procedures – EOC should consider establishing more consistent agency procedures.

- Case management – One particular area that EOC should examine is whether some agencies need to focus more on case management.

- Data analysis – Use program data to assess program performance and target areas for improvement.

- High bills – EOC should consider extending their more extensive case management through their Emergency Fund Agency to additional clients, perhaps those with bills over $800 or $1,000.

H. *EOC Outreach and Targeting*

Below we describe aspects of EOC outreach that are working well, areas for review, and program recommendations.

Working Well

One beneficial aspect of EOC outreach is described below.

- EOC agency recruitment – One of the primary methods that EOC uses to target benefits to vulnerable groups is to recruit agencies that serve these populations. EOC management reported that they specifically recruited agencies that served different populations, including the elderly, families, and organizations that serve individuals with particular types of disabilities. EOC continues to reach out to additional agencies to ensure that all service areas are adequately covered.

  Analysis of the EOC database showed that there is significant diversity in the types of families that the different agencies serve. Sixty percent of recipients in the average agency have children. However, 76 percent or more of the grant recipients have children in 10 percent of the agencies. Eight percent of recipients were senior households in the mean agency, but some agencies serve no senior households and one agency has half of its clients made up of senior households. There appear to be agencies that specialize in serving disabled households as well.

Areas for Review

Areas for review with respect to EOC outreach are summarized below.

- EOC agency outreach – The EOC managers that were interviewed did not report many proactive actions taken to reach clients. The agencies focused on clients who come to the agency because they heard about the program through word of mouth or because they are visiting the agency for other assistance. The agency managers expressed a general sentiment that they already have great demand for energy assistance. This was consistent with an EOC management report that agencies are often so busy working with the clients that they don't feel the need to do outreach. However, additional outreach may help EOC to reach clients who don't normally apply for assistance.

- EOC assessment of agency outreach – EOC management reported that while agencies send their outreach materials to EOC, they have not done a full assessment of agency outreach.

- Client knowledge of EOC – The survey asked respondents whether they were aware that there is a program through Energy Outreach Colorado that may provide help with their energy bills, in addition to LEAP or instead of LEAP. Only 15 percent of LEAP recipients and non-applicants, six percent of denials, 16 percent of low-income non-recipients, and nine percent of non-recipients with income below 185 percent of poverty reported that they were aware of Energy Outreach Colorado.

- Targeting seniors – EOC is not reaching a large percentage of seniors. Analysis of the EOC database showed that only eight percent of households that received grants in FY 2008 had a senior in the home. This compares to approximately 24 percent of the eligible population.

Recommendations

Recommendations for improving EOC outreach are summarized below.

- Senior households – EOC should recruit more agencies that focus on serving the elderly.

- Agency outreach – EOC should review what agencies are doing to conduct outreach to needy households and work with them to develop more comprehensive outreach strategies.

I. Coordination of LEAP and EOC

In this section we describe aspects of LEAP/EOC coordination that is working well, areas for review, and make recommendations for increased coordination.

Working Well

Below we summarize aspects of LEAP/EOC coordination that works well.

- Coordination of LEAP and EOC provides more comprehensive benefits and helps to fill in gaps that the other program does not fill. The LEAP benefit is more widely known, serves more clients, and provides assistance to households that receive other types of benefits from county agencies.

- The EOC grant fills in the following gaps that are found with the LEAP program.

  - When the LEAP benefit is not enough to restore service or prevent termination, the EOC grant can provide additional assistance. In cases where the utilities know that additional assistance will be provided by EOC, they may be more likely to accept the

LEAP grant to prevent service termination, even if it does not cover 50 percent of the customer's arrearages.

- EOC provides assistance to either or both of the client's fuel suppliers. Most clients do not receive electric benefits from LEAP if electricity is not their main heating fuel.

- If the household is denied LEAP due to income eligibility, lack of identification, or inability to document lawful presence, EOC can provide assistance.

- EOC provides assistance in May through October when LEAP is closed.

- While LEAP has mechanisms in place to help households meet their emergency assistance needs, there are times when this assistance may not be timely enough. In these cases, EOC can provide assistance more quickly.

- EOC works with a diverse network of agencies that some households may feel more comfortable reaching out to for assistance.

Areas for Review

Below we describe areas for review with respect to LEAP/EOC program coordination.

- Confusion – The existence of two different programs and two different sets of administering agencies can be confusing to clients.

- Inefficiency – Administration of energy financial assistance for energy bills could be more efficient if there were not two completely separate sets of administrative procedures.

- Equity – A coordinated approach to assistance might provide a more equitable distribution of benefits.

Recommendations

There appear to be ways that LEAP and EOC can work in a more coordinated fashion without reducing options that are available to clients. This may include some combination of the following.

