



YESTERDAY, TOMORROW AND FINANCE  
2020 CSMFO ANNUAL CONFERENCE  
JANUARY 28-31, 2020  
DISNEYLAND CA



# Implementing SB998

## Eastern Municipal Water District



## Getting Started

SB 998 Section Referenced	SB998 Description	EMWD Current	Operational or Policy Impact	Group Responsible	Notes	Level of Effort
116906 (a)	Written policy on discontinuation of residential service for non-payment in English and languages spoken by at least 10% of the service area.	Delinquency process timeline detailed on website in English only.	Post policy as link on website, proactively provide to customers in welcome packets (On order to include language preference option question)	CS Leadership, PGA, Webmaster	This must be translated into the specified five languages in addition to English.	Low
116906 (a) 1	Plan for deferred or reduced payments (longer time frame on Monthly Payments - 12mos)	Payment Extensions/Monthly Installments- No Guidelines	Write up guidelines for amortization of Past Due balances, based on total balance on account.	CS Leadership		High
116906 (a) 2	Alternative payment schedule	No alternative payment schedule available	Level Pay Plan to be used to roll Past Due balance into a year of payments if coding can be updated (system auto recalculate at 4 months) change of bill due date with book change	Information Systems, Billing Desk		High
116906 (a) 3	Formal mechanism to contest or appeal a bill	No formal method for bill appeal for inability to pay	eForm needed to post on website and paper form to mail/email or fax in for appeal, IVR option	CS Leadership, PGA, Webmaster	Assumption is this comes into play when CS can't assist; follow example of variance request appeal process	High

Divided all requirements of the bill into “as is” and “to be” components

- 25 items were identified by level of effort
  - 10 low, 9 medium, 6 high



## Held a Regional Workshop

- 7 agencies in attendance
- Create alignment in neighboring agencies
  - Interpretation of the bill
  - Offer EMWD's best practices
  - Share ideas
  - Breakout sessions
- Aging and collections impact and proposed business changes
- Created an email group to continue to ask questions during implementation



## Eligibility for SB998

116910 (a) Water System shall not discontinue residential service for nonpayment if all of the following conditions are met:

- Financial: Customer or any member of the customers household is a recipient of on an assistance program (i.e. CalWorks, CalFresh, Medi-Cal, Supplemental Security Income, etc.) or annual income is less than 200% of the Federal poverty level
- Medical: Customer or tenant of the customer submits certification of a primary care provider that discontinuation of residential service will be life threatening or pose serious threat to health and safety of residents
- Repayment Program: Customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment

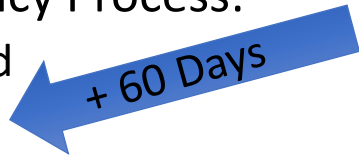
## Plan for Submissions

- Submission process managed internally
  - Dedicated team
- Request other utility bill showing CARE enrollment for financial eligibility
  - SCE
  - SoCal Gas
- Review documents submitted
  - Assistance Program or Financial information
  - Medical certification
- Amortization
  - Respond to customer and set amortization
  - Not to exceed 12 months in the majority of cases




2019 - 2020 Federal Poverty Guidelines (Continental United States)				
Household Size	100% FPL Annual Gross	185% FPL Annual Gross	200% FPL Annual Gross	250% FPL Annual Gross
1	\$12,490	\$23,107	\$24,980	\$31,225
2	\$16,910	\$31,284	\$33,820	\$42,275
3	\$21,330	\$39,461	\$42,660	\$53,325
4	\$25,750	\$47,638	\$51,500	\$64,375
5	\$30,170	\$55,815	\$60,340	\$74,425
6	\$34,590	\$63,992	\$69,180	\$86,475
7	\$39,010	\$72,169	\$78,020	\$97,525
8	\$43,430	\$80,346	\$86,860	\$108,575

