

LIHEAP Performance Measures Report

For Fiscal Year 2021



U.S. DEPARTMENT OF
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Office of Community Services
Division of Energy Assistance
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ADMINISTRATION FOR
CHILDREN & FAMILIES

LIHEAP Performance Measures Report For Fiscal Year 2021

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Copies of this document can be obtained by contacting Peter Edelman of the DEA at the following address:

Administration for Children and Families
Office of Community Services
Division of Energy Assistance
Mary E. Switzer Building, 5th Floor
330 C Street, SW
Washington, DC 20201

E-mail: peter.edelman@acf.hhs.gov

Web site: <https://www.acf.hhs.gov/ocs/low-income-home-energy-assistance-program-liheap>

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List of Acronyms and Abbreviations

ACF	HHS's Administration for Children and Families
ASEC	Annual Social and Economic Supplement
CPS	Current Population Survey
DOE	U.S. Department of Energy
EIA	DOE's Energy Information Administration
FY	Federal Fiscal Year / Fiscal Year
GPRA	Government Performance and Results Act of 1993 (Public Law 103-62)
HHS	U.S. Department of Health and Human Services
LIHEAP	Low Income Home Energy Assistance Program
NEADA	National Energy Assistance Directors' Association
NEUAC	National Energy and Utility Affordability Coalition
OBRA	Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35)
OCS	ACF's Office of Community Services
OMB	Office of Management and Budget
Pub. L.	Public Law
PMIWG	LIHEAP Performance Measures Implementation Work Group
RECS	Residential Energy Consumption Survey

Executive Summary

The Low Income Home Energy Assistance Program (LIHEAP) is administered at the federal level by the U.S. Department of Health and Human Services (HHS) Administration for Children and Families (ACF). The Government Performance and Results Act of 1993 (GPRA) focuses on program results to provide Congress with objective information on the achievement of statutory objectives or program goals. The resulting performance data are to be used in making decisions on budget and appropriation levels.

ACF's budget justification for Congress, which contains the LIHEAP performance plan, takes into account the fact that the federal government does not provide LIHEAP assistance to the public. Instead, the federal government provides funds to states, federal- or state-recognized Indian tribes and tribal organizations, and insular areas to administer LIHEAP at the local level. The LIHEAP performance plan also takes into account the fact that LIHEAP is a block grant whereby LIHEAP grant recipients have broad flexibility to design their programs, within very broad federal guidelines, to meet the needs of their citizens.

This report presents statistics for LIHEAP performance measurement at the national and regional levels for state grant recipients (50 states plus the District of Columbia, referred to as "states" throughout this report). The primary information source for the data on performance measurement is the *LIHEAP Household Report for FY 2021*. This survey collects data from the states on the number of households served by the LIHEAP program, as well as demographic and income characteristics of assisted households, and is conducted annually by ACF. Data reported by grant recipients are combined with estimates of the federally income eligible population from the U.S. Census Bureau's Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC) to measure targeting performance on key program metrics.¹ Additional analyses of LIHEAP assisted households are made using data from the Residential Energy Consumption Survey (RECS), fielded by the Energy Information Administration (EIA) of the U.S. Department of Energy (DOE). Finally, developmental performance measures information is presented using data reported by states in the *LIHEAP Performance Data Form for FY 2021*.

LIHEAP Program Goals and Performance Goals

In federal fiscal year (FY) 2021, about 12 percent of federally income eligible households received assistance with their heating costs. Given that limitation, the LIHEAP statute requires LIHEAP grant recipients to provide, in a timely manner, that the highest level of assistance will be furnished to those households that have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size. The LIHEAP statute identifies two groups of low income households as having the highest needs:

- *Vulnerable Households*: Vulnerable households are those with at least one member that is a young child, an individual with disabilities, or a frail older adult.
- *High Burden households*: High burden households are those with the lowest incomes and highest home energy costs.

¹ Federally income eligible population refers to households with income at or below the greater of 150 percent of HHS poverty guidelines (HHSPG) or 60 percent of state median income, depending on household size.

Based on the national LIHEAP program goals, HHS has focused its annual performance goals and measurement on targeting income eligible vulnerable households. Subject to the availability of data, HHS also is interested in the performance of LIHEAP with respect to targeting households with the highest home energy burden.

Targeting Index Performance Measures

Performance goals must be measurable to determine if the goals are being achieved. HHS has developed a set of performance measures (i.e., targeting indexes) that show the extent to which LIHEAP meets its performance goals. These measures show LIHEAP's performance in targeting vulnerable and high burden households:

- The *reciprocity targeting index* quantifies targeting with respect to receipt of LIHEAP benefits.
- The *benefit targeting index* quantifies targeting with respect to the level of LIHEAP benefits.
- The *burden reduction targeting index* quantifies targeting with respect to the burden reduction resulting from LIHEAP benefits.

The development of these indexes facilitates tracking of reciprocity, benefit, and burden reduction performance for vulnerable and high burden households. Using these indexes, ACF established the following LIHEAP performance measures:

- Maintain the reciprocity targeting index score of LIHEAP households having at least one member 60 years or older.
- Maintain the reciprocity targeting index score of LIHEAP households having at least one member five years or younger.

Beginning in FY 2016, grant recipients were required to collect data on LIHEAP benefit targeting, burden reduction targeting, and the number of occurrences where LIHEAP restored home energy service or prevented the loss of home energy service. Currently, there are no annual performance objectives for these four new developmental measures as HHS and grant recipients assess their value in documenting the performance of the LIHEAP program.

Outcome Performance Measures

HHS seeks to improve the way in which it measures LIHEAP's performance. The indicators that HHS uses to measure LIHEAP's performance, the young child and older adult reciprocity targeting indexes, serve only as proxies for LIHEAP's outcomes. HHS intended these proxies to be replaced by more outcome-focused measures.

In June 2008, OCS established the LIHEAP Performance Measures Planning Work Group, consisting of state LIHEAP directors and OCS staff. The Work Group drafted a set of potential LIHEAP performance measures that could be useful to both the states and OCS.

In April 2010, OCS established a follow-up group, the LIHEAP Performance Measures Implementation Work Group (PMIWG), consisting of state LIHEAP directors and OCS staff.

Acting on the PMIWG’s recommendation, in June 2014, ACF submitted a request to the Office of Management and Budget (OMB) to collect data from state grant recipients for four new developmental LIHEAP performance measures related to home energy burden and the continuity of home energy service. In November of 2014, ACF received approval from OMB to begin collecting data for these measures (OMB Control No. 0970-0449). The PMIWG will be active through at least September 2022 in evaluating grant recipients’ ability to collect and report on newly established measures and also establishing definitions relating to the new measures.

