



Commonwealth of Massachusetts
**EXECUTIVE OFFICE OF HOUSING &
LIVABLE COMMUNITIES**

Maura T. Healey, Governor ◆ Kimberley Driscoll, Lieutenant Governor ◆ Edward M. Augustus Jr., Secretary

DMHRSP NOTICE: FY25-01

To: DMHRSP Administering Agencies & Service Providers
From: Ben Stone, Undersecretary of Public Housing and Rental Assistance
Subject: **DMHRSP FY25 Guidance Update, Effective 12/1/2024 – Voucher Expiration, Security Deposit, Utility Allowance, Absence Policy**
Date: November 6, 2024
cc: Department of Mental Health Central Office & Area Offices

The Executive Office of Housing and Livable Communities (EOHLC) continually strives to improve our rental assistance programs in partnership with administering agencies and service providers. We appreciate and have incorporated the considerable input we received regarding the Department of Mental Health Rental Subsidy Program (DMHRSP) during the numerous feedback sessions last year. In partnership with DMH, we have released two sets of program updates in FY24 (January/February and June 2024). As part of this series of updates, we will implement the following program improvements to be effective as of December 1, 2024:

- [Tenant-Based Voucher Expiration](#)
- [Security Deposit Program](#)
- [Utility Allowance](#)
- [Absence Policy](#)

All other regulations, guidance, and policies not mentioned in this program notice remain in effect.

Please note that due to the nature of the changes, the implementation plan of the changes outlined in this guidance is different from that of prior guidance changes.

Administering agencies and service providers must apply this guidance to any DMHRSP clients and units for actions with effective dates 12/1/2024 and forward.

This guidance does not require administering agencies to reevaluate any actions with effective dates on or after 12/1/2024 that were already completed prior to the issuance of this guidance. However, administering agencies are permitted to perform a redetermination or reevaluation on any action with an effective date on or after 12/1/2024 at a client, service provider, or property owner's request.

This guidance does not permit administering agencies to apply this guidance to any action with an effective date prior to 12/1/2024, even if the action is completed on or after 12/1/2024.

All guidance and training documents are available at our [State Rental Assistance Training Webpage](#). All program documents and forms are available at the [LHA Portal/RAA Portal](#). **Please register for one of the identical training sessions regarding these important program changes on [Monday 11/18 at 1-2pm](#) or [Thursday 11/21 at 9-10am](#).**

Tenant-Based Voucher Expiration

EOHLC recognizes that securing a rental unit has become increasingly difficult in today's housing market. To accommodate this, we are allowing for additional extensions for tenant-based vouchers. The below guidance complements the [FY19 Guidance](#) "VI. Issuance, B. Tenant based, 2. Voucher Expiration" section beginning on page 26, *with the bold portions replacing the existing portions, and is effective as of 12/1/2024*. All other regulations, guidance, and policies not mentioned below remain in effect. There are no changes to the sponsor-based voucher policy.

With the assistance of the DMH case manager/service provider, the tenant-based client is responsible for the housing search and for choosing and submitting a potential unit that will meet the DMHRSP rental criteria before the voucher certificate expires. This tenant-based voucher is effective as of the issuance date and valid for up to 120 days. If the client has not located a viable unit within 120 days, the client (or the DMH case manager/service provider on behalf of and with the permission of the client) may request a **sixty (60) day extension**, which, if approved, the administering agency will respond with a written extension letter indicating new expiration date generally within five (5) business days. **The client may continue requesting and be granted continuous sixty (60) day extensions for up to, but not exceeding, one (1) year maximum from the original date of issuance.** Additional extensions beyond a total of **one (1) year** can only be granted by the administering agency as a reasonable accommodation with a new extension letter each time. The voucher may be utilized for a new unit leasing up at any time after the issuance date, including after the voucher's expiration date only if the Client submitted the unit before the expiration date.



Example A: The client is issued a tenant-based voucher on 9/1/2024 for an initial period of 120 days and an expiration date of 12/30/2024. The client submits an extension request on 12/20/24 and is granted a 60-day extension through 2/28/2025. The client continues to submit timely extension requests prior to each expiration date (4/29/2025, 6/28/2025) though 8/27/2025. On 8/20/2025, the client requests another extension and the administering agency is only able to grant a final extension through 8/31/2025, which is one year maximum after the voucher was issued. The client submits a unit on 8/30/2025, which is approved on 9/9/2025 and leased up on 9/15/2025.

Example B: The client is issued a tenant-based voucher on 9/1/2024 for an initial period of 120 days and an expiration date of 12/30/2024. The client submits an extension request on 12/20/2024 and is granted a 60-day extension through 2/28/2025. The client submits another extension request on 2/20/25 and is granted another 60-day extension through 4/29/2025. On 5/8/2025, the client has not submitted any units or requested any further extension, so the administering agency sends a notice of voucher expiration to the client, copying the DMH case manager. The client cannot be located for several months, but eventually resurfaces on 7/1/2025 and requests an extension. The voucher has already expired, so it is no longer valid and cannot be extended. The DMH case manager works with the client for several months to restabilize and later refers the client to the tenant-based program again. The administering agency begins the eligibility screening process anew and issues a new tenant-based voucher.

Security Deposit Program

We are happy to introduce the new DMHRSP security deposit program. This program intends to reduce this barrier and the stress of leasing up a new unit, as well as improve utilization. We intend it to be mainly used by our tenant-based voucher holders.

DMHRSP voucher holders (either tenant-based clients and sponsor-based service providers) will be able to receive a security deposit payment for any new lease up (both newly issued vouchers and relocations) beginning 12/1/2024.

Sponsor-based service providers can only utilize the DMHRSP security deposit program in *limited situations* where other funds (e.g. contingency funds) are not available and must be *approved by the DMH Area Housing Coordinator via email.*

Clients and service providers will be able to provide this information to the property owner when they speak with the property owner regarding a unit. The property owner can then complete the simple one-page DMHRSP Security Deposit Form along with the Request for Lease Approval (RFLA). Once the lease up is fully completed, the administering agency will pay for the security deposit on the tenant's behalf directly to the property owner.

Security deposits should be managed by the property owner and tenant in accordance with Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B. After terminating the lease and moving out of the unit, the property owner will return any security deposit funds directly to the tenant (either the tenant-based client or sponsor-based service provider).

