



Residential Service Providers and Housing Costs: Frequently Asked Questions

How will the costs for housing be paid in the new fee-for-service system?

Contracted housing rental costs will shift to housing vouchers issued through the **Supportive Housing Connection (SHC)**, a partnership between the NJ Housing and Mortgage Finance Agency and the NJ Department of Human Services (DHS). Residential programs will migrate to the SHC, and the SHC will provide payment to landlords and/or service providers via direct deposit.

How is the amount of a housing voucher determined?

The rates used vary by county and are available in the NJ Department of Human Services' Published Rent Standards: www.nj.gov/humanservices/ddd/documents/published_rent_standards.pdf. Two rates will be used by the Division:

- **“Published Rent Standard” (PRS)** rate will be used for third-party rentals, where the landlord is responsible for the maintenance.
- **“Single Room Occupancy” (SRO)** rate will be used for state-funded homes, where the service provider is responsible for the maintenance. The SRO is 75% of the “0 bedroom” PRS rate and will vary by county.

What will change for the individuals living in an agency's residential programs?

- The SHC requires that each person has a tenancy agreement. This can be either a lease or residency agreement
- In the Fee-for-Service system, individuals will no longer have to pay the 75% Contribution to Care to the Division. Individual's will contribute 30% of their gross income towards the rent, plus whatever additional percentage is determined by the service provider as needed to cover other costs for the individual. Please note that an annual \$480 deduction for those receiving Social Security Benefits will be factored into the calculation to allow for a personal needs allowance.
- In a third-party rental, if utilities are not included, \$70 a month will be factored into an individual's monthly rental contribution.
- The Division may not serve as an individual's Social Security Representative Payee.
- Individuals may be eligible and should apply for other assistance programs, such as LIHEAP (Low Income Home Energy Assistance Program) and SNAP (Supplemental Nutrition Assistance Program) available through county welfare agencies (Board of Social Services).

How can a contracted residential service provider prepare for fee-for-service?

The Division's Housing Subsidy Unit will work with residential service providers as they shift to fee-for-service. To prepare, the following documents will be required.

For the Individual:

- Supplemental Security Income (SSI award letter)
- If applicable, Social Security Disability (SSD) award letter
- If employed, last four consecutive pay stubs
- Statements from any assets retained if the amount exceed \$5,000
- Any other benefit/income/award documentation
- DDD Tenant Subsidy Agreement Form
- Copy of the lease or residency agreement with rental cost included for the individual

For circumstances where an individual/guardian has a formal lease in place with a third party landlord, that landlord will need to complete as they will be paid by the SHC:

- W-9 form (retain a copy at each location for record keeping/auditing)
- Housing Assistance Payments (HAP) Contract
- SHC Addendum to HAP (Contains information related to direct deposit)

For circumstances where a service provider is the owner or lease holder of a property where an individual resides, that service provider will need to complete as they will be paid by the SHC:

- W-9 form (retain a copy at each location for record keeping/auditing)
- Housing Assistance Payments (HAP) Contract
- SHC Addendum to HAP (Contains information related to direct deposit)

How will the shift to SHC vouchers affect residential programs in fee-for-service?

(1) For residential programs that are third party rentals at, or above, the Published Rent Standard (PRS):

- Currently rental amounts, even if above PRS, will be honored in most cases. There will be no need to relocate a program that is above the PRS
- Moving forward, new or relocated programs will need to be within the Published Rent Standard based on the number of bedrooms in the unit

(2) For residential programs in state and agency owned homes:

- The SHC housing voucher will provide the Single Room Occupancy (SRO) rate based on the PRS for each bedroom in which an individual under Division services resides, up to five bedrooms per home. A shared bedroom is counted as one SRO bedroom.
- Utilities are included in the rental amount
- Security deposits are not permitted

How can service providers of state-funded homes estimate the amount that they will receive from the tiers of their residents?

In the Fee-for-Service system there are three distinct revenue sources for each individual served in a licensed residential setting:

- The SHC housing voucher
- Reimbursement for Division-funded waiver services delivered to the individual, per the Fee-for-Service Rate Schedule
- The individual's contribution toward rent and other expenses, as determined by the service provider

What happens when a resident of a service provider's home is hospitalized?

If an individual is hospitalized, the SHC voucher will be paid for up to a six-month period.

How will home inspections be done in Fee-for-Service?

- Rental units that are not licensed through DHS are inspected by SHC and must meet and maintain HUD Quality Standards.
- Rental units licensed through DHS are inspected by DHS Office of Licensing and must meet and maintain standards identified in N.J.A.C. 10:44A – *Standards for Community Residences for Individuals with Developmental Disabilities*.

How do residential service providers enroll in the SHC?

The Housing Subsidy Unit at the Division reviews the forms and will forward them to the SHC for processing once it has determined that they are accurate and include the complete supporting documentation.

The SHC will process the request and send a welcome letter to the individual, landlord and/or service provider agency outlining the tenant and SHC contributions, as well as the date that payments will begin.

For additional information or assistance, please contact one of the following Division staff:

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