

CHAPTER 24  
HOME AND COMMUNITY-BASED SERVICES RENT SUBSIDY PROGRAM

**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 and who meet the nursing facility level of care for HCBS waiver services as established on or after July 1, 2005. This program is designed to provide rent assistance to these persons to help them live successfully in their own home and community until they become eligible for any other local, state or federal rent assistance.

**265—24.2(16) Definitions.**

“*Adult*” means a person aged 18 or over.

“*Authority*” means the Iowa finance authority.

“*Child*” or “*children*” means a person or persons under 18 years of age.

“*Dependent relative*” or “*dependent relatives*” means a person or persons as defined by the department of human services under the provisions set forth in 441—subrule 51.4(4).

“*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 including, but not limited to, the ill and handicapped waiver, the elderly waiver, the AIDS/HIV waiver, the mental retardation waiver, the brain injury waiver, and the physical disabilities waiver.

“*Legal representative*” for personal or health care decisions means a person possessing a durable power of attorney for health care, guardian, or next of kin (spouse, adult children, parents, adult siblings under Iowa Code chapter 144A). “*Legal representative*” for financial decisions means a person possessing a power of attorney, a representative payee, fiduciary or conservator.

“*Qualified rental unit*” means an apartment, mobile home, or private room for which a signed written lease exists and which is governed by Iowa Code chapter 562A. A qualified rental unit does not include a home owned by a family member.

“*Residential-based supported community living services*” means residential-based supported community living services as defined in 441—subrule 78.41(10).

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

**24.3(1) HCBS recipient.** The person shall be an adult recipient of one of the HCBS waiver programs or a child receiving residential-based supported community living services under the mental retardation HCBS waiver program.

**24.3(2) Demonstrated need.** To demonstrate need, adult applicants must provide evidence that they are responsible for paying more than 30 percent of their gross income for rent and that they are not receiving and are ineligible for other rental assistance. In the case of children receiving residential-based supported community living services under the mental retardation HCBS waiver program, they or their families or guardians must provide evidence that the children are not receiving and are ineligible for other rental assistance and that more than 30 percent of the children’s gross income is obligated for rent. A minimum contribution of \$25 toward the cost of rent is expected from all applicants. This program may not be used to substitute for any other rent subsidy that a person had been receiving at the time of or immediately prior to the time of application to this program. Persons receiving rental assistance at the time of or immediately prior to the time of application to this program shall not be eligible.

**24.3(3) Risk of nursing facility care.** Applicants must be able to demonstrate both of the following:

a. That they have been assessed as needing, at a minimum, nursing facility level of care for HCBS waiver services; and

b. That they have insufficient funds to pay their community housing costs and that insufficient funds will cause them to enter a facility that provides, at a minimum, nursing facility level of care.

**24.3(4) Ineligible for other rent subsidies.** The person shall have been determined ineligible or be on the waiting list for rent subsidy programs under the U.S. Department of Housing and Urban Development (HUD) and any other available rent subsidy programs.

**24.3(5) *Responsible for rent.*** Adult program participants shall be financially responsible for rent. In the case of children receiving residential-based supported community living services under the mental retardation HCBS waiver program, they or their families must demonstrate this financial responsibility.

**265—24.4(16) *Application.*** Applications for the HCBS rent subsidy program may be obtained on the authority's Web site at [www.iowafinanceauthority.gov](http://www.iowafinanceauthority.gov). Applications shall be submitted to the Iowa Finance Authority, HCBS Rent Subsidy Program, 2015 Grand Avenue, Des Moines, Iowa 50312.

**24.4(1) *Application process.*** A person who wishes to apply shall complete the Application for HCBS Rent Subsidy and provide verification of the following:

*a.* The applicant's estimated monthly gross income for the 12 months following application, including written evidence from the income sources used to determine that income.

*b.* Written evidence from sources of local rental assistance available in the applicant's community that the applicant has applied for that rental assistance and that the applicant has been determined ineligible or placed on a waiting list for that rental assistance. If the waiting list for rental assistance has been closed, a copy of that notice is considered written documentation if signed and dated by a representative of the local rental assistance program.

*c.* The total amount of the monthly rent for the qualified rental unit.

*d.* The total number of bedrooms in the qualified rental unit.

*e.* The applicant's number of dependent relatives living full-time in the qualified rental unit.

**24.4(2) *Date of application.*** The date of the application shall be the date the completed application is received by the authority, including written verification of gross income, written verification of application to other rental assistance programs or a signed, dated copy of the waiting list closure notice, and written verification that the applicant needs nursing facility level of care for HCBS waiver services.

**24.4(3) *Eligibility determination.*** The applicant, the applicant's legal representative, or the applicant's case manager shall be notified of the amount of monthly rent subsidy within 25 business days of the authority's receipt of a complete application. The notice shall be sent on or about the date when the authority determines that funding is available to approve the applicant's rent subsidy.

**24.4(4) *Waiting list.*** After funds appropriated for this purpose are obligated, the authority shall deny pending applications.