Performance Measurement Research

ACF has funded several studies to develop a better understanding of LIHEAP targeting performance measurement. Two of these studies recommended that ACF consider making changes in the performance measurement plan for LIHEAP:

- Validation Study – The performance measurement Validation Study examined the available data sources for estimating the targeting indexes required by the performance measurement plan for LIHEAP and identified the data sources that furnished the most reliable data.²
- Energy Burden Study – The Energy Burden Evaluation study used the 2001 RECS LIHEAP Supplement to measure the baseline performance of LIHEAP in serving high burden households and to examine the competing demands associated with targeting vulnerable and high burden households.³

OCS has implemented the recommendations from the Validation Study. Beginning in FY 2016, ACF began implementing the recommendations from the Energy Burden Study by requiring state grant recipients and the District of Columbia to furnish data on the energy burden of LIHEAP beneficiary households as part of their annual LIHEAP reports.

Performance Measurement Statistics

Table 1 below shows that in FY 2021, nationally, LIHEAP exceeded its target score for assisting income eligible households with at least 1 older adult member (60 years old and over) but did not meet its target score for assisting income eligible households with at least one young child (five years old or younger).

Table 1. LIHEAP Reciprocity Targeting Performance Measures for FY 2021

Performance Measurement Statistic	Target	Result
Increase the reciprocity targeting index score for LIHEAP beneficiary households having at least one older adult member	86	87
Increase the reciprocity targeting index score for LIHEAP beneficiary households having at least one young child	112	109

² *LIHEAP Targeting Performance Measurement Statistics: GPRA Validation of Estimation Procedures*, September 2004, prepared by APPRISE Incorporated under PSC Order No. 043Y00471301D.

https://www.acf.hhs.gov/sites/default/files/documents/ocs/gpra_validation_report_final.pdf

³ *LIHEAP Energy Burden Evaluation Study*, July 2005, Report prepared by APPRISE Incorporated under PSC Order No. 043Y00471301D.

https://www.acf.hhs.gov/sites/default/files/documents/ocs/comm_liheap_energyburdenstudy_apprise.pdf

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Beginning in FY 2016, ACF required state grant recipients and the District of Columbia to collect and report data for four new developmental performance measures designed to measure LIHEAP impacts. HHS has not defined annual targets for the four new performance measures as they are considered developmental. Table 2 below shows the results for the burden targeting index and the burden reduction targeting index for FY 2021 for all states with usable data. The benefit targeting index score for FY 2021 based on all states with usable data was 111, indicating that LIHEAP provided 11 percent higher benefits to those households with the highest energy burden compared to average beneficiary households. The burden reduction targeting index score for FY 2021 based on all states with usable data was 86, indicating that LIHEAP paid about 14 percent less of the energy bill for households with the highest energy burden compared to average beneficiary households.

Table 2. LIHEAP Burden Targeting and Burden Reduction Targeting Performance Measures for FY 2021 (Developmental Measures)

Developmental Measure	Number of States with Usable Data ⁱ	Weighted Average Index Score ⁱⁱ
Benefit targeting index	47	111
Burden reduction targeting index	47	86

ⁱ 4 states had data that was insufficient for reporting the LIHEAP benefit targeting and burden reduction targeting indexes and were not included.

ⁱⁱ To account for different sizes in the LIHEAP population by state, a weighted average based on each state's number of bill payment assisted households was used to calculate the weighted average index score.

Table 3 below provides the results for the final two developmental performance measures. In FY 2021, states with usable data reported a total of 200,401 occurrences where LIHEAP restored home energy services that were lost due to a utility disconnection, no fuel to operate energy equipment, or inoperable energy equipment. This was a large decrease from prior years due to state and utility shutoff moratoria in place during FY 2021 because of the coronavirus pandemic. In FY 2021, states with usable data reported a total of 1,431,814 occurrences where LIHEAP assistance helped beneficiaries to maintain energy service that was in imminent risk of being lost due to a utility disconnection, no fuel to operate energy equipment, or inoperable energy equipment.

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Table 3. Number of Occurrences Where LIHEAP Benefits Restored Home Energy Services or Prevented the Loss of Home Energy Services During FY 2021 (Developmental Measures)

Developmental Measure	Number of States with Usable Dataⁱ	Number of Occurrences
Number of occurrences where LIHEAP benefits restored home energy services	48	200,401
Number of occurrences where LIHEAP prevented the loss of home energy services	48	1,431,814

ⁱ 3 states had data that were insufficient for reporting on the number of occurrences where LIHEAP benefits restored home energy services and were not included. 3 states had data that were insufficient for reporting on the number of occurrences where LIHEAP prevented the loss of home energy services.

Overall, state capacity to collect and report the performance data has improved since FY 2016. OCS is continuing to monitor state reporting capacity for the developmental performance measures and to assist states with building increased capacity to successfully collect and report complete and accurate data for these measures.

I. Introduction

The Low Income Home Energy Assistance Program (LIHEAP) is authorized by the Low-Income Home Energy Assistance Act of 1981, as amended, 42 U.S.C. § 8621 *et seq.* The Administration for Children and Families (ACF) within the U.S. Department of Health and Human Services (HHS) administers LIHEAP at the federal level. ACF awards annual LIHEAP block grants to assist eligible low income households in meeting their home energy costs. ACF issues such grants to the 50 states and the District of Columbia, certain Indian tribes and tribal organizations, and certain U.S. insular areas.

In 1994, Congress amended the authority of LIHEAP to clarify that LIHEAP is “to assist low-income households, particularly those with the lowest incomes, that pay a high proportion of household income for home energy, primarily in meeting their immediate home energy needs.” 42 U.S.C. § 8621(a). Congress further indicated that LIHEAP grant recipients need to reassess their LIHEAP benefit structures to ensure that they are actually targeting those low income households that have the highest energy costs or needs. The Energy Policy Act of 2005 (Pub. L. 109-58) reauthorized LIHEAP through fiscal year (FY) 2007 without substantive changes. LIHEAP’s reauthorization is currently pending.

For LIHEAP grant recipients to assess their LIHEAP benefit structures, they need performance statistics on LIHEAP applicants, LIHEAP beneficiaries, and LIHEAP income eligible households. In addition, they need technical assistance in how to make use of the performance statistics in planning and implementing changes to their programs.

The *LIHEAP Performance Measures Report for FY 2021* focuses on HHS’ approach to LIHEAP performance measurement. It describes performance measurement procedures, furnishes data on targeting performance for LIHEAP over time, and provides FY 2021 performance measures results. Previously, this report was published as part of the *LIHEAP Home Energy Notebook*, which included additional sections on the latest national and regional data on home energy consumption, expenditures, and burden; low income home energy trends and trends in LIHEAP for the period 1979 to present; characteristics of the low income population in each state; and special studies of important issues related to LIHEAP and low income home energy needs. Beginning with data for FY 2015, the individual sections of the *LIHEAP Home Energy Notebook* have been published separately in an effort to make the data available to LIHEAP grant recipients in a more timely fashion.

