

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE: May 15, 2015

TO: Marina Dimitrijevic, Chairwoman, 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, 2015 and ending September 30, 2016.

Background

The Wisconsin Department of Administration (DOA), Division of Energy Services (DES) 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 or LIHEAP and the Public Benefits Program funded from fees collected through the electric utilities. LIHEAP focuses mainly on heating assistance 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 the state contract to provide services within our jurisdiction 12 months per year, 7 days per week, 24 hours per day. These critical services help ensure that members of the community have heat or a safe alternative.

For FFY2014, DHHS administered \$2.4 million in energy assistance subcontracts with two Wisconsin Home Energy Program (WHEAP) purchase of service community agencies resulting in Milwaukee County processing over 64,000 applications and issuing over \$31 million in regular and crisis benefits to Milwaukee County residents. Milwaukee County comprised over one-fourth of the state's applicants, recipients and total benefits paid. The FFY2015 season is currently open and accepting applications but is projected to meet or exceed the same service levels. As of the date of this report, over 55,000 applications have been processed in Milwaukee County resulting in over \$23 million in regular home energy assistance benefits and over \$1.6 million in crisis benefits, with approximately four (4) months remaining in the federal fiscal year.

RFP Process

Over the past several years, DHHS has worked with its partners and stakeholders (including We Energies, the Department of Energy Services, community agencies and other county departments or divisions such as Aging, Housing, Disabilities Services and Veterans' Affairs) to review and improve the service delivery model in Milwaukee County to offer better access and customer-centered service at every application site.

In 2015, the DHHS Management Services Division initiated a Request for Proposals (RFP) process for competitive proposals from community agencies to provide services for WHEAP with these goals in mind. This RFP included changes in service delivery that allows Milwaukee County residents greater access to WHEAP, allows us to reach out to eligible residents within their own community who have not previously applied for the program and better meet the challenges of our diverse community while still minimizing administrative costs with best practices, centralized coordination and County oversight.

Access

Six (6) service zones throughout Milwaukee County (see attached map) have been developed to ensure residents have access to WHEAP within their own community. The five permanent service sites and part-time or seasonal 20+ satellite sites will reduce congestion and wait times county-wide. In addition, the agencies have partnered with existing service centers such as Greenfield and West Allis Municipal centers, low-income and government subsidized housing complexes such as Maskani Place, Westlawn and Woodlands, and other community organizations offering other services such as Hunger Task Force.

Access will no longer be based on a first come-first served system, which fostered waiting in line early in the morning and long waits to be contacted. By leveraging technology, a combination of appointments, on-line services, evening and weekend hours, home visits, phone applications, and walk in services will allow access throughout the day at the customers' convenience.

Outreach

In addition to the major service sites several seasonal and directed service centers have been developed. These sites include housing complexes and senior centers. At the housing sites, energy application days will correspond with rent payment dates. At senior centers application hours will correspond with meal services and activities.

Based on an analysis of census data on household income, several areas of Milwaukee County have been underserved. Traditionally, services sites have been along the eastern edge of Milwaukee County. The far western and southern areas of the county have a much lower number of applicants per eligible population than other parts of the county. Providing six (6) services zones throughout the county that not only allow access but that can also focus on outreach based on the needs within that zone will increase participation and reduce reluctance to apply for this program.

Diversity

Milwaukee County has chosen two (2) vendors to ensure the diverse cultural needs of Milwaukee County are met. Agencies' proposals, in part, are rated based upon their demonstrated cultural diversity and plans to achieve cultural competence. The participation of two (2) agencies will ensure that uninterrupted delivery of these critical services is never at risk.

Best Practices

Milwaukee County, as recipient of the state WHEAP grant, is charged with oversight of the entire county program. DHHS has centralized many functions within the department to ensure the greatest possible amount of funding goes to direct services to the residents of Milwaukee County. Along with these functions, we have standardized promotional materials, hours, procedures and forms to ensure efficiency, customer services and quality are experienced at every site by every customer wherever they choose to access the program in the county.

Discussion

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 FFY2016 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 DES in the FFY2015-16 Wisconsin Home Energy Assistance Program Operations Manual to insure eligible households in Milwaukee County are provided with benefits and services in a manner and setting of their choice.

In addition, two County energy staff members will be deployed to the agencies to provide monitoring compliance and services along with their regular staff.

DHHS is recommending that a 12-month contract be awarded for the period of October 1, 2015 to September 30, 2016 to Community Advocates, Inc. and a 14-month contract, which allows for

a 2 month start-up period, be awarded to UMOS, Inc. for the period of August 1, 2015 to September 30, 2016 as follows:

Community Advocates, Inc.

Zone	Amount
Zone 1 (Northwest)	\$538,053
Zone 2 (Northeast)	\$425,224
Zone 4 (Downtown/Central)	<u>\$436,904</u>
Community Advocates, Inc. subtotal	\$ 1,400,181

UMOS, Inc.

Zone	Amount
Zone 3 (Central/Suburban)	\$234,748
Zone 5 (Southwest)	\$201,023
Zone 6 (Southeast)	<u>\$223,068</u>
UMOS, Inc. subtotal	\$658,839

Total Contracts **\$2,059,020**

The FFY2015-16 contract recommendations are based upon the percentage of applications received in each zone in FFY2014, as well as on the planned outreach activities and outreach sites developed to reach potential applicants in each zone. DHHS' ability to execute these contracts will be contingent upon review and approval by the Wisconsin Department of Administration. Any contract increases received by DHHS during the course of the State DOA/DHHS contract period will be proportionately passed on to both agencies based on the same calculations used to determine the above figures, 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 will be presented to the board in a separate report upon receipt of the contract. The total WHEAP allocation to administer the program for FFY2016 is estimated to be \$2,549,703. This amount is based on the FFY2015 contract and includes revenue to cover county staffing expenses and administrative overhead costs that will not be sub-contracted.