Requirements

To utilize the DMHRSP security deposit program, there must be:

- A DMHRSP voucher holder (either new or existing, either a tenant-based client or sponsor-based service provider) who has been issued or reissued a valid DMHRSP voucher;
- A lease up in a new unit (for either a newly issued voucher or a relocation) that has been approved for the use of the DMHRSP voucher;
- A fully signed DMHRSP lease (or property owner's lease with DMHRSP lease addendum) and voucher payment contract with a start date of 12/1/2024 or later; and
- A DMHRSP Security Deposit Form that has been completed and submitted to the administering agency before the completion of the lease up.

Also, please note:

- Only a security deposit on a newly approved and leased unit can be provided through this program. First month's rent and last month's rent will continue to only be covered at the subsidy portion and on the usual schedule. Other moving, housing, or tenancy-related costs are not covered.
- There is no extra eligibility requirement for the security deposit program.
 - Tenant-based DMHRSP clients do not need to show proof of need to receive this assistance. If the client and unit meet the above criteria, they can utilize the DMHRSP security deposit program.
 - Sponsor-based service providers can only utilize the DMHRSP security deposit program in *limited situations* where other funds (ie. contingency funds) are not available *and must be approved by the DMH Area Housing Coordinator via email.*
- A tenant-based client or sponsor-based service provider can utilize the security deposit program multiple times during their participation in DMHRSP. There is no blackout period or waiting period between uses of the security deposit program.
- Payments cannot be made retroactively. Security deposit must be requested prior to move in and the completion of lease up.
- After a tenant-based client or sponsor-based service provider terminates the lease and moves out of a unit, the property owner will return any security deposit funds directly to the tenant (either the tenant-based client or sponsor-based service provider) in accordance with Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B. Service providers and DMH case management are requested to assist with properly directing the return of security deposits.
 - Security deposit funds that are returned to a tenant-based client are for their own use.
 - Security deposit funds returned to a sponsor-based service provider should be utilized for DMHRSP clients' housing needs not otherwise covered by the

program and in line with the objectives of the program, such as the advance of tenant’s portion of first month’s rent or moving costs. There is no approval or tracking required.

Process

1. Administering agencies will include the DMHRSP Security Deposit Form in the property owner packet that is provided to the voucher holder (either a tenant-based client or sponsor-based service provider) when issuing a DMHRSP voucher.
2. When the voucher holder meets a property owner regarding a potential unit, the property owner must complete the Request for Lease Approval (RFLA) form and the Security Deposit Form. Both forms are the same for sponsor-based and tenant-based, so take care to mark it correctly. Additionally, sponsor-based requests must be submitted with the DMH Area Housing Coordinator’s approval via simple email.
3. The administering agency will review the unit for approval per standard DMHRSP regulations and policies. When the unit is approved, the administering agency will notify the property owner and voucher holder to sign the DMHRSP leasing documents so the voucher holder can move in.
4. Once the fully signed leasing documents are returned to the administering agency, the administering agency will release all approved payments.
5. Then, in the requisition system, the administering agency enters the security deposit amount paid by the administering agency to the property owner into the “Move in Fee” box. In the “Comments” box, enter “[Security Deposit(s)] of [\$ Amount]”. The administering agency must provide this information to receive these funds.

A	B	C	D	
Leased Vouchers	Subsidy Current Month (\$)	Retro/Others (\$) <small>Enter Retro Amounts; Enter Insurance Transfer Fee in Retro Admin.</small>	Utility & Move in Fees (\$)	Comments <small>Enter details of Insurance Transfer Fee, Security Deposits, and Other Retro</small>
<input type="text"/>	<input type="text"/>	Retro Subsidy: <input type="text"/> Retro Admin: <input type="text"/> Retro Services: <input type="text"/>	Move In Fees: <input type="text" value="\$2100"/> Utility Reimbursements: <input type="text"/>	<input type="text" value="Security Deposit of \$2100"/>

6. After the tenant-based client or sponsor-based service provider terminates the lease and moves out, the property owner will return any security deposit funds directly to the tenant (either a tenant-based client or sponsor-based service provider) in accordance with Massachusetts Security Deposit Law, M.G.L. c.186 sec. 15B. These returned funds are for the tenant-based client’s own use or for a sponsor-based service provider to use for the housing needs of DMHRSP clients as described above.



Example A: The tenant-based client with a new voucher locates a potential unit that usually requires first month, last month, and security deposit. After the administering agency explains the program to the property owner, the property owner agrees to not request the last month in advance and to require only the tenant's portion of the first month upon lease signing and the full security deposit from the administering agency when the subsidy payments begin after lease signing. The property owner and client complete and submit the Security Deposit Form along with the RFLA. The administering agency approves the unit and provides the leasing documents. The client pays their portion of the first month's rent at the lease signing and receives the keys. Upon receiving the signed leasing documents, the administering agency releases the security deposit along with the first month's subsidy at the next check run.

Example B: The DMH office in Southeast region serves as the service provider and sponsor, but does not have access to contingency funds or other funds for security deposit. With the Southeast Area Housing Coordinator's approval, they request and receive security deposits for two new sponsor-based units with a single property owner. Two sponsor-based clients are promptly approved and moved into the units. A few months later, the property owner decides to remodel all the units in the entire building and asks DMH if they will voluntarily relocate to two other units in another building and as a concession, offers to not require any security deposit for the new units. The new units are approved and leased and the old units are terminated, so the property owner returns both security deposits directly to DMH as the tenant on lease. DMH decides to use the returned security deposit funds to cover the moving trucks for both of these relocating clients.

Utility Allowance

Effective for all new units, rent increases, and any contract rent reviews with effective dates 12/1/2024 or later, utility allowance will no longer be used when calculating the Maximum Allowable Rent (MAR).

Administering agencies must continue to use the existing New Unit Review form and Rent Increase Review form and calculate accordingly, per [FY19 Guidance](#) "A. New Unit Approvals, 2. AA Review and Response" section beginning on page 32 and "1. Rent Increase Standards, 5. Maximum Allowable Rent Increase" beginning on page 52, and the Rent Increase Policy Memo [1/12/2022](#) and [5/19/2022](#), *except that they should simply enter zero for the utility allowance.*

Any and all other policies and guidance continue to apply, including rent reasonableness and calculating the client's occupancy charge based on any utilities that the client directly pays for.

The prior policy of including utility allowance in the calculation of maximum allowable rent continues to apply for any new units, rent increases, and any contract rent reviews that are being completed retroactively with an effective date before 12/1/2024.