The performance measurement data presented in this report were derived from the following sources:

- State annual *LIHEAP Household Report* – ACF set a goal for the states to submit their final *LIHEAP Household Report for Federal Fiscal Year (FFY) 2021* by December 31, 2021. Each *LIHEAP Household Report* needs to be received, reviewed, processed, and compared against data from each state’s *LIHEAP Grantee Survey* that was conducted in March 2022 as part of the *LIHEAP Performance Data Form for Federal Fiscal Year (FFY) 2021*. The data on the number of LIHEAP households assisted in FY 2021 will be included in the *LIHEAP Report to Congress* for FY 2021.

- CPS ASEC – The Current Population Survey (CPS) is a national household sample survey that is conducted monthly by the Bureau of the Census. The CPS Annual Social and Economic Supplement (ASEC) includes data that allow the user to characterize household demographic characteristics. The CPS ASEC is the best source of annual national data for estimating the number of income eligible households and the number of income eligible vulnerable households. The CPS ASEC data used to prepare performance statistics for FY 2021 were published in September 2021.
- RECS – The Energy Information Administration’s (EIA’s) Residential Energy Consumption Survey (RECS) is a national household sample survey that is conducted approximately once every four to six years. Because the RECS is conducted periodically rather than annually, it cannot furnish annual updates on LIHEAP targeting performance for high energy burden households. As such, the 2001 RECS was used for baseline measurement of targeting performance for high energy burden LIHEAP beneficiary households, and subsequent iterations of the RECS are used to measure targeting performance at that point in time. The most recent RECS was conducted in 2015 and 2016 and is used to measure targeting performance in FY 2015. However, significant methodological changes were introduced in the 2015 RECS, including changes to end-use modeling procedures, particularly for electricity usage, and changes that impact the ability to characterize low income households, including assessing the impact of LIHEAP benefits on energy burden. The less detailed income information that was collected by the 2015 RECS compared to prior iterations of the RECS makes it difficult to accurately characterize which LIHEAP beneficiary households have high home energy burden and which do not. Therefore, readers should use caution when comparing the results for FY 2015 with prior years, which utilized prior iterations of the RECS.
- State annual *LIHEAP Performance Data Form – Performance Measures Section* – Beginning in FY 2016, all states were required annually to furnish data for four developmental performance measures. Two measures are focused on measuring the impact of LIHEAP at ensuring households have access to necessary home energy services and two measures estimate the impact of LIHEAP on targeting households with the highest energy costs in relation to energy burden (as required in Section 2605 (b)(5) of the LIHEAP statute). ACF set a goal for the states to submit their final *LIHEAP Performance Data Form for Federal Fiscal Year (FFY) 2021* by March 31, 2022.

II. Federal LIHEAP Targeting Performance

The Government Performance and Results Act of 1993 (GPRA), as amended, focuses on program results to provide Congress with objective information on the achievement of statutory objectives or program goals. The resulting performance data are to be used in making decisions on budget and appropriation levels.

The federal government does not provide LIHEAP assistance to the public. Instead, the federal government provides funds to states, certain federal- or state-recognized Indian tribes and tribal organizations, and insular areas to administer LIHEAP at the local level. These funds take the form of a block grant that gives LIHEAP grant recipients broad flexibility to design their programs, within very broad federal guidelines, to meet the needs of their citizens.

This report describes HHS' approach to LIHEAP performance measurement and discusses the findings from research funded by ACF's Office of Community Services (OCS) on performance measurement for LIHEAP, including:

- LIHEAP Performance Plan – Review of national LIHEAP program goals, national LIHEAP performance goals, and historic and developmental LIHEAP performance measures.
- Performance Measurement Research – Discussion of the findings from a study to assess the validity of performance measurement estimation procedures and from an evaluation of the performance of LIHEAP with respect to serving the lowest-income households with the highest energy burdens.
- LIHEAP Performance Statistics – Statistics that document the performance of LIHEAP in serving low income vulnerable populations, high burden households, and households facing home energy crises.

LIHEAP Program Goals and Performance Goals

LIHEAP is not an entitlement program. Therefore, the program's grant recipients are unable to serve all of the households that are income eligible under the federal maximum income eligibility standard. In FY 2021, about 13 percent of income eligible households received assistance with their heating costs through heating assistance and/or winter/year-round crisis assistance. Given that limitation, the LIHEAP statute requires LIHEAP grant recipients to provide, in a timely manner, that the highest level of assistance will be furnished to those households that have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size. The LIHEAP statute identifies two groups of low income households as having the highest home energy needs:

- *Vulnerable Households*: Vulnerable households are those with at least one member that is a young child, an individual with disabilities, or a frail older adult. The statute does not define the terms “young children,” “individuals with disabilities,” and “frail older adult.” The primary concern is that such households face serious health risks if they do not have adequate heating or cooling in their homes. Health risks can include death from hypothermia or hyperthermia, and increased susceptibility to other health conditions such as stroke and heart attacks.

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- *High Burden Households:* High burden households are those with the lowest incomes and highest home energy costs. The primary concern is that such households will face safety risks in trying to heat or cool their homes if they cannot pay their heating or cooling bills. Safety risks can include the use of makeshift heating sources or inoperative/faulty heating or cooling equipment that can lead to indoor fires, sickness, or asphyxiation.

The authorizing legislation requires states to design outreach procedures that target LIHEAP reciprocity to income eligible vulnerable and high burden households, and to design benefit computation procedures that target higher LIHEAP benefits to higher burden households.

Based on the authorizing legislation, LIHEAP's goal is to provide LIHEAP assistance to vulnerable households and high energy burden households whose health and/or safety are endangered by living in homes without sufficient heating or cooling.

Based on the national LIHEAP program goals, HHS has historically focused its annual performance goals on targeting the availability of LIHEAP heating assistance to vulnerable low income households. However, beginning in FY 2016, state grant recipients and the District of Columbia began collecting and reporting data for four new developmental performance measures designed to measure the extent to which LIHEAP targets benefits to high burden households and provides benefits to households facing home energy crises. HHS has not defined annual targets for the four new performance measures as they are considered developmental while states continue to build the capacity to successfully collect and report complete and accurate data.

Targeting Index Performance Measures

Performance goals must be measurable to determine if the goals are being achieved. HHS has developed a set of targeting index performance measures that show the extent to which LIHEAP meets its performance goals.

HHS' current annual LIHEAP performance objectives are to:

- Maintain the reciprocity targeting index score of LIHEAP households having at least one member 60 years or older.
- Maintain the reciprocity targeting index score of LIHEAP households having at least one member five years or younger.

These targeting index performance measures, which are presented below, show LIHEAP's performance in targeting vulnerable and high burden households:

- The **reciprocity targeting index** quantifies reciprocity targeting performance. The index is computed for a specific group of households by dividing the percent of LIHEAP beneficiary households that are members of the target group by the percent of all income eligible households that are members of the target group and then multiplying the result by 100. For example, if 25 percent of LIHEAP beneficiaries are high burden households and 20 percent of all income eligible households are high burden, the reciprocity targeting index for high burden households is 125 (100 times 25 divided by 20).

