

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE: August 24, 2017

TO: Theodore Lipscomb, Sr., Chairman, Milwaukee County Board of Supervisors

FROM: Jeanne Dorff, Interim Director, Department of Health and Human Services
Prepared by: Dennis Buesing, Administrator, DHHS Contract Services

SUBJECT: **Report from the Interim Director, Department of Health and Human Services, requesting authorization to enter into purchase of service contracts for the operation of the Wisconsin Home Energy Assistance Program (WHEAP) in the Management Services Division**

Issue

The Interim Director of the Department of Health and Human Services (DHHS) is requesting authorization to enter into purchase of service contracts with Community Advocates, Inc. and UMOS, Inc. to operate the Wisconsin Home Energy Assistance Program (WHEAP) in the Management Services Division (MSD) for the 2018 Federal Fiscal Year (FFY) beginning October 1, 2017 and ending September 30, 2018.

Section 46.09 of the Milwaukee County Code of General Ordinances requires County Board approval for the purchase of human services from nongovernmental vendors.

Background

The Wisconsin Department of Administration (DOA), Division of Energy, Housing and Community Resources (DEHCR) administers statewide low-income household energy assistance programs involving electric and heating bill payment assistance as well as benefits and services to assist with energy crisis situations. WHEAP serves as the umbrella program for the federally-funded Low Income Energy Assistance Program (LIHEAP) and Public Benefits (PB) funded from fees collected through the electric utilities more commonly known as "Energy Assistance." LIHEAP focuses mainly on heating assistance such as natural gas, oil and propane while Public Benefits provides benefits for non-heating electric usage.

Section 16.27 of the Wisconsin Statutes governs the operation of WHEAP in the State of Wisconsin and prescribes a role for counties in delivering such assistance. In addition, section 46.215 of the statutes specifically addresses Milwaukee County's role in providing energy assistance to eligible residents.

Funding

For FFY2017 (Oct 1, 2016 through Sept 30, 2017), DHHS received about \$3.2 million (base funding allocation and amendments) to administer the Energy Assistance Program for Milwaukee County. Two subcontractors, Community Advocates, Inc. and UMOS, Inc., received \$2.7 million of this funding to operate a call center, scheduling system and six sites across the county.

In addition, Impact, Inc. received \$41,838 in funding for the 2-1-1 community call line which serves as an access point and safety net for the emergency furnace program and provides 24-hour referral services and after-hours coverage for the Energy Assistance Program.

Applications

In FFY2017, Milwaukee County served a record number of Milwaukee County households, a 2.5 percent increase in the number of recipients from the previous federal fiscal year and the highest count on record. Milwaukee County processes almost one-third of all the applications in the state and reached nearly 70,000 applicants to date this season. During the heating season, the program assisted over 56,000 households, administering \$35.4 million in regular benefits and \$2.8 million in crisis assistance as of the beginning of August.

Up to an additional \$1 million in crisis benefits is available to be disbursed in August and September, for a total of \$3.8 million. Outreach efforts this year, coupled with changes in the customer service model, fostered an increase in overall applications and new applicants to the program. Just over 10,000 recipients (one out of every five households) was a new applicant to the program.

Service Model

Since FFY2016, the program has provided a “customer first” service model focusing on service with dignity and respect.

The program currently operates six application intake sites across Milwaukee County. Most Milwaukee County residents are within five miles of an application location. All sites are handicapped accessible and are on a major MCTS bus route. Customers can walk-in any time during the business day to be seen, call for an appointment, or schedule their own appointment on-line. Customers wait less than 10 minutes to be seen and usually complete the entire process in less than an hour.

The program also operates a call center (located at Community Advocates on James Lovell Street) that received over 80,000 calls annually, answering over 75 percent of the calls live, and returning calls to those that leave messages the same day or next day.

Proximity to home or work, access by bus, and one-hour services are highly desirable requirements (rated five out of five) to over 71 percent of customers polled in an independent customer service study conducted by Opinion Access for the program.

All sites operate year round. During the peak spring and fall seasons, sites will operate extended hours from 7:30 a.m. to 7 p.m. on weekdays and from 8 a.m. to noon on Saturdays.