*a.* A denial shall be accompanied by a notice of decision, which will be sent within 25 business days of the authority's receipt of a complete application. The notice shall state that no funds are available and that the applicant will be placed on the waiting list, or that the applicant does not meet eligibility requirements.

*b.* Applicants not awarded funding shall be placed on a statewide waiting list according to the order in which the completed applications and verification were received by the authority. In the event that more than one application is received on the same day, the person shall be entered on the waiting list on the basis of the day of the month of the person's birthday, with the lowest number being first on the waiting list. Any subsequent tie shall be decided by the month of birth, January being month one and the lowest number.

*c.* When funding allows additional persons to be added to the rent subsidy program, their names shall be taken from the statewide waiting list, and their eligibility shall be determined at that time. If the completed application and verification of eligibility are not received by the time line specified by the authority, the person's name shall be dropped from consideration for receipt of the rent subsidy payment.

**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 rent paid, not to exceed 100 percent of the current fair market rent under guidelines of the applicable HUD low-rent housing program in the area where the person's residence is located, less 30 percent of the gross income of the applicant. 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 dependent relative(s), the proportionate share may consist of additional bedrooms, applying the same maximum monthly payment standard.

**24.5(3) Monthly payment.** Applicants approved for rent subsidy payments shall receive an ongoing monthly payment which is equal to the amount determined pursuant to subrule 24.5(2), provided, however, that the authority will not send any payments that amount to less than \$25 but will accrue subsidy payments until such time as at least \$25 is accumulated. An approved rent subsidy shall be payable on a monthly basis following approval.

**265—24.6(16) Redetermination of eligibility.**

**24.6(1) Time of completion.** A redetermination of eligibility for 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 person moves from the residence stated on the application.
- d. When there is a change greater than \$40 in estimated gross monthly income.

**24.6(2) Renewal notice.** The authority shall send a renewal notice at least 60 calendar days 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 Iowa Finance Authority, HCBS Rent Subsidy Program, 2015 Grand Avenue, Des Moines, Iowa 50312.

b. If the authority does not receive the completed application and verification of continuing eligibility by the thirtieth day following the date of notification, the person's rent subsidy shall be terminated.

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

**24.7(1) Reasons for termination.** The rent subsidy shall terminate at the end of the month in which any of the following occur, and a notice shall be sent which states the reason for the termination:

- a. The person does not meet one or more of the eligibility criteria listed in rule 265—24.3(16).
- b. The person dies.
- c. Completion of the required documentation is not received.
- d. No further funds are available for the rent subsidy program.

**24.7(2) Reporting of changes.** The person is required to report to the authority within ten business days any changes that may affect eligibility. Failure to do so may result in responsibility for repayment of funds and termination of the rent subsidy. (See rule 265—24.8(16).)

**24.7(3) Insufficient funding.** If funds are not sufficient to cover payments for all persons on the rent subsidy, persons shall be terminated from the rent subsidy in inverse order based on the date of initial application. The person terminated shall move back to the waiting list with the person's original application date dictating the person's position on the waiting list as stated at subrule 24.4(4). The authority is responsible for notifying the persons who will be removed from the rent subsidy for this reason.

**265—24.8(16) Fraudulent practices relating to the rent subsidy program.** A person is guilty of a fraudulent practice if that person, or the person's representative, with the intent to gain financial assistance for which that person is not eligible, knowingly makes or causes to be made a false statement or representation, or knowingly fails to report to an employee of the authority any change in circumstances affecting that person's eligibility for financial assistance. In cases of found fraudulent practices, the authority may require, as a condition of continued participation in the rent subsidy program, repayment of the amount that was received by the recipient while the recipient was ineligible.

**265—24.9(16) Appeals.**

**24.9(1)** An applicant whose application has been timely filed may appeal the authority's decision by filing a written notice of appeal within 14 days of the decision before the Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312. To be considered timely, the notice of appeal must actually be received at the above address within the time frame specified.

**24.9(2)** The notice of appeal shall state the grounds upon which the applicant challenges the decision.

**24.9(3)** An appeal shall be heard by the executive director of the authority. The executive director shall grant the appellant reasonable opportunity to gather information and inquire as to why the decision in question was made. The executive director shall allow the appellant to present all the relevant facts supporting the appellant's position. Such presentation shall be held not later than 30 days after the filing of an appeal, unless the parties agree to hold the presentation on a later date.

**24.9(4)** Within 7 days of the presentation, the executive director shall issue a written decision which clearly states whether or not the authority's decision was appropriate. Such decision shall be delivered to the appellant and the board of the authority.

**24.9(5)** If the executive director determines that the authority's decision was not appropriate, the executive director shall recommend to the board of the authority a proper remedy.

**24.9(6)** Final agency action. After receiving a written decision from the executive director, the board must either approve or decline to approve the executive director's recommendation no later than the next regularly scheduled board meeting. Such action by the board shall be the final decision of the agency.

**24.9(7)** Judicial review. Judicial review of the authority's final decisions may be sought in accordance with Iowa Code section 17A.19.

These rules are intended to implement Iowa Code section 16.5(17) and 2005 Iowa Acts, House File 825, section 45.

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