Subject: Use of Housing Choice Vouchers in Assisted Living Facilities

Purpose: The purpose of this Notice is to inform HUD field staff and public housing agencies (PHAs) that program applicants or participants may use housing choice vouchers in assisted living facilities in accordance with program rules. Section 523 of the Preserving Affordable Housing for Senior Citizens and Families into the 21st Century Act confirms that a PHA may provide voucher assistance for families who live in an assisted living facility. These provisions were enacted in the Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 2000 (Public Law 106-74, 113 Stat. 1047, approved on October 20, 1999).

The use of housing choice vouchers in an assisted living facility will supplement the Medicaid Home and Community Based Waiver Program under Section 1915(c) of the Social Security Act to pay for residential care. These waivers allow medicaid-eligible individuals at risk of being placed in hospitals, nursing facilities, or intermediate care facilities the alternative of being cared for in their homes and communities. The use of housing choice vouchers in assisted living facilities also allows the frail elderly to obtain supportive services in order to remain independent and avoid premature institutionalization.

Eligibility Housing: Assisted living facilities are sometimes called residential care facilities, adult care facilities, congregate care facilities, or group homes. Assisted living facilities are designed for residents who have the physical ability to live independently but need assistance with some activities of daily living, such as personal care, transportation, meals, laundry, medication monitoring, security, and housekeeping.

A person residing in an assisted living unit must not require
continual medical or nursing care. Nursing homes, board and

care homes, or facilities providing continual psychiatric,

medical, or

nursing services, are not eligible properties under the

housing choice voucher program. See Section 982.352 (a)(3).

**Program Requirements:** All housing choice voucher program

rules apply to assisted living facilities (e.g., housing

quality standards, rent reasonableness).

**Housing Assistance Payment:** The housing assistance payment is

calculated the same way as the normal voucher subsidy

calculation. The housing assistance payment is the lower of

the gross rent (including the utility allowance for all tenant

furnished utilities) minus the total tenant payment or the

payment standard applicable to the family minus the total

tenant payment.

The cost of meals or supportive services may not be included

in the rent to owner. These items must be paid for through

other sources, e.g., resident fees or third party providers.

Nonpayment of these fees for meals and services is not grounds

for termination of housing choice voucher assistance or for

eviction from the housing.

**Further Information:** Any questions regarding this Notice

should be addressed to the Real Estate and Housing

Performance Division in the Office of Public and

Assisted        Housing at (202) 708-0477.

/s/ Milan Ozdinec for

Harold Lucas

Assistant Secretary for Public

and Indian Housing