



 Nothing Compares 

NORTH CAROLINA

Transitions to Community Living (TCLL)

Housing Fund Guidelines

Transition Year Stability Resource (TYSR) funds

Up to \$2,000 is available for each participant for support in moving to community-based supportive housing. TYSR is modeled after the Money Follows the Person Transition Year Stability Funds Demonstration Service. TYSR is not an entitlement program and approvals / payments are based on available funding.

TYSR funding is only available during a person's transition year and must not be identified / used as part of a person's ongoing support plan.

TYSR will provide up to \$2,000.00 per person for one-time start-up costs such as:

- Utility deposits
- Basic small appliances
- Essential furnishings (Bed, mattress, sofa, etc.)
- Household items (towels, sheets, dishes, etc.)
- Moving expense (truck rental, movers, one time gas card purchase of up to \$50, etc.)
- One-time non-utility hookups
- Basic cell phone if Lifeline is not available (not to exceed \$50)
- Basic Television (not to exceed \$150)

TYSR funding is intended to be flexible to adequately meet a person's specific living needs. If an individual has a specific transition need that is not clearly outlined above, the LME/MCO is encouraged to ask for clarification. The individual should review his or her budget and prioritize expenses to maximize the benefit of the transition funds. If the funds are not sufficient, the individual is encouraged to seek assistance from other organizations.

TYSR funding **shall not** be used to cover:

- Ongoing living expenses (rent, utility bills, cable bills, etc.);
- Previous debt, judgments or liens
- Security Deposits
- Personal Electronics (DVD/Blu-ray players, iPods, video game consoles, etc.)
- Gift Cards

All tangible items (furnishings, etc.) acquired using this funding becomes the personal property of the participant.

Reimbursements for TYSR are subject to meeting documentation requirements established by DHHS. Items for which there is no documentation as to the purpose and payment may be denied for reimbursement. DHHS retains authority over final approval.

The Transition Year Stability Resource Funding may be accessed once a housing slot number is identified and up to 1 year after tenancy is established. All invoices must be paid within 30 days of the 1 year time limit. Invoices for TYSR received after this date shall not be paid.

The maximum expenditure of \$2000 shall not be exceeded for any individual.

Transition to Community Living Voucher – (TCLV)

A Transition to Community Living Voucher is tenant based rental assistance for eligible TCLI participants. TCLV is not an entitlement program and approvals / payments are based on available funding.

Tenant Portion of Rent Calculation

The tenant portion of rent for a TCLI participant will be calculated by taking all income into account and multiplying it by 25%. The size of the rental unit (1BR, 2BR, etc.) is not a factor in the calculation of tenant portion of rent. The minimum tenant rent portion will be \$100 per TCLI participant.

TCL Voucher Calculations

The difference between the tenant portion of rent and the Actual Unit Rent, up to Fair Market Rent (FMR), will be paid by the voucher for TCLI participants. FMR is determined by HUD. Permissible rent is capped at FMR, unless there is an approved waiver from DHHS. Vouchers above \$600 require an additional level of approval by DHHS. The minimum voucher value per TCLI participant is \$100.

Preferred Unit Size

The preferred unit size for an individual TCLI participant is a one bedroom unit. Any unit above one bedroom for one TCLI participant will require a waiver from DHHS.

If multiple TCLI participants choose to live in a unit together, the preferred unit size is one bedroom per participant. Units exceeding one bedroom per TCLI participant will require a waiver from DHHS.

Roommates

In instances where the TCLI participant chooses to have a roommate or roommates, the actual unit rent will be divided equally prior to calculating TCL voucher(s).

Non-TCLI Tenants

TCLI participants may choose to live with someone who is not eligible for TCLV. The individual(s) who is not eligible for TCLI must have sufficient resources to pay for an equal share of the actual unit rent. Minor children of the TCLI participant are excluded from this requirement. Any other exception must be approved by DHHS.

