

Ohio Department of Medicaid Subsidy Demonstration Program Guidelines

1. Background

- 1.1. The Ohio Department of Medicaid (ODM) allocated \$3 million from its Money Follows the Person (MFP) Demonstration Grant for a housing pilot program primarily targeting low-income individuals who want to transition from institutions but need an accessible unit. ODM partners with the Ohio Housing Finance Agency (OHFA) to administer the Ohio Department of Medicaid Subsidy Demonstration (ODMSD) program - formerly known as the 18% Pilot.

2. Purpose

- 2.1. To increase the number of Housing Credit Program units for those who receive Supplemental Security Income (SSI); To increase the number of fully accessible units for those with a disability who are transitioning from facility-based settings to community-based settings; To demonstrate a cost savings to Medicaid.

3. Funding Details

- 3.1. Available Funding
 - 3.1.1. \$3 million in funding is available over three years (\$1M in FY16, \$1M in FY17, and \$1M in FY18) in the form of Operating Subsidies. An estimated 10-12 units will be assisted per state fiscal year.
- 3.2. Form of Funding
 - 3.2.1. The Operating Subsidy will cover the difference between 30% of the resident's income and 50% AMGI rent level calculated for the Housing Credit Program.
 - 3.2.2. The Operating Subsidy will cover the 15-year Housing Credit Program Compliance Period.

4. Eligible Applicants

- 4.1. Eligible Individuals

In order to occupy an ODMSD Program unit, an individual must meet all of the following eligibility criteria:

 - 4.1.1. Receives Supplemental Security Income (SSI) or equivalent income (Total Household Income must be at or below 30% of HUD AMI as defined in 24 CFR § 5.603);
 - 4.1.2. Head of household is at least age 18;
 - 4.1.3. Eligible for or receiving Medicaid;
 - 4.1.4. Requires an accessible unit.
- 4.2. Eligible Properties
 - 4.2.1. New Construction Family and Senior (55+) properties awarded through the OHFA 2016, 2017, and 2018 Competitive Housing Credit program.
 - 4.2.2. Properties must meet all applicable requirements of the Housing Credit program.
 - 4.2.3. Properties can have no more than 25% of their units designated for persons with disabilities and those units cannot be concentrated.
 - 4.2.4. Units may be one- or two- bedroom units, but the priority is one bedroom units.
 - 4.2.5. Units may be fixed or floating.
 - 4.2.6. Units designated for the program must conform to [Section 504 of the Rehabilitation Act of 1973](#).
- 4.3. Ineligible Properties
 - 4.3.1. Units that receive rental assistance.
 - 4.3.2. Existing or previously awarded Housing Credit developments.

5. Roles and Responsibilities

5.1. ODM

- 5.1.1. Establishment of minimum eligibility requirements for tenants
- 5.1.2. Determination of tenants' eligibility
- 5.1.3. Availability of services and supports

5.2. OHFA

- 5.2.1. Evaluation and award of grants
 - 5.2.1.1. See section 7.
- 5.2.2. Compliance monitoring
 - 5.2.2.1. See section 12.
- 5.2.3. Payment processing
 - 5.2.3.1. See section 10.
- 5.2.4. Tenant referrals to property managers
- 5.2.5. Database maintenance (socialserve.com)

5.3. Project Owners

- 5.3.1. Income verification
- 5.3.2. Tenant screening
- 5.3.3. Lease issuance
- 5.3.4. Compliance with all OHFA Housing Credit Program requirements

6. Application Process

6.1. Application Requirements

- 6.1.1. Applicants must submit a 2016, 2017, or 2018 Competitive Housing Credit Program Affordable Housing Funding Application (AHFA) in which they will indicate their interest in the ODMSD program.

7. Evaluation Process

- 7.1. OHFA will review each application and determine if it meets the guidelines for eligibility and goals for the program. Preference will be given to counties with a high rate of HOME Choice transitions.

8. Operating Assistance Contract

- 8.1. Applicants selected for an award will receive a commitment letter and/or an Agreement to Enter into an Operating Assistance Contract from OHFA outlining the program requirements. Once signed by both OHFA and the applicant, the document will serve as the binding commitment for funding and participation in the program until the end of construction and execution of the Operating Assistance Contract.
- 8.2. The applicant will also be required to submit a unit breakdown spreadsheet provided by OHFA at the time of award.
- 8.3. An Operating Assistance Contract will be issued to the development after the developer has successfully built the project, presence of 504-compliant units has been verified by OHFA staff, and the project has been placed in service.
 - 8.3.1.1. The Contract will detail the commitment period, program requirements and the rent schedule for each of the designated ODMSD units.
 - 8.3.1.2. The Contract will include the ODMSD Tenant Selection Plan which describes the procedures owners/property managers must follow in order to participate in the ODMSD program.

