

DEVELOPMENTAL DISABILITIES ADMINISTRATION
Olympia, Washington

TITLE: RESIDENTIAL ALLOWANCE REQUESTS POLICY 6.11

Authority: [Title 71A RCW](#) *Developmental Disabilities*
[Chapter 388-101 WAC](#) *Certified Community Residential Services and Supports*
[Chapter 388-101D WAC](#) *Requirements for Providers of Community Residential Services and Supports*
[Chapter 388-829A WAC](#) *Alternative Living*
[Chapter 388-827 WAC](#) *State Supplementary Payment*
[Chapter 388-845 WAC](#) *Home and Community Based Service Waivers*

PURPOSE

This policy establishes the process for submitting a residential allowance request (RAR) to provide funding to help cover a client's essential expenses when their personal income and other resources are insufficient.

SCOPE

This policy applies to Developmental Disabilities Administration (DDA) case managers (CMs), resource managers (RMs), and to the following contracted residential providers:

- Supported living
- Alternative living
- State-operated living alternatives for adults

POLICY

- A. A client living in their own home is expected to pay for their own expenses. When the client has a representative payee, the representative payee is expected to ensure the client's living expenses are paid. When a client does not have sufficient resources to pay for essential expenses, the provider may request financial assistance to support the client using a RAR. The provider and CM are expected to assist the client to explore all possible resources before submitting a RAR.

B. Types of resources and assistance include:

1. The client's personal resources, such as a bank account, ABLE account, or trust account.
2. Social Security benefits, which are often a substantial resource for clients. To ensure this benefit is maximized, the client's representative payee should ensure that:
 - a. A timely application is submitted to the Social Security Administration (SSA). For a client moving to the community from an institution begin the application early according to the SSA's [prerelease procedures](#).
 - b. All potential benefits have been explored, including Disabled Adult Child (DAC) benefits, which are available to a person with a disability who has at least one parent deceased or of retirement age.
 - c. Timely communication occurs with SSA regarding changes in circumstances that may affect the client's benefits.
3. Housing assistance. Rent is usually a substantial portion of a client's monthly expenses; assistance with reducing this expense is a significant benefit to the client. Depending on local resources, subsidies may be available to help a client obtain affordable housing or pay rent at their current home.
4. Utilities assistance programs. Upon request, many utility companies such as water, electric, gas, phone, and cable companies offer discounts to people with low income or disabilities.
5. Basic Food benefits. An application for Basic Food benefits can be made through a local DSHS Community Services Office.
6. Medicare, Medicaid, and private insurance. With documentation from a prescribing physician, Medicare or Medicaid may cover the cost of a client's medications, and medical expenses, devices, and equipment. Approval must be obtained from DDA to use the client's own funds to pay for medical expenses.

C. When reviewing a request to use state-only funds, DDA first explores the following funding sources in order:

1. Roads to Community Living (RCL);
2. Waiver; then

3. State Supplemental Payments (SSP).
- D. Available RCL and waiver services and requirements for use of waiver funding are described in [WAC 388-845-0750 through -0760](#).
- E. SSP financial eligibility can be located in [Chapter 388-827 WAC](#). An exception to rule must be approved by the DDA SSP program manager or designee before using SSP funds. SSP funds are subject to available funding. Current available funding can be accessed through a regional SSP coordinator or the SSP program manager.
- F. Under [WAC 388-845-0115](#), an exception to rule (ETR) is required when using state-only funds for a client on the Core and Community Protection waivers. The CM submits the ETR in CARE, including required language in the assessment, and the client's person-centered service plan. The RM will verify that the ETR has been submitted and document on the request form. This ETR does not apply to clients receiving residential services funded through RCL or state-only funding.
- G. Types of Residential Allowance Requests include:
1. Start-Up Allowance

Start-up allowance may be requested to assist a client in establishing a new residence. This may be used to cover pre-approved essential moving expenses, rent and utility deposits, installation charges, and to purchase personal items, such as furniture and household goods. The client owns any items purchased with an allowance.
 2. Client Damage

Client damage allowance may be requested when a client damages personal or leased property of their own or that of another client, the provider, the provider's employee, or community member and the client is unable to compensate for the loss. The provider will work with the client and their legal representative, if applicable, to review the client's ability to pay for damages before asking for a RAR. If the client is able but unwilling to pay damages, the provider must inform the RM.

