

December 29, 2023

GENERAL LETTER NO. 6-H-5

ISSUED BY: Bureau of Family, Food, and Work Supports
Division of Community Access

SUBJECT: Employees' Manual, Title 6, Chapter H, **Rent Reimbursement**, Contents I, 6-15, revised.

Summary

This chapter is revised to update assistance site information.

Effective Date

Immediately.

Material Superseded

Remove the following pages from Employees' Manual, Title 6, Chapter H, and destroy them:

<u>Page</u>	<u>Date</u>
Contents I	October 13, 2023
6-15	October 13, 2023

Additional Information

Refer questions about this general letter to your area income maintenance administrator.

	<u>Page</u>
Overview	I
Purpose of the Program	I
Definitions	I
Eligibility	3
Filing Period	3
Income Threshold	3
Household Composition	4
Amount of Rent Reimbursement	5
Filing a Claim	6
Confidentiality	6
Notification	6
When Notice Is Required	7
Appeals	7
Claim Processing	9
Reconsiderations Due to Additional Information	10
Verification	10
Payments	12
Determining the Method of Payment	12
Direct Deposit	13
Procedure for Handling Rejected Direct Deposits	13
Warrants	13
Procedure for Handling Returned Warrants	14
Procedure for Handling Outdated Warrants	14
Procedure for Handling Lost or Stolen Warrants	14
Underpayments	14

Ms. Gilman pays \$4,000 in rent annually and has an annual income of \$17,000. To calculate the amount of Rent Reimbursement she is eligible for, the system calculates twenty-three percent (23%) of \$4,000, which equals \$920. Then, the system multiplies \$920 by fifty percent (50%), which equals \$460. The amount of Rent Reimbursement Ms. Gilman is eligible for is \$460.

Ms. Petersen pays \$5,000 in rent annually and has an annual income of \$12,500. To calculate the amount of Rent Reimbursement she is eligible for, the system calculates twenty-three percent (23%) of \$5,000, which equals \$1,150. Since \$1,150 is more than \$1,000, the system takes \$1,000 and multiplies it by 100%, which equals \$1,000. The amount of Rent Reimbursement Ms. Petersen is eligible for is \$1,000.

Filing a Claim

Claimants are strongly encouraged to use the online application to file a claim. The Claimant will access the application via the Department's benefits portal at <https://benefits.stateofiowahhs.org/>. If Claimants need help filing a claim, there are two options:

- Claimants who are 60 years old or older may contact LifeLong Links by calling 1-866-468-7887 or by visiting their [website](https://lifelonglinks.org) at <https://lifelonglinks.org>, which can direct them to the appropriate Area Agency on Aging for assistance.
- Claimants who are under 60 years old can find a Community Action Agency that serves their county by visiting the Community Action Association's website at <https://iowacommunityaction.org>.

If the Claimant does not have access to the internet, you should ask them which county they live in and look up the appropriate agency's contact information for them. The Area Agencies on Aging and the Community Access Agencies also have access to a paper version of the application for Claimants who are unwilling or unable to file online.

Confidentiality

Legal reference: Iowa Code Section 425.28; 441 IAC 62.6

Information contained in a Rent Reimbursement claim is confidential except that the information may be released to an employee of the Department of Inspections and Appeals (DIA) to assist in the performance of an audit or investigation.

Notification

Policy: Adequate notice must be provided whenever assistance is approved, denied, or changed.

Procedure: Issue form 470-0486, or 470-0486(S), *Notice of Decision*, when taking action on a case. To be an adequate notice, the notice must include:

- The action taken and the reasons for it.
- The Iowa Administrative Code citation describing the legal reference for the action.
- The right to request a fair hearing.

More than one action may be described on the same notice. The Claimant may request a conference to discuss the situation. A representative, legal counsel, friend, or other person may accompany the Claimant. This person may represent the Claimant when the Claimant cannot attend the conference. At the conference, explain the reasons for the adverse action. Give the Claimant an opportunity to offer any information that may prove that the proposed action is wrong or unnecessary.