9. Referral Process

9.1. Socialserve.com

9.1.1. Socialserve.com is the ODMSD tenant database. The site serves as the program's centralized waitlist database through which eligible individuals are referred.

9.2. Initial Tenant Referral

9.2.1. The owner/property manager must send a notification via e-mail to MedicaidSubsidy@ohiohome.org indicating the project's placed-in-service date 90 days prior to placing in service. This notification will initiate the tenant referral process.

9.3. Tenant Matching

9.3.1. The referral process is detailed in the ODMSD Tenant Selection Plan. The ODMSD TSP governs referral processes and procedures for applied and denied applicants.

9.3.2. The OHFA Waitlist Manager will send a matching, ODMSD-eligible individual or household to the property management staff for screening. Upon receiving a referral, the owner/property manager will screen ODMSD applicants in the same manner as typical residents.

9.3.3. The owner/property manager will address any Reasonable Accommodation and/or Modification requests in accordance with Title VIII of the Civil Rights Act of 1968 as amended by the Fair Housing Amendments Act of 1988 and implemented through 24 CFR §§ 100.203-100.204.

9.3.4. If the OHFA Waitlist Manager cannot match a tenant to the vacant, rent-ready ODMSD unit, the owner may qualify for vacancy payments.

9.4. Periodic Polling

9.4.1. Socialserve call center administrators will poll properties with an ODMSD Contract for vacancies and provide notice to the OHFA Waitlist Manager about unit availability.

9.4.2. If the number of ODMSD units committed under the Contract are not fully leased and a unit becomes available, the OHFA Waitlist Manager will begin searching for an eligible ODMSD tenant through Socialserve.

9.5. Referrals upon anticipated or current vacancy

9.5.1. After the project has been placed in service and units are initially filled, the owner/property manager must notify the OHFA Waitlist Manager immediately upon an anticipated or current vacancy of an ODMSD-eligible unit. This notification will initiate the tenant referral process.

10. Disbursements

10.1. Funds shall be disbursed by OHFA to Project Owner for Assisted Units under lease for occupancy by Eligible Individuals in accordance with the Contract.

10.2. The subsidy will be calculated as the difference between 30% of the resident's income and 50% AMGI rent level calculated for the Housing Credit Program.

10.2.1. Each year the applicant will be asked to provide this information in the tenant income certification and other relevant documentation that is required to be sent to OHFA for compliance purposes.

10.3. Funds will be paid to Project Owner on a monthly reimbursement basis upon presentation and approval of a Monthly Rental Assistance Reimbursement Form.

10.4. The Monthly Rental Assistance Reimbursement Form will be available from OHFA. Required items to be included in each request will be outlined on the Form.

11. Vacancy Policies

11.1. Refer to the ODMSD Vacancy Payment Policy posted on the [program website](#).

12. Compliance

12.1. General

12.1.1. Projects participating in the ODMSD program will be required to comply with all [OHFA Housing Credit Program compliance requirements](#) throughout the tax credit compliance period.

12.1.2. The owner is responsible for registering in OHFA's online database system, [DevCo](#), to certify resident eligibility, rents, and utility allowances.

12.2. Construction Closeout Visit

12.2.1. OHFA staff will conduct a construction closeout visit when the project is nearing completion and before the Contract is signed and units are occupied. Staff will verify that the designated ODMSD units meet the requirements of [Section 504 of the Rehabilitation Act of 1973](#). Unit numbers will also be recorded at this time (if fixed) and entered into DevCo for compliance monitoring.

12.3. Compliance Monitoring Visits

12.3.1. OHFA staff will review all ODMSD resident files and units at least once every three years. OHFA reserves the right to conduct additional reviews if warranted.

12.3.2. Floating units only: If turnover occurs at the property which results in a different unit being utilized as an ODMSD unit than the previously occupied unit, then OHFA staff may conduct a review the following year.

13. Closeout

13.1. Closeout process

13.1.1. At the end of the 15-year term and any final reconciliations of payments have been made, the project will be required to submit a closeout form to OHFA. The closeout form will be made available to projects as they are nearing the end of the term.

13.1.2. All properties that sign an Operating Assistance Contract agree to participate in a program evaluation conducted by ODM and/or OHFA.