If damage reimbursement is already reflected in a client's daily rate, DDA must not reimburse a provider for damages caused by that client. DDA does not reimburse a provider for damages caused by a provider's negligence in following the support needs identified in a client's positive behavior support plan, person-centered support plan, or individual instruction and support plan.

3. Insufficient Income Allowance

Insufficient income allowance may be requested when a client's income is inadequate to meet ongoing or one-time expenses. Insufficient income allowance may be used to cover the client's share of rent, utilities, and other essential living expenses.

4. Shelter Expenses

Shelter expense may be requested to cover joint expenses, including rent and utilities, which would normally be paid by a client who is not currently living in the home. A client who retains their Social Security benefits to maintain their home during a temporary stay in a facility continues to pay for their portion of monthly household bills. The CM should work with and encourage the client to apply for and access all eligible benefits prior to requesting the use of state-only funds. If applicable, the CM may request a household maintenance allowance. Shared shelter expenses include rent, power, water, sewer, garbage, cable, phone, internet, streaming services, yard services if included in client's lease, and other expenses if pre-approved.

PROCEDURES

A. Start-Up Funds

1. RCL transition funds cover reasonable costs as determined by DDA to establish a basic living arrangement when a client moves from an institutional setting or community-based facility to their own home and receives services from a supported living agency. Funds are paid without respect to client resources. For RCL clients, the transition period begins the day the client enrolls in RCL while still living in the institution or facility and includes the 365-day period after the client moves into the community. To receive reimbursement through RCL transition:
 - a. The provider must submit using [DSHS 06-125A](#), *Residential Allowance Request — Start-Up Cost*, which includes an itemized list of estimated costs, to the RCL CM.
 - b. The RCL CM must review the submitted list, confirm that items on the list are covered, and let the provider know the list has been approved no more than ten business days after clarification of any questions from the field. The RCL CM must submit a prior approval in CARE to the RMA or designee.

- c. The provider purchases the items on the list and provides copies of the receipts to the RCL CM or regional designee.
 - d. The RCL CM or regional designee must process an authorization for the amount spent no more than 15 calendar days after receiving the receipts from the provider.
 - e. If the purchases are made with a state-issued purchase card (P-card), the RCL CM must follow procedures outlined in the State Administrative and Accounting Manual (SAAM).
2. Waiver Community Transition reimburses reasonable costs as determined by DDA to establish a basic living arrangement when moving from an institutional setting or a provider-operated setting (group home, out-of-home, adult family home, or companion home) to the client's own home where the client will receive services from a DDA-certified community residential provider. To receive Waiver Community Transition:
- a. The provider must submit to the RM:
 - i. An explanation of the client's unmet need;
 - ii. Alternatives explored, such as private pay or furniture banks; and
 - iii. An itemized list with estimated costs.
 - b. The RM must review the list to confirm that the items are covered under the Waiver Community Transition and let the provider know which items have been approved.
 - c. The provider purchases items on the list and provides copies of the receipts to the RM.
 - d. The RM must process an authorization for the amount spent no more than 15 calendar days after receiving the receipts from the provider.
3. If a client does not qualify for RCL Transition or Waiver Community Transition, state-only funding may be available. For rent and deposits, state-only funding is limited to \$5,000 per person. For other necessary expenditures, state-only funding is limited to \$2,000. Requests for state-only funding are processed as follows.

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- a. To request pre-approval for rent and deposits, the provider must discuss the expected amount needed and request pre-approval from the RM. The RM will review the request with the RMA or designee if over \$5000. The RM will respond by the next business day. If the RM is unavailable, the provider will reach out to their supervisor. The rent and deposit amount will also be included on [DSHS 06-125A](#), *Residential Allowance Request – Start-Up Cost*, when submitted as below.
 - b. To request pre-approval for other necessary expenditures, the provider must submit to the RM a residential allowance request using [DSHS 06-125A](#), *Residential Allowance Request – Start-Up Cost*, which includes an itemized list of estimated costs and must include the pre-approved rent and deposit amounts. The RM may request a list of current items the client owns.
 - c. To process the pre-approval the RM must:
 - i. Review the list and cost estimates;
 - ii. Review the request with the RMA or designee if:
 - A) Over \$2000 for other necessary expenditures; or
 - B) There are items added to the pre-populated list on DSHS 06-125A, *Residential Allowance Request – Start-Up Cost*.
 - iii. RMA or designee returns approved request to the RM for pre-approval. RM returns the signed pre-approval request to the provider no more than ten business days after clarification of any questions from the field.
 - d. The provider purchases the items, completes the provider’s portion of the form, and provides copies of the receipts to the RM.
 - e. If during the exchange of information, the amount is higher than the original approved amount, the provider may request a revision from the RM via e-mail. The RM must evaluate the request and, if approved, document the change on the form *Residential Allowance Request – Start-Up Cost*, before returning it to the provider.

