

The City of Philadelphia's Journey from Assistance to Affordability



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Roadmap

- History of Assistance
 - Tiered Assistance Program (TAP)
 - Creation
 - Original State
 - Current State
 - Future State
 - Commitment to Racial Equity
- 

Assistance has always been available
for those who need it



- Charitable Institution Discounts
- Senior Citizen Discounts
- Utility Emergency Services Fund
- Standard payment agreements
- Extended payment agreements
- Water Revenue Assistance Program ("WRAP")



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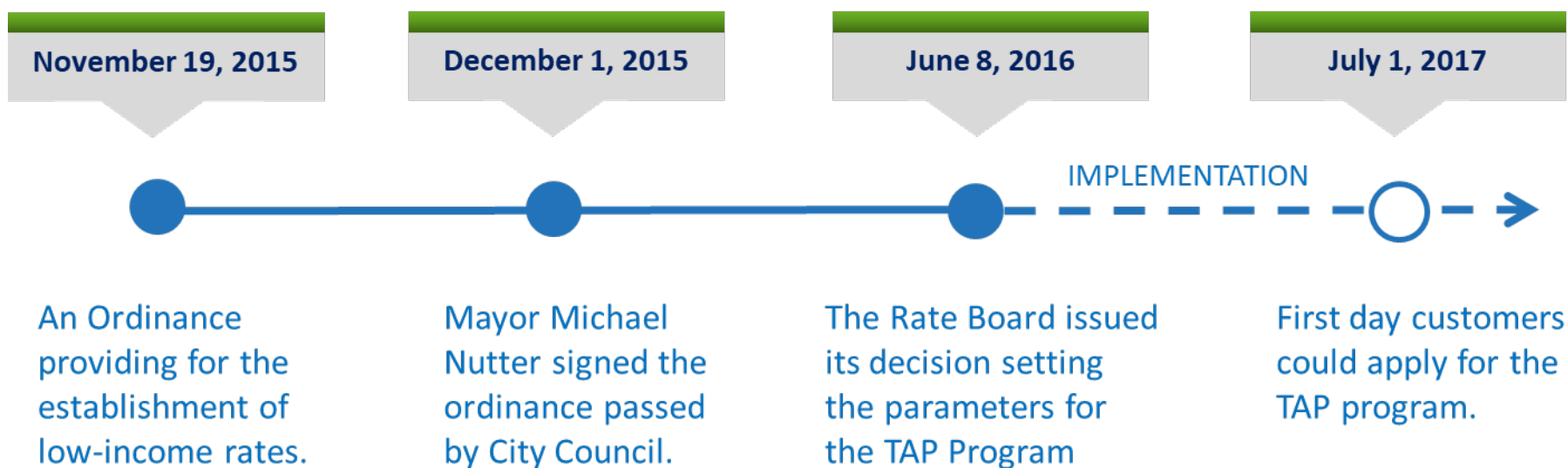
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The Road to Affordability: Tiered Assistance Program (TAP)

A City Council Ordinance combined with the Water, Sewer and Storm Water Rate Board's Rate Decision required the establishment of an assistance program that allows low-income customers to pay reduced rates based upon a percentage of their household income.