Example Situation

- One bedroom unit in Adams with some utilities included
- Newly issued one bedroom voucher
- Submitted 10/20/2024 and available as of 11/1/2024
- Requested contract rent \$1,270

For Lease Effective 11/1/2024

- FY25 FMR \$1,234
- Utility allowance \$100
- Maximum allowable rent = $(\$1,234 \times 110\%) - \$100 = \$1,257$
- Confirmed rent reasonable
- Approved alternative contract rent \$1,257

For Lease Effective 12/1/2024

- FY25 FMR \$1,234
- Utility allowance removed \$0
- Maximum allowable rent = $(\$1,234 \times 110\%) - \$0 = \$1,357$
- Confirmed rent reasonable
- Approved contract rent \$1,270

Absence Policy

EOHLC recognizes that DMHRSP clients face a variety of situations, many of them related to their disability, which may sometimes cause them to be out of unit more frequently or for more extended periods of time, so we are updating our absence policy accordingly.

Effective 12/1/2024, this guidance replaces the [FY19 Guidance](#) "1. Vacancies and Absences" section (pages 48-51). **This guidance will be applicable to any away or absence periods that occur on or after 12/1/2024 or that began before but continue past 12/1/2024. However, keep in mind that the entirety of the away or absence period that occurs will be counted, not just what occurs after 12/1/2024.**

Away, Absence, or Vacancy

As requested, we would like to provide more clarification on what types of situations qualify as time away, an absence, or a vacancy. This is an important distinction because

it will determine whether the absence policy, vacancy payment, or termination will be applied.

Both sponsor-based and tenant-based DMHRSP units are expected to be the *primary residence*, as defined in Public Housing regulation [760 CMR 5.03](#), for the approved DMHRSP client's household. This means that the client's household must be actively occupying and living in the unit. **Living or staying elsewhere, even if their belongings remain in the unit and they continue to pay their occupancy charge, counts as being away from the unit. Frequent ongoing away periods and absences will be assessed by DMH in a timely manner to confirm that the unit is still the client's primary residence. In addition, the entire household cannot be away from their unit for more than thirty (30) days consecutively in any twelve (12) month period without the administering agency's approval in accordance with the below guidance.**

Any client that is away from their unit for an approved reason cannot be away for more than the approved time period. *Any client that is away from their unit for more than thirty (30) days consecutively for any unapproved reason will be considered as having abandoned their unit. Additionally, any client that is away from their unit for an approved reason for longer than the approved time will be considered as having abandoned their unit. Likewise, any client with frequent ongoing away periods or absences may be considered as not using the unit as their primary residence.*

Away (less than 30 days)

A client may be away from their unit for less than thirty (30) days consecutively in any twelve (12) month period without needing the administering agency's approval. This is not considered an absence and the client is considered to still be residing in the unit. The client must continue to occupy the unit and to pay occupancy charge as usual. This may include short vacations throughout the year. However, we strongly encourage clients and service providers to notify both the administering agency and property owner when the client will be away for two (2) weeks or more, just to avoid any confusion regarding whether the client is still living in the unit or has left. This also puts everyone on notice, just in case the absence becomes longer than thirty (30) days and an absence approval request becomes necessary.

Frequent ongoing away periods or absences must also be reported to DMH to be assessed and confirmed by DMH that the unit is still the client's primary residence.

Absence (30-90 days)

An absence is when:

- 1) the entire household is unable to actively occupy the unit for more than thirty (30) days, but no more than ninety (90) days;
- 2) with a specific (even if approximate) return date within ninety (90) days;
- 3) for an approved reason by the administering agency; and

- 4) for sponsor-based clients, only in situations where the return to different unit would cause significant negative impact.

Absences can be approved for:

- a) Hospitalization;
- b) Inpatient treatment, including for substance abuse;
- c) Nursing facilities and rehabilitation facilities (not hospice care);
- d) Disability-related reasons that would typically be approved by reasonable accommodation;
- e) Emergency that requires temporary relocation, including domestic violence and very limited situations where a client must visit another town or country for the care and bereavement of a sick or elderly family member;
- f) Arrested but unable to pay bail, depending on the situation; or
- g) Other situations with very limited, one-time DMH Central Office written approval required.

Absences cannot be approved for:

- h) Hospice care;
- i) Living elsewhere, such as with family or friends; or
- j) Extended vacations.

In particular, please note that for sponsor-based clients, the nature of the sponsor-based program allows service providers to enter and exit clients into any of their leased units as needed with administering agency approval, without any loss of voucher or penalty, or any need for the client to perform any housing search or leasing when they are ready to return. The client is able to return the same or a different sponsor-based unit that is available upon their return. *Given this consideration, absence requests of 30-90 days for sponsor-based clients are to be used very sparingly and only in situations where the return to a different unit would cause a significant negative impact to that particular client.*

The administering agency must complete due diligence and use discretion when verifying the reason and time period of the absence. Service providers and clients have the responsibility of providing verification with sufficient details to specify and support an approved reason and specific (even if approximate) end date, such as the service provider absence verification form. Acceptable verification is dependent on each situation and can include, but is not limited to:

- Service provider absence verification form (attached), both signed by the service provider and approved by the DMH Area Housing Coordinator, as a form of healthcare provider verification (not to be used for other non-healthcare or non-disability related reasons);
- Hospital or facility admission report or discharge report;
- Letter or report from a healthcare provider who is directly treating or has first-hand knowledge of the situation;

- Statement or report from emergency personnel, inspector, court, law enforcement, or other authority with first-hand knowledge of the situation (ex. fire marshal's report, police report, court order, restraining order, domestic violence shelter or advocate letter, board of health or inspection report); and
- Other documentation appropriate for other situations, at the administering agency's discretion.

Absences of thirty (30) consecutive days or more must be reported to and approved by the administering agency. During absences of between thirty (30) days to ninety (90) days for approved reasons, subsidy payment can continue to be paid without any interruption and with the client continuing to pay their occupancy charge. After ninety (90) days, in very limited situations and only with the written approval of DMH Central Office and the administering agency, a single extension of up to thirty (30) day of payments can be requested and approved. As always, a reasonable accommodation can be requested at any time and approved by the administering agency in accordance with EOHLC's reasonable accommodation guidance.

Frequent ongoing away periods or absences must also be reported to DMH to be assessed and confirmed by DMH that the unit is still the client's primary residence.

