

CHAPTER 24
HOME AND COMMUNITY-BASED SERVICES RENT SUBSIDY PROGRAM

Chapter rescission date pursuant to Iowa Code section 17A.7: 1/1/28

265—24.1(16) Purpose. This chapter defines and structures the rent subsidy program for persons who participate in a home- and community-based services (HCBS) waiver program, including habilitation services, or Money Follows the Person (MFP). This program is designed to provide rent assistance to help HCBS waiver and MFP participants live in the community.

[ARC 3423C, IAB 10/25/17, effective 11/29/17]

265—24.2(16) Definitions.

“Applicant” means a person aged 18 or over who participates in one of the home- and community-based services waiver programs, habilitation services, or Money Follows the Person.

“Authority” means the Iowa finance authority.

“Habilitation services” means an Iowa Medicaid program designed to provide home- and community-based services to Iowans with the functional impairments typically associated with chronic mental illnesses.

“Home- and community-based services rent subsidy program” means a program as established in 2017 Iowa Acts, House File 586, section 3.

“Home- and community-based services waiver program” or *“HCBS”* means any of the waiver programs administered by the department of human services under the provisions set forth in 441—Chapter 83, the habilitation services waiver, or Money Follows the Person.

“Housing Choice Voucher (HCV) program” means the federal government’s major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market as created in Section 201 of Title 2 of Public Law 93-383, also known as the Housing and Community Development Act of 1974, with implementing regulations found in 24 CFR Part 982. Applicants apply for the HCV program through the local public housing authority.

“HUD” means the U.S. Department of Housing and Urban Development.

“Legal guardian” means a person lawfully invested with the power, and charged with the obligation, of taking care of and managing the property and rights of a recipient who, because of age, understanding, or self-control, is considered incapable of administering the recipient’s own affairs.

“Money Follows the Person (MFP)” means Iowa’s Money Follows the Person (MFP) partnership for community integration program, which provides opportunities for individuals in Iowa to move out of intermediate care facilities for persons with intellectual disabilities (ICF/ID) or nursing facilities, and into the community.

“Qualified dependent(s)” means the applicant’s spouse or child who is claimed as a dependent of the applicant for federal income tax purposes.

“Qualified rental unit” means a housing unit for which a signed written rental agreement exists and which is governed by Iowa Code chapter 562A.

“Representative payee” means a person who is appointed for a recipient who is unable to receive and manage the recipient’s own benefits due to mental or physical impairments. The representative payee is to use the benefits in the recipient’s best interest and is personally liable for misuse of funds.

[ARC 3423C, IAB 10/25/17, effective 11/29/17; ARC 4038C, IAB 9/26/18, effective 10/31/18]

265—24.3(16) Eligibility requirements. All of the following criteria shall be met.

24.3(1) Demonstrated need. An applicant must demonstrate need for rent subsidy by meeting all of the following requirements:

a. The applicant shall provide a copy of an executed rental agreement showing the applicant as a tenant, with signatures by the landlord and the applicant or the applicant’s legal guardian;

b. The applicant shall provide evidence that the applicant pays more than 30 percent of the applicant’s gross income for rent, with a minimum contribution of \$25 per month;

- c. The applicant shall not receive any other permanent rental assistance;
- d. The applicant may not use this program to substitute for any other permanent rent subsidy that the applicant had been receiving at the time of or immediately prior to the time of application to this program; and
- e. The applicant's rental unit must be a qualified rental unit and may not be owned by someone who lives in the unit.

24.3(2) *Ineligible for other rent subsidies.* The applicant shall have been determined ineligible or be on the waiting list, or provide documentation that the waiting list is closed, under the HUD Housing Choice Voucher (HCV) program administered by Iowa's public housing authorities. In the event that the HCV waiting list is currently closed, the applicant is responsible for monitoring the status of the waiting list application period and must apply at the first available opportunity and provide documentation of HCV application submission to the local public housing authority or be subject to removal from the HCBS rent subsidy program or the HCBS rent subsidy program waiting list.

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265—24.4(16) Application. Applications for the HCBS rent subsidy program may be obtained on the authority's website at www.iowafinanceauthority.gov/HCBS. Applications shall be submitted to the Iowa finance authority as directed on the application.

24.4(1) *Application process.* An applicant shall complete the application for HCBS rent subsidy and provide all required documentation as specified in the application.

