

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2194 Session of
2008

INTRODUCED BY CUTLER, BOYD, CLYMER, CREIGHTON, HERSHEY,
HICKERNELL, MENSCH, MOYER, PICKETT, REED, ROSS, SONNEY, STERN
AND TURZAI, JANUARY 23, 2008

REFERRED TO COMMITTEE ON HEALTH AND HUMAN SERVICES,
JANUARY 23, 2008

AN ACT

1 Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An
2 act to consolidate, editorially revise, and codify the public
3 welfare laws of the Commonwealth," further providing for the
4 Low Income Home Energy Assistance Program.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. The act of June 13, 1967 (P.L.31, No.21), known
8 as the Public Welfare Code, is amended by adding a section to
9 read:

10 Section 215. Low Income Home Energy Assistance Program.--(a)
11 Within one hundred eighty days of the effective date of this
12 subsection, in administering the program, the department shall
13 do all of the following:

14 (1) Issue photographic identification cards to grantees.

15 (2) Establish a computerized income eligibility verification
16 system as set forth in subsection (b) in order to eliminate
17 duplication of grants and to deter fraud.

18 (b) The department shall require that as a condition of

1 receiving a grant, the grantee must supply the grantee's social
2 security number and the social security numbers of all of the
3 members of the grantee's household. The department shall match
4 the social security numbers with the following:

5 (1) Unearned income information maintained by the Internal
6 Revenue Service.

7 (2) Employer quarterly reports of income and unemployment
8 insurance benefit payment information maintained by the
9 Commonwealth.

10 (3) Earned income information maintained by the Social
11 Security Administration.

12 (4) Immigration status information maintained by the
13 Citizenship and Immigration Services.

14 (5) Death register information maintained by the Social
15 Security Administration.

16 (6) Prisoner information maintained by the Social Security
17 Administration.

18 (7) Public housing and "Section 8" payment information
19 maintained by the Department of Housing and Urban Development.

20 (8) National fleeing felon information maintained by the
21 Federal Bureau of Investigation.

22 (9) Wage reporting and similar information maintained by
23 states contiguous to this Commonwealth.

24 (10) Beneficiary Data Exchange (BENDEX) Title H database
25 maintained by the Social Security Administration.

26 (11) Beneficiary Earnings Exchange Report (BEER) database
27 maintained by the Social Security Administration.

28 (12) State New Hire database maintained by the Commonwealth.

29 (13) National New Hire database maintained by the Federal
30 Government.

1 (14) State Data Exchange (SDX) database maintained by the
2 Social Security Administration.

3 (15) Veterans Benefits and Veterans Medical (PARIS)
4 maintained by the Department of Veterans Affairs with
5 coordination through the Department of Health and Human
6 Services.

7 (16) Day care subsidy payments maintained by the
8 Commonwealth.

9 (17) Program reporting utility expenses maintained by the
10 Commonwealth.

11 (18) The database of all persons who currently hold a
12 license, permit or certificate from a Commonwealth agency the
13 cost of which exceeds one thousand dollars (\$1,000).

14 (19) A database which is substantially similar to or a
15 successor of a database set forth in this subsection.

16 (c) Notwithstanding any provision of law to the contrary,
17 the income eligibility verification system shall be utilized for
18 a grantee at the time of application for a grant and every time
19 the grantee or a member of the grantee's household applies for a
20 grant.

21 (d) The department shall notify each grantee of the
22 requirement of providing a social security number for the
23 grantee and for each member of the grantee's household at the
24 time of application for a grant and as otherwise required under
25 the provisions of this section.

26 (e) If there is a significant discrepancy, the department
27 shall review the case and shall investigate the circumstances to
28 confirm eligibility of the grantee utilizing the procedure set
29 forth in subsection (f).

30 (f) The department shall institute the following procedure

1 to investigate the circumstances of a significant discrepancy:

2 (1) If the information discovered under subsection (b) does
3 not result in ineligibility or modification of the amount or
4 type of grant, the department shall take no further action.

5 (2) If paragraph (1) does not apply and there is a
6 significant discrepancy, the grantee shall be given an
7 opportunity to explain the significant discrepancy. The
8 department shall provide written notice to the grantee
9 describing in sufficient detail the circumstances of the
10 significant discrepancy, the opportunity to resolve it, the
11 manner in which it may be resolved and the consequences of
12 failing to take action. The explanation of the grantee may be
13 given over the telephone, as set forth in subsection (i), in
14 person or in writing. After receiving the explanation, the
15 department may request additional documentation if it determines
16 that there is a substantial risk of fraud.

17 (3) If the grantee does not respond to the notice, the
18 department shall deny the grant for failure to cooperate, in
19 which case the department shall provide notice of intent to
20 discontinue the grant. Eligibility for a grant shall not be
21 reestablished until the significant discrepancy has been
22 resolved.

23 (4) If the grantee disagrees with the findings of the match
24 between the social security number and the database, the
25 department shall reinvestigate the matter. If the department
26 finds that there has been an error, the department shall take
27 immediate action to correct it; and no further action shall be
28 taken. If, after investigation, the department determines that
29 there is no error, the department shall determine the effect of
30 the match on the case and take appropriate action. Written

1 notice of the department's action shall be given to the grantee.