Security Deposits

The Subsidy Administrator will pay all security deposits on behalf of individuals with a Transition to Community Living Voucher.

Security Deposit funds will be deposited in an account specified by the owner/management agent or to the LME/MCO, who is responsible for transferring the security deposits into the appropriate trust account to comply with North Carolina Real Estate Trust Account law.

The security deposit will revert to the tenant upon move out and settlement of the security deposit disposition.

TCLI Risk Mitigation Tools

Reimbursement of Unpaid Damages after Tenant Move-Out

When the tenant permanently vacates the unit and there are damages that do not exceed the deductible for an insurance claim, the landlord may file a claim to be reimbursed at a rate of 75% of the documented damages caused by the participant (minus normal wear and tear and the security deposit), not to exceed \$2500. All claims are subject to the review and approval of the Subsidy Administrator. The landlord must have a policy of conducting unit inspections at least annually and must notify the Subsidy Administrator promptly of any damages noted during the periodic unit inspection to provide an opportunity for remediation.

If a tenant causes damages that result in the landlord filing an insurance claim, the landlord may establish a payment plan with the tenant/participant, subject to the agreement of the tenant/participant, to recover the unpaid balance. The plan must be reasonable based on the income of the resident. The monthly payment may not exceed \$50. If there is a remaining unpaid balance when the tenant permanently vacates the unit, the landlord may file a claim to be reimbursed for the outstanding balance (minus the security deposit and the total of any payments made by the tenant). The rate of reimbursement is 100% of the total unreimbursed portion of the insurance claim (deductible, disallowed costs), not to exceed \$3000. Documentation must include a copy of the repayment plan, repayments and an accounting of any outstanding balance. All claims are subject to the review and approval of the Subsidy Administrator.

Reimbursement of Unpaid Tenant Portion of Rent

Once the tenant permanently vacates the unit, the landlord may file a claim to be reimbursed for any uncollected tenant portion of rent and late fees during the period of occupancy (minus the security deposit), not to exceed 3 months of the tenant portion of rent plus late fees. The reimbursement is contingent on the landlord having notified the Subsidy Administrator within seven (7) days of issuing each delinquency notice to the tenant. All claims are subject to the review and approval of the Subsidy Administrator.

Reimbursement for Vacancy Due to Tenant Abandonment of Unit

If a tenant abandons a unit, the landlord may file a claim to be reimbursed for the full unit rent for the rent obligation during the remaining lease period after tenant/participant abandonment of

the unit, or until the unit is re-rented, whichever is sooner, not to exceed 2 months' rent. All claims are subject to the review and approval of the Subsidy Administrator.

Reimbursement for Eviction Costs

In order to be eligible for reimbursement of eviction costs, the landlord must timely notify both the LME/MCO and the Subsidy Administrator of tenant property rules infractions and/or lease violations. The landlord must provide three opportunities for intervention to correct any infractions/violations, prior to eviction proceedings. The reimbursement claim cannot exceed \$1000, and will only be paid if the landlord prevails in the eviction action. All claims are subject to the review and approval of the Subsidy Administrator.

Holding Fees

The Subsidy Administrator will make payment to an owner in exchange for taking a unit off the market for up to two months if a participant has a short term barrier to entering into a lease but the lag time is unacceptable to the landlord.

Community Living Assistance payments (CLA)

CLA is intended to assist individuals who do not qualify, or have not yet qualified, for Special Assistance – In Home (SA-IH) to assist with ongoing community living health and safety expenses, including rent. CLA is not an entitlement program and approvals / payments are based on available funding.

CLA payments can be classified into two categories of funding:

- (1) Ongoing CLA because the individual is not qualified for SA when he/she is not living in an Adult Care Home
- (2) Temporary CLA because the individual is changing Medicaid home county and/or SA-IH payments are likely to be delayed.