When Notice Is Required

Policy: Issue a notice when:

- Rent Reimbursement is approved or denied.
- A payment adjustment or corrective payment is authorized.

Appeals

Legal reference: 441 IAC 62.26(425)

Appeal. Notice of adverse action taken by HHS shall be issued in accordance with 441—Chapter 16, and the right to appeal shall be given in accordance with 441—Chapter 7.

Policy: The applicant or Claimant has a right to appeal any decision and to request an appeal hearing. No one may limit or interfere with this right. Appeals for Rent Reimbursement may be made in writing, by telephone, or in person.

Procedure: When a Claimant files an appeal:

- Document the receipt of the appeal. When the appeal is in writing, save the envelopes with the postmark. If the envelope is not available, date-stamp the day the appeal is received.
- Advise the Claimant of legal services available in the community. This may include Legal Aid, the county bar association, etc.
- When you receive a verbal request to appeal, document the conversation on form 470-0487 or 470-0487(S), *Appeal and Request for Hearing*. Complete the:
 - Claimant's name, address, and phone number;
 - Program or programs that are being appealed;
 - Tell us why you are appealing. For the response to this question, the worker should enter, "Per telephone conversation with the appellant on (enter the date)," and the reason that the Claimant is appealing; and
 - Do you want an informal conference with your worker;
 - Do you want a language interpreter for your hearing;
 - Worker information section.

Continue to act on other changes occurring in a Claimant's case while the appeal is pending. Issue a Notice of Decision based on other changes. If the Claimant wants to appeal a subsequent action based on a change, the Claimant must file a separate appeal.

If you determine before the hearing that an error was made in the action that resulted in the Claimant filing an appeal:

- Notify the Claimant of the error.
- Indicate what corrective action you will take.
- If this is acceptable to the Claimant and the Claimant withdraws the appeal, immediately implement the corrective action and send a new Notice of Decision.

The Claimant may voluntarily withdraw an appeal. The Claimant can withdraw the appeal in writing, in person, or over the telephone. A written request can be made on form 470-0492 or 470-0492(S), *Request for Withdrawal of Appeal* or a written statement that the Claimant is aware of the consequences of the action.

The written withdrawal request may be submitted in person, by mail, through submission of an online form, email or by fax.

When the Claimant verbally requests to withdraw the appeal, document the conversation on form 470-0492 or 470-0492(S), *Request for Withdrawal of Appeal*. Fill in the top portion of the document which includes the appellant's name, address, appeal number, and program that was appealed.

In the Added Comments section, enter "Per telephone conversation with the appellant on (enter the date), the appellant verbally withdrew the appeal." Then sign and date the form.

Upload the Request for Withdrawal of Appeal form into the Appeals Information System (AIS) and use the Send Email button feature to notify all parties that the appeal has been withdrawn.

Hold the prehearing conference as soon as possible after the appeal is filed. When applicable, the Claimant's representative may attend and participate in the conference.

The purpose of the pre-hearing conference is to clarify any issues regarding the appeal. During the conference, the Claimant may also examine the contents of the case record and any other documents you plan to use at the hearing. Note that the Claimant need not request a conference to have access to the record or documents.

If the appeal issue is resolved during the conference, the Claimant may wish to withdraw the appeal. If so, the Claimant can withdraw the appeal in writing, in person, or over the telephone. Upload the Request for Withdrawal of Appeal into the Appeals Information System (AIS) and use the Send Email button feature to notify all parties that the appeal has been withdrawn.

Do not use the conference to discourage Claimants from proceeding with their appeals or to interfere with or limit their appeal rights.

Comment: Examples of adverse actions that a Claimant may appeal include:

- The denial of Rent Reimbursement.
- The existence and amount of an overpayment.
- The recovery of an overpayment.

Refer to: [I-E, Appeals and Hearings](#), for information on the Department's appeal process, including worker and Claimant responsibilities, time limits, and appeal decisions.

Claim Processing

Date of Claim

Policy: A paper Rent Reimbursement claim must be date-stamped when an HHS local office receives it. The date-stamp establishes the claim's "filing date."