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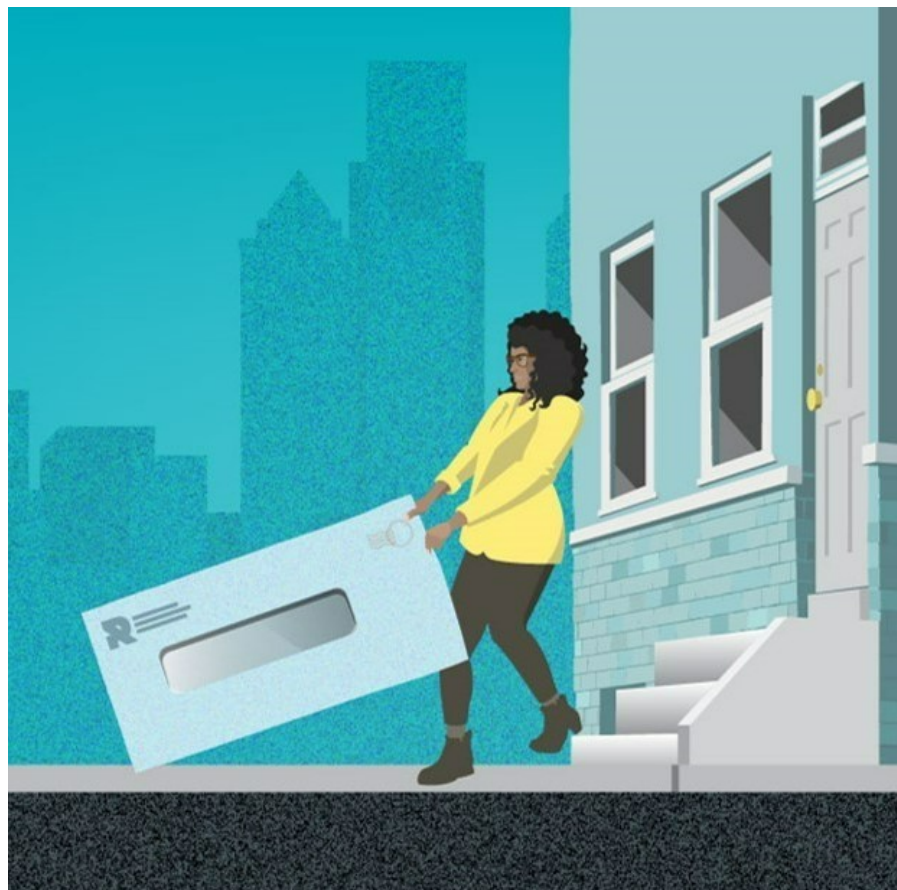


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Tiered Assistance Program Framework



Original State

- Eligibility
- Application
- Processing
- Benefits
- Cost



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Eligibility by Income at a Glance

TAP				Extended Payment Plan
Income 0-50% FPL	Income 51-100% FPL	Income 101-150% FPL	Income ≥151% FPL & Special Hardship	Income 151-250% FPL
Monthly bill capped at 2% of monthly income No payments toward arrears required	Monthly bill capped at 2.5% of monthly income No payments toward arrears required	Monthly bill capped at 3% of monthly income No payments toward arrears required	Monthly bill capped at 4% of monthly income No payments toward arrears required	Monthly payments toward arrears set so that total monthly bill is about 4% of monthly income



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TAP Application


- Paper application available in 10 languages (English, Spanish, Italian, Chinese (Simplified + Traditional), Portuguese, Vietnamese, Arabic, Russian, and Cambodian)
- Application available on the web (smart phone friendly) in English and Spanish

Customer Assistance Application

This form is used to apply for assistance, including Tiered Assistance Program (TAP), and Senior Citizen Discount. For customers currently enrolled in existing assistance programs, this form can also be used to apply for recertification.

How to Complete this Form

- 1. Read.** Read through the entire application first, including the Program Eligibility Guidelines.
- 2. Gather.** Use the checklist below to help make sure you've gathered all the information and documentation you'll need.
- 3. Fill & Sign.** Fill in the form. Sign the bottom section of Part 1 and Part 2, and sign any of the attachments that apply to your application.
- 4. Enclose.** Place copies of all required documentation in the envelope. Please **do not send originals**; supporting documents sent will **NOT** be returned.
- 5. Submit.** When you're finished, you can mail your completed form and documentation to us at:
**Water Revenue Bureau
Customer Assistance Unit P.O. Box 41496
Philadelphia, PA 19101-1496**

 **Tip:** Make a copy of your completed application and supporting documents for your files.

 **Don't delay!** Applications must be received within 14 days of requesting the form.

Application Checklist: Here's what you'll need to gather in order to fill out this application.

☐ Applicant & Household Info

We'll need **names, birth dates, monthly income amounts and social security numbers** for household members, including the applicant.

