



Department of Human Resources  
311 West Saratoga Street  
Baltimore MD 21201

Family Investment Administration  
**ACTION TRANSMITTAL**

Control Number: 07-25

Effective Date: April 11, 2007

Issuance Date: April 26, 2007

**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES  
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT  
FAMILY INVESTMENT SUPERVISORS AND CASE MANAGERS**

**FROM: KEVIN M. MCGUIRE, EXECUTIVE DIRECTOR**

**RE: ALLOWING THE STANDARD UTILITY ALLOWANCE FOR  
HOUSEHOLDS THAT RECEIVE MARYLAND ENERGY ASSISTANCE  
PROGRAM PAYMENTS (MEAP)**

**PROGRAM AFFECTED: FOOD STAMP PROGRAM**

**ORIGINATING OFFICE: OFFICE OF PROGRAMS**

**SUMMARY:**

According to food stamp policy, a household that is billed separately for heat or cooling receives the standard utility allowance (SUA). Federal policy states that households receiving direct or indirect assistance under the Low Income Home Energy Assistance Act of 1981 (LIHEAA) are also eligible for the SUA. LIHEAA funds the Maryland Energy Assistance Program (MEAP). In most instances, households that receive MEAP are billed separately for heat or cooling and, because of this, are eligible for the SUA.

We recently learned that MEAP does make payments for eligible households when heat is included in the rent. These households are eligible for the SUA even if their heating or cooling expense is not separate from the rent cost. When the landlord receives a MEAP payment on behalf of the renter, the landlord is supposed to reduce the rent to reflect the MEAP payment.

**ACTION REQUIRED:**

- When a food stamp household reports receipt of a MEAP benefit, the household is eligible for the SUA regardless of whether the heat and/or cooling cost is separate from the rent.
- If a household reports receipt of a MEAP benefit in the past heating season, and it expects to receive it again in the next heating season, the household is eligible for the SUA.
- Since Maryland's SUA is an annual one, the household's receipt or expectation of

receiving MEAP entitles it to the SUA for the entire year.

- If the landlord reduces the rent to reflect receipt of the MEAP payment, allow the reduced amount for the rental cost. This is because the reduced amount for rent is now the billed rent.
- If two households live in a rental unit that has heat included in the rent and they receive MEAP, they can each get the SUA.

Examples:

Ms. A applied for food stamps on February 28. Her rent includes heat. She reported receipt of a MEAP payment in January for this heating season. She is entitled to the SUA for the entire year.

Ms. B applied for food stamps on January 5. Her heat is included in the rent. She reported that last year she had received MEAP to help with heat in her house and she plans to apply again this year. The case manager anticipates that she will receive MEAP for the new heating season and allows the SUA.

### **PAYMENT ACCURACY:**

This policy is potentially error prone. Thorough narration is important in preventing errors.

If a household paying rent that includes heat reports a MEAP payment the case manager must allow the SUA. The case manager must also allow the SUA if the household anticipates getting the MEAP benefit during the certification period.

Question: What if the case manager anticipates the household will get MEAP and allows the SUA, but it does not receive the benefit? Is this a Quality Control (QC) error?

Answer: If the case manager reasonably anticipated the MEAP benefit, allowed the SUA and **clearly narrated the decision**, there is no QC error in the SUA.

Question: What if the case manager did not allow the SUA for a renter whose heat is included in the rent because he could not anticipate receipt of the MEAP benefit, but the household did get it. Is this a QC error?

Answer: If the case manager reasonably anticipated that the household would not get the benefit and **clearly narrated the decision**, there is no QC error.

### **ACTION DUE:**

This policy is effective April 1, 2007.

### **INQUIRIES:**

Direct policy food stamp questions to Kay Finegan at 410-767-7939 or Rick McClendon

at 410-767-7307.

cc: FIA Management Staff  
Constituent Services  
DHR Systems Support Center