2 (5) If the grantee agrees with the findings of the match
3 between the Social Security number and the database, the
4 department shall determine the effect on the case and take
5 appropriate action. Written notice of the department's action
6 shall be given to the grantee.

7 (6) If the findings of a match between the Social Security
8 number and the database result in no change in eligibility or
9 overpayment, the department shall take no further action.

10 (g) If a discrepancy which is not a significant discrepancy
11 results between a grantee's Social Security number or a Social
12 Security number of a member of the grantee's household and a
13 database set forth in subsection (b), the department may review
14 the case and may investigate the circumstances to confirm
15 eligibility of the grantee utilizing the procedure set forth in
16 subsection (f).

17 (h) In no case shall the department discontinue or modify
18 the amount or type of grant solely as a result of a match
19 between a grantee's social security number and a database.
20 Nothing in this subsection shall be construed to limit the right
21 of appeal provided by law.

22 (i) Within one hundred eighty days of the effective date of
23 this subsection, the department shall establish a single
24 Statewide toll-free telephone number and call center to be used
25 by grantees to resolve discrepancies. The call center shall have
26 sufficient capacity and staff to promptly handle incoming
27 telephone calls, and the department shall assign sufficient
28 numbers of caseworkers to enable the department to make prompt
29 eligibility determinations under this section.

30 (j) No later than one year after the effective date of this

1 section and every year thereafter, the department shall provide
2 a written report to the Governor, the General Assembly and the
3 State Inspector General detailing the results achieved under
4 this section and the amount of case closures and savings that
5 resulted.

6 (k) The following apply:

7 (1) Subject to paragraph (2), for a county with only one
8 county assistance office or crisis contractor, a grantee who is
9 a resident of that county must apply for a grant and receive a
10 grant from that county assistance office or crisis contractor.

11 (2) Notwithstanding paragraph (1), a grantee who lives in a
12 county with only one county assistance office or crisis
13 contractor may apply for a grant and receive a grant from a
14 county assistance office or crisis contractor which is located
15 in a county contiguous to the grantee's county of residence if
16 the county assistance office or crisis contractor in the
17 contiguous county is closer to the residence of the grantee, by
18 the most direct travel route, than the county assistance office
19 or crisis contractor in the county in which the grantee resides.

20 (3) For a county with more than one county assistance office
21 or crisis contractor, a grantee who is a resident of the county
22 must apply for and receive a grant from the county assistance
23 office or crisis contractor which is closest, by the most direct
24 travel route, to the residence of the grantee.

25 (l) There is hereby established within the department, the
26 Office of Program Compliance for the Low Income Home Energy
27 Assistance Program. The office shall be administered by a
28 director who shall be appointed by the Governor with the advice
29 and consent of a majority of the members of the Senate. The
30 director may hire professional and other staff as necessary to

1 carry out the powers and duties of the office as set forth in
2 subsection (m).

3 (m) The Office of Program Compliance for the Low Income Home
4 Energy Assistance Program shall have the following powers and
5 duties:

6 (1) To monitor the department's administration of the
7 program, including the performance of the county assistance
8 offices and the crisis contractors. In fulfilling its duties
9 under this paragraph, the office shall review the procedure for
10 approving applications, rejecting applications, inputting data,
11 training of staff of the county assistance offices and crisis
12 contractors, and overseeing the actions of staff of the county
13 assistance offices and crisis contractors on the part of
14 managers and other senior staff of the county assistance offices
15 and crisis contractors. In addition, the office shall assess the
16 adequacy and use of the computer system used to administer the
17 program.

18 (2) To recommend and require changes regarding the
19 performance of the department, the county assistance offices and
20 the crisis contractors regarding the administration of the
21 program.

22 (3) To receive and review reports submitted to the Office of
23 Income Maintenance regarding the program by the county
24 assistance offices and the crisis contractors.

25 (4) To audit applications and rejected applications and
26 other material related to the program and conduct other audit
27 functions in order to determine whether the program is being
28 administered properly. In fulfilling the requirements of this
29 paragraph, the office shall select applications and rejected
30 applications and other material to be audited. In no case may

1 the county assistance office or the crisis contractor choose the
2 applications or rejected applications or other material to be
3 audited by the office.

4 (5) To conduct inspections of county assistance offices and
5 crisis contractors. The office shall conduct an inspection of
6 one quarter of the county assistance offices and crisis
7 contractors at least once every four years. The office shall
8 conduct unannounced inspections of county assistance offices and
9 crisis contractors on an ongoing and random basis. The offices
10 shall conduct unannounced inspections of county assistance
11 offices and crisis contractors when the office suspects that the
12 program is not being administered properly and there is a
13 potential for fraud.

14 (6) To conduct audits and reviews of the program in such a
15 way as to allow an independent audit by the Auditor General or
16 other auditing agency.

17 (7) To keep records of its duties in an electronic form.

18 (8) To refer cases to the Attorney General or the State
19 Inspector General when the director believes fraud exists in the
20 program.