Vacancy (more than 90 days)

A typical vacancy is when a client leaves a unit permanently. For sponsor-based units, this includes when one client permanently moves out of a unit while the unit remains *actively leased* with the service provider as sponsor and tenant and the service provider intends to move a *different* client into the unit. In addition, situations where any unit is considered abandoned by the client or where the client is away from the unit outside of the approved absence policy are also treated as vacancies.

Once the client has been away from the unit for more than the approved period, the unit is considered abandoned and will be treated as such. Payments will be suspended as of the end date of the approved absence and the voucher may be suspended or terminated per the below sponsor-based and tenant-based specific guidance.

Likewise, if the service provider or client expects the client to be away for more than ninety (90) days, then they must submit it as an abandoned unit/unapproved vacancy (not an absence) at the start. The absence policy cannot be applied to any portion of the period and the entire time away (including any period within 90 days or 30 days) cannot be paid. Payments may be suspended as of the initial date of the unapproved vacancy and the voucher may be suspended or terminated per the below sponsor-based and tenant-based specific guidance.

An unapproved absence, either due to unapproved reasons or for a period longer than approved, is considered an abandonment of the unit and an unapproved vacancy. DMHRSP cannot make subsidy payments during this type of abandonment/unapproved

vacancy, including making a vacancy payment (as it would not meet the requirements of the vacancy payment policy). The service provider of a sponsor-based unit or the client/voucher holder of a tenant-based unit would be fully responsible for the entirety of the contract rent. This type of abandonment/unapproved vacancy may also result in the termination of the lease and of the voucher.

Likewise, any client with frequent ongoing away periods or absences may be considered as not using the unit as their primary residence, which may result in termination or loss of voucher.

Notification

We strongly encourage clients and service providers to notify both the administering agency and property owner when the client will be away for two (2) weeks or more, just to avoid any confusion regarding whether the client is still living in the unit or has left. This also puts everyone on notice, just in case the absence becomes longer than thirty (30) days consecutively and an absence approval request becomes necessary.

The sponsor-based service provider and tenant-based client must report within three (3) business days to the administering agency and the DMH Area Housing Coordinator as soon as:

- *they suspect the client will or has permanently vacated the unit;*
- *they suspect the client will be absent from the unit for thirty (30) days or more consecutively;*
- *they suspect the client has frequent ongoing away periods or absences; or*
- *they are uncertain of how long the client may be away from the unit (even if they think it may be less than 30 days).*

It is far easier to be notified and not need to take subsequent action than to not be notified until much later and to need to resolve it retroactively.

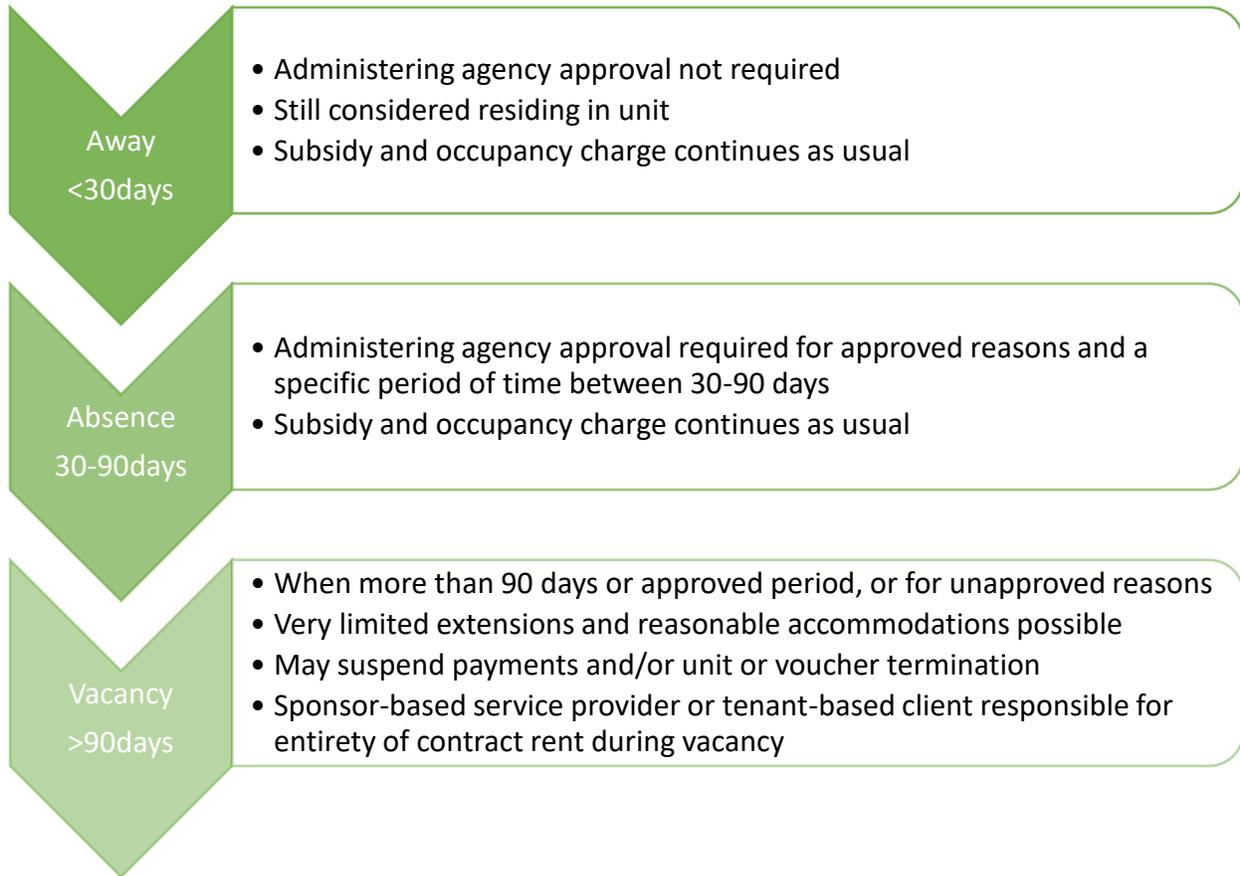
Likewise, if the service provider or client expects the client to be away for more than ninety (90) days, then they must submit it as an abandoned unit/unapproved vacancy (not an absence) at the start. The absence policy cannot be applied to any portion of the period and the entire time away (including any period within 90 days or 30 days) cannot be paid. Payments may be suspended as of the initial date of the unapproved vacancy and the voucher may be suspended or terminated per the below sponsor-based and tenant-based specific guidance.