The combination of the individual's income plus CLA shall not exceed the rate set by the legislature for the SA-IH Program. Currently, the rate is set at \$1228 per person, per month. CLA payments should begin no later than the day the individual moves into supportive housing. CLA may begin once the lease is signed, to assist with the tenant portion of the first month rent. Anyone applying for CLA shall have an application on file for SA-IH once the individual is eligible for SA-IH. If a SA-IH application is not submitted because the individual is not eligible for SA-IH, the LME-MCO shall document the reason the individual is not eligible. The outcome of a SA-IH application must be documented. If SA-IH is approved, the CLA stops once those payments begin. If there is an overlap of CLA and SA-IH funding, the individual must pay back the excess CLA funds.

CLA is intended to support the individual in a community setting by providing funding to meet health and safety needs including rental assistance for permanent housing but an individual may, on rare occasions, use his CLA funds for temporary housing if necessary. Use of CLA for temporary housing shall be time limited, not to exceed twenty-eight (28) days, and shall require

DHHS approval every seven (7) days that the individuals occupies temporary housing. Justification as to why temporary housing is needed, including evidence of permanent housing efforts, shall be provided in writing at every review. Individuals participating in the Targeted Unit Transition Program are not subject to the DHHS approval every seven (7) days as they have been approved for the time period they are in the Program.

Reimbursements for CLA are subject to meeting documentation requirements established by DHHS. Items for which there is no documentation as to the purpose and payment may be denied for reimbursement. DHHS retains authority over final approval.

(b)(3) Community Transitions Funding

Each LME – MCO should evaluate the availability of (b)(3) Community Transition funds to assist in funding needs.

Emergency Housing Funds

Emergency housing funds are a part of an allocation to LME – MCOs and are intended to assist with emergency situations for individuals who have a supportive housing slot. Emergency funds are not an entitlement program and approvals/payments are based on available funding. Emergency funds are to be used for one-time payments in emergency situations. There is no all-encompassing definition for “Emergency Situation”. The LME-MCO is responsible for managing the emergency funds; however, the LME-MCO shall have written DHHS approval for expenditures totaling more than \$1500 for any one individual.

Pre-Tenancy Emergency Funding

Pre-Tenancy Emergency Funding is to be used for one-time payments for barriers identified prior to an individual moving into supportive housing. The fund may only be used for housing related expenses which, if not resolved, will result in the individual being unable to obtain or maintain housing. There is no all-inclusive list to housing barriers. Pre-Tenancy Emergency Funds may be used for items posing a barrier to obtaining / maintaining housing such as the cost associated with obtaining needed information and documents (government issued ID; birth certification, etc.), one-time home preparation such as allergen control, application fee, criminal record check (one), credit check (one) Occupational Therapy evaluations (not otherwise covered), Rehabilitation Engineering evaluation and Assistive Technology. Pre-Tenancy Emergency Funds shall not be used to fund non-housing related barriers such as past due liabilities, previous civil judgments, restitution, liens, credit card debt or IRS payments.

The LME-MCO may pay up to \$600 for the sole purpose of paying off directly related housing barriers (such as outstanding utility bills resulting in the utility provider refusing to establish new service or prior rents owed resulting in a denied application) which if not paid will prevent the person from moving into a new unit. There must be documentation of the barrier.

Post Tenancy Emergency Funding

An emergency in which Post Tenancy Emergency Funding funds may be expended are limited to situations which will result in the individual losing housing within the following 30 days if the situation is not remedied. Post Tenancy Emergency Funding situations may include things such as moving expenses due to loss of housing through no fault of the tenant or remedies for uninhabitable housing (not covered by the landlord and or renters insurance). Post Tenancy Emergency Funding may also be used in time of disaster with a declared State of Emergency and DHHS approval.

Emergency Funding Documentation

Reimbursements for Emergency Funding are subject to meeting documentation requirements established by DHHS. Items for which there is no documentation as to the purpose and payment may be denied for reimbursement. DHHS retains authority over final approval.