An index greater than 100 indicates that the target group's incidence in the LIHEAP beneficiary population is higher than that group's incidence in the income eligible

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population. An index less than 100 indicates that the target group's incidence in the LIHEAP beneficiary population is lower than that group's incidence in the income eligible population.

Since FY 2003, HHS has developed and used reciprocity targeting indexes to track how well LIHEAP heating assistance is targeted to two groups of vulnerable households: households with an older adult member (60 years or older) and households with a young child (five years or younger).

- The **benefit targeting index** quantifies benefit targeting performance. The index is computed by dividing the mean LIHEAP benefit for a target group of beneficiaries by the mean LIHEAP benefit for all beneficiary households and then multiplying the result by 100. For example, if high burden household beneficiaries have a mean benefit of \$250 and the mean benefit for all households is \$200, the benefit targeting index is 125 (100 times \$250 divided by \$200).

An index greater than 100 indicates that the target group is, on average, receiving more benefits than the overall beneficiary population. An index less than 100 indicates that the target group is, on average, receiving fewer benefits than the overall beneficiary population.

- The **burden reduction targeting index** quantifies burden reduction targeting performance. The index is computed by dividing the percent reduction in the median individual energy burden due to LIHEAP for a specified group of beneficiaries by the percent reduction in the median individual energy burden due to LIHEAP for all beneficiaries and then multiplying the result by 100.⁴ For example, if high burden beneficiaries have their median individual energy burden reduced by 25 percent (e.g., from 8 percent of income to 6 percent of income) and all beneficiary households have their median individual energy burden reduced by 20 percent (e.g., from 5 percent of income to 4 percent of income), the burden reduction targeting index is 125 (100 times 25 divided by 20).

An index greater than 100 indicates that the specified group experiences, on average, a greater median individual energy burden reduction than the overall beneficiary population. An index less than 100 indicates that the specified group experiences, on average, a smaller median individual energy burden reduction than the overall beneficiary population.

The development of these indexes facilitates tracking of reciprocity, benefit, and burden reduction performance for vulnerable and high burden households.

- The reciprocity performance data allow for outreach initiatives to improve reciprocity targeting performance.

⁴In general, the mean (or average) is preferred to the median (or midpoint), as it is more informative. The mean, which is commonly called the average, is the sum of all values divided by the number of values. The median is the value at the midpoint in the distribution of values. LIHEAP benefit reciprocity variables are not highly skewed (or distorted); therefore, mean benefits are used to compute the benefit targeting index. Energy burden variables, however, are highly skewed; thus, the median energy burden, which is less affected by extreme values, is used to calculate the burden reduction index.

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- The benefit and burden reduction performance data facilitate analysis of how different kinds of benefit determination procedures lead to different levels of benefit and burden reduction targeting performance.

The benefit targeting index and burden reduction targeting index are both useful measures, but they measure different aspects of benefit targeting.

- The benefit targeting index requires fewer data elements; it is a simple measure of how benefits for a particular group of beneficiary households compare to benefits for all beneficiary households.
- The burden reduction index is more comprehensive; it accounts for differences in both energy costs and benefit levels for the group of beneficiary households compared to energy costs and benefit levels for all beneficiary households.

For each index, baseline results for a specific fiscal year serve as a starting point against which the degree of change in LIHEAP targeting can be measured, analyzed, and attributed to federal performance enhancement initiatives. The baseline data provide a roadmap from which HHS can set realistic reciprocity performance targets (a quantitative statement of the degree of desired change) for those parts of the country in which targeting performance can be improved.

Currently, there are no annual performance objectives for the benefit targeting or burden reduction targeting indexes.

As described below, beginning in FY 2016, state grant recipients and the District of Columbia were required to collect and report data for the LIHEAP benefit targeting and burden reduction targeting indexes. Currently, these are developmental measures that will be reviewed by HHS and grant recipients to assess their value in documenting the performance of the LIHEAP program.

Outcome Performance Measures

HHS seeks to improve the way in which it measures LIHEAP's performance. LIHEAP supports Objective B of HHS's Goal 3: Promote economic and social well-being for individuals, families, and communities. However, the indicators that HHS uses to measure LIHEAP's performance, the young child and older adult reciprocity targeting indexes, serve only as proxies for LIHEAP's outcomes. HHS intended these proxies to be replaced by more outcome-focused measures.

In June 2008, OCS established the LIHEAP Performance Measures Planning Work Group, consisting of state LIHEAP Directors and OCS staff. The Work Group developed a logic model that identifies the long-term goal of LIHEAP as providing LIHEAP beneficiaries with continuous, safe, and affordable home energy service. The Work Group completed its work in January 2010 when it drafted a set of over 36 potential LIHEAP performance measures that could be useful to both the states and HHS. These draft measures are grouped into one of four tiers by type of LIHEAP assistance. Performance measures in tiers 1-3 are to be state reported based on each state's ability to collect increasingly complex data. Tier 4 data are to be collected at the federal level.

In April 2010, OCS established a follow-up group, the LIHEAP Performance Measures Implementation Work Group (PMIWG), consisting of state LIHEAP Directors and OCS staff. The

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PMIWG works with stakeholders to evaluate grant recipients' ability to collect and report on newly established measures and also establishes definitions relating to the new measures. Some of the Work Group activities have included:

- Conducting a LIHEAP Performance Measures Needs Assessment Survey.
- Development of LIHEAP Process Guides on LIHEAP Performance Measurement Best Practices and training materials to make use of LIHEAP Performance Measures data.
- Making presentations about LIHEAP Performance Measures at LIHEAP National Training conferences, National Energy Assistance Directors' Association (NEADA) meetings, and National Energy and Utility Affordability Coalition (NEUAC) conferences.
- Communicating the latest developments of LIHEAP Performance Measures through periodic informal communications among grant recipients.
- Contributing to the development and enhancement of the LIHEAP Performance Measurement Website.
- Working with HHS to develop four new developmental LIHEAP Performance Measures that were approved by OMB in November 2014.
- These four new developmental LIHEAP Performance Measures include: 1) the benefit targeting index for high burden LIHEAP beneficiary households; 2) the burden reduction targeting index for high burden LIHEAP beneficiary households; 3) the number of LIHEAP beneficiary households for which LIHEAP restored home energy service; and 4) the number of LIHEAP beneficiary households for which LIHEAP prevented loss of home energy service.
- Serving as mentors on Performance Measures for other grant recipients that are working their way through the process.

The PMIWG will be active at least through September 2022. During the period from October 2012 through September 2021, they have been meeting monthly by teleconference (approximately 10 times per year) and in-person (approximately twice each year), and they have participated in very active sub-committee meetings.

Performance Measurement Research

OCS has funded several studies to develop a better understanding of LIHEAP targeting performance measurement. Two of these studies recommended that HHS consider making changes in the performance measurement plan for LIHEAP.

