
***Low Income Home Energy
Assistance***

Information Memorandum

U.S. Department of Health and Human Services
Administration for Children and Families
Office of Community Services
Division of Energy Assistance
330 C Street, SW, 5th Floor
Mail Room 5425
Washington, D.C. 20201
<http://www.acf.hhs.gov/programs/ocs/liheap>

Transmittal No. LIHEAP-IM-2017-02

Date: June 26, 2017

TO: LOW INCOME HOME ENERGY ASSISTANCE PROGRAM
(LIHEAP) GRANTEES AND OTHER INTERESTED PARTIES

GUIDANCE INTENDED FOR: X STATES
 X TRIBES/TRIBAL ORGANIZATIONS
 X TERRITORIES

SUBJECT: U.S. Department of Health and Human Services (HHS) Poverty Guidelines for Optional Use in Federal Fiscal Year (FFY) 2017 LIHEAP Programs and Mandatory Use in FFY 2018 LIHEAP Programs

RELATED REFERENCES: (1) The Low Income Home Energy Assistance Act, Title XXVI of the Omnibus Budget Reconciliation Act of 1981, Public Law 97-35, as amended;
(2) 45 CFR 96.85 (a), Income Eligibility — Final Rule, published in the **Federal Register** March 3, 1988 (53 FR 6827) and amended October 15, 1999 (64 FR 55858);
(3) Annual Update of the HHS Poverty Guidelines, **Federal Register** notice dated January 31, 2017 (82 FR 8831-8832).

PURPOSE: To provide LIHEAP-specific updates to the HHS Poverty Guidelines, (also called the Federal Poverty Guidelines or FPG), which the Office of the Assistant Secretary for Planning and Evaluation (ASPE) of HHS issued on January 31, 2017. LIHEAP grantees that base their income-eligibility criteria on FPG may use such guidelines for their FFY 2017 programs and must use such guidelines for their FFY 2018 programs.

To provide LIHEAP-specific adjustments to the HHS Poverty Guidelines for recommended use by the Commonwealth of Puerto Rico and the other U.S. territories that provide LIHEAP assistance in FFY 2017.

BACKGROUND: Section 2605(b)(2)(B) of P.L. 97-35, 42 U.S.C. § 8624(b)(8)(B), establishes the following requirements that LIHEAP grantees must follow in setting the income-eligibility criteria of their programs:

(1) Grantees may make eligible solely on the basis of household income which does not exceed the greater of—

(A) an amount equal to 150 percent of FPG for the State; or

- (B) an amount equal to 60 percent of the State Median Income (SMI) for the State; and
- (2) Grantees may not exclude from eligibility solely on the basis of household income which falls below 110 percent of FPG for such State—though grantees may give priority to those households with the highest home energy costs or needs in relation to household income.

CONTENT:

ASPE updated the FPG in a **Federal Register** notice that was published on January 31, 2017. [Attachment 1](#) presents the text of this notice.

LIHEAP grantees that use FPG to set their income-eligibility criteria are to adopt these guidelines indicated below..

Optional Use

LIHEAP grantees may adopt these guidelines at any time on or after January 31, 2017 (the date of publication in the Federal Register) and September 30, 2017 (the end of FFY 2017).

Mandatory Use

LIHEAP grantees must adopt these guidelines by no later than October 1, 2017 (the beginning of FFY 2018) or the beginning of a grantee's 2018 fiscal year, whichever is later.

Federal Income Eligibility Range

All LIHEAP grantees must set their income-eligibility criteria between 110 percent of these guidelines and the greater of (1) 150 percent of these guidelines; and (2) 60 percent of State Median Income (SMI). The Health and Human Services Poverty Guidelines (HHSPG) limits are shown in [Attachment 2](#). HHS plans to publish LIHEAP's 60 percent of SMI criteria.

Household

Household is defined as “any individual or group of individuals who are living together as one economic unit for whom residential energy is customarily purchased in common or who make undesignated payments for energy in the form of rent.”

Income

The LIHEAP statute does not define income. Generally, income means gross income, but a number of states use net income to deduct for medical expenses over a certain level, or for some limited expenses associated with employment such as child care.

Program Eligibility Criteria

LIHEAP grantees have the option to establish additional requirements for income-eligible households to be eligible for LIHEAP, such as responsibility for home energy costs, completion of an application by a certain deadline, an assets test, or age or health problems.