Procedure: Date-stamp paper claims delivered to an open HHS office with the same date on which a valid application is delivered. Date-stamp paper claims delivered to a closed HHS office with the date of the next HHS full-time office workday. When a claim is left at a less-than-full-time office while it is closed, date-stamp it as received on the first day that is not a weekend or state holiday following the date that office was last open.

An electronic claim is considered delivered to an HHS office when it is received by HHS. All electronic claims received by HHS while full-time offices are open must be date-stamped with the same date on which the claim is received. All electronic claims received by HHS while full-time offices are closed must be date-stamped with the date of the next HHS full-time office workday.

Comment: If a Claimant used the wrong paper claim form to apply for Rent Reimbursement, the date that form is date-stamped is the filing date. The Claimant still must complete the correct claim form to get Rent Reimbursement.

1. County A has a less-than-full-time office that is open only on Mondays and Wednesdays. The office was last open Wednesday, April 24. When the office reopens on Monday, April 29, all paper claims left under the door between the close of business April 24 and opening of business April 29 must be date-stamped as received on April 25.
2. HHS receives an electronic claim on Sunday. Monday is a state holiday. When HHS full-time offices open Tuesday, the claim is date-stamped as received Tuesday.

Processing Standards

Policy: A decision to approve or deny a claim shall be made as soon as possible, but no later than 90 days after the date the claim is filed. The 90-day period may be extended in unusual circumstances. A written Notice of Decision shall be issued the next working day following the decision to approve or deny.

Procedure: Approve or deny each claim unless you need additional information to determine eligibility. See "Verification" on page 11.

Process claims on the earliest possible date. Do not use the 90-day limit as a waiting period before approving the claim or as a basis for denial of the claim. Day one of the 90-day processing period is the calendar day after the date of claim. Determine eligibility and issue a written notice of decision by making system entries no later than the 90th day following the date of claim. If the 90th day falls on a weekend or holiday, process the claim by making system entries the next working day.

You can extend the 90-day limit if:

- You and the Claimant have made every reasonable effort to get information that has not arrived.
- Emergencies, such as fire, flood, or other conditions beyond control of the local office, delay action.

If the Claimant fails or refuses to provide requested information within 10 calendar days, deny the claim.

Reconsiderations Due to Additional Information

Claimants can submit additional information to have a claim reconsidered within the Base Year or the Previous Year. If the maximum amount of Rent Reimbursement **the Claimant is eligible for** has already been issued, **do not send another** Notice of Decision. **However, you are encouraged to contact the Claimant to remind them they have received the maximum amount to which they are entitled.**

- **No information provided:** If the information is not provided by the 14th day, no further action is required. Do not issue another notice.
- **Partial information provided:** If part of the information is provided, do not issue a Notice of Decision. However, it is good practice to contact the Claimant to let them know that you still do not have everything you need to reconsider the claim.
- **If new information is reported during grace period:** If the previously requested information is provided within the 14-day period, but the applicant also reports new information that must be verified, make every effort to help the Claimant verify the information within the 14-day period.

Verification

Legal reference: Iowa Code Section 426.26

There are several items that must be verified. The Department will use data matching to attempt to verify automatically, but if it cannot, you must request proof of the following:

- Identity
- Age and Total Disability, if any
- Rent paid
- Changes of homestead
- Household membership
- Household income

The Department may require any additional proof necessary to support a claim.

Unless verification is specifically required, accept Claimants' entries in the app if the information appears to be accurate and consistent with other information.

Give the Claimant specific written instructions when additional information or verification is needed to establish eligibility. Include in the instructions the date the information is due and the consequences for failure to provide the information to the Department by the specified due date.

Allow the Claimant 10 calendar days to provide the information. The 10-day period begins the day after you issue the written request.

The Claimant is responsible for getting the requested information.

Extend the deadline when the Claimant requests an extension because the Claimant is making every reasonable effort to get the information but has been unable to do so. Help the Claimant to get requested verification as needed.