☐ Proof of Residency

The following, dated within the past 6 months, are examples of acceptable documentation. **ONLY ONE** is needed:

- 1. Current government issued ID**

☐ Income Documentation

The following are examples of acceptable documentation. You will need **ONE** of the following for **EACH** source of income in the household:

- 1. Prior year's federal income tax return**
OR
- 2. Pay stubs** (must be consecutive and cover at least 30 days)

FOR SPECIAL HARDSHIP ONLY:

☐ Hardship Documentation

The following are examples of acceptable documentation. **ONLY ONE** is needed:

- 1. Official document(s) demonstrating hardship claim, such as:**
 - **Birth or adoption certificate**
 - **Employment termination letter**
 - **Unemployment compensation statement**



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TAP Processing

- Custom built application processing system replaced prior manual/paper process
- Third party keys the paper applications and manages web applications
- CSRs select the best program using two-tier review system

Program	Monthly Amount
- TYPICAL STD BILL + STD PA TYPICAL STD BILL Amount STD PA Amount STD PA Months <i>Typical standard bill + Standard payment agreement</i>	<u>\$1,637.56</u> \$104.27 \$1,533.29 12
+ TYPICAL STD BILL + LONG STD PA	
- TAP INCOME <i>Tiered Assistance Program (TAP) based on income (G1TAPINC)</i>	\$45.37
+ SENIOR CITIZEN'S DISC	
+ WRBCC	

The TAP INCOME program has been selected.

The data displayed is as of 12/21/17 .

Previously Incomplete:	Yes	Monthly Income:	\$1,815.00
Account Balance:	\$18,399.47	Percent of FPL:	75.678 %
Household Size:	5	Previous Plan:	
Is Landlord:	No	Previous Plan End:	
Is Senior:	No	WRBCC Cure Amount:	N/A
Meter Size:	5/8	Usage Average:	22 ccf
Hardship:	Other	Usage Predicted:	10 ccf
Hardship Status:	Denied		



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TAP Benefits

- Past due amounts are suspended and not enforced upon while successfully enrolled in the program, preventing debt from increasing
- Bills do not go up based on usage, customers pay a set amount based on income
- No penalty charges for late payment
- Delinquent participants' service can be disconnected, with payment plans offered to avoid disconnection
- Earned forgiveness of pre-TAP penalties after 24 months of on-time payments
 - ▣ From August 2021 to April 2022: \$536,760.70 in penalty forgiven
- Water conservation assessment and free upgrades (low-flow toilets and aerators)



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Tiered Assistance Program Costs

- Expenses: wages + benefits, IT support, and overhead
- Discounts: the difference between the bill based on usage and the TAP bill

	FY18
Expenses*	\$7.3M
Discounts**	\$2.9M
Total	\$10.2M

* Source: PWD 2021 Rate case, Discovery Response Attachment PA-III 13 to 14

**Source: PWD 2021 Rate case, Discovery Response Attachment PA-III-11-B



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Tiered Assistance Program Framework



**More new
benefits
of water
assistance.**

Current State

- Eligibility: Same
- **Application: Updated**
- Processing: Same
- **Benefits: Updated**
- **Cost: Partial Recovery**



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TAP Application

- Updated application checklist to improve document collection
- Updated web application to include Simplified Chinese and added Google translation for the remaining seven (7) languages


Application Checklist: Here's what you'll need to gather in order to fill out this application.

- ☐  **Applicant & Household Info** We'll ask for names, birth dates, and monthly income amounts for household members, including the applicant. We also ask for social security or tax ID numbers, though they are not required.

- ☐  **Two Proofs of Residency** You will need **TWO (2) DIFFERENT** items from the bulleted list below. *Example: Many customers submit an ID with current address and two utility bills.*
 - Current government issued ID (like driver license or ID card) with current address.
 - Voter registration card.
 - Lease or six months of rent receipts.
 - TWO Utility bills (like WRB, PGW, PECO, cable, internet or phone) must include service and mailing addresses.
 - TWO Mortgage statements.
 - TWO Student loan billing statements.
 - TWO Bank statements.
 - Any of the Income Documentation types below, except income support form.

