

# **New Jersey's Automatic Enrollment of Low-Income Elderly & Disabled Households Into LIHEAP and New Jersey's Universal Service Fund Programs**

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# AARP Mission

AARP is dedicated to enhancing the quality of life for all as we age. We lead positive social change, and deliver value to members through information, advocacy and service.

38 + million members nationwide.

1.3+ million members in New Jersey.

## LIHEAP in NJ **BEFORE** Auto-Enrollment

- WHO:** 65+, Disabled, Low-Income,  
Greatly Underserved
- WHAT:** Heating & Cooling Assistance
- WHERE:** Statewide
- WHEN:** November-April
- HOW:** In-person applications; few home calls.
- WHY:** Traditional Model, CAP agencies.

# RESULT

- Overall, less than 27 % of eligible New Jersey households being served.
- New Jersey ranked near the bottom for states for with low percentages of eligible elderly households actually receiving LIHEAP benefits.

# LIHEAP in NJ **AFTER** Auto-Enrollment

- WHO:** 65+, Disabled, Low-Income,  
No longer Greatly Underserved
- WHAT:** Heating & Cooling Assistance
- WHERE:** Statewide
- WHEN:** November-April
- HOW:** Automatic Enrollment using State's Rx  
database supplemented by federal data
- WHY:** Overcame in-person application barriers

# **YOUR STATE HAS AN OPPORTUNITY!**

- Every state now receives data from the Social Security Administration for Medicare Savings Plan (135%) Outreach and from CMS for Medicare Part D's (Rx) Low-Income Subsidy (150%) Program.
- New Jersey uses its state pharmaceutical database supplemented by a few questions to automatically enroll its low-income elderly/disabled into LIHEAP and NJ's Universal Service Fund (USF) program.

# LAST YEAR'S RESULTS

- Last year, 29,000 additional New Jersey low-income elderly and disabled were automatically enrolled for LIHEAP benefits!
- A total of 54,000 of NJ's Rx program participants received over \$11 million in LIHEAP benefits.
- 14,686 of these were also enrolled into NJ's year-round Universal Service Fund program!

# CURRENT RESULTS

- So far, 29,091 elderly and disabled low-income NJ households have been automatically enrolled into LIHEAP for an average of \$341 each.
- To date, \$10,000,000 in LIHEAP benefits have been provided to these vulnerable households.
- An additional 12,816 households have now been automatically enrolled into NJ's Universal Service Fund gas/electric payment program.

**WHY BOTHER  
SUPPORTING  
AUTO-ENROLLMENT  
IN YOUR STATE?**

# WHY?

- If you are a consumer advocate, LIHEAP auto-enrollment can provide energy assistance to many more vulnerable elderly households.
- While hunger is the #1 issue for low-income older adults, the #2 issue is affordable housing/utilities.
- And there is also a clear linkage between affordable energy and health besides others...

# WHY?

If you represent an energy utility, you know the last thing you want is publicity about an elderly utility customer dying from heatstroke or suffering from hypothermia due to unaffordable gas/electric bills.

# WHY?

If you work for state government, auto-enrollment could:

- Provide more energy assistance to your state's vulnerable elderly...
- Improve your state's standing re the % of eligible elderly enrolled in LIHEAP.
- Cut red tape and save state LIHEAP administrative expenses.

# WHY?

Automatic enrollment in LIHEAP can more easily lead to an automated data-matching process for determining eligibility for Supplemental Nutritional Assistance Program (SNAP) benefits.

# WHY?

- Everyday, millions of low-income older adults must decide between paying heating/cooling bills or going to the grocery store to buy food.

**Note:** Currently 10% of all individuals over the age of 65 live in poverty in the United States.

# “Food Insecurity”

According to the Economic research Service of the United States Department of Agriculture, “food insecurity” is defined as the “limited or uncertain availability of nutritionally adequate and safe foods or the ability to acquire food in a socially acceptable way (that is, without resorting to emergency food supplies, scavenging, or stealing).” For a recent survey, see Food Research and Action Center’s *FRAC, Food Hardship: A Closer Look at Hunger* (January, 2010) at [frac.org](http://frac.org)

# WHY?

The potential is great! Here in Texas for example, a study for The Meals for Wheels Association of America found that Texas was ranked #4 out of 50 states for food insecurity for older adults.

## WHY?

However, no matter what state you're from, the need is great.

The New Jersey Foundation for Aging estimates there are 40,000 low-income seniors who could be receiving SNAP benefits, and NJ ranked 35<sup>th</sup> out of 50 states for food insecurity.

# WHY?

- The US Department of Agriculture estimates only 35% of seniors eligible to receive SNAP benefits actually receive them.
- That means 4.6 million seniors are eligible, but are missing out on SNAP benefits exceeding \$300 million every month!

# WHY?

The USDA reports that every \$5.00 in new SNAP benefits stimulates \$9.20 in total community spending. That equates to a 1.84 economic multiplier, and could mean many millions more in additional federal assistance every month to help with your state's economy!

# WHY?

- Again, using a LIHEAP automatic enrollment process for your state's low-income elderly, through the use of federally-verified and supplied data, is a natural step toward a SNAP automated data-matching eligibility determination process.
- That would be a big break-through in bringing millions more in federal assistance to your state's low-income vulnerable elderly population!

# QUESTIONS?

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