




## MEMORANDUM

**TO:** Mayor and City Council

**CC:** Elaine Hart, Interim City Manager  
Robert Goode, Assistant City Manager

**FROM:** Jackie A. Sargent, General Manager 

**DATE:** May 2, 2017

**SUBJECT:** Medically Vulnerable Registry — Disconnection of Utility Service

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I want to inform you that, unfortunately, 22 Medically Vulnerable Registered customers have progressed through the collections process and are now at the point of disconnection.

Disconnection is an action of last resort, as these accounts have made limited or no payments and have average balances that exceed \$4,500.

Last year, Austin Energy (AE) faced a similar issue with eight customers in the Medically Vulnerable Registry (MVR) program, and we informed you of that situation in a memo dated March 4, 2016. Fortunately, through Austin Energy's comprehensive MVR program and the specialized case management Austin Energy staff provides, all disconnect-eligible registry participants in 2016 were able to obtain financial assistance to avoid disconnection of utility services.

Because the MVR disconnection process will start up again May 17<sup>th</sup>, I also would like to provide some background information about the MVR program and the work Austin Energy does for these customers.

The Medically Vulnerable Registry is a component of the City of Austin Customer Assistance Program and is guided by City of Austin Utility Regulations 15-9-23. This registry currently has an enrollment of 497 customers, and supports customers who have a household member requiring life support equipment or with a challenging medical condition. The program's purpose is to provide additional notice in the event of pending service interruptions and provide medically vulnerable customers additional time to pay their bill. Austin Energy uses the program

to provide extraordinary measures beyond the service regulation requirements to ensure safety of some of the most vulnerable in the community.

Four dedicated Austin Energy staff members provide on-going case management services to MVR enrolled customers, including support that continues after any utility disconnections. The assigned staff member works directly with each customer and family to manage the utility account and complete site visits of each home. Customers on the registry receive the following support from Austin Energy staff:

- Home visits to introduce the program and educate appropriate parties of the benefits, including household budgeting and community referral site visits
- Completion of a Back-Up Plan, including:
  - Development of a customer emergency contact list
  - Designation of a specific third party point of contact to receive utility notices
  - Development of emergency plan in case of loss of utilities
- Additional notifications for planned outages, pending inclement weather and unplanned outages
- Reminder notifications to implement Back-Up Plan during outage-related situations
- Proactive management of utility balances including flexible payment arrangements and additional review levels during the collection process as well as prior to disconnection for non-payment

Austin Energy also partners with community agencies to help find the most support for those in need.

Although each eligible household receives additional time to pay their bills, they are not exempt from the collections or disconnection process. However, when the situation arises, the disconnect process is handled with extreme care. Before reaching the critical point of interrupting services, each MVR customer has already received direct case management from staff, multiple chances to establish payment arrangements, as well as the opportunity to obtain support from community partners and other City departments. Additionally, each customer has received a minimum of four written collection notices, four phone calls and multiple site visits from their Austin Energy Coordinator.

This comprehensive case management process typically yields success for most of the MVR customers. However, despite the extra efforts, these 22 MVR households have accrued significant outstanding debt, including ongoing non-payment of current monthly utility obligations. In the MVR program, any payment amount is typically considered progress, but many of these customers have not made progress on balances in approximately eight months. Each situation varies, but in some cases the debt has steadily accrued over the past three years. Staff has engaged the many community agencies that provide financial assistance for customers, but the debt is so significant that agencies are not able to cover the full outstanding balances.

Austin Energy understands how difficult this situation is, and our commitment to the customer continues through a specially designed disconnection process that puts the health and safety of the household members at the forefront. The disconnection process is a coordinated event

between Austin Energy, Adult or Child Protective Services, City of Austin Emergency Medical Services and any agency partners that provide support services to the customer. During this process, the customer is transported to their designated “Back-Up Plan” site or directly to the hospital depending on the customer’s medical issues. Austin Energy ensures all appropriate parties are engaged, including any outside caretakers, guardians or third party contacts listed in the customer’s “Back-Up Plan. Staff also remains engaged until the customer is safely in the care of a specific agency, the hospital or their designated caretaker.

No MVR participating account has been disconnected for non-payment since 2012. During these prior disconnections, the entire process was carefully monitored to ensure the safety and well-being of the registered party. Austin Energy staff will maintain the same high standard in the event of any disconnections in this instance.

We hope this notification will be helpful should any escalations arise as these efforts commence. Please feel free to contact me with any additional questions.