Must be dated in the last six months.

Same document can't be used for both Proof of Residency and Income Documentation.

- ☐  **Household Income Documentation** For **EACH** source of income in the household, you will need **ONE of the following**, dated in the last 12 months. *If you are reporting zero income, we will ask about how you pay for living expenses in Attachment B.*
 - Prior year's federal income tax return or W-2
 - Pay stubs (must be consecutive and cover at least 30 days)
 - Benefit award letters or statements (such as unemployment compensation printout, worker's compensation award, Social Security, pension, or welfare benefits)
 - Income support form (Attachment A)



If you're eligible due to a Special Hardship, additional documentation is required. See Attachment C.



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New TAP Benefits

- As we continue to grapple with the COVID pandemic and consider the financial stability of the utility, we will begin shutoffs in July but TAP customers and applicants will be protected from disconnection
- Added earned forgiveness of pre-TAP principal after 24 months of on-time payments
 - ▣ From August 2021 to April 2022: \$218,923.71 in principle forgiven
- Direct outreach to encourage TAP customers to apply for LIHWAP grants
 - ▣ Since January 2022, almost 3000 customers have received over \$4.5 M in grants



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Tiered Assistance Program Costs

- New cost recovery mechanism (rider) in September 2019
- Recover a portion of the discounts
- No recovery for forgiven principal or penalty

	FY18	FY19	FY20
Expenses*	\$7.3M	\$9.2M	\$8.8M
Discounts**	\$2.9M	\$9.0M	\$8.9M
Total	\$10.2M	\$18.1M	\$17.7M

* Source: PWD 2021 Rate case, Discovery Response Attachment PA-III 13 to 14

**Source: PWD 2021 Rate case, Discovery Response Attachment PA-III-11-B



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Tiered Assistance Program Framework



Future State

- Eligibility: Same?
- Application: Changing
- Processing: Changing
- Benefits: Changing
- Cost: Growing?



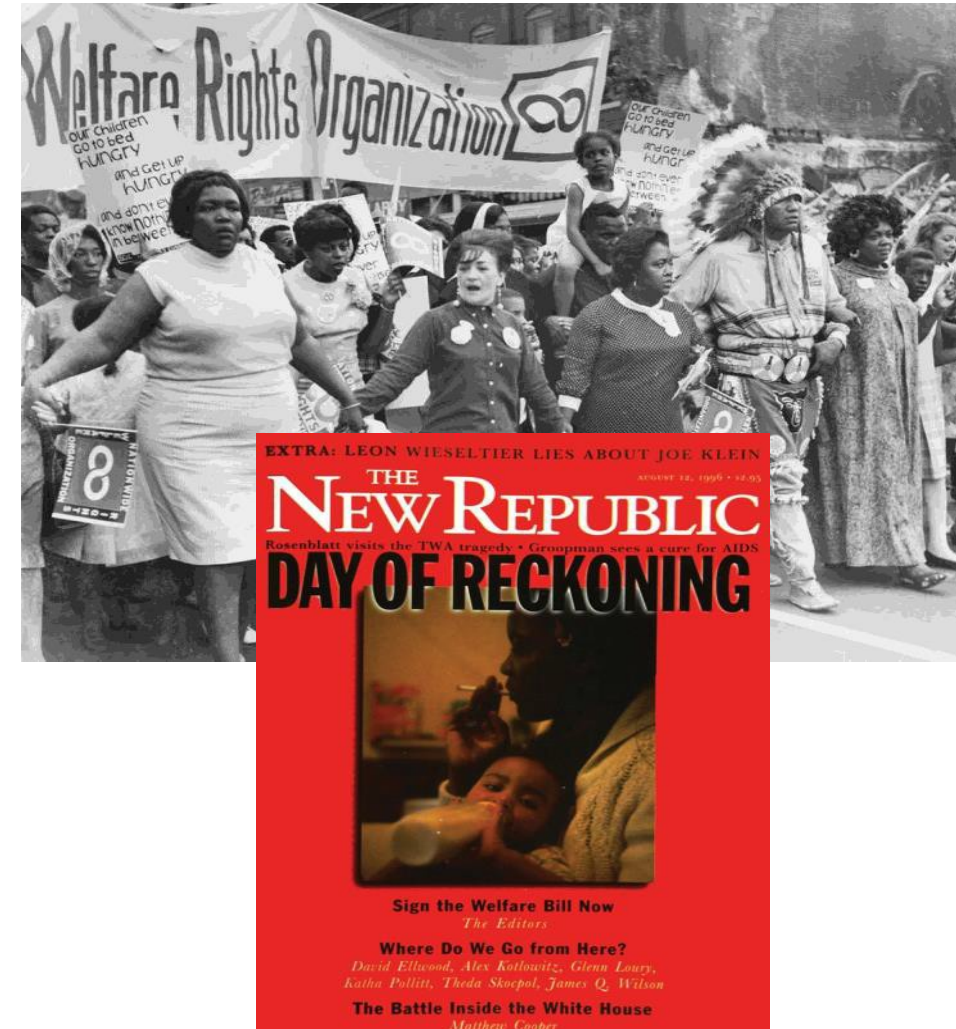
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The design of welfare programs is rooted in racist and punitive practices.

