

Intro To: Home Modification Funding Sources

Whether your intent is to:

- Have independent living solutions as you age-in-place
- Care for an elderly or disabled family member
- Increase the functionality of your home to provide disabled home access ability for a loved one with a disability.

Many opportunities exist to assist you in achieving your home solution goals. One adage that still rings true is that: "Nothing in life is free". Paying for Home Medical equipment, supplies and assistance can be expensive and may not be covered by your insurance policies. Traditional health insurance, Medicare and Medicaid typically do not cover Accessible Home Modifications and Bathroom Modifications. There are however programs that, at times and if applied for properly, may offer some financial assistance. Possible funding sources for your independent living solutions include:

- Federal
- State
- County
- Community
- Charities
- Philanthropists
- Fund Raisers

There are over 40,000 resources available for possible assistance. Checking all of these options can be emotionally draining and very time consuming.

To aid in your research we have put together this initial list of sources for your consideration. Each program will have its own guidelines and requirements, and you will need to find the best fit for your individual circumstances and needs.

Your medical equipment supplier or contractor may also be of assistance in your search for grants, donations or low interest loans to help with your project. Your Independent Living Solutions and Accessible Home Modifications maybe closer than you think.

Funding Opportunities

Private Payment (self funding)

The easiest way to do home modifications, if you have sufficient funds, is to pay for them yourself. An AARP Fact Sheet (March 2010) reports that about 80 percent of home owners bear the full costs of making home modifications. Frequently, people use their own money plus funds from another source. However, anything beyond self-funding will mean that you will need to follow the rules set down by each funding agency or organization.

If the home modification meets certain conditions, it may be tax deductible. Part of the expense of building a ramp or modifying the bathroom for accessibility, or other modification, may be deductible if they increase the resale value of the property and have been prescribed as medically necessary. Consult a tax professional, and order a free copy of IRS Publication 502 for more information. Use this link to the IRS website www.irs.gov/pub/irs-pdf/p502.pdf and look under Capital Expense or call 800-829-3676.

Bank Loan

If you are eligible, there are many banks that will loan you money through a home equity loan, second mortgage or, if you are old enough and own your home, a reverse mortgage. Numerous websites explain reverse mortgages; here is one www.reversemortgage.org/

Local Government

Inquire of your city, town, or county for special housing programs. Try your alderman or local congressman's office for information on housing repair programs. Programs are granted to low income families and may include kitchen or bathroom modification or ramp installation.

Access Home Modification Program

The Access Home Modification Program provides mortgage loans (up to \$10,000) to assist persons with disabilities or who have a family member(s) living in the household with disabilities who are purchasing homes and need to make accessibility modifications. This program provides a deferred payment loan, with **no interest or fees, and no repayment until the house is sold**, transferred, or the first mortgage is paid off or refinanced. www.phfa.org/programs/singlefamily/ahm.htm

Center for Accessible Housing (CAH)

CAH publishes fact sheets, such as Financing Home Accessibility Modifications, Home Financing for Older People, Benefits of Accessory Unit Housing for Elderly Persons with Disabilities, The Housemate Agreement, and technical packages for using grab bars, universal design, etc. Contact: Center for Accessible Housing at North Carolina State University, (919) 515-3082.

Community Projects

Many organizations organize repair projects for elderly persons or persons with disabilities. Organizations may include your neighborhood association or community groups, churches, synagogues, Lutheran Social Services, Catholic Charities, Little Brothers of the Poor, Jaycees, Agency on Aging, senior centers, building trade unions, Boy Scouts of America, Girl Scouts of America, Kiwanis Clubs, sororities, fraternities, high school volunteerism, YMCA, Knights of Columbus, Rotary Clubs, Lion's Clubs, B'nai B'rith, Masons, or 4H Clubs. Inquire about interest in a community project or see if you can propose one.

Foundations and Donor's Forums

Foundations are nonprofit organizations that support charitable activities to serve the common good. Individuals, families or corporations create them with endowments (donated money). They make grants with the income they earn from investing the endowments and are exempt from federal income tax. Ask the librarian of the main library (not a branch) to show you where to find lists of private foundations.