24.4(2) *Date of application.* The date of the application shall be the date the completed application, including all required documentation, is received by the authority.

24.4(3) *Eligibility determination.* The applicant shall be notified of the amount of monthly rent subsidy within 30 business days of the authority's approval of a complete application. In addition, the applicant may elect to have any of the following notified: legal guardian, case manager or representative payee.

24.4(4) *Waiting list.* The authority shall maintain and administer a statewide waiting list for funding of HCBS rent subsidy as follows:

- a. When an application is received, the applicant will be placed on the established waiting list according to the order in which the completed application and all required supporting documents were received by the authority.

- b. Waiting list priority shall be given to an applicant:

- (1) Who is an approved MFP participant.
- (2) Who is transitioning from an out-of-state institutional placement.
- (3) Who is transitioning from an institutional setting within Iowa.
- (4) Whose rent subsidy has been terminated due to lack of available funds under subrule 24.7(3).

- c. When funding allows additional applicants to be added to the HCBS rent subsidy program, their names shall be taken from the statewide waiting list, updated information will be requested, and each applicant's eligibility shall be determined at that time based upon receipt of the requested updated documentation. If the completed application and verification of eligibility are not received by the deadline specified by the authority, the applicant's name may be removed from the waiting list.

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265—24.5(16) Amount of rent subsidy.

24.5(1) *Use of subsidy.* Assistance shall be used for rental expense.

24.5(2) *Maximum monthly payment for rent.* Assistance for rent shall be equal to the lesser of the rent paid by the applicant or the current applicable fair market rent as published by HUD for the area where the applicant's residence is located, less 30 percent of the applicant's gross monthly income. The fair market rent used shall be that for a one-bedroom unit or a proportionate share of the fair market rent in living units containing more than one bedroom. When the applicant resides with a qualified dependent(s), the proportionate share may consist of additional bedrooms, applying the same maximum monthly payment standard.

24.5(3) *Monthly payment.* Applicants approved for HCBS rent subsidy payments shall receive an ongoing monthly payment which is equal to the amount determined pursuant to subrule 24.5(2). The authority will not send any payments less than \$50 but will accrue subsidy payments until such time as at least \$50 is accumulated.

[ARC 3423C, IAB 10/25/17, effective 11/29/17]

265—24.6(16) Redetermination of eligibility.

24.6(1) *Time of completion.* A redetermination of eligibility for HCBS rent subsidy payments shall be completed:

- a. At least once every 12 months.
- b. When a change in circumstances occurs that affects eligibility in accordance with rule 265—24.3(16).
- c. If the recipient moves from the residence stated on the approved application.
- d. When there is a change greater than \$100 in the recipient's estimated gross monthly income.

24.6(2) *Renewal notice.* The authority shall send a renewal notice before the deadline date for annual redetermination of eligibility.

a. The recipient shall submit the completed application for HCBS rent subsidy and required verification materials to the authority, as directed on the application.

b. If the authority does not receive the completed application and verification of continuing eligibility by the due date as noted on the authority's website, the recipient's rent subsidy shall be terminated.

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265—24.7(16) Termination of rent subsidy payments.

24.7(1) *Reasons for termination.* The HCBS rent subsidy shall terminate at the end of the month in which any of the following occur, and a notice shall be sent stating the reason for the termination, which may include, but is not limited to, the following:

- a. The recipient does not meet one or more of the eligibility criteria listed in rule 265—24.3(16).
- b. Completion of the required documentation is not received by the deadline established by the authority.
- c. No further funds are available for the HCBS rent subsidy program.
- d. The recipient, case manager, legal guardian or representative payee demonstrates abusive or threatening language or behavior toward authority staff.
- e. The recipient is determined to have provided false information.

24.7(2) *Reporting of changes.* The applicant or the applicant's designated responsible party as certified in the application is required to report to the authority any changes that may affect eligibility within ten business days of the occurrence of the change. Failure to do so may result in the applicant's responsibility to repay HCBS rent subsidy funds and termination of the HCBS rent subsidy.

24.7(3) *Insufficient funding.* If funds are not sufficient to cover payments for all recipients under the HCBS rent subsidy program, recipients shall be terminated from the program in inverse order based on the date of the approved application, such that the most recently approved recipients shall be terminated from the program first, and the recipient terminated from the program shall be placed back on the waiting list, with the recipient's original approval date dictating the recipient's position on the waiting list.

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