

 <p style="text-align: center;"><b>POLICIES AND PROCEDURES</b></p> <p style="text-align: center;">State of Tennessee Department of Intellectual and Developmental Disabilities</p>	<b>Policy #: 80.5.2</b>	<b>Page 1 of 7</b>
	<b>Effective Date: April 15, 2014</b>	
	<b>Distribution: B</b>	
<b>Policy Type: Administrative</b>	<b>Supersedes: 80.5.2 (10/15/12)</b>	
<b>Approved by:</b> <b>Commissioner</b> <i>Debra K Payne</i>	<b>Last Review or Revision: March 25, 2014</b>	
<b>Subject: Housing Cost Subsidy</b>		

- I. **AUTHORITY:** Tennessee Code Annotated (TCA) 4-3-2708, TCA 33-1-302(a)(3), TCA 33-1-303(3), TCA 33-1-305 and the Home and Community Based Services Waiver.
- II. **PURPOSE:** The purpose of this policy is to provide clarification about the eligibility criteria for a Housing Costs Subsidy and the process for requesting and authorizing the subsidy.
- III. **APPLICABILITY:** This policy applies to employees of the Department of Intellectual and Developmental Disabilities (hereinafter "Department" or "DIDD") who are responsible for authorizing a request for a state-funded Housing Costs Subsidy as well as any contracted provider for whom this subsidy would apply. The policy is applicable to any new request for a Housing Costs Subsidy or to any request to renew or revise an existing Housing Costs Subsidy.
- IV. **DEFINITIONS:**
- A. **Class Member** shall mean an individual who meets the requirements in the definition of the class specified in:
- People First of Tennessee, et.al. v. Clover Bottom Developmental Center.
- B. **Essential Utility Service** shall mean electric power service, water and sewer service, or natural gas or other fuels for heating (e.g., gas, oil, coal).
- C. **Former Class Member** shall mean an individual who met the requirements in the definition of the class specified in the United States of America v. State of Tennessee, et.al. (Arlington Developmental Center).
- D. **Housing Subsidy** shall mean a state-funded subsidy provided by the Department of Intellectual and Developmental Disabilities prior to September 1, 2007, to assist individuals who received Supported Living services with making lease, rent, or mortgage payments.
- E. **Housing Costs Subsidy** shall mean state funding provided by the Department of Intellectual and Developmental Disabilities to assist individuals who receive Supported Living services with making lease or rent payments for certain utility and related services specified in Section D.1.c-d.
- F. **Supported Living** shall mean a residential service that meets the waiver service definition of Supported Living as specified in the following Home and Community Based Services (HCBS) Waivers and that is provided by a qualified provider:
- a. Home and Community Based Services Waiver for the Mentally Retarded and Developmentally Disabled (#0128.R04.01) and any amendments thereto.

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- b. Home and Community Based Services Waiver for Persons with Mental Retardation (#0357.R02.01) and any amendments thereto.

V. **POLICY:** This policy describes the circumstances for which state funds can be used to subsidize housing costs for class members or former class members receiving DIDD services. Additionally, it outlines the approval process for these funds.

VI. **PROCEDURES:**

A. Expenses for which a Housing Costs Subsidy may be used. A Housing Costs Subsidy shall only be authorized to assist an individual who receives Supported Living services with the following:

1. Rent or lease payments.
2. Mortgage payments for an individual who was initially authorized by DIDD to receive such payments on or before August 31, 2007.
3. Essential utility services.
  - a. Electric power service.
  - b. Water and sewer service.
  - c. Natural gas or other fuels for heating (e.g., gas, oil, coal).
4. Related Services:
  - a. Trash disposal service.
  - b. Basic telephone service for either a land line or cell phone but not both, not to exceed the rate for a discounted residential telephone service such as Lifeline, if available.
  - c. Lawn mowing service.