21 (9) To report to the Governor, State Inspector General,
22 secretary and the General Assembly every two years regarding its
23 duties, including instances of fraud and the potential for
24 fraud, and to recommend changes to the program.

25 (n) Within one hundred eighty days of the effective date of
26 this subsection, the department shall create and develop
27 training materials and manuals regarding the proper
28 administration of the program and distribute the materials and
29 manuals to each county assistance office and crisis contractor.
30 The department shall conduct training sessions for managers,

1 senior staff, and other staff of the county assistance office
2 and crisis contractors responsible for the administration of the
3 program.

4 (o) Every sixty days the secretary shall submit a report to
5 the Governor, the President pro tempore of the Senate, the
6 majority chairman and minority chairman of the Public Health and
7 Welfare Committee of the Senate and the majority chairman and
8 minority chairman of the Health and Human Services Committee of
9 the House of Representatives regarding the progress made with
10 respect to the department's duties under subsection (n). In
11 addition, the report shall be published in the Pennsylvania
12 Bulletin.

13 (p) The Auditor General shall have the following powers and
14 duties:

15 (1) The Auditor General shall conduct a thorough
16 performance audit of the manner in which the department and
17 the office are implementing this act and the program which
18 shall be completed within one year after the effective date
19 of this section. Thereafter, the Auditor General shall
20 conduct such performance audits at intervals of not less than
21 five years from the date of completing the immediately
22 preceding performance audit required under this paragraph.
23 The department shall make all records, documents and other
24 information available for the inspection of the Auditor
25 General that reasonably relate to the conduct of the
26 performance audit prescribed in this section.

27 (2) The audit shall address, in detail, the adequacy of
28 the performance of the department and the office with respect
29 to each of the administrative and regulatory activities
30 described in this section and shall make detailed

1 recommendations to the office, the department, the Governor
2 and the General Assembly for remedial and regulatory changes
3 in the program that will further the purposes of this act.

4 (3) The office shall implement each of the
5 recommendations in the performance audit unless the director
6 and the secretary jointly make a written finding setting out
7 in detail for each recommendation the specific reasons why
8 the director and the secretary have jointly refused to
9 implement any recommendation of the Auditor General.

10 (4) A copy of each performance audit conducted pursuant
11 to paragraph (1) and each written finding made pursuant to
12 paragraph (3) shall be transmitted to the department, the
13 office, the Governor, the State Inspector General, the
14 Attorney General, the chair and minority chair of the
15 Appropriations Committee of the Senate, the chair and
16 minority chair of the Appropriations Committee of the House
17 of Representatives, the chair and minority chair of the
18 Public Health and Welfare Committee of the Senate and the
19 chair and minority chair of the Health and Human Services
20 Committee of the House of Representatives. A copy of the
21 performance audit and the written findings rejecting any
22 recommendations shall be made available for public inspection
23 and copying and the written findings of the secretary and the
24 director shall be published in the Pennsylvania Bulletin.

25 (5) The Auditor General shall transmit any information
26 uncovered during the conduct of the performance audit
27 relating to fraud to the department, the office, the Attorney
28 General and the State Inspector General.

29 (q) The Legislative Budget and Finance Committee shall
30 conduct a thorough performance audit of the manner in which the

1 department, the office and the Auditor General are implementing
2 this act and the program which shall be completed within three
3 years after the effective date of this section. Thereafter the
4 Legislative Budget and Finance Committee shall conduct such
5 performance audits at intervals of not less than ten years from
6 the date of completing the immediately preceding performance
7 audit required under this subsection. A copy of each performance
8 audit conducted by the Legislative Budget and Finance Committee
9 shall be transmitted to the public officials specified in
10 subsection (p)(4).

11 (r) As used in this section, the following words and phrases
12 shall have the following meanings:

13 "Grant" means a cash grant or crisis grant under the Low
14 Income Home Energy Assistance Program.

15 "Grantee" means an individual who applies for a grant or upon
16 whose behalf the Department of Public Welfare approves a grant,
17 irrespective of whether the grant is paid to the individual or
18 to a vendor.

19 "Program" means the Low Income Home Energy Assistance
20 Program.

21 "Significant discrepancy" means information regarding assets,
22 income, resources or status of an individual, derived from a
23 database in subsection (b), which gives the Department of Public
24 Welfare grounds to suspect that either:

25 (1) the individual is ineligible to participate in the Low
26 Income Home Energy Assistance Program under Federal or State
27 law; or

28 (2) the assets, income or resources of the individual are at
29 least, in terms of a dollar amount, twenty-five percent greater
30 than the dollar amount reflected in the information the

1 department possesses about the individual with respect to the
2 individual's assets, income or resources.

3 "Status" means being in the United States illegally, being
4 dead, being an inmate in a prison or jail or being a fleeing
5 felon.

6 "Vendor" means an agent or person that directly distributes
7 home heating energy or services in exchange for payment. The
8 term does not include landlords, housing authorities, hotel
9 managers or proprietors, rental agents, energy suppliers or
10 generators or another person who is not a direct distributor of
11 home heating energy or service.

12 Section 2. This act shall take effect immediately.