- Validation Study – The performance measurement validation study examined the available data sources for estimating the targeting indexes required by the performance measurement plan for LIHEAP and identified the data sources that furnished the most reliable data.⁵

⁵ *LIHEAP Targeting Performance Measurement Statistics: GPRA Validation of Estimation Procedures*, September 2004, prepared by APPRISE Incorporated under PSC Order No. 043Y00471301D.
https://www.acf.hhs.gov/sites/default/files/documents/ocs/gpra_validation_report_final.pdf

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- Energy Burden Study – The energy burden evaluation study used the 2001 RECS LIHEAP Supplement to measure the baseline performance of LIHEAP in serving high burden households and to examine the competing demands associated with targeting vulnerable and high burden households.⁶

Performance Measurement Data Sources

The HHS performance measurement plan for LIHEAP requires the development of reciprocity targeting indexes for older adult households (i.e., households having at least one member age 60 years or older), young-child households (i.e., households having at least one member age five years or younger), and high burden households (i.e., households having an energy burden that exceeds an energy burden threshold). Data elements needed to compute the reciprocity targeting indexes are:

- The target group’s income eligible population – The number of older adult, young child, and high burden households that are income eligible for LIHEAP.
- Target group beneficiaries – The number of older adult, young child, and high burden households that are LIHEAP heating beneficiaries.
- The income eligible population – The number of all LIHEAP income eligible households.
- LIHEAP heating beneficiaries – The number of all LIHEAP heating assistance beneficiaries.

The performance measurement validation study and the energy burden study identified the most reliable data sources for the required data elements. The studies found that several different data sources were needed to furnish the most reliable data for the computation of targeting indexes, including:

- The income eligible population – According to the U.S. Census Bureau, the CPS ASEC furnishes the most reliable national estimates of the number of income eligible households.⁷
- Income eligible vulnerable households – The CPS ASEC furnishes the most reliable estimates of the number of income eligible vulnerable households (i.e., older adult households and young-child households).
- LIHEAP heating assistance beneficiaries – The annual *LIHEAP Household Report* furnished by state LIHEAP administrators to ACF furnish the most reliable estimates of the number of heating assistance beneficiary households in each state.
- Vulnerable household LIHEAP heating assistance beneficiaries – The annual *LIHEAP Household Report* furnished by state LIHEAP administrators to ACF furnish the most

⁶ *LIHEAP Energy Burden Evaluation Study*, July 2005, prepared by APPRISE Incorporated under PSC Order No. 043Y00471301D.

https://www.acf.hhs.gov/sites/default/files/documents/ocs/comm_liheap_energyburdenstudy_apprise.pdf

⁷ “Income: Guidance for Data Users – Which Source to Use.” U.S. Census Bureau. Revised March 1, 2016. <http://www.census.gov/topics/income-poverty/income/guidance/data-sources.html>.

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reliable estimates of the number of vulnerable heating assistance beneficiary households in each state.

- Income eligible high burden households – The RECS furnishes the most reliable estimates of the number of income eligible high burden households.
- High burden LIHEAP heating assistance beneficiaries – The RECS LIHEAP Supplement furnishes the most reliable estimates of the number of high burden beneficiary households.

Targeting Performance for High Burden Households

With the available data, the annual reporting of LIHEAP reciprocity targeting index scores includes updates for vulnerable households but not for high energy burden households. To develop a better understanding of the value of targeting performance data for high energy burden households, OCS commissioned the *LIHEAP Energy Burden Evaluation Study* (2005). The purposes of that study included:

- Targeting – Measure the extent to which LIHEAP is serving the lowest income households that have the highest energy burdens.
- Performance goals – Assessment of the importance of the performance goal of increasing the percent of LIHEAP beneficiary households having the lowest incomes and the highest energy costs.
- Measurement – Identification of procedures that can be used to measure performance of LIHEAP with respect to the goal of increasing the percentage, among LIHEAP beneficiary households, of those households with the lowest incomes and the highest energy costs (i.e., high energy burden households).

The study furnished the following information to OCS with respect to targeting of high energy burden households.⁸

- Targeting – The study found that, for FY 2001, the reciprocity targeting index for high home energy burden households was 170, indicating that households with a high home energy burden were served at a significantly higher rate than were other income eligible households. The study furnished a baseline statistic from which changes in targeting to high energy burden households can be compared.

⁸ The study developed an operational definition of “high burden,” though the statute offers no such definition. The study’s definition is used here. This study defined high energy burden as the “energy share” of severe housing (shelter) burden. Severe housing burden is considered by some researchers to be 50 percent of income. (See Cushing N. Dolbeare. 2001. “Housing Affordability: Challenge and Context.” *Cityscape: A Journal of Policy Development and Research*, (5)2:111-130. A Publication of the U.S. Department of Housing and Urban Development, Office of Policy Development and Research.) The median total residential energy costs for households at or below 150 percent of the HHS’s Poverty Guidelines are 21.8 percent of housing costs. This study defined a residential energy burden of 10.9 percent of income as a high burden, moderate energy burden as costs at or above 6.5 percent of income but less than 10.9 percent of income, and low energy burden as costs less than 6.5 percent of income. Heating and cooling expenditures comprise 39.3 percent of total residential energy expenditures for all households. Therefore, high home energy burden is defined for purposes of this study as heating and cooling costs that exceed 4.3 percent of income. Moderate home energy burden is defined as heating and cooling costs above 2.6 percent of income but less than 4.3 percent of income.

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- Performance goals – The study demonstrated that it is important to include a goal of targeting high energy burden households in the performance plan for LIHEAP. The LIHEAP statute gives equal status to the goals of targeting vulnerable households and high energy burden households. Performance goals that are limited to targeting older adult and young-child households encourage LIHEAP grant recipients to give preference to low burden vulnerable households over high burden households that do not have a vulnerable household member.
- Measurement – The study identified options for collecting annual data on high energy burden beneficiary households.

In addition, the *LIHEAP Energy Burden Evaluation Study* (2005) examined two other performance indicators – the benefit targeting index and the burden reduction targeting index. The study furnished baseline measures for these indicators and discussed the value and challenges of including those benefit and burden reduction targeting indicators in the performance plan for LIHEAP. These indexes were updated for FY 2005, FY 2010, and FY 2015 using the 2005 RECS, 2009 RECS, and 2015 RECS, respectively.

Performance Measurement Statistics

Historic Performance Measures

Table 2-1a and Table 2-1b show the LIHEAP reciprocity targeting performance measures from FY 2003 through FY 2021. The first column shows the fiscal year, the second column shows the performance targets (to be reached), and the third column shows the targeting index scores that were achieved. FY 2003 was the baseline year for both measures.

