

## 09 Residents of Institutions for NA



This subject includes policy about when a participant is eligible for NA benefits while living in an institution.

---

### Policy

Residents of an [institution\(g\)](#) are eligible for NA only when the institution meets specific program requirements. See **each** of the following for program requirements:

- [Temporary Homeless Shelters and Meal Providers](#)
- [Domestic Violence Shelters](#)
- [Drug and Alcohol Treatment Centers](#)
- [Federally Subsidized Housing Facilities for the Elderly](#)
- [Group Living Arrangement Facilities](#)
- [Disqualification of an Institution](#)

A facility is considered an institution when the facility meets **both** of the following requirements:

- Provides most of the resident's meals (over 50% of three meals daily) as part of the institution's standard services.
- Is not authorized to accept NA benefits.

Incarcerated participants are considered to be residing in an institution. FAA denies the applications for incarcerated participants or stops NA benefits with a [Notice of Adverse Action\(g\)](#).

NOTE FAA accepts NA applications from incarcerated participants in the Re-entry Program with the Division of Employment and Rehabilitation Services (DERS). (See [Inmate Pre-Release NA application](#) for program requirements.)

### Temporary Homeless Shelters and Meal Providers

Temporary homeless shelters and homeless meal providers are either public or private nonprofit establishments that provide meals for persons who are [homeless\(g\)](#).

Participants who are homeless can use NA benefits to purchase prepared meals at homeless shelters and kitchens authorized by [Food and Nutrition Service\(g\)](#). These establishments include, and are not limited to, **any** of the following:

- Soup kitchens
- Temporary homeless shelters
- Other public or private nonprofit establishments that provide meals for persons who are homeless

Shelters and kitchens interested in accepting NA benefits need to complete and submit a Request for Verification of Meal Provision to the Homeless (FAA-0127A) form to the [FAA Policy Support Team \(PST\)](#).

NOTE When a site receives donated food items from the U.S. Department of Agriculture, the site also needs to purchase and serve other food to qualify.

See [How Do I Apply to Accept Benefits](#) for complete details on Food and Nutrition Service (FNS) authorization to accept NA benefits.

### Domestic Violence Shelters

Shelters meet the NA definition of a domestic violence shelter when **both** of the following apply:

- The shelter is a public or private nonprofit residential facility that serves women and children who are victims of domestic violence.
- When the shelter serves other residents, a portion of the shelter is set aside long-term, only helping victims of domestic violence who are women and children.

FNS authorizes shelters meeting the NA definition of a domestic violence shelter to redeem NA benefits at wholesalers. Participants of these shelters are potentially eligible for NA benefits.

NOTE Participants residing in a shelter for people fleeing domestic violence are not eligible for NA benefits unless the shelter meets the NA definition of a domestic violence shelter.

When moving into a domestic violence shelter, a participant may be eligible to receive NA benefits twice in the same month when **all** of the following apply:

- The participant received NA benefits with the person who abused them.
- The participant no longer resides with the abusive person.
- The participant applies for NA benefits without the abusive person.

All the financial eligibility factors apply to participants residing in a domestic violence shelter, with **both** of the following exceptions:

- Only income received by the participant after entering a shelter is countable.
- Resources are inaccessible when **any** of the following apply:

Jointly owned by a participant from the former budgetary unit or the abusive person.

Access to the resource depends upon the agreement of a joint owner who either still resides in the form budgetary unit, the household, or is the abusive person. (See [Inaccessible Resources](#) for resources with cash value that are not available to the participant.)

Each resident's family is a separate budgetary unit from other domestic violence shelter residents.

Residents may choose to have a shelter employee as an NA authorized representative.

See [NA Authorized Representatives](#) for the requirements to be a designated NA authorized representative.