- **1920 - 30s:** Early welfare programs excluded Black people, particularly Black women, through discriminatory eligibility criteria like the “employable mother” rule.
- **1960s:** The civil and welfare rights movements led to Supreme Court victories that removed discriminatory criteria, increased enrollment, and expanded the federal welfare state.
- **1970s:** An economic recession led to negative, racialized public narratives about poverty and a backlash against welfare.
- **1980 - 2000s:** The gains of the welfare rights movement were rolled back through paternalism, privatization, devolution, and automation.
- **Present day:** Many are advocating for **direct cash assistance** and **trust-based approaches** to benefits access.



Philadelphia's Commitment to Racial Equity

- January 2020, Mayor Kenney signed an Executive Order requiring each City department to work with the Office of Diversity, Equity and Inclusion to complete a Racial Equity Assessment and a Racial Equity Action Plan.
- Racial Equity Action Plans set forth goals to increase success for all groups through targeted strategies focused on the **elimination or altering of government policies, practices, attitudes and cultural messages that influence differential outcomes by race.**
- **Philadelphia Department of Revenue was one of first ten departments** to successfully complete the Racial Equity Action Plan process.
- **Philadelphia Water Department is in current racial equity cohort** of departments focused on improving racial equity in department operations and services.



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Revenue's Commitment to Racial Equity

Revenue identified three priority strategies in its Racial Equity Action Plan, two have implications for water assistance

1. **Auto-enroll Black, Indigenous, People of Color (BIPOC) resident strategy** – assistance program targeted expansion
2. **Culturally responsive communications campaign** – communications collaboration with BIPOC stakeholders for tax or water fees support
3. **Racialized trauma training & resource hub** – internally facing strategy
 - Revenue will coordinate with Philadelphia Water Department as PWD develops and implements its Racial Equity Action Plan, which is forthcoming in August 2022.



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Thank you

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Resuming Disconnections Equitably

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Roadmap

- Disconnections Before COVID
- COVID Response
 - ☐ Restore
 - ☐ Delay
 - ☐ Protect
- Disconnections After COVID
 - ☐ Collaboration
 - ☐ Equity
 - ☐ Communications



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Disconnections Before COVID

Disconnection selection criteria

- Delinquent for two billing cycles and over \$150
- All customer types (including TAP and senior citizen discount customers)
- From April 1st to November 30th

Protections have always been available for those who need them

- Standard payment agreements
- Customer assistance applications
- Medical delays
- Tenant protections



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COVID Response

Restore

- Restored service to previously disconnected customers
- Completed over 20,000 restore work orders between 3.16.20 and 4.23.20