For measure 1A, the baseline targeting index score of 79 indicates that LIHEAP beneficiary households with an older adult member were not being effectively targeted with LIHEAP benefits within the income eligible population of households with older adult members in FY 2003. From FY 2004 to FY 2011, the targeting index scores for households with an older adult member fluctuated between 74 and 79. In FY 2012, the targeting index score for households with an older adult member increased to 83, exceeding both the target and the baseline targeting index score for that year. In FY 2013, the targeting index score for households with an older adult member increased to 84, before decreasing to 80 in FY 2014. In FY 2015, the targeting index score for households with an older adult member increased to 81, and in FY 2016, the score increased to 86. In FY 2017, the targeting index score for households with an older adult member decreased to 82, followed by an increase in FY 2018 and FY 2019 to 85 and 86, respectively. In FY 2020, the targeting index score for households with an older adult member matched prior year's score of 86. In 2021, the targeting index score for households with an older adult member increased to 87 exceeding both the target and the baseline targeting index score.

For measure 1B, the baseline targeting index score of 122 indicates that LIHEAP beneficiary households with a young child member were being effectively targeted with LIHEAP benefits within the income eligible population of households with young children in FY 2003. From FY 2004 to FY 2011, targeting index scores for households with a young child fluctuated between 110 and 122. However, in FY 2012, the targeting index score for households with a young child decreased to 114, which fell short of the fiscal year target and the baseline targeting index score. In FY 2013, the targeting index score for households with a young child increased to 117, before

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decreasing to 112 in FY 2014. In FY 2015, the targeting index score for households with a young child decreased to 107 but in FYs 2016 through 2019, the scores rose steadily to 108, 110, 111 and 115, respectively. In FY 2020, the targeting index score for households with a young child decreased slightly to 112, before decreasing further to 109 in FY 2021.

Table 2-1a. LIHEAP Reciprocity Targeting Performance Measure 1A: Increase the Reciprocity Targeting Index Score of LIHEAP Households Having at Least One Member 60 Years or Older (Reported for FY 2003 – FY 2021)

Fiscal Year	Target	Result
FY 21	86	87
FY 20	86	86
FY 19	85	86
FY 18	82	85
FY 17	86	82
FY 16	81	86
FY 15	80	81
FY 14	84	80
FY 13	85	84
FY 12	80	83
FY 11	75	78
FY 10	78	74
FY 09	96	76
FY 08	96	76
FY 07	94	78
FY 06	92	77
FY 05	84	79
FY 04	82	78
FY 03	Baseline	79

SOURCE: ACF Administrative Data — such data for FY 2021 are preliminary; thus, the actual figures may differ.

Table 2-1b. LIHEAP Reciprocity Targeting Performance Measure 1B: Increase the Reciprocity Targeting Index Score of LIHEAP Households Having at Least One Member Five Years or Younger (Reported for FY 2003 – FY 2021)

Fiscal Year	Target	Result
FY 21	112	109
FY 20	115	112
FY 19	111	115
FY 18	110	111
FY 17	108	110
FY 16	107	108
FY 15	112	107
FY 14	117	112
FY 13	116	117
FY 12	124	114
FY 11	110	122

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Fiscal Year	Target	Result
FY 10	110	118
FY 09	122	117
FY 08	122	110
FY 07	122	110
FY 06	122	112
FY 05	122	113
FY 04	122	115
FY 03	Baseline	122

SOURCE: ACF Administrative Data — such data for FY 2021 are preliminary; thus, the actual figures may differ.

As noted above, the *LIHEAP Energy Burden Evaluation Study* developed baseline statistics on high energy burden household targeting. That study recommended that measurement of targeting to high energy burden households is important since LIHEAP’s statutory mandate is to serve the households “with the lowest incomes, that pay a high proportion of household income for home energy, primarily in meeting their immediate home energy needs.”

Table 2-2 shows the national and regional reciprocity targeting indexes for high burden households for FY 2015. The 2015 RECS was used to develop these statistics.⁹ The reciprocity targeting index scores for high burden households show that in FY 2015, the reciprocity targeting index scores were above 100 for all regions and the nation, meaning that high burden households were targeted with LIHEAP assistance. For example, in the Northeast in FY 2015, the reciprocity targeting index score for high burden households was 109, meaning that the share of beneficiary households that were high burden was 9 percent greater than the share of low income households who were high burden (109 index score -100 = 9 percent greater share).

⁹ Significant methodological changes were introduced in the 2015 RECS, including changes to end-use modeling procedures, particularly for electricity usage, and changes that impact the ability to characterize low income households, including assessing the impact of LIHEAP benefits on energy burden. The less detailed income information that was collected by the 2015 RECS compared to prior iterations of the RECS makes it difficult to accurately characterize which LIHEAP beneficiary households have high energy burden and which do not. The estimates developed using the 2015 RECS defined high energy burden households were based on total residential energy burden (all residential energy costs relative to income); this was done so that the national and regional estimates were more similar conceptually to the state-reported energy burden targeting performance measures, which are based on total residential energy burden. Therefore, readers should use caution when comparing the results for FY 2015 with prior versions of this report, which utilized prior iterations of the RECS and defined high energy burden households using home energy burden (home heating and home cooling costs relative to income).

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Table 2-2. LIHEAP Reciprocity Targeting Index of High Burden Households by Region for FY 2015 from the 2015 RECS

Region	FY 2015
Northeast	109
Midwest	120
South	112
West	150
United States	120

The *LIHEAP Energy Burden Evaluation Study* also furnished estimates of the benefit and burden reduction targeting indexes. Benefit and burden reduction targeting are not part of the performance plan for LIHEAP. However, the study concluded that those two indexes were consistent with the statutory mandate to furnish the highest benefits “to those households which have the lowest incomes and the highest energy costs or needs in relation to income.”¹⁰

Table 2-3 shows national and regional benefit targeting indexes for FY 2015 developed using the 2015 RECS. In FY 2015, the benefit targeting index scores were above 100 for all regions and the nation, meaning that high burden households received higher average benefits than all beneficiary households. For example, in the Midwest in FY 2015, the benefit targeting index for high burden households was 112, meaning that high burden beneficiary households received average LIHEAP benefits that were 12 percent higher than the average benefits for all beneficiary households (112 index score-100 = 12 percent greater average benefits).

Table 2-3. LIHEAP Benefit Targeting Index of High Burden Households by Region for FY 2015 From the 2015 RECS

Region	FY 2015
Northeast	111
Midwest	112
South	102
West	106
United States	109

Table 2-4 shows national and regional burden reduction targeting indexes for FY 2015 developed using the 2015 RECS. Nationally, the burden reduction targeting index score in FY 2015 was 97, meaning that high burden beneficiary households had energy burden reduced by three percent less than all beneficiary households (97 index score-100 = 3 percent less burden reduction). Regionally, the burden reduction targeting index scores were less than 100 in the West and Midwest, meaning that high burden beneficiary households were not targeted with burden reduction to the same extent as all beneficiary households. In the Northeast, the burden reduction targeting index score was 100, meaning that high burden beneficiary households and all beneficiary households had their energy burdens reduced in proportion to one another, and in the South, the index score was 101, meaning that high burden beneficiary households had their energy

¹⁰ In 2016, OCS began collecting development performance measures data from state grant recipients and the District of Columbia that include these 2 indices. The developmental performance measures data is described below.