When the due date given a Claimant for reporting information or supplying verification falls on a weekend or legal holiday, extend the due date to the next working day for which there is regular mail service. This applies to the 10-day period for supplying additional information or verification needed to establish eligibility.

Proof of Income – the system will attempt to validate income using known information. For most applicants, their only income is disability benefits. If we are unable to validate income, send an RFI requesting proof of income which could include:

- A copy of their latest tax return
- Pay stubs
- Disability benefit statements
- Unemployment compensation statements

Proof of Total Disability – the system will attempt to validate disability status using information from other systems. If it cannot, send an RFI requesting proof of Total Disability, which could include:

- Letter from Social Security Administration
- Letter from other agencies (Railroad Retirement Board, Veterans Affairs - NOTE: an individual must be rated or paid by the VA at 100% to qualify as totally disabled.)

The Department will not accept documentation from Vocational Rehabilitation, a Long-Term Disability Insurance policy, or a letter from a doctor as proof of Total Disability.

Proof of Rent Paid – the system will attempt to validate rent paid using information from other systems. If it cannot, send an RFI requesting proof of rent paid, which could include:

- Ledger from rental office
- Copy of lease
- Rent receipts from all months rented
- Signed statement from the landlord on letterhead
- Statement of any rental assistance received
- HHS Form 470-5713, *Rent Reimbursement Landlord Verification*

NOTE: Claimants should report rent from the months they rented. Do not take into account early or late payments that span a previous or future year. If they rented the Homestead for 12 months, they should claim 12 months' rent.

Ms. Smithson rented her apartment for 12 months during the Base Year. However, she paid her rent early for January of the current year, in December of the Base Year. For the amount of rent claimed, Ms. Smithson should only count twelve months' rent and should disregard January's rent payment even though it was made during the Base Year.

Questionable Information

Verify all factors of eligibility that are questionable if they affect the Claimant's eligibility and Rent Reimbursement amount. Examples of questionable information are:

- Information that is inconsistent with other information on the claim or previous claims.
- Information that is inconsistent with information received from other sources. When deciding if information is questionable, look at each Claimant's individual circumstances. Do not deny eligibility solely because information is questionable.

For example, if rent exceeds income, do not automatically deny a claim. Give the Claimant the opportunity to explain the situation. If the Claimant cannot provide a reasonable explanation, ask for further verification of how they are paying their bills. If the Claimant does not provide the requested verification, deny Rent Reimbursement.

Payments

Policy: A Rent Reimbursement payment is made to a Claimant. Payments may be issued by:

- Direct deposit to the Claimant's own account in a financial institution, or
- Warrant.

Comment: The following sections describe policy and procedures for issuing payments:

- Determining the Method of Payment
- Direct Deposit
- Warrants

Determining the Method of Payment

Policy: Payments are issued via direct deposit, except when:

- The Claimant requests a paper warrant, or
- The Claimant does not provide complete and accurate bank routing or account number information.

If the Claimant requests direct deposit to the Claimant's own account, follow the steps under Direct Deposit.

Direct Deposit

Policy: Claimants have the option to have their benefits deposited directly to their own account at a bank, savings and loan, or credit union. A payee who acts on behalf of a Claimant may also request direct deposit.

Procedure: A Claimant will enter their bank routing number and account number on the online application or provide them on the paper application. The payment information will be sent to the Electronic Payment System (EPS), which will initiate the transaction.

Prior to the payment being issued, a “pre-note,” will be sent with a \$0.00 deposit to the Claimant’s bank account to ensure the account is valid. The pre-note may fail if:

1. The numbers entered into the system are incorrect, or
2. The account is closed or does not exist

If the pre-note fails, a warrant will be issued. If the pre-note is successful, the direct deposit will be made to the Claimant’s bank account within 10 days.

Procedure for Handling Rejected Direct Deposits

Policy: Payments can be made to an open account at a financial institution. If a direct deposit payment is sent to a closed account, the bank will reject the payment and return the funds to the state.

Procedure: If the direct deposit fails, a warrant will be issued once the funds have been returned to the state.