Emergency funds are not intended to support ongoing needs. Emergency funds do not take the place of TYSR or CLA and are not meant to cover expenditures made in excess of TYSR or CLA limits. LME – MCOs shall not exceed the limit of emergency funds specified in the allocation letter.

Targeted Unit Transition Program (TUTP)

Background and Purpose

The N.C. Department of Health and Human Services and NC Housing and Finance Agency have agreed to create and fund a program to increase opportunities for individuals who have been identified as needing housing through the Transitions to Community Living Initiative, who are awaiting a full transition to “permanent” supportive housing and who are in immediate need of interim housing. The ultimate goal of TUTP is to increase utilization of Targeting Program housing (Targeted Units) for TCLI participants.

Basic Eligibility

1. The individual must have a documented SMI or SPMI diagnosis.
2. The individual must be in need of immediate housing or is at risk of entering an Adult Care Home.
3. The individual must have an approved initial housing slot prior to accessing TUTP.

Program Requirements

1. DHHS shall be notified of the intent to use TUTP for an individual. The notification shall include the individual’s name and housing slot number.
2. Each LME-MCO is allocated to use four (4) slots at a time. Additional slots may be approved by DHHS and NCHFA as needed.
3. Services for the individual shall be established prior to the individual moving into interim housing to the degree necessary to ensure there is a support network in place.

4. The interim location chosen shall have basic food preparation and storage facilities or there will be a plan in place to address how the individual will obtain food during TUTP.
5. The individual shall be assisted in signing up for CLA upon entering TUTP.
6. Tenancy supports (TMS or ACT) shall begin upon the individual entering TUTP.
7. The individual will be encouraged to apply for Targeted Units.
8. If a Targeted unit is not selected as “permanent” supportive housing, the reasons shall be documented.
9. Data for the individual in the TUTP shall be documented in the DHHS TCLI Database.

Timelines

1. The LME-MCO should be focused on moving the individual into “permanent” supportive housing within sixty (60) calendar days.
2. The initial period authorized is for up to sixty (60) calendar days of interim housing.
3. At day forty-five (45), the LME-MCO will assess the current status and make a determination on whether additional time beyond the sixty (60) days will be necessary.
4. If additional time beyond sixty (60) days is needed, the LME-MCO shall request approval from DHHS for a one time extension of up to thirty (30) calendar days.
5. DHHS will send notification of the approval / denial within two business days of the extension request.
6. The funds for TUTP shall not be accessed beyond ninety (90) calendar days for each individual.
7. Once an individual moves into supportive housing, the LME-MCO shall immediately cease using TUTP funds for housing.
8. In no event may the LME-MCO use TUTP funds to fund “permanent” supportive housing.

Financial

1. The LME-MCO shall provide the following to NCHFA:
 - a. Direct Deposit Authorization
 - b. W-9
 - c. IRS Letter confirming Tax ID #
2. The LME-MCO can authorize for the base cost of the interim housing up to \$400 per week per individual without additional DHHS approval. Any amount over \$400 per week per individual requires a written justification and DHHS approval.
3. The LME-MCO will complete the **Targeted Unit Transition Program Payment Requisition** form upon receipt of the final itemized bill.
4. The LME-MCO will submit the **Targeted Unit Transition Program Payment Requisition** form, all itemized bills and required documentation (DHHS Economic Worksheet or SA-IH Economic Worksheet and TUTP Resource Certification Attestation or income verification) to DHHS and NCHFA within 30 days of the individual moving into “permanent” supportive housing or ceasing to be in the TUTP, whichever is first.
5. DHHS shall process the **Targeted Unit Transition Program Payment Requisition** form within two business days and submit approvals to NCHFA for reimbursement.

6. NCHFA will reimburse the LME-MCO for approved expenditures within 14 days of receipt.
7. NCHFA will only reimburse the LME-MCO for the base cost of the interim housing. Additional expenses (such as phone calls, food, entertainment, etc.) incurred at the interim housing locations shall not be reimbursed.