B. Eligibility. To be eligible to receive a Housing Costs Subsidy:

1. The person supported must be receiving a Supported Living residential service in the State of Tennessee.
2. The person supported must either be:
  - a. A Class Member.
  - b. A former Class Member who had the lease at the time this policy became effective. The subsidy shall expire at the time the former Class Members current lease expires or one year from the date of this policy whichever is longer.

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c. A person who is not a Class Member but who was approved for and was receiving a Housing Subsidy state funded by DIDD as of August 31, 2007.

3. There must be documentation that the person supported has insufficient funds to cover reasonable rent, lease, or mortgage payments (subject to the limits specified in this policy) and other reasonable residential costs on an ongoing basis without a Housing Costs Subsidy.

C. Filing a request for a Housing Costs Subsidy.

1. To request a Housing Costs Subsidy, the Supported Living provider agency must submit a completed request form to the DIDD Regional Director or designee for review. Request forms may be obtained from the DIDD Regional Office or the DIDD web site.

2. Time frames for submission of a Housing Costs Subsidy are:

a. At least 30 calendar days prior to the requested start date of an initial request for a Housing Costs Subsidy.

b. At least 30 calendar days prior to the expiration date of the person's existing Housing Costs Subsidy.

c. At least 30 calendar days prior to the date the person supported relocates to a different Supported Living home.

d. Within 30 calendar days of a change in the number of persons supported living in the person's Supported Living home.

e. Within 30 calendar days of an increase of at least 20% or greater in the person's income (both earned and unearned)

f. Within 30 calendar days of a change in the person's financial circumstances such that the existing subsidy is inadequate to meet the person's residential cost needs.

3. Bank statements for the person supported for the most recent 2 months must be submitted with the request for a Housing Costs Subsidy.

4. The Individual Support Plan does not have to be amended to request a Housing Costs Subsidy.

D. Authorization of a Housing Costs Subsidy

1. The authorization period for a Housing Costs Subsidy shall be limited to a maximum of one (1) year except in special circumstances where DIDD has determined that a shorter or longer authorization period is warranted.

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2. Rent, lease, and mortgage payments, shall not exceed the HUD User Fair Market Rent for the current year for the applicable county in Tennessee, except in the following circumstances:
    - a. The DIDD Commissioner or designee has authorized a short-term increase to accommodate a person supported who had a lease in effect as of September 1, 2008, with a monthly payment more than the HUD User Fair Market Rent.
    - b. When a Special Exception Add-On has been authorized by the DIDD Commissioner or designee in accordance with this policy.
  3. A Housing Subsidy that was authorized by DIDD prior to September 1, 2007, shall be valid for a one-year period from the date of its authorization or until the assigned expiration date is reached, whichever occurs first.
  4. An authorized Housing Costs Subsidy shall expire:
    - a. When the authorization end date has been reached.
    - b. If the person supported relocates from a Supported Living home to another type of residence and no longer receives DIDD services in a DIDD-approved Supported Living home in Tennessee.
    - c. If the person supported relocates to a different Supported Living home in Tennessee.
    - d. Upon assignment of a revised authorization date as specified in this policy.
  5. A Special Exception Add-On or a rent or lease payment that exceeds the HUD User Fair Market Rent must be authorized by the DIDD Commissioner or designee. Otherwise, the DIDD Regional Director or designee may authorize a Housing Costs Subsidy in accordance with this policy.
- E. Revising the amount of the Housing Costs Subsidy. The amount of Housing Cost Subsidy may be increased or decreased in accordance with the following:
1. The amount may be proportionately reduced if:
    - a. The person's income increases.
    - b. The person's expenses decrease.
    - c. There is an increase in the number of housemates in the Supported Living home.
    - d. The person supported moves to a different Supported Living home which is less expensive than the previous Supported Living home.

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2. Subject to the limits on residential rent, lease, and mortgage payments specified in this policy, the amount may be proportionately increased if:
  - a. The person's income decreases.
  - b. The person's expenses increase.
  - c. There is a decrease in the number of housemates in the Supported Living home.
  - d. The person supported moves to a different Supported Living home which is more expensive than the previous Supported Living home.
3. DIDD reserves the right to review the person's income and expenses at any time to ensure that the conditions represented at the time of the request are still valid.