2017-2018 sites:

North	6918 W Brown Deer Road
Northwest	4907 W Fond du Lac Avenue
West Allis	6761 W. Greenfield Avenue
Bay View	2701 S. Chase Street
Downtown/Central	728 N. James Lovell Street
South	5663 S. 27 th Street

The program also utilized several marketing methods and technologies to ensure customers were well informed about the program, application sites, application methods, and services. Outreach included bus, billboard, and radio advertisements; media participation and coverage during key dates in the season; flyers and press stories; and community outreach at events such as SDC's Super Senior Friday and MPS's back to school fairs.

In addition, as part of launching a far south side intake location, the program partnered with Sup. Steve F. Taylor to reach underserved southern communities, increasing recipients by almost 9 percent this season overall and as much as 41 percent in some municipalities such as Franklin and Greendale since adopting this model of service.

Energy Assistance workers also went on site to over 100 senior meal sites, senior housing sites, apartment complexes, and government assisted housing complexes to accept applications.

Best Practices

To ensure best practices and compliance with all state and federal regulations, DEHCR performs an annual Administrative Review of Milwaukee County. The program's procedures in Quality Assurance, Outreach and Customer Service have been recognized by the state as "Best Practices" and have been presented at the annual state conference for other Energy Assistance providers.

To ensure the best possible service and outcomes in Milwaukee County, the Energy Assistance Program is guided by the Energy Assistance Steering Committee. This committee is made up of community partners, such as We Energies, weatherization agencies, county departments serving vulnerable populations, community agencies and the state's DEHCR staff.

In addition, customer input has been integral to the decision process. Customer feedback has been solicited at each site in real time during the season, at customer listening sessions, and through an independent customer service survey. These measures will be an ongoing part of the program's quality assurance plan.

Discussion

The DHHS Interim Director is recommending purchase of service contracts with Community Advocates, Inc. and UMOS, Inc. to operate the Energy Assistance Program for Milwaukee County. Under the FFY2018 contracts, Community Advocates, Inc. and UMOS, Inc. would operate WHEAP under the supervision of, and in partnership with Milwaukee County DHHS, per the guidelines set forth by DEHCR in the FFY2017-18 Wisconsin Home Energy Assistance Program Operations Manual. In addition, two county energy assistance staff members will be deployed to the subcontracted agencies to provide monitoring, compliance, and services, along with agency staff.

DHHS is recommending that a 12-month contract be awarded for the period of October 1, 2017 to September 30, 2018 to Community Advocates, Inc. and UMOS, Inc. as follows:

Community Advocates, Inc.	\$1,113,253
UMOS, Inc.	<u>\$ 564,932</u>
Total	\$1,678,185

The FFY2017-18 contract recommendations are based upon the percentage of applications processed in FFY2017, as well as on the planned outreach activities and initiatives developed to reach potential applicants. DHHS' ability to execute these contracts will be contingent upon review and approval by the Wisconsin Department of Energy, Housing and Community Resources. Any contract increases received by DHHS during the course of the State DOA/DHHS contract period will be passed onto both agencies based on the same calculations used to determine the above figures, program needs, funding source and/or state directives and initiatives.

The revenue available to fund these contracts as well as county staff and overhead costs are included in the State WHEAP contract and contingent on Federal LIHEAP funding. This State contract reflects a term of three years (FFY2016-2018) and was approved by the County Board in November 2015 (File No. 15-660). The total WHEAP allocation to administer the program for FFY2018 is estimated to be \$2.8 million, the same as the initial FFY2017 funding. Of this amount, DHHS has held back approximately \$340,000 in funding to the agencies compared to previous years in case LIHEAP funding is reduced in the Federal budget. If the Federal LIHEAP remains level funded or increases, however, this funding will be released to the agencies under a contract amendment.

Recommendation

It is recommended that the County Board of Supervisors authorize the Interim Director of the Department of Health and Human Services, or her designee, to execute FFY2018 contracts for the period of October 1, 2017 to September 30, 2018 with Community Advocates, Inc. in the amount of \$1,113,253 and with UMOS, Inc. in the amount of \$564,932. Further, the Interim Director is authorized to amend the contracts upon receipt of any addenda received by

Milwaukee County DHHS from the Wisconsin Department of Administration for the operation of the WHEAP program during FFY2018.

Fiscal Impact

Each of the recommended contracts is funded with WHEAP revenue, and approval of the recommendations delineated above would have no additional tax levy impact beyond what has been allocated in the Department's 2017 Budget and 2018 Requested Budget. A fiscal note form is attached.

Respectfully Submitted,



Jeanne Dorff
Interim Director
Department of Health and Human Services

cc: County Executive Chris Abele
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