Territorial Guidelines

HHS does not issue poverty guidelines for federal programs in the territories. HHS has indicated that federal programs are generally responsible for deciding whether to use the Continental United States poverty guidelines for the territories or follow some other procedure (as referenced in “Annual Update of the HHS Poverty Guidelines,” **Federal Register**, Vol. 82, No. 19, January 31, 2017, p. 8831 (Attachment A).

DEA has developed an approach to adjust annually the HHS poverty guidelines for the Commonwealth of Puerto Rico’s use in determining LIHEAP income eligibility (see Attachment 3). A similar adjustment cannot be made for the other territories at this time. DEA recommends that the territories use the adjusted poverty guidelines provided in in [Attachment 3](#) in determining LIHEAP income eligibility for FFY 2017.

ATTACHMENTS:

- (1) The **Federal Register** notice announcing the annual update of the Federal Poverty Guidelines, published on January 31, 2017 (82 FR 8831-8832)
- (2) 100 percent, 110 percent, 150 percent of these Federal Poverty Guidelines, adjusted by family size
- (3) 100 percent, 110 percent, 150 percent of DEA Adjusted Poverty Guidelines, adjusted by family size, Commonwealth of Puerto Rico

INQUIRIES

TO:

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/s

J. Janelle George
Acting Director
Office of Community Services

[Federal Register Volume 82, Number 19 (Tuesday, January 31, 2017)]

[Notices]

[Pages 8831-8832]

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[FR Doc No: 2017-02076]

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

Annual Update of the HHS Poverty Guidelines

AGENCY: Department of Health and Human Services.

ACTION: Notice.

SUMMARY: This notice provides an update of the Department of Health and Human Services (HHS) poverty guidelines to account for last calendar year's increase in prices as measured by the Consumer Price Index.

DATES: *Effective Date:* January 26, 2017, unless an office administering a program using the guidelines specifies a different effective date for that particular program.

ADDRESSES: Office of the Assistant Secretary for Planning and Evaluation, Room 404E, Humphrey Building, Department of Health and Human Services, Washington, DC 20201.

FOR FURTHER INFORMATION CONTACT: For information about how the guidelines are used or how income is defined in a particular program, contact the Federal, state, or local office that is responsible for that program. For information about poverty figures for immigration forms, the Hill-Burton Uncompensated Services Program, and the number of people in poverty, use the specific telephone numbers and addresses given below.

For general questions about the poverty guidelines themselves, contact Suzanne Macartney, Office of the Assistant Secretary for Planning and Evaluation, Room 422F.3, Humphrey Building, Department of Health and Human Services, Washington, DC 20201—telephone: (202) 690-6143—or visit <http://aspe.hhs.gov/poverty/>.

For information about the percentage multiple of the poverty guidelines to be used on immigration forms such as USCIS Form I-864, Affidavit of Support, contact U.S. Citizenship and Immigration Services at 1-800-375-5283.

For information about the Hill-Burton Uncompensated Services Program (free or reduced-fee health care services at certain hospitals and other facilities for persons meeting eligibility criteria involving the poverty guidelines), contact the Health Resources and Services Administration Information Center at 1-800-275-4772. You also may visit <http://www.hrsa.gov/gethealthcare/affordable/hillburton/>.

For information about the number of people in poverty, visit the Poverty section of the Census Bureau's Web site at <http://www.census.gov/hhes/www/poverty/poverty.html> or contact the Census Bureau's Customer Service Center at 1-800-923-8282 (toll-free) or visit <https://ask.census.gov> for further information.

SUPPLEMENTARY INFORMATION:

Background

Section 673(2) of the Omnibus Budget Reconciliation Act (OBRA) of 1981 ([42 U.S.C. 9902\(2\)](#)) requires the Secretary of the Department of Health and Human Services to update the poverty guidelines at least annually, adjusting them on the basis of the Consumer Price Start Printed Page 8832Index for All Urban Consumers (CPI-U). The poverty guidelines are used as an eligibility criterion by the Community Services Block Grant program and a number of other Federal programs. The poverty guidelines issued here are a simplified version of the *poverty thresholds* that the Census Bureau uses to prepare its estimates of the number of individuals and families in poverty.