Program Compliance

The client is expected to remain in contact and responsive to both the administering agency and the DMH case manager/service provider at all times and is still responsible for completing any recertifications and program requirements in a timely manner, even when they are away or absent from their unit. Even if the client is away for less than

thirty (30) days consecutively or if a longer absence is approved, payment suspensions and terminations will still occur if the client fails to meet program requirements. If an accommodation is needed due to a disability in order to remain compliant with the program requirements during an absence, then a reasonable accommodation must also be requested and approved alongside the absence approval.

Examples





Example A: The client is in an accident and is hospitalized. The hospital team indicates that the client will need to remain in the hospital for at least one week and will evaluate later in the week on further treatment and whether the client can return home upon discharge. Since they are unsure of total length of absence, the service provider notifies the administering agency and DMH area housing coordinator the very next morning. They also notify the property owner but reassure them that the client is definitely returning to the unit. No action is necessary yet. The hospital transfers the client to an inpatient rehabilitation facility for two weeks, who then discharges to home with a visiting nurse twice a week. The service provider keeps everyone updated with each change and confirms when the client is fully returned home. The total time away from the unit is three and a half weeks. Payments continue without interruption and no further action is necessary.

Example B: The client is absent from the unit due to a scheduled surgery and remains hospitalized for two weeks, after which, the surgeon discharges the client to return to home. This initial period away from home is within the thirty day away policy and is acceptable. However, the client also requests to stay with their sister, who just had a new baby, for the next eight weeks following discharge. The administering agency denies the request for the additional eight weeks because this absence from the unit is for more than thirty days consecutively and is not due to an approved reason (visiting or staying with family). Instead, the client is welcome to visit their sister for a shorter period at any time, so long as the client is not away from the unit for more than thirty days consecutively.

Example C: The sponsor-based client is approved for a ten week absence from the unit while receiving inpatient rehabilitation following a scheduled surgery. Prior to the start of this absence, the administering agency had sent the usual recertification notice to the service provider. The service provider does not see any reason that the recertification cannot be completed timely as usual and prepares all the necessary releases and paperwork in order to obtain the necessary documentation on the client's behalf once the client signs. However, the client fails to respond to the repeated notices from the service provider (following repeated notices from the administering agency) to sign the paperwork, even after completing the rehabilitation and returning to the unit. Although the absence was approved and is not an issue, the client is now noncompliant with program requirements and may be exited from the unit or the sponsor-based voucher may be terminated from the service provider for that unit.

Example D: The service provider notifies the administering agency that the client has been involuntarily hospitalized due to their disability and will be out of unit and with very limited outside contact for six weeks and submits the service provider absence verification form with the DMH housing coordinator's approval via email. The service provider requests approval for the disability related absence of six weeks and also for a ten week extension for the recertification as a reasonable accommodation due to the inability to reach the client while hospitalized and then the anticipated difficulty to complete the recertification once released. The administering agency approves both the absence and the extension. The client returns to unit and completes the recertification within the approved time period.

Example E: The client would like to travel with their entire household to another country for the entire twelve weeks of summer vacation to celebrate various events and holidays with their extended family that live there. The administering agency denies their request because the planned trip is not due to an emergency or disability-related need. If they take the trip as planned with their family, even if they continue to pay their occupancy charge, the administering agency shall terminate their voucher for abandoning their unit.

Tenant-Based

Voucher Suspension

For tenant-based voucher holders, when an absence from a unit currently leased under DMHRSP due to an approved reason will exceed ninety (90) days (except for special extensions as listed above) and the voucher holder is not in a unit and also unable to look for housing for any specific period of time, they may also request to suspend their voucher for up to one year.

Please note that while the timing, reasons, and verification have been updated, the procedures remain the same.

Initiating the Suspension

Tenant based vouchers may be suspended for up to one year (12 months) total if:

- 1) the client has already been issued an active tenant-based voucher and is in good standing
- 2) the client is unable to use the voucher:
 - a) the entire household is unable to actively occupy the unit for more than ninety (90) days (except for special extensions as listed above); and
 - b) the client is unable to look for housing for a set time period
- 3) with a specific (even if approximate) return date, not exceeding one year (12 months) total;
- 4) for an approved reason by the administering agency.

Absences can be approved for:

- a) Hospitalization;
- b) Inpatient treatment, including for substance abuse;
- c) Nursing facilities and rehabilitation facilities (not hospice care);
- d) Disability-related reasons that would typically be approved by reasonable accommodation;
- e) Emergency that requires temporary relocation, including domestic violence and very limited situations where a client must visit another town or country for the care and bereavement of a sick or elderly family member;
- f) Arrested but unable to pay bail, depending on the situation; or
- g) Other situations with very limited, one-time DMH Central Office written approval required.

Absences cannot be approved for:

- h) Hospice care;
- i) Living elsewhere, such as with family or friends; or
- j) Extended vacations.

While a voucher is suspended, the administering agency shall not make any payments to any property owner or process any new unit requests on behalf of the client and the suspended voucher cannot be reissued to another client.

Administering agencies may suspend tenant-based vouchers at the request of the client (or by the DMH case manager/service provider on the client's behalf and with the client's permission) and must provide a copy of written notification of their decision to the DMH Area Housing Coordinator and the EOHLC Coordinator. The reasons for the suspension and the anticipated end date must be verified. This end date may be revised, as necessary, so long as the total suspension time does not exceed one year (12 months).

The administering agency must complete due diligence and use discretion when verifying the reason and time period of the absence. Service providers and clients have the responsibility of providing verification with sufficient details to specify and support an approved reason and specific (even if approximate) end date, such as the service provider absence verification form. Acceptable verification is dependent on each situation and can include, but is not limited to:

- Service provider absence verification form (attached), both signed by the service provider and approved by the DMH Area Housing Coordinator, as a form of healthcare provider verification (not to be used for other non-healthcare or non-disability related reasons);
- Hospital or facility admission report or discharge report;
- Letter or report from a healthcare provider who is directly treating or has first-hand knowledge of the situation;
- Statement or report from emergency personnel, inspector, court, law enforcement, or other authority with first-hand knowledge of the situation (ex. fire marshal's report, police report, court order, restraining order, domestic violence shelter or advocate letter, board of health or inspection report); and

- Other documentation appropriate for other situations, at the administering agency's discretion.