- Application availability and assistance – Ensure that applications for LEAP are available at EOC offices. EOC agency staff could assist clients to determine if they are eligible for LEAP, and if so, assist them with the LEAP application.

- Joint benefit determination – EOC agency staff could contact the utility and determine the total payment needed to forestall a shutoff. They could determine if they could fill the gap between the estimated LEAP grant and the total amount of assistance needed for clients who had not yet applied for LEAP that season.

- County agency EOC grant processing – LEAP agency staff could be provided with the ability to take EOC applications as well as LEAP applications for clients who need additional assistance.

- Joint application – LEAP and EOC could work together to develop a joint application that would be sent into the EOC system if the LEAP benefit was denied or was not sufficient to meet the client's needs. The application could also be sent to the EOC system if the client had a need for electric assistance but did not use electric heat.

J. *Coordination of LEAP and Energy Efficiency Services*

This section describes aspects of program coordination that are working well, areas for review, and recommendations. Colorado LEAP is currently coordinated with energy efficiency services through the Governor's Energy Office.

Working Well

The Colorado LEAP does a good job of referring clients to the Governor's Energy Office.

- Weatherization referral – The Colorado LEAP office sends lists of LEAP clients to the Governor's Energy Office for weatherization services. The Governor's Energy Office screens these clients for previous weatherization receipt and contacts those who have not been served recently for weatherization service delivery.

Areas for Study

Below we summarize areas for review with respect to program coordination in Colorado.

- Weatherization requirement – Clients who apply for LEAP are required to agree to accept weatherization services to improve the energy efficiency of their homes. However, only six clients were noted in the database as a weatherization denial. Therefore, the extent to which this provision is enforced is not clear.

- Awareness of weatherization services – Client awareness of weatherization services was low. Survey respondents were asked whether they were aware of the Colorado program that provides weatherization services. Only 18 percent of recipients, nine percent of denials, 21 percent of non-applicants, 15 percent of low-income non-recipients, and seven percent of non-recipients with income below 185 percent of poverty reported that they knew about the program. Five percent of recipients, four percent of denials, six percent of non-applicants, and less than one percent of low-income respondents reported that they had their homes weatherized.

- No direct application – The current system refers LEAP recipients to weatherization and energy efficiency services in Colorado, rather than having clients apply directly for weatherization at the same time that they apply for LEAP. LEAP client lists are sent to the Governor's Energy Office (GEO) and GEO screens the clients for recent weatherization service receipt. A list of LEAP clients who have not recently received services is sent to the weatherization agencies and the weatherization agencies contact the clients to deliver services. There is anecdotal evidence that clients do not focus on this aspect of the application and are skeptical when approached by the weatherization agency.

Recommendations

Below we summarize recommendations for coordination of LEAP and energy efficiency services.

- Joint application – Under a recent change in the Governor's Energy Office, instead of having the weatherization agencies contact clients for service delivery, the clients are instead sent a postcard in the mail on which they are asked to indicate whether they would prefer to receive an energy kit or to have someone visit their home for an audit. GEO and LEAP should work together to develop a joint application for LEAP and energy efficiency services. Clients could be asked to indicate which type of service delivery they would prefer to receive (if eligible) right on the LEAP application, rather than sending a follow-up postcard that clients may ignore.

K. *Summary*

The key strengths of the energy assistance programs in Colorado are highlighted below.

- LEAP benefit formula – The LEAP benefit formula factors in heating cost and household poverty level. As a result, the LEAP benefits do a good job of providing greater benefits to the households with the highest heating burdens.

- LEAP benefit distribution – The LEAP program distributes half of the benefit in the fall and the other half in February after the available LEAP dollars are known and the state has a better idea of the number of applicants for the year. In this way, the program provides equitable benefits based on need, rather than benefits for the first clients who apply.

- LEAP and EOC meet needs – Because LEAP and EOC provide benefits through different agencies and have different rules and regulations, they jointly meet the needs of low-income households for financial energy assistance.

The areas with greatest potential for improvement are summarized below.

- LEAP application approval – The state should work to reduce the percentage of applications that must be sent back to clients for additional information or documentation.

- LEAP application processing time – The state should work to reduce the amount of time taken to process the applications and provide benefits.

- EOC outreach to seniors – EOC should increase outreach to seniors and attempt to increase the percentage of seniors that they serve.

- Awareness of EOC and weatherization – EOC and LEAP should work to increase awareness of EOC and weatherization availability.

- Coordination of LEAP and EOC – LEAP and EOC should increase coordination between the programs and applications to reduce burden for clients and increase administrative efficiency.

- Joint application for LEAP and energy efficiency – The state LEAP office should work with the Governor's Energy Office to develop a joint application.