- f. The RM must review receipts and submit an exception to policy (ETP) request to the RMA or designee in CARE before authorizing payment if the request is over the above limits.
 - g. The RM must process an authorization for the amount approved no more than 15 calendar days after receiving the receipts from the provider.
4. The provider must file the original purchase receipts in the client's file.

B. Client Damage

1. Unless repairs are completed by a client's landlord or a provider's maintenance employee, client damage repairs reimbursed by DDA must be completed by a:
 - a. Licensed and bonded contractor; or
 - b. Bonded service repair person.
2. To request pre-approval, the provider must submit to the RM a residential allowance request using [DSHS 06-125B](#), *Residential Allowance Request-Damage and Major Expenses*, and include:
 - a. Estimated cost of repair or replacement;
 - b. The amount the client will contribute toward the cost of repairs or replacement; and
 - c. A reference to an incident report related to the reimbursement request.

Note: Approval of a RAR is not based on the timing of the incident report submittal.

3. The provider must disclose the existence of any related insurance claim. The amount of reimbursement may be limited to the amount of the insurance deductible if an insurance claim has been made.
4. If the damage is not the result of an accident or isolated incident, the provider must:
 - a. Review the client's positive behavior support plan for possible changes; and

- b. Submit a copy of the client’s positive behavior support plan if requested by DDA and, if needed, include revisions designed to respond to the target behavior that resulted in the damage.
5. To process a pre-approval request, the RM must:
 - a. Review cost estimates and assure that the process outlined below in subsections (6) through (9) is followed;
 - b. Review the request with the RMA or designee, if over \$3000 on [DSHS 06-125B](#), *Residential Allowance Request – Damages*; and
 - c. Return the signed pre-approval request to the provider no more than ten business days after clarification of any questions from the field.
6. After receiving a signed pre-approval from the RM, the provider:
 - a. Arranges for the repair or purchase;
 - b. Completes the provider section of the request; and
 - c. Provides copies of receipts, invoices, or other relevant documentation to the RM.
7. If during the exchange of information the amount is higher than the original approved amount, the provider may request a revision from the RM via e-mail. The RM must evaluate the request and, if approved, document the change on [DSHS 06-125B](#), *Residential Allowance Request – Damages*, before returning it to the provider.
8. In addition to the items under subsection (2) of this section, a request that exceeds \$3000 must include:
 - a. At least two written estimates; and
 - b. An approved ETP in CARE submitted to the RMA or designee before authorizing payment.
9. The client, the client’s legal representative, or the RM may request an additional estimate.

10. The amount of reimbursement must not exceed the estimate or the replacement value of the article.
11. Nothing in the above procedures supersedes the responsibility to protect client health and safety in their home. In emergency situations, the provider may coordinate with DDA to ensure client health and safety needs are met.
12. The RM must review receipts and submit an ETP request to the RMA or designee in CARE before authorizing payment if the request is over \$3000.
13. If approved, the RM must process an authorization for the amount spent no more than 15 calendar days after receiving receipts for the satisfactorily completed work.