Tenancy must first be terminated by the property owner or client. If the client household does not vacate the unit prior to voucher suspension, the client may be liable for the entire contract rent.

Reactivating following Suspension

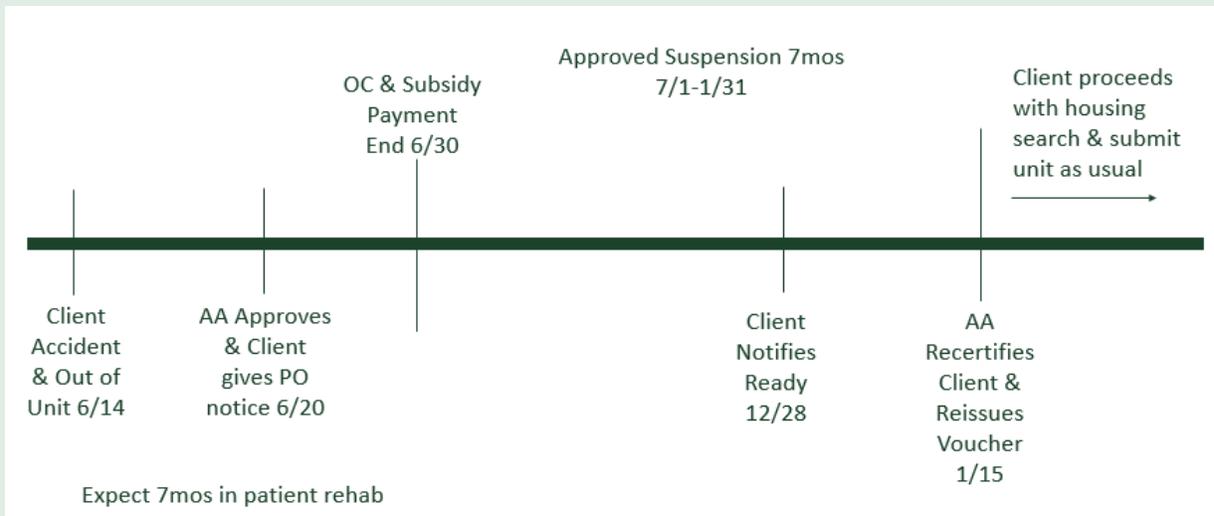
A client with a suspended voucher does not need to undergo eligibility review again prior to being reissued the voucher. However, the administering agency must recertify the household's composition and income prior to reissuing the voucher. If the client/household is over-income when the voucher is reissued to them, the voucher shall still be reissued, but the client/household will receive a termination notice for being over-income (see [760 CMR 38.05 \(2\) \(a\) and \(3\)](#) and the Termination section (page 58-65) of the [FY19 Guidance](#)). The administering agency can only review for possible CORI/SORI and other disqualifications if the administering agency receives notification of a potentially disqualifying incident that may have occurred since the initial eligibility determination (see Tenant based Eligibility, Specified Prior Conduct and CORI/SORI, When, Subsequent Cause section (page 20) of the [FY19 Guidance](#)). Any additional household members require approval.

If the administering agency approves for reactivation, the administering agency must reissue the voucher according to tenant-based issuance procedures (see Issuance, Tenant based, Voucher Reissuance section (page 27) of the [FY19 Guidance](#)).

If the tenant-based voucher cannot be reactivated before the end of the approved suspension, the administering agency must terminate the client from the tenant-based program (see Termination section (page 58-65) of the [FY19 Guidance](#)). DMH/DMH Case Manager/Service Provider is welcome to refer the client for either the tenant-based or sponsor-based program again in the future, but the administering agency would need to complete a fresh eligibility review.



Example A: The client, the only member of the household, is in an accident on 6/14 and the doctors expect them to spend seven months in the hospital and a rehabilitation clinic before they can return home. On 6/20 the administering agency approves the client's request to terminate their lease for cause and they give their property owner notice. The administering agency does not make any payment to the property owner for July (although a waiver to pay for July in order to provide the property owner with a courtesy thirty day notice can be requested in this case). The administering agency suspends the client's voucher for seven months. Six and a half months later, the client lets the administering agency know that they are well enough to begin looking for housing. The administering agency recertifies the client's household composition and income, and then reissues the tenant-based voucher to the client so they can begin searching for a new unit.



Termination

As outlined above in the [Away, Absence, or Vacancy](#) section, an unapproved absence, either due to unapproved reasons or for a period longer than approved, is considered an abandonment of the unit and an unapproved vacancy. Payments cannot be made by DMHRSP during this type of abandonment/unapproved vacancy. The client/voucher holder of a tenant-based unit would be fully responsible for the entirety of the contract rent. This type of abandonment/unapproved vacancy will result in the termination of the lease and of the voucher/program participation.

Failure to utilize the voucher prior to its expiration date without any approved voucher suspension will also result in voucher/program participation termination.

Please refer to the Voucher Expiration section (page 26-27), the Lease Termination section (page 51), and the Termination section (page 58-65) of the [FY19 Guidance](#) for termination procedures.

Sponsor-Based

Holding Payment

Our holding payment policy has not changed and is simply consolidated into this guidance for your convenience.

Due to the nature of our sponsor-based program, there are situations when an unavoidable delay in occupancy at the beginning of a lease may occur. A very short period of this is acceptable and can be covered with a holding payment.

When do we use the Holding Payment?

EOHLC and DMH expects that service providers and administering agencies will expedite approval of clients and will only use this policy sparingly. This is only for new sponsor-based units where the unit would not remain available unless secured immediately, and where the potential client is unavoidably still in the eligibility review process with the service provider and/or administering agency. The holding payment policy allows the service provider to request and the administering agency to pay up to one (1) month of full or prorated contract rent for the first month of a new lease to “hold” the unit while the client is being approved and moved in.

Tenant-based units and existing sponsor-based units are not eligible. Sponsor-based units where a suitable client has not yet been identified and submitted are not eligible. Sponsor-based units that are already actively leased and simply transitioning between two clients are not eligible (see [Vacancy Payment](#) section). Sponsor-based units that are actively leased where the client is absent for a prolonged time are not eligible (see [Away, Absence, Vacancy](#) section). This should not be used if the lease up can be delayed to match the timing of approval of a client.

How does it work?