Landlords

The Fair Housing Act of 1988 Section 6(a) makes it illegal for landlords to refuse to let tenants make **reasonable modifications** as to a house or apartment if the tenant is willing to pay for the changes. The tenant must also restore the apartment or house when they leave, if the landlord wants it restored. Often times the added accessibility features makes the unit marketable to more populations and a landlord may be willing to split the costs. **New construction** of dwellings of four or more units must include wheelchair accessibility through entry ways and bathrooms, reinforced walls for grab bars in the bathroom, and accessible electrical outlets and thermostats.

Private Mortgage and Home Loans

- Low interest Home Equity loans or lines of credit are available from most banks for amounts up to 80 per cent of the equity a person owns in their home.
- Any accessibility features, such as a ramp or lift should be added to the price of a home when applying for a mortgage.
- Federal Home Bank/Affordable Housing Programs are connected with the savings and loan industry. Check with a larger bank or savings and loan institution.
- Disability Mortgages Loans

<http://www.mortgageloan.com/disabilities>

A comprehensive guide to housing and mortgages for people with disabilities.

Private Organizations

Certain private organizations will be able to assist with part of the money, so pursuing several sources may cover the bulk of your expenses, usually available for those who meet an organization's particular need-based criteria. Possible sources: The American Cancer Society, National Multiple Sclerosis Society, National Muscular Dystrophy

Association, and the National United Cerebral Palsy Association. (Local branch offices will not have the resources the national offices do.)

United Cerebral Palsy Association

- The United Cerebral Palsy Association (UCPA) Assistive Technology Funding and Systems Change Project provides funding information on home modifications and equipping homes with technical support that promotes independent living. For more information and eligibility requirements, contact the UCPA at 800-872-5827. <http://www.ucp.org/resources/housing>

Centers for Independent Living

- Offering funds to provide financial assistance for disabled persons who require home modifications to cope with their disability is the Centers for Independent Living. Call the Center at 703-525-3406 to obtain complete information on eligibility and to submit a grant application. <http://www.ilru.org/html/publications/directory/index.html>

Financial assistance is available for home buyers who need accessibility modifications that the seller may not provide.

Some resources you can research include: Home Investment Partnership Program (HOME), Community Development Block Grant (CDBG), volunteers, partnerships with home improvement centers, and partnerships with other organizations or local governments.

Additional resources may be available through:

- ***Home and Community-based Medicaid Waiver Programs*** – Funds may be available for home modifications if you receive assistance through a Medicaid waiver program. It might be necessary to work with policy makers to modify the guidelines if you are considering new construction since most programs are designed to modify existing homes.
- ***USDA Rural Housing Home Repair Loan and Grant Program*** – Provides loans and grants to very low-income homeowners to repair, improve, or modernize their dwellings or to remove health and safety hazards. Program Features: Low interest (one percent) 20-year loans up to \$20,000; Grants up to \$7,500 to pay for repairs or removal of safety hazards; Eligibility: Homeowner-occupants must be unable to obtain affordable credit elsewhere and must have very low incomes, defined as below 50 percent of the area median income.
- ***US Department of Veterans Affairs (VA) Home Loan Guaranty Services***– Eligible veterans have several possible options for financing home repairs and modifications. A VA Home Loan can be used to simultaneously purchase and improve a home. Disabled veterans may be eligible for a Specially Adapted Housing grant which can be applied to building a home, purchasing and modifying an existing dwelling or modifying a current residence.

- **State or Local Weatherization Assistance Programs** – Programs designed for low income persons to promote energy efficiency in their residences. Program Features: Amount of assistance is determined on a case-by-case basis and eligibility is for those with household income at or below 125% of the federal poverty guideline.

Worker's Compensation and Private Insurance

- Home modification can be included as part of a Workers Compensation claim and rehabilitation program.

Private insurance can include home modification as part of a rehabilitation program. Certain modifications, such as purification systems or air conditioners may be covered as a medical necessity, if prescribed by a doctor. Make sure to get a letter from your doctor describing your injury and what is needed. (Expect an automatic denial, and then keep appealing before being accepted. Remember to provide the specific information requested by your insurance company, such as obtaining several price quotes for an item.

Insurance Settlement

If your disability was a result of an accident in your car, in your home or in the workplace, you should check with the appropriate insurance carrier(s) to see if the company or companies will provide funding for needed home modifications.