### Drug and Alcohol Treatment Centers

When participants reside in a residential drug and alcohol treatment center, the treatment center may be eligible to receive NA benefits for the residents when it receives funding under Title XIX, Part B of the Public Health Service Act, and meets **one** of the following criteria:

- Certified under Title XIX as a drug and alcohol treatment center by **one** of the following:
  - Arizona Department of Health Services (ADHS) Office of Behavioral Health Licensure (OBHL)
  - Indian Health Service (IHS)
  - Bureau of Indian Affairs (BIA), when on federal land
- Certified by the FNS as a retailer that provides residential treatment for drug and alcohol abuse and redeems its NA benefits through a wholesale vendor
- A private, nonprofit organization
- Publicly operated community mental health center

NA eligibility for budgetary units living in drug and alcohol treatment centers is the same criteria as other NA budgetary units, except for **all** of the following:

- The treatment center resident NA budgetary unit is limited to one person unless the participant's children live in the treatment center. Any other mandatory NA budgetary unit members are not included. (See [Mandatory NA Participants](#) for a complete list of mandatory participants.)
- The center receives and spends the benefits for food prepared by, or served to, the NA participants.
- An [authorized representative\(g\)](#) for a treatment center meets **all** of the following requirements:
  - Is an employee of the center that administers the treatment program.
  - Is designated as the NA authorized representative by a responsible center official.
  - Completes all other NA authorized representative requirements. See [NA Authorized Representative](#) for a complete list of requirements.
- Only the authorized representative submits applications for NA benefits for the treatment center participants.
- The NA authorized representative is present at the interview and signs the application.

The NA authorized representative needs to be familiar with the participant's circumstances. The center needs to carefully review a resident's circumstances with the participant before applying. The center is responsible for **all** of the following:

- Misrepresentation or fraud in the eligibility determination process may cause an [overpayment\(g\)](#).

NOTE FAA establishes a claim for any overpayments that occur.

- Lost or misused benefits while being held on behalf of a participant.
- When participants leave the treatment center, report to the FAA Policy Support Team (PST) using the Treatment Center Change Report (FAA-0620A) form.
- On the fifth day of each month, provide a client roster to PST.

NOTE When the fifth day is on a weekend or a holiday, the roster is due on the following [workday\(g\)](#).

When a participant leaves the treatment center, the center can no longer act as the participant's NA authorized representative. In this situation, the center completes **all** of the following:

- Notifies FAA that the participant left the treatment center using the FAA-0620A form.
- When participants leave, the center advises the participants to report all changes to FAA within 10 [calendar days\(g\)](#) and provides the participant with a Change Report (FAA-0412A) form.
- When the center possesses the participant's Electronic Benefit Transfer (EBT) card, the center returns the EBT card to the participant.
- The center provides the participant with the necessary information to use the EBT card, such as the balance information, and see the [EBT Help Desk Phone Number](#) for the EBT Customer Service 24-hour Hotline
- Returns to FAA, by the end of the month, all EBT cards left at the center by participants.
- When a participant leaves the center, the center returns the participant's EBT card with **one** of the following adjustments:

Returns the full monthly benefits when benefits have not been spent on behalf of the participant

Returns one-half of the monthly NA benefit amount when the participant leaves the center before the 16th day of the month

Treatment center participants leaving on or after the 16th of the month are not eligible to receive any benefits for the benefit month.

When a participant leaves before the 16<sup>th</sup> without notice, the center needs to complete **one** of the following:

- Attempt to contact the participant and return the EBT card with the appropriate amount of benefits.
- When attempts to contact the participant are unsuccessful, return the EBT card and benefits to FAA in the same month the participant left.

See [Special Participant EBT Situations](#) for facilities that meet the definition to be FNS certified and can deduct or refund NA benefits from a resident's EBT card.

### **Federally Subsidized Housing Facilities for the Elderly**

The U.S. Department of Housing and Urban Development (HUD) funds private, nonprofit facilities to develop affordable housing with supportive services for the elderly under the Section 202 Program.

Participants in such facilities are not considered residents of an institution and are potentially eligible to participate in the NA program.

### **Group Living Arrangement Facilities**

A Group Living Arrangement (GLA) is a certified public or private nonprofit residential setting that serves no more than 16 residents with a disability or who are blind.