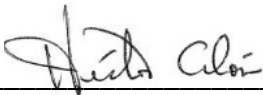
Recommendation

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 a FFY2016 contract for the period of October 1, 2015 to September 30, 2016 with Community Advocates, Inc. in the amount of \$ 1,400,181 and a FFY2016 contract for the period of August 1, 2015 to September 30, 2016 with UMOS, Inc. in the amount of \$658,839, based on an estimated \$2,549,703 contract amount from the Wisconsin Department of Administration to Milwaukee County DHHS. 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 FFY2015.

Fiscal Impact

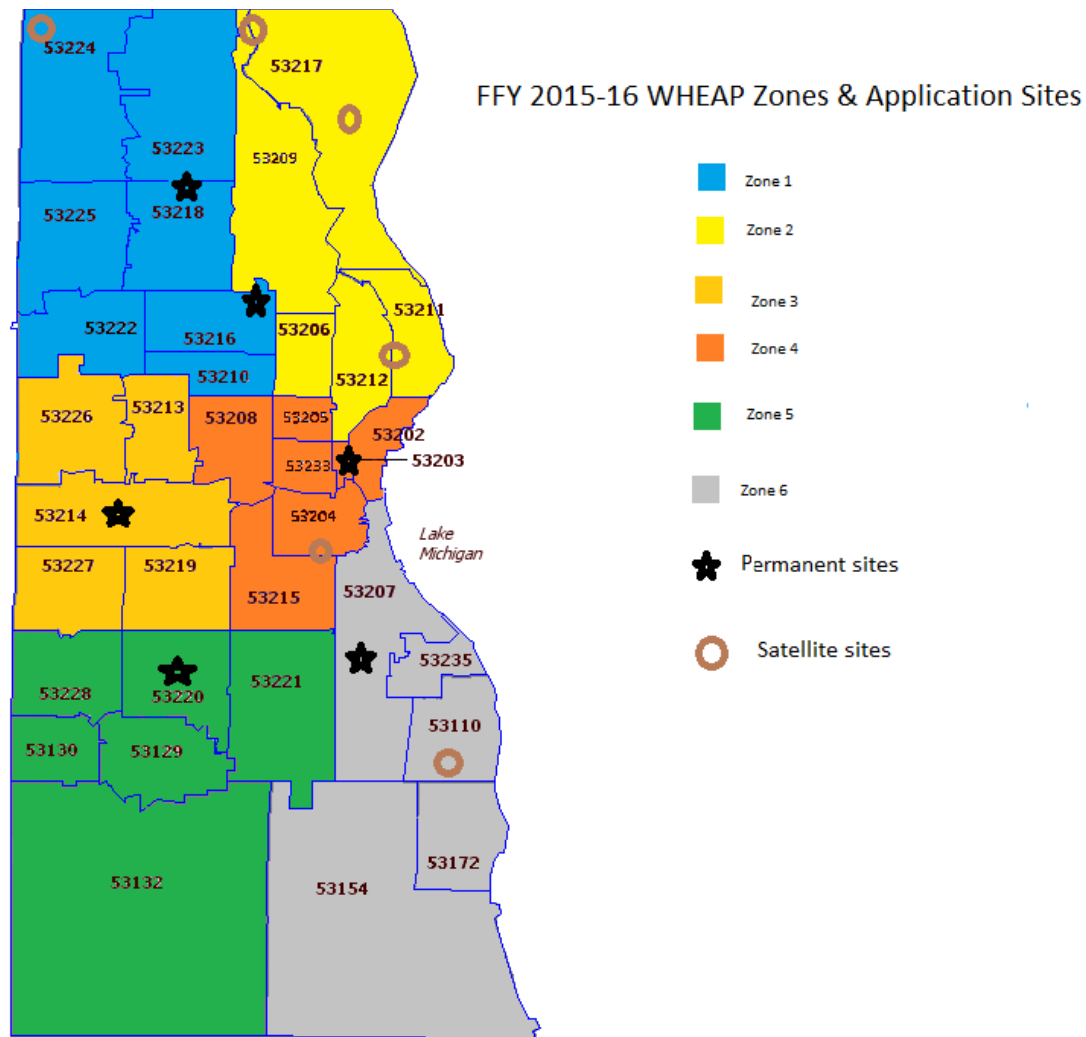
Each of the recommended contracts is funded with WHEAP revenue, and approval of the recommendations delineated above would have no additional tax levy impact beyond what has been allocated in the Department's 2015 Budget and 2016 Requested Budget. A fiscal note form is attached.



Héctor Colón, Director
Department of Health and Human Services

Attachment

cc: County Executive Chris Abele
Raisa Koltun, County Executive Chief of Staff
Kelly Bablitch, County Board Chief of Staff
Teig Whaley-Smith, Director – DAS
Vince Masterson, Fiscal Management Analyst - DAS
Steve Cady, Research Director - Comptroller's Office
Erica Hayden, Research & Policy Analyst – Comptroller's Office



Permanent Sites

4906 W Fond du Lac Avenue (53216)
 Westlawn (53218)
 West Allis City Hall, 7525 W Greenfield Avenue (53214)
 728 N James Lovell Street (53233)
 Greenfield City Hall, 7325 W Forest Home Avenue (53220)
 2701 S Chase Ave (53207)

Major Satellite Sites

Woodlands (53224)
 Berrada Properties (53223 and 53225)
 Maskani Place (53212)
 Robles Center, 910 W Mitchell Street (53204)

Minor Satellite Sites

Seasonal, monthly or event sites are planned throughout the county
 And in every zone and include Housing sites, Libraries, Community Centers and MPS events.