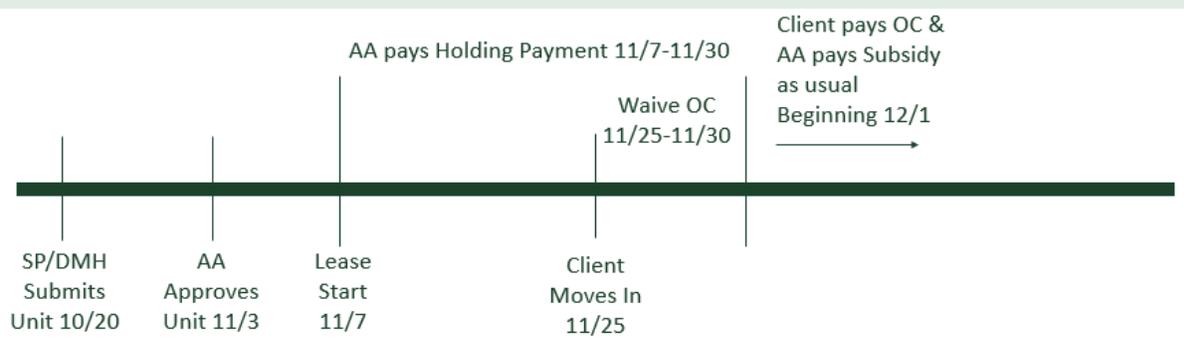
1. The DMH Area Housing Coordinator notifies EOHLC and the administering agency of approval for a new sponsor-based unit as usual. The sponsor-based client should also be submitted at the same time or immediately after.
2. After the administering agency approves the unit as usual, the DMH Coordinator and service provider can request that the administering agency lease up immediately even though the submitted client(s) is not yet fully approved and ready to move in due to unavoidable delay. At the same time or within 7 business days, the service provider must request and the DMH Coordinator must approve via simple email the

holding payment, clearly indicating that the property owner will withdraw the unit otherwise and specifying the dates and amounts.

3. The administering agency pays up to one (1) full month of full or prorated contract rent as a holding payment. A new unit is no longer considered “held” once it is fully or partially occupied.
4. The holding payment is only for the first full or pro-rated month. Should a client move in during the first month, the occupancy charge is waived for the first month and the occupancy charge and subsidy payment will be paid as usual beginning the following month. There are absolutely no extensions of a holding payment. If the unit is still (fully or partially) vacant after the first month, the service provider as sponsor and tenant on lease must pay the full (or prorated, if partially occupied) contract rent until the unit is fully occupied.

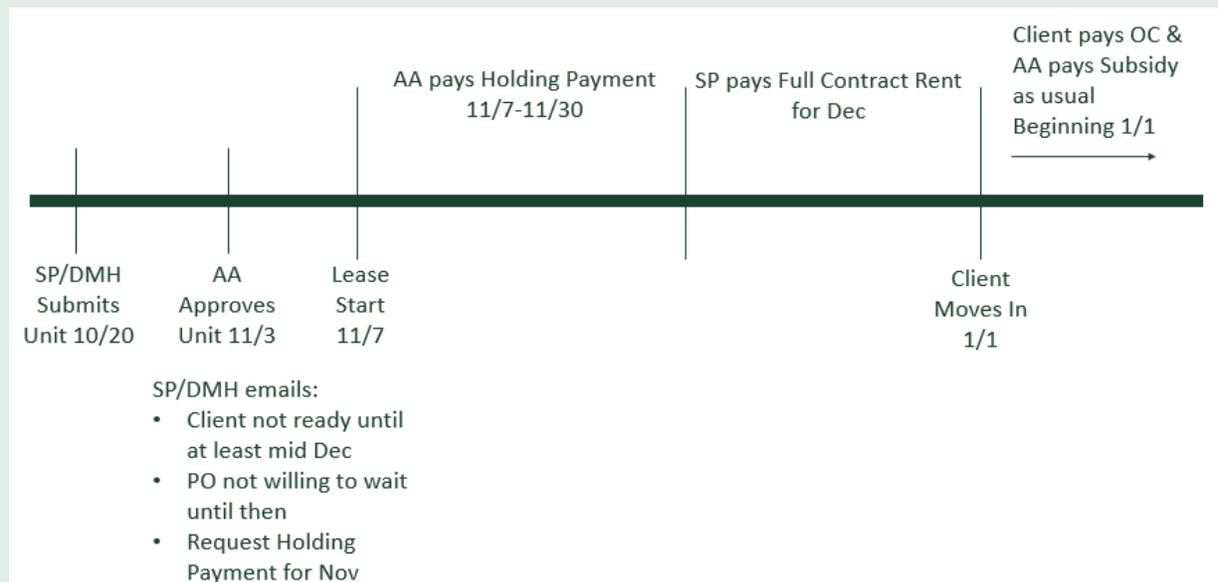


Example A: The service provider submits a new sponsor-based unit and client on 10/20. The administering agency approves the unit on 11/3. However, the service provider and DMH Area Housing Coordinator email that the client is having difficulty obtaining the missing documentation as requested and the property owner is unwilling to wait and will withdraw the unit, so they are requesting a holding payment for November. The administering agency starts the lease on 11/7 and pays a holding payment for 11/7-11/30. The client is approved and moves in 11/25. The occupancy charge for 11/25-11/30 is waived. The client pays the occupancy charge and the administering agency pays the subsidy as usual beginning 12/1.



- SP/DMH emails:
- Client not ready until end of Nov/early Dec
 - PO not willing to wait until then
 - Request Holding Payment for Nov

Example B: The service provider submits a new sponsor-based unit and client on 10/20. The administering agency approves the unit on 11/3. However, the service provider and DMH Area Housing Coordinator email that the client is having difficulty obtaining the missing documentation as requested and the property owner is unwilling to wait and will withdraw the unit, so they are requesting a holding payment for November. The administering agency starts the lease on 11/7 and pays a holding payment for 11/7-11/30. The client is not approved and moved in until 1/1, so the service provider must pay the full contract rent for December. The client pays the occupancy charge and the administering agency pays the subsidy as usual beginning 1/1.



Vacancy Payment

Our vacancy payment policy has not changed and is simply consolidated into this guidance for your convenience.