If you receive a negative response you can appeal to another level in the company. Most rejection letters include a written appeal procedure. Follow the directions carefully, adhere to their deadline and don't procrastinate. If you need to, seek help from an experienced advocate. Someone provided the following advice: "Appeal! Appeal! Appeal!"

Reimbursement

Insurance reimbursement is highly dependent upon establishing medical necessity, the individual provider's policies and the individual patient's coverage. Following are types of Reimbursement providers:

- Medicare Insurance – maximum allowable limits may vary state-by-state. General requirements include Medicare A or B participation, yearly deductible limits, and satisfaction of medical necessity guidelines. **Note: the HCPCS code for "patient lift, electric, with seat or sling," is E0635.**
- State Medicaid Insurance – requires a prescription in order to initiate a Prior Authorization Request.
- Private Insurance – these individual providers should be contacted directly to determine "maximum allowable" amounts
- Workers' Compensation Insurance – review the individual provider to determine their preferred providers.
- Veterans Administration – the VA Prosthetics Division is usually the organization responsible for purchase of patient lifts. The case manager or patient can contact the prosthetics department
- Vocational Rehabilitation Departments – these are often overlooked sources of funding and should be investigated if the patient might possibly rejoin the workforce
- Local/Regional Funding Resources – Church groups and public service organizations (Elks, Masons, Rotary, etc.) may have funds available to offset any cost overages.

This information is for general guidance only. Consult with payers to determine the exact extent of coverage for lifts and accessories.

Federal Sources

- Plan for Achieving Self-Support (PASS)
Supplemental Security Income (SSI) allows recipients of this program to set aside income toward an approved plan for achieving self-support without jeopardizing benefits. This plan will cover modifications to a home through an SSI savings plan. **Call** (800) 772-1213 for information.
- **USDA Rural Development, Section 502**
The **Direct Rural Housing Loan Program, Section 502**, provides assistance to very low income owner-occupied households. The **Guaranteed Rural Housing Loan Program** provides assistance to households with moderate incomes to buy, build, improve, repair or rehabilitate rural homes. **Call** (202) 720-4323 for information.
- Veterans with disabilities may contact their service officer to determine how much modification the **Department of Veterans Affairs (DVA)** will pay. Also ask about the Veteran's Administration Home Adaptation Grant Program. For literature and details on programs, contact the Paralyzed Veterans of America: (202) 872-1300 (V), (202) 872-1300, ext 622 (TTY), (202) 785-4452 (FAX).
- The **U.S. Department of Housing and Urban Development (HUD Homes)** has various programs for low income families and persons with disabilities. Check government pages in your directory for contact information.
- The Accessible Customized Environments Program (ACE) locates, purchases, rehabilitates or modifies homes that have been pre-sold to qualified families with a member who has a physical disability. Contact ACE at Extended Home Services: (847) 215-9490.
- Internal Revenue Service (IRS): deductions are allowed for certain modifications such as installation of ramps, widening doorways, modifying kitchen cabinets and equipment, moving or modifying electrical outlets and fixtures, fire alarms, and smoke detectors. Accessibility features are considered medical expenses. Check with your local office or tax attorney for details.
- Federal Medicaid Waiver programs are available and variable on a state or local level.
- Federal Title XXI Social Security funds are available and variable on a state or local level.
- The Federal Older Americans Act is administered through state Boards on Aging and/or state and local agencies. Check for local listings in government pages of directory.

State Sources

- Check with your State for special, low interest loans and grants.
- Your State's Vocational Rehabilitation program may pay for such things as ramps if the ramp allows a person to get to his or her job. The Rural Developments office provides 502 or 504 loans in rural areas. Low income homeowners over 62 also

qualify for grants under 504 to build and repair their homes. Contact your local SDA/Rural Developments county office.

- Check for State sales tax exemptions and deductions; State and local property tax credits or abatements.

Public Assistance

If you do not have an insurance settlement or you are in financial need, you may seek assistance from one of the state or federal agencies that can fund home modifications. The following pages list the various public programs. The information is listed in rows and columns. Find the section that applies to you and click on the link (right side) for further information. At the bottom of each segment of information there is a direct link to that program on an agency's website.