As required by law, this update is accomplished by increasing the latest published Census Bureau poverty thresholds by the relevant percentage change in the Consumer Price Index for All Urban Consumers (CPI-U). The guidelines in this 2017 notice reflect the 1.3 percent price increase between calendar years 2015 and 2016. After this inflation adjustment, the guidelines are rounded and adjusted to standardize the differences between family sizes. In rare circumstances, the rounding and standardizing adjustments in the formula result in small decreases in the poverty guidelines for some household sizes even when the inflation factor is not negative. In cases where the year-to-year change in inflation is not negative and the rounding and standardizing adjustments in the formula result in reductions to the guidelines from the previous year for some household sizes, the guidelines for the affected household sizes are fixed at the prior year's guidelines. As in prior years, these 2017 guidelines are roughly equal to the poverty thresholds for calendar year 2016 which the Census Bureau expects to publish in final form in September 2017.

The poverty guidelines continue to be derived from the Census Bureau's current official poverty thresholds; they are not derived from the Census Bureau's Supplemental Poverty Measure (SPM).

The following guideline figures represent annual income.

2017 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA

Persons in family/household	Poverty guideline
1	\$12,060
2	16,240
3	20,420
4	24,600
5	28,780

Persons in family/household	Poverty guideline
6	32,960
7	37,140
8	41,320

For families/households with more than 8 persons, add \$4,180 for each additional person.

2017 POVERTY GUIDELINES FOR ALASKA

Persons in family/household	Poverty guideline
1	\$15,060
2	20,290
3	25,520
4	30,750
5	35,980
6	41,210
7	46,440
8	51,670

For families/households with more than 8 persons, add \$5, 230 for each additional person.

2017 POVERTY GUIDELINES FOR HAWAII

Persons in family/household	Poverty guideline
1	\$13,860
2	18,670
3	23,480
4	28,290
5	33,100
6	37,910
7	42,720
8	47,530

For families/households with more than 8 persons, add \$4, 810 for each additional person.

Separate poverty guideline figures for Alaska and Hawaii reflect Office of Economic Opportunity administrative practice beginning in the 1966-1970 period. (Note that the Census Bureau poverty thresholds—the version of the poverty measure used for statistical purposes—have never had separate figures for Alaska and Hawaii.) The poverty guidelines are not defined for Puerto Rico or other outlying jurisdictions. In cases in which a Federal program using the poverty guidelines serves any of those jurisdictions, the Federal office that administers the program is generally responsible for deciding whether to use the contiguous-states-and-DC guidelines for those jurisdictions or to follow some other procedure.

Due to confusing legislative language dating back to 1972, the poverty guidelines sometimes have been mistakenly referred to as the “OMB” (Office of Management and Budget) poverty guidelines or poverty line. In fact, OMB has never issued the guidelines; the guidelines are issued each year by the Department of Health and Human Services. The poverty guidelines may be formally referenced as “the poverty guidelines updated periodically in the **Federal Register** by the U.S. Department of Health and Human Services under the authority of [42 U.S.C. 9902\(2\)](#).”

Some federal programs use a percentage multiple of the guidelines (for example, 125 percent or 185 percent of the guidelines), as noted in relevant authorizing legislation or program regulations. Non-Federal organizations that use the poverty guidelines under their own authority in non-Federally-funded activities also may choose to use a percentage multiple of the guidelines.

The poverty guidelines do not make a distinction between farm and non-farm families, or between aged and non-aged units. (Only the Census Bureau poverty thresholds have separate figures for aged and non-aged one-person and two-person units.)

Note that this notice does not provide definitions of such terms as “income” or “family,” because there is considerable variation in defining these terms among the different programs that use the guidelines. These variations are traceable to the different laws and regulations that govern the various programs. This means that questions such as “Is income counted before or after taxes?”, “Should a particular type of income be counted?”, and “Should a particular person be counted as a member of the family/household?” are actually questions about how a specific program applies the poverty guidelines. All such questions about how a specific program applies the guidelines should be directed to the entity that administers or funds the program, since that entity has the responsibility for defining such terms as “income” or “family,” to the extent that these terms are not already defined for the program in legislation or regulations.

Dated: January 26, 2017.

Norris Cochran,
Acting Secretary of Health and Human Services.

