



Fact Sheet

Making Customer Assistance Programs Accessible: Guidance for the Water Sector

Overview

Customer assistance programs like bill discounts, payment plans, and debt forgiveness make water more affordable and help prevent shutoffs. In the aftermath of the COVID-19 pandemic, relief funds from the CARES Act, Emergency Rental Assistance Program, American Rescue Plan, and other federal and state funds can also help struggling households pay back water bill arrears.

To receive utility assistance, low-income customers generally need to learn about the program, submit documents to prove eligibility, wait for approval, and periodically reapply. Most COVID relief funds require applicants to submit documentation proving financial hardship related to the pandemic. These processes may deter people in need from applying; research shows that administrative issues and red tape are one of the biggest barriers to participation in federal assistance programs.¹

Utilities can minimize shutoffs and increase their revenue stability by making it easier for people to access assistance programs. The following strategies lower the barriers for customers, simplify the process for utilities, and facilitate enrollment in assistance programs and payment plans. Utilities should consider implementing them with input from community-based organizations that represent low-income populations.

Opportunities for Action

Allow self-certification of eligibility.

Compiling the documents to certify income can be challenging, especially during a crisis. Allowing applicants to attest to financial hardship rather than submitting proof of income gets assistance to people faster. It also simplifies the process since they do not need to manage income data. This strategy can raise concerns about people enrolling who do not qualify, but there is a lack of research on this issue. Research on other low-income assistance programs is also hard to come by, but studies suggest that fraud is fairly low; for example, the fraud rate is about 1.5 percent for SNAP benefits² and two percent for unemployment insurance.³ While not directly comparable, these studies suggest that water assistance fraud may not be a major risk. Utilities can prioritize getting assistance to vulnerable customers and consider conducting audits to get better data on instances of fraud.

- At the height of the pandemic, **Seattle Public Utilities** allowed applicants to their [Utility Discount Program](#) to self-certify income.
- **Buffalo Water** allowed self-certification of income for enrollment in their [amnesty and assistance programs](#).

Protect CAP-enrolled customers from shutoffs and fees.

Customer assistance programs ease the cost burden for participants, but sometimes people still fall behind on their bills. Since utilities know that CAP participants are low-income, they can exempt these accounts from shutoffs. They can also waive late fees and reconnection fees, since households that cannot pay their bills will be burdened by additional charges. More research is still needed on how late fees affect payment behavior, but [a recent study from the Kentucky Public Services Commission](#) concluded that the moratorium on late fees during the pandemic has had no material effect on customer payments and recommended eliminating late fees entirely.

- **Chicago's** [Utility Bill Relief](#) program protects participants from shutoff eligibility.
- **Greater Cincinnati Water Works** offers payment plans for past due balances for customers to avoid shutoff. As long as a customer enrolls and keeps current with a payment plan and subsequent billed charges, they will be removed from the shutoff list.
- **Buffalo Water's** [Water Bill Amnesty Program](#) waives late fees and penalties for accounts in arrears. To qualify, customers need to make a down payment of 10 percent of the bill and enroll in a 12-month payment plan.
- **WSSC Water** waives late fees for participants in their [customer assistance programs](#) and for customers that successfully complete payment plans.

Cross-enroll households between utility programs.

Customers may qualify for multiple utility programs, like low-income assistance, emergency grants, discounts for senior citizens, leak adjustments, and more. Even if someone applies for one program, they may not be aware of the others. Once utilities have an applicant's information, they can enroll them in any other programs they qualify for to ensure they are getting the maximum amount of assistance.

Cross-enroll households in multiple income-qualified programs.

Water assistance programs often require the same documentation as other means-tested programs, so people may be filling out multiple applications with the same information. Utilities can create agreements to share information with other programs like LIHEAP, SNAP, Section 8, Medicaid, SSI, and others to automatically enroll qualified participants in water assistance programs. This can also be done in partnership with other city departments or non-profits that administer assistance programs.

- **Louisville MSD** partners with LIHEAP and SNAP to cross-enroll people in water assistance programs. Instead of asking applicants to submit documents, MSD first contacts LIHEAP to check whether they are verified.
- **Detroit Water and Sewerage Department** is partnering with the Detroit Department of Health and community organizations to provide housing services, water and food assistance, financial counseling, and mental and physical health services. The program enrolls households in all the programs and support services they need, tracks their progress, and adjusts services as needed.

Simplify application processes.

In addition to cross-enrolling applicants whenever possible, utilities can advocate for streamlining assistance program processes across departments and agencies. Utilities should aim to design applications for the people least likely to apply. Limiting the number of documents required makes applications easier and more accessible to undocumented people.

- **The City of Seattle** is launching a simple [universal application form](#) for multiple low-income assistance programs, including utility discounts. The form was [developed with support from Google](#).
- **The City of Los Angeles** recently launched [Angeleno Connect](#), a debit card and app that centralizes different city services in one platform, making it easier for customers to access their accounts and receive assistance.
- **Project Re:form**, a collaboration between the nonprofit Civilla and the Michigan Department of Health and Human Services, redesigned a low-income assistance program to be 80 percent shorter and easier to process.

User-test CAP applications.

To ensure that application forms are user-friendly, utilities can hold community focus groups to test the applications and offer feedback. Utilities can partner with community-based organizations to facilitate these focus groups and invite a diverse group of participants.

Partner with social services organizations to connect communities to CAPs.

Social services organizations work with low-income communities to enroll people in assistance programs like LIHEAP, SNAP, and TANF. Often, these organizations are not aware of water affordability programs that their clients qualify for. Utilities can partner with social services providers to increase enrollment in water assistance programs. These organizations can also provide helpful feedback on customer assistance strategies.

- **Neighborhood House**, an organization in Seattle, is partnering with **Seattle Public Utilities** to share information on utility assistance programs.
- **Interfaith Works**, an organization in Montgomery County, MD, and **WSSC Water** are partnering to share information with a local coalition of organizations providing emergency assistance to low-income people. These groups will also give the utility feedback on strengthening their programs.

Notes

- 1 Crystal Weedall FitzSimons, James D. Weill, and Lynn Parker, "Barriers That Prevent Low-Income People From Gaining Access to Food and Nutrition Programs" (Congressional Hunger Center, 2011), 2, <https://www.hungercenter.org/wp-content/uploads/2011/07/Barriers-to-Food-and-Nutrition-Programs-FRAC.pdf>.
- 2 Randy Alison Aussenberg, "Errors and Fraud in the Supplemental Nutrition Assistance Program (SNAP)," n.d., 64.
- 3 Eric Schnurer, "Just How Wrong Is Conventional Wisdom About Government Fraud?," The Atlantic, August 15, 2013, <https://www.theatlantic.com/politics/archive/2013/08/just-how-wrong-is-conventional-wisdom-about-government-fraud/278690/>.

Support for this project was provided by the Robert Wood Johnson Foundation and the Water Table as part of the US Water Alliance's Recovering Stronger Initiative. Views expressed here are those of the authors and do not reflect the policy or positions of the Robert Wood Johnson Foundation and/or the Water Table.

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