C. Insufficient Income Allowance

1. To request an insufficient income allowance, the provider must request pre-approval from the RM via e-mail.
2. If the provider's request is for more than \$3000 per month, or for items over \$500 in the "Other" category on DSHS 06-125, the RM must first e-mail the RMA or designee for pre-approval.
3. The provider may request pre-approval of an insufficient income allowance for up to twelve months. If there is an increase in the ongoing expense or a new item under the "Other" category, a new pre-approval must be obtained.
4. The RM must e-mail a pre-approval decision to the provider no more than ten business days after clarification of any questions from the field, which must state:
 - a. The length of the pre-approval;
 - b. The monthly pre-approved amount; and
 - c. The pre-approved one-time costs in the "Other" category.
5. After the client's bills are paid, the provider must submit [DSHS 06-125, Residential Allowance Request – Insufficient Income](#), to the RM for review.
6. When evaluating [DSHS 06-125, Residential Allowance Request – Insufficient Income](#), the RM must:
 - a. Confirm that only allowable expenses are included in the request;

- b. Confirm that the provider has received pre-approval for consideration of items in the “Other” category on the RAR form; and
 - c. Confirm that guardianship fees are not included in the request. A client with a paid guardianship may request a RAR; however, guardianship fees must not be listed as an expense on the RAR form.
 7. Upon request, the provider must submit additional documentation to the RM, such as:
 - a. Justification for selection of a specific living unit if other less expensive units are available;
 - b. Evidence of application for HUD Section 8 rent subsidies or a statement that applications are not being accepted; and
 - c. Receipts and other documents, such as a lease agreement or billing statement that verify expenses claimed on [DSHS 06-125, Residential Allowance Request – Insufficient Income](#). (If a receipt or other document is not available, the provider must document the expense in the client file.)
 8. The RM must determine the allowed amount based on the information above. If the allowed amount is over \$3000, the RM must submit an ETP to the RMA or designee in CARE before authorizing payment.
 9. The RM must authorize the allowance no more than 15 calendar days after receiving a complete RAR form and additional documentation requested. The RM must then return the approved [DSHS 06-125, Residential Allowance Request – Insufficient Income](#), to the provider.

D. Shelter Expense

1. To request shelter expenses that would normally be paid by a client who is not currently living in the home, the provider must request pre-approval from the RM via e-mail. Shelter expenses may also be used for a provider to secure housing for up to three months before a client enters service.
2. If the provider’s request is over \$3000 per month, the RM must first e-mail the RMA or designee for pre-approval.

3. The provider may request pre-approval of shelter expenses for up to six months. If there is an increase in the ongoing expense, a new preapproval must be obtained.
4. The RM must e-mail a pre-approval decision to the provider no more than ten business days after clarification of any questions from the field, which must state:
 - a. The length of the pre-approval; and
 - b. The monthly pre-approved amount.
5. After the client's bills are paid, the provider must submit [DSHS 06-125C](#), *Residential Allowance Request - Shelter Expense*, to the RM for review.
6. When calculating the shelter expenses, the RM will consider timing of client contract cycle with the phone cable or internet provider. The RM will determine the cost effectiveness of paying the monthly rate or the broken contract fee.
7. If the provider anticipates the need for shelter expenses more than three months, the provider:
 - a. Must reevaluate the client's housing situation every three months; and
 - b. Should discuss with the housemates or assist the client or clients in finding a residence that fits their budget and the size of their shared household.
8. If approved, the RM must authorize the shelter expenses no more than 15 calendar days after receiving the request. The RM must then return the approved [DSHS 06-125C](#), *Residential Allowance Request - Shelter Expense*, to the provider.

E. SOLA Authorizations

All RARs for clients receiving services from a SOLA program are paid using funds through the State Supplementary Payment (SSP) program when the client meets financial eligibility under [chapter 388-827 WAC](#). If the client does not meet financial eligibility for SSP, the RM must submit an ETP for state-only funding in CARE to the RMA or designee for approval. The RM must send the approved ETP to the state-operated finance manager for payment.

F. Processing Requests

1. All residential allowance requests must be approved by the resource manager administrator or designee.
2. For all residential allowance requests, the provider must submit the final documentation of expenditures to the RM within 90 calendar days of the end of the service month the RAR was utilized.
3. The provider must retain the original purchase receipts and submit copies of the receipts to the RM upon request, unless otherwise specified.
4. Approval is contingent upon funding available within the region.
5. This policy creates no legal obligation on the part of the State of Washington to reimburse any individual or entity and does not give rise to a right of action under any legal or equitable theory.

EXCEPTIONS

Any exception to this policy must have prior written approval from the deputy assistant secretary or designee.

SUPERSESSSION

DDA Policy 6.11
Issued July 1, 2021

Approved:



Deputy Assistant Secretary
Developmental Disabilities Administration

Date: July 1, 2023