



OFFICE OF HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-8000

MEMORANDUM FOR: Multifamily Midwest Regional Center Director, Asset Management  
Division, and Operations Officer  
All Contract Administrators for Minnesota properties  
All Owners/Agents of Multifamily assisted housing properties  
located in Minnesota

FROM: Tobias J. Halliday, Director, Office of Asset Management and  
Portfolio Oversight (OAMPO), HTG

SUBJECT: Treatment of Cash Benefits Received Through the Minnesota  
Supplementary Assistance Program

### **Purpose & Applicability**

The purpose of this memorandum is to provide updated guidance on the treatment of cash benefits received through the Minnesota Supplementary Assistance (MSA) program codified at Minnesota Statutes 256D.44, Standards of Assistance, Subdivision 5, paragraph (b). This memorandum applies to all Multifamily Housing programs in the State of Minnesota.

### **Background**

The MSA program provides cash benefits to qualified adults who receive Supplemental Security Income (SSI) or are eligible to receive SSI. The state directs the county to provide “a monthly allowance for medically prescribed diets if the cost of [such] dietary needs cannot be met through some other maintenance benefit” and if “the need for special diets or dietary items [is] prescribed by a licensed physician, advanced practice registered nurse, or physician assistant.” Further information is available at <https://www.revisor.mn.gov/statutes/cite/256D.44>.

### **MSA Assistance Payments are Excluded from Annual Income**

OAMPO has determined that payments made by the MSA program meet the income exclusion found in regulation at 24 CFR §5.609(c)(4), because the state of Minnesota has made MSA benefits available specifically for the cost of state-determined medical expenses. The regulation specifies that annual income does not include “amounts received by the family that are specifically for...the cost of medical expenses for any family member.” This interpretation applies to the MSA program only, superseding previous HUD guidance specific to the program. Other similar state-run programs must be reviewed by HUD on a case-by-case basis to determine whether benefits would likewise be excluded from income.

With issuance of this memorandum, owners are instructed to exclude the MSA benefit from income and to correct previous income calculations where the benefit was included in income. Any subsidy that was underpaid to a tenant as a result of a previous interpretation must be credited to the affected tenant.

Address property-specific questions to the assigned contract administrator or Multifamily Account Executive. General policy questions may be sent to Annecia Durr at [Annecia.Durr@hud.gov](mailto:Annecia.Durr@hud.gov).