Warrants

Policy: Rent Reimbursement payments must be issued by warrant when the payee has not requested direct deposit.

Procedure: When Rent Reimbursement is issued by warrant, the warrant is mailed to the Claimant’s current mailing address. Advise the Claimant that the post office may not deliver a warrant unless the Claimant’s name is on the mailbox. If a warrant is incorrectly issued because of a system entry error, determine the cause of the error and correct it. If the error does not stop the Claimant from cashing the warrant, the Claimant may do so. If the error stops the Claimant from cashing the warrant:

- Instruct the Claimant to return the warrant to the Department.
- Complete form 470-0009, *Official Receipt*.
- To issue a new warrant, forward the returned warrant, a copy of the receipt, and a note explaining the problem to:

Bureau of Purchasing, Payments, Receipts and Payroll
Hoover Building, First Floor, Room 14
1305 E Walnut Street, Des Moines, IA 50319-0114.

Procedure for Handling Returned Warrants

Policy: When a warrant is undeliverable as addressed, the post office must return the warrant to the Department. Warrants cannot be forwarded. If the Claimant's whereabouts become known, make the returned warrant available to the Claimant.

Procedure: If possible, arrange for local post offices to return warrants to your office if they can't be delivered as addressed. This will speed up the delivery of warrants. As an alternative, the post office may agree to retain undelivered warrants until a designated Department employee picks them up. Notify the Bureau of Purchasing, Payments, Receipts and Payroll when these arrangements are complete.

When a post office does not agree to one of these arrangements, warrants are returned to central office. The Claimant may pick up the warrant after showing proper identification and signing.

Alternatively, you can contact the Claimant for a correct address and update it in WISE. This will allow Fiscal to reissue the warrant.

Procedure for Handling Outdated Warrants

Policy: A Claimant whose warrant has become outdated is still entitled to receive the Rent Reimbursement. You must verify in OUTS that the payment has not been cashed. See [23-E](#) for steps to issue the replacement warrant.

Procedure for Handling Lost or Stolen Warrants

Policy: Please refer to [23-E](#) for steps to handle lost or stolen warrants.

Underpayments

At times, Rent Reimbursement may be underpaid to Claimants.

Underpayment Due to Agency Error

Policy: An underpayment occurs when the payment a Claimant receives is less than the amount for which the Claimant is eligible. A corrective payment is issued whenever a former or current Claimant's underpayment is discovered. Agency error can result from one or more of the following:

- Failure to issue the correct amount of reimbursement when necessary information was available.
- Misfiling or losing forms or documents.
- Typing or copying errors.
- Computer entry errors.
- Mathematical errors.

Procedure: Issue a corrective payment, including instances where a claim was denied in error. Make a retroactive corrective payment as long as the underpayment occurred within the Base Year or the Previous Year. The Claimant is responsible to provide all necessary verification that you need to determine the amount of the corrective underpayment. It is not necessary for a Claimant to appeal to receive a corrective payment.

When an appeal is filed, and you discover before a hearing that a Claimant has been underpaid, make the corrective payment without waiting for the appeal hearing. Provide the updated notice to the Appeals Unit and request to have the appeal withdrawn, if applicable.

Underpayment Due to Claimant Error

Policy: Claimant error can result from one or more of the following:

- Failure to correctly report information about the Claimant's income, resources, or other circumstances affecting eligibility or the amount of Rent Reimbursement received.
- Failure to report timely changes in income, resources, or other circumstances that may affect eligibility or the amount of Rent Reimbursement received.

Procedure: Issue corrective payments for underpayments due to Claimant errors. Enter the previously unknown information in WISE to force the system to recalculate the amount of Rent Reimbursement due and issue the corrective payment. It is not necessary for a Claimant to appeal to receive a corrective payment. When an appeal is filed, and you discover before a hearing that a Claimant has been underpaid, make the corrective payment without waiting for the appeal hearing. You need to provide the updated notice to the Appeals Unit and request to have the appeal withdrawn, if applicable.