Delay

- Delayed collections activities including penalties, referrals to collection agencies, and breaching payment agreements
- Extended recertification window for TAP

Protect

- Permanently segregated debt in COVID period from accruing penalties
- Deployed a debt shield to protect current TAP debt from enforcement



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Disconnections After COVID

Collaboration

- Continued relationship between Revenue and Water
- Health Department
- Mayor's Policy Office
- Managing Director's Office + IDEA

Equity

- Protect low-income households
- Protect households with children
- Conscious of impact on BIPOC communities

Communications

- Press conference and release
- Blogs + social media
- Updated shutoff notice
- New bill stuffer



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New and Expanded Shutoff Protections

Implemented a multi-pronged approach to ensure customers who are unable to pay their water bills got the assistance they need to maintain water service:

- The level of delinquency that triggers a shutoff notice raised from \$150 to \$1,000.
- Customers currently enrolled in the Tiered Assistance Program (TAP) exempted from shut off.
- Customers currently enrolled in the Senior Citizen Discount program exempted from shutoff.
- Customers who applied for Customer Assistance exempted from shutoff.
- Matched customers to enrollment data from other low-income assistance programs and exempted from shutoff.

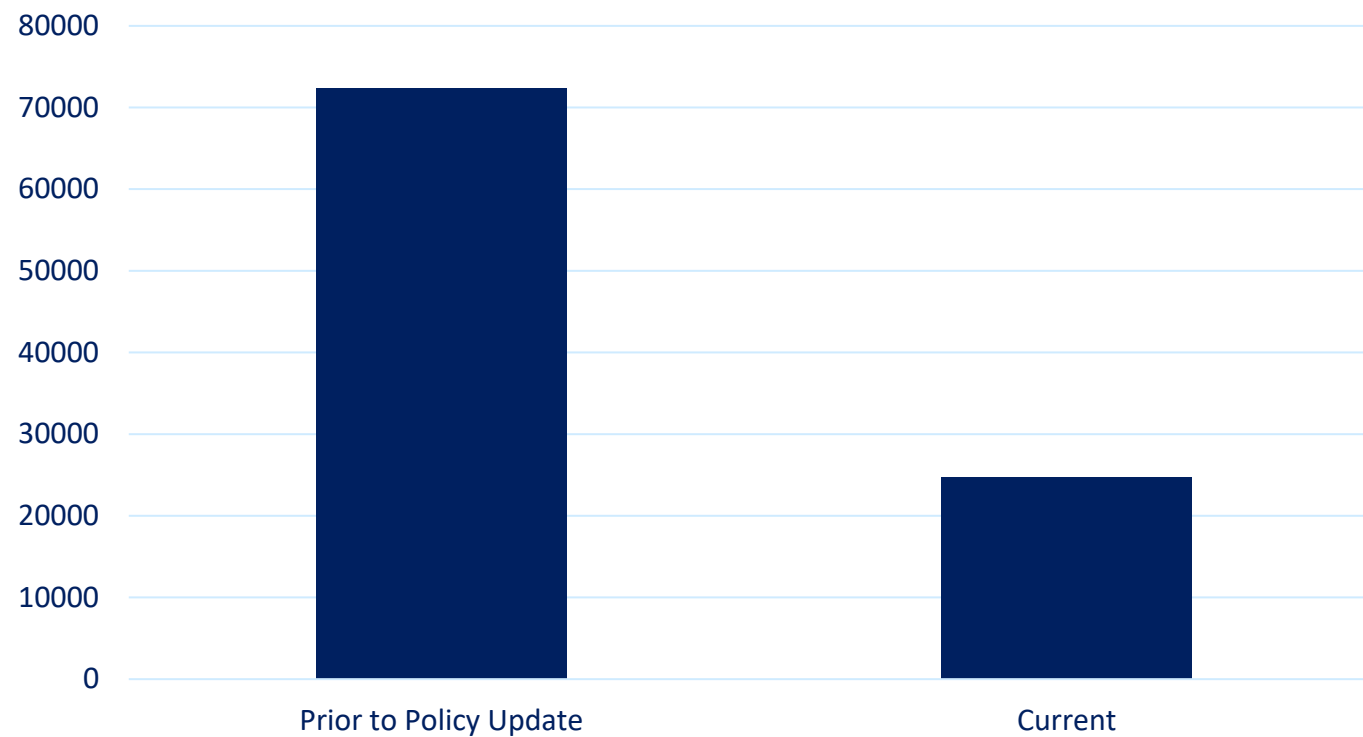


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Reducing the Accounts Eligible for Shutoff