GLA residents are potentially eligible for NA benefits when the GLA meets the NA GLA requirements. For the GLA requirements, see **each** of the following:

- [GLA NA Requirements for Eligibility](#)
- [GLA Residents Eligibility Determinations](#)
- [GLA Resident Special Deductions](#)
- [GLA Responsibilities](#)
- [Disqualification of an Institution](#)

### **GLA NA Requirements for Eligibility**

To be eligible, a GLA facility has to meet **one** of the following criteria:

- Certified by the appropriate State agency under section 1616(e) of the Social Security Act. **Each** of the following agencies certifies such facilities:
  - Arizona Department of Health Services (ADHS)
  - Department of Economic Security (DES) Division of Developmental Disabilities (DDD)
- Authorized by FNS to accept NA

GLAs may handle meals in **any** of the following ways:

- Have meals prepared and served at the facility to the group residents.
- Have meals prepared at the facility and delivered to the residents at the facility.
- Have meals individually prepared by the resident and eaten by the resident.
- Have meals prepared by a group of residents to be eaten by that group.

**NOTE** A GLA can use a participant's NA benefits to prepare personalized meals for the participant. The GLA ensures the NA benefits and meals are for the correct participant.

### **GLA Residents Eligibility Determinations**

Only GLA residents who meet the definition of having a disability or are blind are potentially eligible for NA benefits. (See [Elderly or Have a Disability - NA Special Considerations](#) for information about who meets these criteria.)

FAA determines eligibility for participants of GLAs using the same eligibility criteria as other NA budgetary units. A participant in a GLA has the same responsibilities as other NA participants, which include **all** of the following

- Report changes
- NA Mid Approval Contacts (MAC)
- Liable for overpayments

The GLA determines when a resident may apply on behalf of themselves. When making this decision, the GLA considers **all** of the following:

- The physical and mental competence of the participant.
- The participant's ability to understand and be responsible for the application and interview process.

When applying for benefits, the GLA resident can apply for benefits in **one** of the following ways:

- Applies for benefits for themselves.
- Appoints an NA authorized representative employed by the GLA to apply for benefits on their behalf.
- Appoints an NA authorized representative not employed by the GLA to apply for benefits on their behalf.

When the resident applies through the GLA's NA authorized representative, **all** of the following apply:

- The resident applies as a one-person budgetary unit.
- The GLA receives the benefits.
- The GLA spends NA benefits for food prepared by or served to the participants.

When the GLA determines that a resident may apply for themselves, the resident may apply without the assistance of an NA representative as a one-person budgetary unit.

The GLA decides when a group of residents may apply as one NA budgetary unit. A group of residents within a GLA may be a budgetary unit when they meet NA budgetary unit requirements. (See [NA Case Participation](#) for NA budgetary unit requirements)

When FAA approves GLA residents for NA benefits, **any** of the following may occur:

- The participant may turn over the NA benefits to the GLA to purchase food for meals these participants consume together or individually.
- The participants may use the benefits to purchase meals supplied by the GLA.
- Participants may also buy food with the NA benefits to prepare meals by themselves.



## GLA Resident Special Deductions

A GLA may bill a participant a residential fee. FAA allows the residential fee as a shelter expense.

GLAs participants may have other expenses besides a residential fee. When itemized on the residential bill, other allowable expenses could include **any** of the allowable expenses:

- Medical expenses
- Utility expenses
- Telephone expense

(See [Expenses](#) for more information about how allowable expenses are treated as deductions from income.)

## GLA Responsibilities

Each GLA provides the Policy Support Team (PST) with a list of currently participating residents. The list includes a statement signed by a responsible GLA official. The statement attests to the validity of the list. The GLA provides the list semi-annually.

When a participant leaves the GLA, the GLA can no longer act as the participant's NA authorized representative. In this situation, the GLA completes **all** of the following:

- Notifies FAA using the Treatment Center Change Report (FAA-0620A) form that the participant left the GLA.
- Advises the participants to report all changes to FAA within 10 calendar days and provides the participant with a Change Report (FAA-0412A) form.
- When the GLA possesses the participant's Electronic Benefit Transfer (EBT) card, returns the EBT card to the participant, and adjusts the NA benefits on the participant's EBT card by completing **one** of the following:

When the GLA has not spent benefits on behalf of the participant, the GLA returns the full monthly benefits to the participant.

When a budgetary unit leaves the GLA before the 16th day of the month, the GLA ensures the budgetary unit has one-half of its monthly NA benefit allotment remaining on the budgetary unit's EBT card.