F. Determination of the Housing Costs Subsidy. The determination of the amount of a Housing Costs Subsidy shall be at the sole discretion of DIDD and shall be based on an assessment of income and expenses in accordance with the following:

1. Recurring Housing Expenses shall be determined based on the projected costs of the expenses of services specified in this policy.
2. For purposes of determining the amount of the Housing Costs Subsidy, DIDD shall establish a maximum **DIDD Personal Expense Allowance** that is applicable to Class Members receiving Supported Living services.
3. Total Income of the person supported shall be determined by including:
  - a. Food stamps.
  - b. Other unearned income (e.g., SSI income, VA income, SSA/SSDI income).
  - c. Earned income that exceeds \$1200 per calendar year.
4. **Allowable Expenses** shall be calculated by adding the Recurring Housing Expenses and the DIDD Personal Expense Allowance.
5. If the Class Member's Allowable Expenses exceed the Class Member's Total Income, the difference will be the **Class Member's Housing Costs Subsidy**. The Class Member's **Housing Costs Subsidy**, if any, shall be determined by subtracting the Allowable Expenses from the Total Income as shown below:
  - a. Recurring Housing Expenses plus DIDD Personal Expense Allowance equals Allowable Expense.
  - b. Total Income minus Allowable Expense equals Class Member's Housing Costs Subsidy (if a negative number).
6. Special Exception Add-Ons by the Commissioner or designee

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- a. In exceptional circumstances where a Class Member's medical or behavioral condition results in recurring personal expenses substantially higher than the established DIDD Personal Expense Allowance, the Commissioner or designee shall have the discretion to authorize a Special Exception Add-On.
- b. In exceptional circumstances, the Commissioner or designee may authorize a Special Exception Add-On to supplement a rent or lease payment exceeding the HUD User Fair Market Rent to accommodate a non-ambulatory person supported with extensive and substantial specialized seating and mobility equipment needs, in accordance with the following:
  - 1) The non-ambulatory person supported must have specialized seating and mobility equipment needs that are so extensive and substantial that:
    - a. A unique floor plan or substantial additional space is required to accommodate the specialized seating and mobility equipment.
    - b. The need for such a unique floor plan or substantial additional space to accommodate the specialized seating mobility equipment requires the rental or lease of a residence at a rate which exceeds the HUD User Fair Market Rent.
  - 2) A Special Exception Add-On shall not be provided if the person supported uses a standard wheelchair, folding wheelchair, or other type of wheelchair, specialized seating, or mobility equipment that can be reasonably accommodated in a residence (or a residence modified through Environmental Accessibility Modifications) at a rate that would not exceed the HUD User Fair Market Rent.
  - 3) The Commissioner or designee may authorize the Special Exception Add-On to supplement a rent or lease payment for the non-ambulatory person supported as well as other persons supported in the home who share the rent or lease payment, provided that the non-ambulatory person continues to reside in the home. When more than one person supported resides in the home, the Special Exception Add-On shall be prorated based on the number of persons in the home.
  - 4) The Commissioner or designee may authorize the Special Exception Add-on to supplement rent or lease payments for over-the-counter medications or co-pays for the persons supported who demonstrate need.

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G. Payment. Payment for an authorized Housing Costs Subsidy shall be made to the Supported Living provider who shall use it on behalf of the person supported for eligible expenses in accordance with this policy. The Supported Living provider must document that the Housing Costs Subsidy was deposited into the person supported' s checking account.

VII. CQL STANDARDS: None

VIII. REVISION HISTORY: October 15, 2012, March 25, 2014

IX. TENNCARE APPROVAL: N/A

X. ATTACHMENTS:

A. Request for Housing Costs Subsidy Form

B. Instructions for Completing the Request for Housing Costs Subsidy Form