

**September 2019 General Management Review Discussion Points:**

- **Special Diets**

If a family has a household member receiving a special diet allowance, should this income be included or excluded from the rent calculation?

- It should be included. Special diet income does not fall under any exclusion listed in HUD Handbook 4350.3 Exhibit 5-1. Food items are not considered a medical expense under HUD's guidelines, so special diets don't qualify for the exclusion:
  - (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member
- Special diet income is paid through State funds and does not fall under the Food Stamp Act of 1977, so the following exclusion also does not apply:
  - The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7U.S.C. 2017 [b])

Even if a family member has documentation from a medical professional that they have a prescribed special diet, this income must be included.

If a family claims that the amount they need to spend to meet their special diet requirements exceeds the amount provided in the monthly cash allowance, should the owner/agent treat the amount above the allowance as an additional medical expense?

- No. Properties can't use the cost of food necessary for a special diet as part of the medical expense deduction.

- **ABLE Accounts**

NOTICE H-2019-06 provides guidance regarding the federally mandated exclusion of ABLE accounts from the calculation of income and assets, as required under the Achieving a Better Life Experience Act of 2014 (ABLE Act). An ABLE account is an account established for the benefit of an eligible individual, maintained under a qualified ABLE program. An individual's ABLE account (specifically, its account balance, contributions to the account, and distributions from the account) is **excluded/disregarded** when determining the designated beneficiary's eligibility and continued occupancy under certain federal means-tested programs. Owners should develop a policy and procedure for verifying ABLE accounts that obtains the following information:

- The name of the designated beneficiary; and
- The State ABLE program administering the account to verify that the account qualifies as an eligible ABLE account.

Learn more about the [MN State ABLE Program](#).

- **National Standards for the Physical Inspection of Real Estate (NSPIRE)**

HUD's Real Estate Assessment Center (REAC) has created a [NSPIRE subscription mailing list](#) as a way to share updates. Subscribers will receive periodic messages about HUD's new inspection model and the demonstration. You may sign up by using the link below and providing your email address. After signing up, you will receive an email message asking you to confirm your registration. Once confirmed, you will receive periodic messages. You may cancel your subscription at any time.

- **Printing and retaining EIV Income and Income Discrepancy Reports**

For all new admissions, including Initial Certifications (IC), the owner must:

- Print, review & retain the Income Report within 90 days after transmission of the certification to TRACS to confirm/validate the income reported by the household.
- Resolve any income discrepancies with the household within 30 days of the Income Report date. Retain any documentation received to resolve income discrepancies, if applicable.
- Print the Income Discrepancy Report at the same time they print the Income Report (if both Income and Income Discrepancy Reports are not in the file it is a 50059 finding that could be attributable to a 100% file review).

**Note:** It is important that the Income Discrepancy Report be printed at the same time as the Income Report as each week a completely new report is generated based on the current information in the system for a tenant. The old report is overwritten with the current data.

**References:** HUD Handbook 4350.3 R1 C4 Par. 9-11B.5 and Par. 9-11C.3



Properties with the program type of Loan Management Set-Aside (LMSA) and Property Disposition Set-Aside (PDSA) must have a lease renewal term of the lesser of one year, or the remaining term of the HAP contract. This one year renewal term should be reflected when completing Paragraph 2, Field H of the HUD Model Lease 90105a for properties under these program types. Please contact your assigned Housing Management Officer if you have any questions regarding your property's program type or how to fill out the HUD Model Lease.



During the recertification process, third reminder notices must be sent at least 60 days prior to the anticipated AR effective date if a tenant has not responded. Because this 60 day notice also serves as notice to terminate assistance, VAWA forms HUD 5380 and HUD 5382 must accompany the notice (see HUD Notice H 2017-05). Remember to document the tenant file to show this requirement has been met. Please contact your assigned Housing Management Officer with questions.



When preparing for the Management and Occupancy Review (MOR) the tenant file must contain the most current HUD 50059 certifications transmitted to TRACS. If the most current HUD 50059 on file was not transmitted via TRACS or the most recently transmitted HUD 50059 is not in the file; it is a HUD 50059 Finding and may attributable a 100% Review. To avoid this, make sure all HUD 50059s to be reviewed are transmitted via TRACS and in the file at the time of the MOR.

*HH 4350.3 R1 C4 P5-31 & TRACS MAT User Guide. A HUD 50059 effective in the voucher month must be on file and transmitted to receive assistance payments.*

**Upcoming 2019 Events:**

**October 29-30, 2019**

**RBD HUD Today 2019**

DoubleTree by Hilton Hotel, St. Paul

<https://www.rbdnow.com/class-training>

**November 12-14, 2019**

**Assisted Housing Manager: HUD Program Requirements and Compliance**

Minnesota Multi Housing Association, Bloomington

<https://www.mmha.com/Education/Eduation-Calendar/ArtMID/118640/ArticleID/277/Assisted-Housing-Manager>

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