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burden reduced by 1 percent more than all beneficiary households (101 index score-100 = 1 percent greater burden reduction).

Table 2-4. LIHEAP Burden Reduction Targeting of High Burden Households by Region for FY 2015 from the 2015 RECS

Region	FY 2015
Northeast	100
Midwest	93
South	101
West	84
United States	97

Developmental Performance Measures

As described previously, beginning in FY 2016, state grant recipients and the District of Columbia were required to collect and report data for four new developmental performance measures:

- **Measure #1: Benefit Targeting Index.**
- **Measure #2: Burden Reduction Targeting Index.**
- **Measure #3: Number of occurrences where LIHEAP benefits restored home energy service.**
- **Measure #4: Number of occurrences where LIHEAP benefits prevented the loss of home energy service.**

Overall, state capacity to collect and report the performance data has improved each year since FY 2016. However, some states continued to face challenges with successfully collecting and reporting these data for FY 2021, including the following:

- *Pandemic Impacts* – States faced practical challenges related to the coronavirus pandemic, including remote staff and increased programmatic needs.
- *Data System Limitations* – Most states needed to update their data systems to collect and report the required data. While many of those states were successful in implementing those changes prior to FY 2021, a few states had difficulty completing all necessary data system updates due to unexpected delays, staffing issues, or budgetary constraints.
- *Energy Vendor Cooperation* – While most states were successful in obtaining the necessary data from the targeted energy vendors, a small number of states experienced difficulty in obtaining data from the targeted energy vendors.
- *Data Calculation and Reporting Issues* – A few states experienced challenges in calculating specific statistics, processing data, or reporting the correct results.

To facilitate analysis of the data and account for variations in data quality, OCS conducted a comprehensive review of the FY 2021 data submitted by states for each of the four developmental

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performance measures, assigning states to one of four data quality categories for each of the four new measures. The data quality categories are as follows:¹¹

- *High Reliability* – The review of the submitted data identified no data quality concerns. All data items were reported correctly, and the data represented a reasonable number of total households and households for specific subgroups of interest.
- *Moderate Reliability* – The review of the submitted data identified minor data quality concerns. All data items were reported correctly but data for some specific subgroups of interest were not collected and reported or were based on a small number of households.
- *Low Reliability* – The review of the submitted data identified substantial data quality concerns. A portion of the data items were incomplete or based on a small total sample of households.
- *Insufficient Data for Reporting* – No data was submitted or the submitted data was determined to be unusable.

Specific criteria were developed to classify each state’s data into the appropriate data quality category. For example, for Measure #1 (Benefit Targeting Index) and Measure #2 (Burden Reduction Targeting Index), the following criteria were used:

- High Reliability:
 - The data included complete information for at least 10 percent of households that received LIHEAP bill payment assistance. This was determined to be a reasonable sample size.
 - The data included complete information for at least five percent of households that were electric main heat, five percent of households that were gas main heat, and five percent of households with the most common deliverable fuel type in the state (fuel oil or propane). These criteria were used to determine if data for the major fuel types were sufficiently represented.
 - The data included annual electric expenditure data for non-electric main heat households.
 - High burden households were correctly identified in the data according to the instructions.
- Moderate Reliability:
 - The criteria were the same as for high reliability, except that the data included information for less than five percent of households with the most common deliverable fuel type in the state (fuel oil or propane).
- Low Reliability:
 - The data failed at least one of the criteria for moderate reliability.
- Insufficient Data for Reporting:

¹¹ The specific criteria for each data quality category vary by performance measure.

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- The data included information for less than one percent of households that received LIHEAP bill-payment assistance or the data were missing information needed for accurate calculations.

Table 2-5 presents the number of states in each data quality category by developmental performance measure for FY 2021.

Table 2-5. Developmental Performance Measures: Summary of States' Data Quality by Performance Measure, FY 2021ⁱ

Data Quality Category	Developmental Performance Measure #1: Benefit Targeting Index	Developmental Performance Measure #2: Burden Reduction Targeting Index	Developmental Performance Measure #3: Number of Occurrences Where LIHEAP Restored Home Energy Service	Developmental Performance Measure #4: Number of Occurrences Where LIHEAP Prevented the Loss of Home Energy Service
High reliability	26 states	26 states	33 states	43 states
Moderate reliability	17 states	17 states	10 states	0 states
Low reliability	4 states	4 states	5 states	5 states
Insufficient data	4 states	4 states	3 states	3 states
Total	51 states	51 states	51 states	51 states

ⁱ The data in this table are current as of January 10, 2022.

Tables 2-6 to Table 2-9 provide aggregate results for FY 2021 for each of the developmental performance measures based on different data quality groups. These estimates are presented to demonstrate outcomes for three different groups of states: those states with high reliability data; those states with high or moderate reliability data; and those states with high, moderate, or low reliability data.

Table 2-6 shows that the benefit targeting index score for FY 2021 based on all states with usable data was 111, indicating that LIHEAP provided 11 percent higher benefits to those households with the highest energy burden compared to average beneficiary households. For all three groups, the weighted average index score is greater than 100. This means that, on average, states are furnishing higher benefits to the households that have the highest energy burden.

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Table 2-6. Developmental Performance Measure #1 – Benefit Targeting Index: Results by Data Quality Group, FY 2021

Data Quality Group	Number of States	Weighted Average Index Score ⁱ
High reliability	26	111
High and moderate reliability	43	111
High, moderate, and low reliability	47	111

ⁱ To account for different sizes in the LIHEAP population by state, a weighted average based on each state’s number of bill payment assisted households was used to calculate the weighted average index score.

Table 2-7 shows that burden reduction targeting index score for FY 2021 based on all states with usable data was 86, indicating that LIHEAP paid about 14 percent less of the energy bill for households with the highest energy burden compared to average beneficiary households. For all three groups, the weighted average index score is less than 100. This means that, on average, states are paying a smaller share of the energy bill for the households that have the highest energy burden.

Table 2-7. Developmental Performance Measure #2 – Burden Reduction Targeting Index: Results by Data Quality Group, FY 2021

Data Quality Group	Number of States	Weighted Average Index Score ⁱ
High reliability	26	87
High and moderate reliability	43	86
High, moderate, and low reliability	47	86

ⁱ To account for different sizes in the LIHEAP population by state, a weighted average based on each state’s number of bill payment assisted households was used to calculate the weighted average index score.

Table 2-8 shows that in FY 2021, states with usable data reported a total of 200,401 occurrences where LIHEAP restored home energy services that were lost due to a utility disconnection, no fuel to operate energy equipment, or inoperable energy equipment. This was a large decrease from prior years due to state and utility shutoff moratoria in place during FY 2021 because of the coronavirus pandemic.