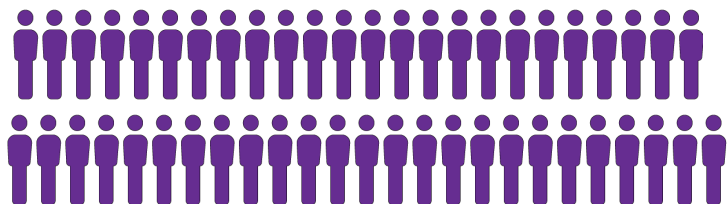


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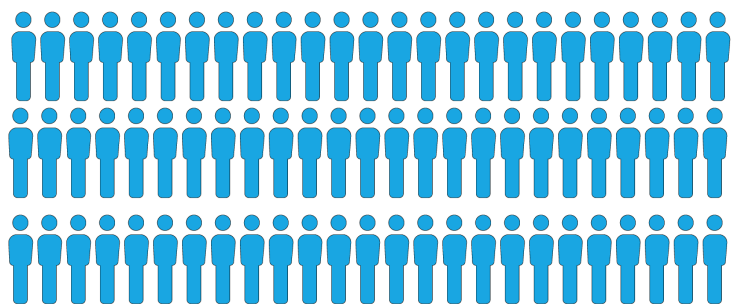


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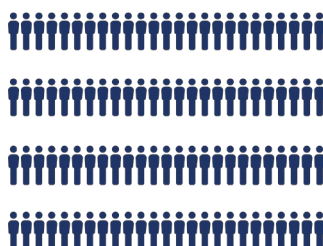
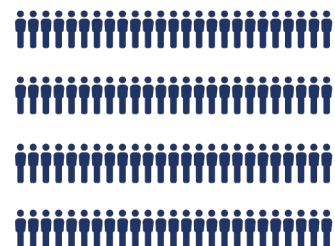
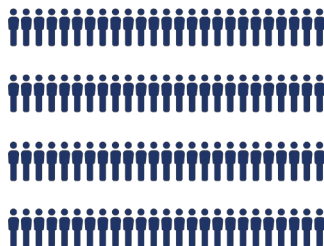
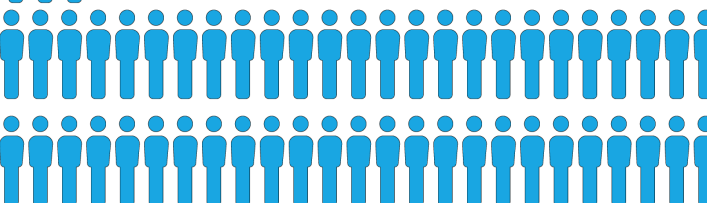
Customer Groups Excluded from Shutoff



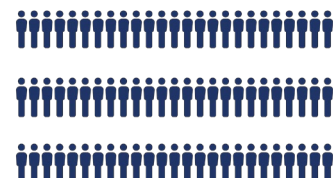
9,800 TAP customers



25,600 Senior Citizen Discount customers



75,000 data matched customers



Key



= 200 TAP



= 200 SCD



= 200 data matched



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Communications: Enhanced Notifications

Revised shutoff notices:

- Put customer assistance information on top
- Updated information about medical certifications
- Moved tenant/USTRA to front (previously on back)
- Updated language to be more readable

Created a bill stuffer:

- Never used bill stuffer in shutoff notices before
- In English and Spanish
- Provided instructions on how to avoid a shutoff and apply for assistance.



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