In Crisis, In Need, or In Want? Impacts of Policy Change on Wisconsin’s Crisis Assistance

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ABSTRACT

The Wisconsin Department of Administration (DOA) administers the Wisconsin Home Energy Assistance Program (WHEAP) through a network of local agencies. WHEAP administers the federally funded Low Income Home Energy Assistance Program and the state’s Public Benefits Energy Assistance Program. The majority of WHEAP funds are distributed to participants through energy bill payment assistance (regular benefits), and crisis assistance.

Crisis assistance provides emergency and pro-active services to assist clients with home energy costs beyond the WHEAP regular benefit amount. Wide latitude is afforded to local agencies in the delivery of crisis assistance. Starting in fiscal year 2007, DOA established $1,000 as the maximum any household may receive in crisis assistance funds, unless an exception is approved by DOA. In addition, DOA is requiring clients to make a $25 payment to their utility/fuel provider before receiving crisis assistance.

This study characterizes households that received high crisis assistance benefits in fiscal year 2006, reviews agencies’ protocol on how they distribute crisis monies and the rationale for situations that warrant higher crisis benefits, and examines the impacts the policy changes will have on households and administering agencies.

Program database analysis and interviews with program managers and crisis recipients shows there is a real need for crisis assistance, and this assistance is reaching those in need of assistance beyond WHEAP. Households receiving higher crisis assistance benefits tend to have more financial constraints than those receiving lower benefits. There is also a lack of understanding among agencies on whether there are exceptions to the new cap.