## 60 Days Delinquent Before Shut Off

- 116980 (a)(1) Turn off water only if customer has been delinquent for 60 days and customer has been contacted no less than 7 business days before discontinuation of service
- Current Delinquency Process:
  - Day 1 Bill mailed
  - Day 21 Bill due
  - Day 26 Late fee assessed (\$25.00)
  - Day 35 Final notice
  - Day 40 Automated reminder phone call
  - Day 45 Water service scheduled for shut off (door hanger delivered)
  - Day 50 Account closed for non-payment



## Extending the Delinquency Cycle

Day	Current Process	Proposed Process
1	Bill Mailed	Bill Mailed
21	Bill Due	Bill Due
26	Past Due Notice, Late Fee (\$25)	Past Due Notice 1, Late Fee (\$25)
35	Final Notice	Past Due Notice 2 
40	Reminder Auto-Call	
45	Shutoff Scheduled/Door Hanger	Reminder Auto-Call 1 
46	Service Disconnected	
50	Account Closed for Non-payment	
55		Past Due Notice 3
65		Reminder Auto-Call 2
72		Final Notice
77		Shutoff Scheduled/Door Hanger
83		Service Disconnected
88		Account Closed for Non-payment

## Written Policy of Discontinuation

- (116906)(a) Written policy on discontinuation of residential service for nonpayment in English and languages spoken by at least 10% of the people residing in the service area. Policy shall include:
  - Plan for deferred or reduced payments
  - Alternative Payment Schedule
  - Formal mechanism to contest or appeal a bill
    - Service discontinuation shall not happen while appeal is pending





## Actions Taken for Policy of Discontinuation Requirements

- Updated customer billing notices
  - Addition of 6 languages on required notices
- Internal appeals review process established
  - No shut off during appeal
- EMWD website updated
  - “EMWD Assist”
  - Web form to submit eligibility documentation
  - Formal appeal process instructions posted



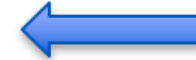
## “EMWD Assist”


[Language](#)
[Contact Us](#)
[Pay My Bill](#)

[Customers](#) [Stay WaterWise](#) [Education](#) [GWR Plus](#) [Doing Business](#) [Who We Are](#)

### EMWD Assist (TEST SITE)

EMWD Assist provides low-income customers who have a signed medical certificate from their primary care provider with extended payment amortization options to help them avoid discontinuation of residential water service.



#### Conditions for Participation

- Customer must submit the certification of a primary care provider, that discontinuation of residential water service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential water service is provided.
- Customer must meet low-income qualifications and demonstrate that he or she is financially unable to pay with EMWD's normal billing cycle.
- Customer must agree to reverify eligibility and recertify their application, when requested.
- Customer must notify EMWD within 30 days if they no longer qualify for EMWD Assist.

#### Low-Income Qualifications

#### Apply for EMWD Assist



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### Business Changes – SB998's Impact

- Anticipating SB998 will impact account aging and collections
- Account aging – outstanding balances over 60 days
  - Current Aging Rate 3.1%
- New debt collection paths
  - Franchise Tax Board
  - Property Tax Rolls
- Set standard guidelines for Customer Service Staff regarding delinquency inquiries



## Standardizing Fees for All Customers

Statutory Requirement:

- For residential customer who demonstrates to an urban and community water system that their household income is below 200 percent of the Federal Poverty Level (FPL)\*, the urban and community water system shall set reconnection fees as follows:

EMWD Current Fee	EMWD Required Fee Under SB 998
Reconnection Fee (business hours) \$55.00	Reconnection Fee (business hours) \$50.00
Reconnection Fee (non business hours) \$215.00	Reconnection Fee (non business hours) \$150.00

\* Federal poverty guidelines for a family of four set 200% of Federal Poverty Level (FPL) for income at \$50,200 per year



## Activities Completed For Go Live

- Current Billing System changes completed
  - Functional requirements review for New Billing System completed
- EMWD Board of Directors Informational Updates
  - By Director of Customer Service and Billing Manager
- User Acceptance Testing performed
- Training of dedicated team for SB988 Submissions
- Training of General Staff- Call Handling



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### Contact Information



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