

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE: August 19, 2016

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

FROM: Héctor Colón, Director, Department of Health and Human Services
Prepared by: Dennis Buesing, Administrator, DHHS Contract Services

SUBJECT: **Report from the 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

Section 46.09 of the Milwaukee County Code of General Ordinances requires County Board approval for the purchase of human services from nongovernmental vendors. Therefore, the 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). The contracts will follow the Federal Fiscal Year (FFY) beginning October 1, 2016 and ending September 30, 2017.

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. 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 the Wisconsin Home Energy Assistance Program (WHEAP) in the State of Wisconsin and prescribes a role for counties in delivering such assistance. Section 46.215 of the statutes specifically addresses Milwaukee County's role in providing energy assistance to eligible residents.

Milwaukee County is contractually bound by this legislation and the state contract to provide services for 12 months per year, seven days per week, and 24 hours per day. These services not only include the issuance of benefits, but also crisis services, such as assistance with utility disconnections, and the emergency furnace program. These critical services help ensure that members of the community have safe and reliable heat during the cold winter months or a safe alternative.

Funding

For federal fiscal year (FFY) 2016 (Oct 1, 2015 through Sept 30, 2016), DHHS received \$3.3 million to administer the Energy Assistance Program for Milwaukee County. Two subcontractors, Community Advocates, Inc. and UMOS, Inc., received \$2.8 million of this funding to operate a call center, scheduling system and four sites across the county. In 2015, subcontracted services for the Energy Assistance program were bid out in accordance with Milwaukee County Procurement requirements. Community Advocates and UMOS were recommended for contracts by an independent review panel.

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 spite of warmer weather and lower fuel costs, Milwaukee County increased the number of applicants by 5.16 percent, processing almost 28 percent of all the applications in the state. By contrast, the number of applicants in the rest of the state decreased by 10 percent.

The Milwaukee County program assisted over 56,000 residents during the heating season (Oct 1-May 15), issuing \$31.1 million in regular benefits and \$3.3 million in crisis assistance as of the beginning of August. The State allocated an additional \$917,000 in crisis benefits in August and September, increasing Milwaukee County's total allocation for FFY16 to \$4.2 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 7,900 recipients (one out of every eight households) was a new applicant to the program.

Service Model

In FFY2016, the program expanded its efforts on providing a "customer first" service model, focusing on service with dignity and respect, customer education, and increased access for customers.

The program operated four major sites in FFY2016 and will open two additional sites for FFY2017. These sites cover all areas of Milwaukee County, allowing the majority of Milwaukee County residents to be within five miles of an application site. This proximity to home or work is a highly desirable requirement (rated 5 out of 5) to over 71 percent of customers polled in an

independent customer service study conducted by Opinion Access. Sites were strategically selected to ensure that each is accessible by at least one bus line and is handicapped accessible.

2016 sites:

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

2017 additional sites:

North	6918 W Brown Deer Road
South	5663 S 27 th Street

All sites operate year round. During the peak spring and fall seasons, sites operate extended hours from 7:30 am to 7:30 pm and on Saturdays. In addition to the main sites, two seasonal locations were available (Robles Center on the south side and Isaac Coggs Health Center on the north side). 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.

In FFY2016, customers were given the option to apply over the phone, walk-in at their convenience or schedule an appointment to apply, eliminating the need to wait in long lines, spend the day waiting to be seen, or arrive early in the morning to ensure a slot. Over 21,000 applicants chose to make an appointment through the call center or self-scheduled on line.

About 77 percent of those making an appointment kept their appointment (literature indicates a 12 to 30 percent “no show” rate is typical). All applicants, whether they walked in or made an appointment, were able to be seen and have their application processed in an average of 47.3 minutes, a drastic decrease from the former process, which in some cases required lining up early and staying for an “all day” wait.

The independent customer service survey found that customer satisfaction dramatically increased in FFY2016, with 95 percent of respondents rating the service they received during the application process as four or five stars (out of a possible five), 89 percent rating their overall experience with the program (including scheduling, wait times, service, and appearance) as four or five stars (out of a possible five), and 92 percent indicating services are as good or better than in past application years.

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; county and partner websites and other electronic

information outlets such as West Allis NOW and the Handy-news newsgroup; and community outreach at events such as SDC's Super Senior Friday and MPS back to school fairs.

Best Practices

To ensure best practices and compliance with all state and federal regulations, DEHCR performs an annual Administrative Review of Milwaukee County. FFY2016 was the first year there were no compliance issues. In addition, furnace repair and replacement records had zero (0) errors, and staff were recognized for the excellent level of customer service provided.

The program's procedures in Quality Assurance, Outreach and Customer Service have been recognized by the state as "Best Practices" and have been recommended to be presented at the annual state conference for 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 and through an independent customer service survey conducted this year at the recommendation of the Milwaukee County Board of Supervisors. Starting in FFY2017, customers will also be able to submit anonymous feedback on comment cards or via the web site. These measures will be an ongoing part of the program's quality assurance plan.

Discussion

For FFY2017, the DHHS 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 FFY2017 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 FFY2016-17 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, 2016 to September 30, 2017 to Community Advocates, Inc. and UMOS, Inc. as follows:

Community Advocates, Inc.	\$1,341,268
UMOS, Inc.	<u>\$680,640</u>
Total Contracts	\$2,021,908

The FFY2016-17 contract recommendations are based upon the percentage of applications processed in FFY2016, as well as on the planned outreach activities and outreach sites 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 is included in the State WHEAP contract. This State contract reflects a term of three years (FFY2016-2018) and was presented to and approved by the board in November 2015 (File 15-660). The total base WHEAP allocation to administer the program for FFY2017 is estimated to be \$2.6 million which is consistent with the FFY2016 amount.

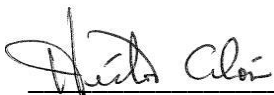
Recommendation

It is recommended that the County Board of Supervisors authorize the Director of the Department of Health and Human Services, or his designee, to execute FFY2017 contracts for the period of October 1, 2016 to September 30, 2017 with Community Advocates, Inc. in the amount of \$1,341,268 and with UMOS, Inc. in the amount of \$680,640. Further, the Director is authorized to amend the contracts upon receipt of any addenda received by Milwaukee County DHHS from the Wisconsin Department of Administration increasing the state/county contract for the operation of the WHEAP program during FFY2017.

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 2016 Budget and 2017 Requested Budget. A fiscal note form is attached.

Respectfully Submitted,



Héctor Colón, Director
Department of Health and Human Services

Attachment #1 Program Statistics

Attachment #2 Site Map/Locations

cc: County Executive Chris Abele
Raisa Koltun, County Executive's Office
Kelly Bablitch, County Board
County Supervisor Peggy Romo-West, Chair, Finance Committee
Supervisor Supreme Moore-Omokunde
Teig Whaley-Smith, Director, DAS
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