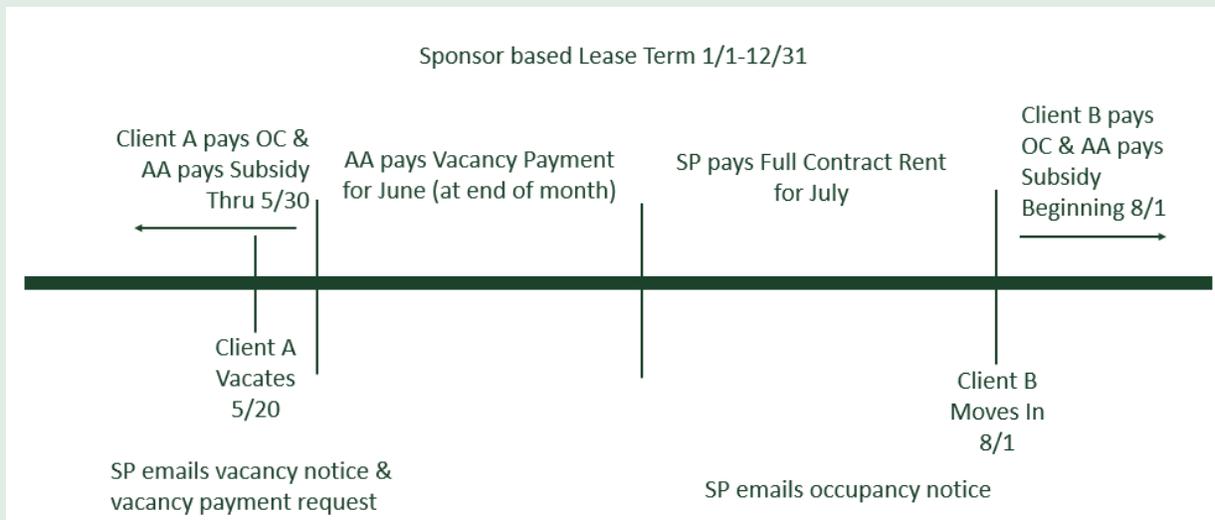
For sponsor-based units, a vacancy naturally occurs when one client permanently moves out of a unit with the intention of moving a different client into the unit while the unit remains actively leased with the service provider as sponsor and tenant. Only this type of situation is eligible for a vacancy payment. When the existing client has not permanently moved out or intends to return to the unit (such as described in the [Away, Absence, or Vacancy](#) section), when there is no intention of moving in a new client promptly, or when a lease is being terminated, the situation is not eligible.

Administering agencies are permitted to provide up to one (1) additional month of the total contract rent following the month in which the vacancy of a sponsor-based unit

occurs, unless the unit is otherwise occupied. The service provider must promptly notify the administering agency of the vacancy and request the vacancy payment via simple email. The administering agency will issue the payment to the property owner at the end of the month in which the vacancy occurs. Should the unit become occupied before then, the vacancy payment for the occupied period must be returned by the property owner to the administering agency per the administering agency’s written request. The service provider as sponsor and tenant is responsible for paying up to the total contract rent to the property owner for any sponsor-based vacancy that occurs at the start of the lease (beyond any holding payment period, if any) or that extends beyond the allowable vacancy period above.



Example A: In a sponsor-based unit that is leased for 1/1-12/31, a client vacates the unit on 5/20, and a new client moves in on 8/1. The service provider provides proper notification to the administering agency of the vacancy for June and July and request for vacancy payment. For May, the exiting client pays their occupancy charge and the administering agency pays the remainder as a rental subsidy, both for the entirety of the month at the beginning of the month as usual. The administering agency pays a vacancy payment equal to the total contract rent for June at the end of June to the property owner, and then the service provider pays the total contract rent for July to the property owner. Beginning August, the entering client pays their occupancy charge and the administering agency pays subsidy at the beginning of each month as usual.



Exit/Termination

Any naturally occurring vacancy outside of the holding payment policy and the vacancy payment policy is an unapproved vacancy. In the sponsor-based program, the service

provider serves as the tenant on lease and sponsor/guarantor. While EOHLC allows the service provider to continue to lease the sponsor-based unit under the DMHRSP program, the administering agency cannot pay any DMHRSP funds for these unapproved vacancy periods and the service provider as sponsor and tenant is responsible for the entirety of the contract rent until approved occupancy occurs.

In these types of situations, the service provider has two options:

- A. If the service provider believes that they will be able to submit and complete the entry of a new client into the unit soon, the service provider can continue to pay the full contract rent until the administering agency has approved the new client and the new client has moved in; or
- B. If the service provider finds that the unit is not going to be occupied after all, the service provider and DMH must obtain a mutual termination agreement with the property owner and then email the administering agency to request to terminate the lease and voucher for that unit so that the service provider will not continue to pay the full contract rent.

As outlined above in the [Away, Absence, or Vacancy](#) section, an unapproved absence, either due to unapproved reasons or for a period longer than approved, is considered an abandonment of the unit and an unapproved vacancy. Payments cannot be made by DMHRSP during this type of abandonment/unapproved vacancy, including vacancy payment (as it would not meet the requirements of the vacancy payment policy). The service provider of a sponsor-based unit would be fully responsible for the entirety of the contract rent.

This type of abandonment/unapproved vacancy will result in the termination of the lease and the voucher and/or the termination of the client's program participation. In these situations, the service provider generally has two options:

- A. For most cases, if the client is not able to utilize the sponsor-based DMHRSP program as intended for that time, then the service provider should exit the client from the unit. Remember that the service provider is always able to refer the client again in the future when they are ready and the DMHRSP program is once again a suitable match for their needs. The unit would remain under sponsor-based lease and available for the next client; or
- B. If the service provider determines that there is a clinical need outside of the DMHRSP program that requires the client to remain in the unit, then the service provider may withdraw the unit from their sponsor-based voucher. If they choose to do this, then the DMHRSP lease for the entire unit will be terminated and removed from the service provider's sponsor-based DMHRSP voucher. Once terminated, the service provider will need to find another means to lease and pay for the entirety of the unit directly with the property owner. Please note that since leasing of only part of a unit is not possible, if the unit is a multi-bed unit shared by other DMHRSP clients, then those clients will need to either be relocated to other sponsor-based DMHRSP units or also be exited from the DMHRSP program.

Please refer to the Lease Termination section (page 51) and the Termination section (page 58-65) of the [FY19 Guidance](#) for termination procedures.

Questions?

Please contact Stephanie Kan, DMHRSP Coordinator, at 617-573-1222 or stephanie.kan@mass.gov, with any questions, comments, or concerns.