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Table 2-8. Developmental Performance Measure #3 – Occurrences Where LIHEAP Benefits Restored Home Energy Services: Results by Data Quality Group, FY 2021

Data Quality Group	Number of States	Total Number of Occurrences
High reliability	33	162,870
High and moderate reliability	43	194,899
High, moderate, and low reliability	48	200,401

Table 2-9 shows that in FY 2021, states with usable data reported a total of 1,431,814 occurrences where LIHEAP assistance helped beneficiaries to maintain energy service that was in imminent risk of being lost due to a utility disconnection, no fuel to operate energy equipment, or inoperable energy equipment.

Table 2-9. Developmental Performance Measure #4 – Occurrences Where LIHEAP Benefits Prevented the Loss of Home Energy Services: Results by Data Quality Group, FY 2021

Data Quality Group	Number of States	Total Number of Occurrences
High reliability	43	1,408,845
High and moderate reliability	43	1,408,845
High, moderate, and low reliability	48	1,431,814

OCS is continuing to monitor state reporting capacity for the development performance measures and to assist states with building increased capacity to successfully collect and report complete and accurate data for these measures.

Uses of LIHEAP Performance Data

Performance targeting index data can be useful for both LIHEAP grant recipients and HHS, as described below.

LIHEAP Grant Recipients Use of Targeting Indexes

Individual LIHEAP grant recipients can use the reciprocity targeting indexes to examine the effectiveness of their outreach to households with vulnerable members.¹²

¹² LIHEAP grant recipients have the ability to create these reciprocity targeting indexes using beneficiary counts from the states' *LIHEAP Household Report* and the federally and/or state income eligible population estimates provided by ACF in the *Low Income Home Energy Data* report (previously, Appendix B of the *LIHEAP Home Energy Notebook*). For FY 2006 and 2007, ACF released information on the rankings of the states in terms of reciprocity targeting indexes. In addition, OCS funded a study that classified states' targeting performance in FY 2007 through FY 2010 in 5 broad categories. That study is available in Section V of the *LIHEAP Home Energy Notebook for FY 2011*: https://www.acf.hhs.gov/sites/default/files/ocs/fy2011_hen_final.pdf

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- In absolute terms, if a given group has a reciprocity targeting index over 100, then that group's incidence in the LIHEAP beneficiary population is higher than that group's incidence in the income eligible population.
- In relative terms, if a given group has a higher reciprocity targeting index than another group, then the given group has been targeted relative to the other group. For example, if the index for older adult households is 90 and the index for non-vulnerable households is 75, then older adult households are targeted at a higher rate than non-vulnerable households are.

Individual LIHEAP grant recipients can use the benefit and burden reduction targeting indexes to examine the effectiveness of their benefit determination procedures in serving households with vulnerable members and households with high energy burdens.¹³

- In absolute terms, if a given group has a benefit or burden reduction targeting index greater than 100, then that group has a higher average benefit (benefit targeting index) or experiences a greater median burden reduction (burden reduction index) than the beneficiary population has or experiences. If a group has a benefit or burden reduction targeting index less than 100, then that group has a lower average benefit (benefit targeting index) or experiences a smaller median burden reduction (burden reduction index) than the beneficiary population has or experiences.
- In relative terms, if a given group has a higher benefit or burden reduction targeting index than another group, then the given group has been targeted relative to the other group. For example, if the benefit targeting index for older adult households is 90 and the benefit targeting index for non-vulnerable households is 75, then older adult households have higher average benefits than non-vulnerable households. Likewise, if the burden reduction targeting index for older adult households is 90 and the burden reduction targeting index for non-vulnerable households is 75, then older adult households have a greater percentage reduction in median energy burden.

Grant recipients can use the targeting measures to gauge their current targeting performance and to track changes in targeting performance over time.

HHS' Use of Targeting Indexes

HHS uses national and regional targeting indexes to examine the targeting performance of LIHEAP and to measure changes in performance over time. In so doing, HHS has found that the national reciprocity targeting indexes indicate that older adult households face difficulty in enrolling in LIHEAP as compared to young-child households. A review of the literature indicates that other federal social programs also have limited success in serving eligible older adult households, especially in comparison to households with young children. Program participation barriers appear to be most significant when older adult households have not made previous use of public assistance programs. For this reason, OCS is an active federal partner with the National Center for Outreach and Benefit Enrollment that is funded by the Administration on Aging.

¹³ LIHEAP grant recipients have the benefit data needed to create benefit targeting indexes. If they calculate household energy burdens for their beneficiaries, LIHEAP grant recipients can also create burden reduction indexes.

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LIHEAP is one of five federal benefit programs for which the Center is seeking to develop innovative ways to increase enrollment of older adults.

OCS is continuing to examine the reliability and validity of targeting indexes in making the following comparisons:

- OCS can compare reciprocity targeting measures among groups of households and identify which groups are not effectively targeted by LIHEAP. For example, if the national LIHEAP reciprocity targeting index for older adult households is 85 and the national LIHEAP reciprocity targeting index for households with young children is 110, then households with young children are targeted at a higher level than are older adult households. HHS might conclude from these statistics that a greater share of the technical assistance efforts should be allocated to increasing targeting to older adult households.
- OCS can compare reciprocity targeting measures among areas of the country to assess which areas are in greatest need of technical assistance and to determine the type of technical assistance that is required. For example, if the reciprocity targeting index for older adult households in the New England Census Division is 75, while the reciprocity indexes for older adult households in all other divisions are over 100, then older adult households are targeted at a lower level in New England than in other parts of the country. HHS might conclude from these statistics that a greater share of the technical assistance efforts should be allocated to increasing targeting to older adult households among one or more grant recipients in New England.
- OCS can compare national targeting measures over time to measure changes in targeting performance. For example, if the targeting indicator for older adult households was 75 in one fiscal year and was 85 in a later fiscal year, then it would demonstrate that LIHEAP targeted older adult households at a higher level over time.

Targeting Performance Measurement Issues

As presented above, targeting indexes are statistical tools that allow OCS to examine targeting across groups of households, across regions of the country, and over time. It is reasonable to expect that the greatest increases in targeting performance can be realized by supporting the targeting efforts for those areas of the country that are currently serving targeted households at the lowest rate.

A major challenge in executing the LIHEAP performance plan is in finding an effective way to gather the data that enter into vulnerable and high burden targeting indexes in a timely way. OCS has found the timeliness of such collection to be challenging (e.g., the *LIHEAP Household Report's* early deadlines). In addition, the RECS' relative infrequency presents an ongoing challenge, and the data collection requirements beginning in FY 2016 for grant recipients to assess energy burden and other program metrics in their states remain developmental in nature.

For FY 2011, ACF required states to report for the first time on the *LIHEAP Household Report* an unduplicated count of households receiving all types of LIHEAP benefits. This data is to allow

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OCS to indicate the targeting of all types of LIHEAP benefits, rather than just the targeting of heating benefits. All states were able to report an unduplicated count for FY 2021.¹⁴

¹⁴ Georgia's unduplicated count of households receiving any type of assistance using CARES excludes households who only received Weatherization Assistance using CARES.