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BILLING CODE 4150-05-P

100 PERCENT, 110 PERCENT AND 150 PERCENT OF THE
DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) POVERTY GUIDELINES
PUBLISHED ON JANUARY 31, 2017

*For Optional Use In Federal Fiscal Year (FFY) 2017 and Mandatory Use in FFY 2018 Federal
Energy Assistance Programs*

For All States Except Alaska and Hawaii, and for the District of Columbia

Size of household	100 Percent of HHS Poverty Guidelines	110 Percent of HHS Poverty Guidelines	150 Percent of HHS Poverty Guidelines
1	\$12,060	\$13,266	\$18,090
2	16,240	17,864	24,360
3	20,420	22,462	30,630
4	24,600	27,060	36,900
5	28,780	31,658	43,170
6	32,960	36,256	49,440
7	37,140	40,854	55,710
8	41,320	45,452	61,980

For households at 110 percent of HHS poverty guidelines with more than 8 members add \$4,598 for each additional member. For households at 150 percent of HHS poverty guidelines with more than 8 members add \$6,270 for each additional member.

For Alaska

Size of household	100 Percent of HHS Poverty Guidelines	110 Percent of HHS Poverty Guidelines	150 Percent of HHS Poverty Guidelines
1	\$15,060	\$16,566	\$22,590
2	20,290	22,319	30,435
3	25,520	28,072	38,280
4	30,750	33,825	46,125
5	35,980	39,578	53,970
6	41,210	45,331	61,815
7	46,440	51,084	69,660
8	51,670	56,837	77,505

For households at 110 percent of HHS poverty guidelines with more than 8 members add \$5,753 for each additional member. For households at 150 percent of HHS poverty guidelines with more than 8 members add \$7,845 for each additional member.

For Hawaii

Size of household	100 Percent of HHS Poverty Guidelines	110 Percent of HHS Poverty Guidelines	150 Percent of HHS Poverty Guidelines
1	\$13,860	\$15,246	\$20,790
2	18,670	20,537	28,005
3	23,480	25,828	35,220
4	28,290	31,119	42,435
5	33,100	36,410	49,650
6	37,910	41,701	56,865
7	42,720	46,992	64,080
8	47,530	52,283	71,295

For households at 110 percent of HHS poverty guidelines with more than 8 members add \$5,291 for each additional member. For households at 150 percent of HHS poverty guidelines with more than 8 members add \$7,215 for each additional member.

100 PERCENT, 110 PERCENT AND 150 PERCENT OF
DIVISION OF ENERGY ASSISTANCE'S ADJUSTED POVERTY GUIDELINES
DEVELOPED ON MARCH 29, 2017

For Use In LIHEAP by the Commonwealth of Puerto Rico and other Territories in FFY 2017¹

Size of household	100 Percent of HHS Poverty Guidelines	110 Percent of HHS Poverty Guidelines	150 Percent of HHS Poverty Guidelines
1	\$5,082	\$5,592	\$7,622
2	6,335	6,970	9,502
3	7,588	8,348	11,382
4	8,841	9,726	13,262
5	10,094	11,104	15,142
6	11,347	12,482	17,022
7	12,600	13,860	18,902
8	13,853	15,238	20,782

For households at 110 percent of the adjusted HHS poverty guidelines with more than 8 members add \$1,378 for each additional member. For households at 150 percent of the adjusted HHS poverty guidelines with more than 8 members add \$1,880 for each additional member.

¹HHS does not issue poverty guidelines for federal programs in the U.S. territories. HHS has indicated that federal programs are generally responsible for deciding whether to use the Continental United States poverty guidelines for the territories or follow some other procedure. See "Annual Update of the HHS Poverty Guidelines," *Federal Register*, Vol. 82, No. 19, January 31, 2017, p. 8831

Within the Office of Community Services, ACF, HHS, DEA has developed an approach to adjust the HHS poverty guidelines for the Commonwealth of Puerto Rico's use in determining income eligibility for LIHEAP. This approach involves using state median income data from the American Community Survey and from the Puerto Rico Community Survey to adjust the poverty guidelines of the Continental United States. Median income data is lacking for the other territories because a similar survey does not exist for those territories. Consequently, DEA recommends that those territories use the adjusted poverty guidelines developed annually for the Commonwealth of Puerto Rico in determining LIHEAP income eligibility.