When a participant leaves before the 16th day of the month without prior notice, the GLA completes **one** of the following:

- Attempt to contact the participant and return the EBT card with the NA benefits.
- When the attempt is unsuccessful, the GLA returns the EBT card with the NA benefits to FAA by the end of the calendar month in which the participant left.
- The GLA provides the participant with the necessary information to use the EBT card, such as the balance information and the [EBT Help Desk Phone Number](#) for the EBT Customer Service 24-hour Hotline.

GLA participants leaving on or after the 16th of the month are not eligible to receive any benefits for the benefit month.

See [Special Participant EBT Situations](#) for facilities that meet the definition of FNS certified and can deduct or refund NA benefits from a participant's EBT card.

### Disqualification of an Institution

An institution may be penalized or disqualified when **any** of the following is discovered:

- NA benefits are misappropriated administratively or judicially.
- Benefits are used for purchases that do not contribute to a participant's meals.
- An institution fails to provide the required monthly roster.  
NOTE A GLA is not required to report monthly.
- An institution fails to provide the Treatment Center Change Report (FAA-0620A) form that identifies the proper use of benefits

FAA reviews reports of suspected misappropriation of participant benefits. When further investigation is needed, FAA requests an official investigation. (See [Office of Special Investigation](#) for information about welfare fraud investigations.)

FAA promptly notifies FNS when an authorized institution, temporary homeless shelter, or meal provider has misused benefits in its possession.

FAA requires FNS approval to impose penalties or disqualification on an institution.

When the FNS disqualifies an institution, the institution's NA authorized representative status is suspended for the same period.

When FNS disqualifies a drug and alcohol treatment center, **both** of the following applies

- The residents are ineligible to participate in the NA program during the period of disqualification.
- FAA stops NA benefits for the first month possible without notification.

When a GLA loses certification from ADHS or DDD, **each** of the following applies:

- Residents of the GLA are ineligible to receive NA during the period of disqualification.
- FAA stops NA benefits for the following month without notice.

When FNS disqualifies a GLA, residents may apply on their own behalf. In this situation, consider **all** of the following:

- The participants have to meet the definition of an [NA budgetary unit\(g\)](#).
- The participant may not turn NA benefits over to the GLA to purchase food or meals.



## Procedures

Before approving a participant residing in an institution, ensure the institution is listed on the [PST Institutions List](#).

NOTE All institutions eligible to receive NA benefits on the PST Institutions list are highlighted in green.

When a participant resides in an institution not listed on the PST Institution List, elevate the institution to the Policy Support Team (PST) for review. Complete the Request to Verify Eligibility of an Institution (FAA-1789A) form. Send the FAA-1789A to PST by the end of the same workday as the interview. (See [Policy Support Team](#) for contact information.)

When information is received indicating that the PST Institution List information is outdated or incorrect, complete an FAA-1789A form and send to PST. Include why the current information needs to be updated on the FAA-1789 form.

Alert a member of FAA management when any institution is suspected of misappropriating a participant's benefits. **All** of the following must occur:

- FAA management forwards a completed Request to Verify Eligibility of an Institution (FAA-1789A) form to the PST via email, indicating the request is for a possible policy violation.
- PST reviews the information and determines when further investigation is needed. When needed, PST sends a request for investigation to the Office of Special Investigations (OSI).

When there is reason to believe an institution authorized by FNS has misused benefits, PST promptly notifies FNS.

The PST must ensure disqualified institutions are listed as ineligible on the PST Institution List.

## Domestic Violence Shelters

Determine eligibility for each resident family as a separate budgetary unit from other residents.

When a participant notifies FAA of their change of residence to a shelter, complete *all* of the following:

- Promptly change the participant's address on ADDR.
- Change the participant's address to the shelter's P.O. Box or physical address.

NOTE When the shelter does not have a P.O. box or the participant cannot use the physical address of the shelter, elevate the facts to the Policy Support Team (PST) via email. PST contact the shelter and provides direction how to proceed. See [PST](#) for contact information.

When a participant other than the [Primary Informant\(g\)](#) moves into a shelter, complete **all** of the following:

- Take prompt action to effect the change in the former budgetary unit's circumstances. (See [Removing a Participant](#) for details on changes to the budgetary unit. See [NA Authorized Representative – Emergency Representative](#) when Primary Informant (PI) moves into a shelter.)
- Reduce the former budgetary unit's benefit amount allowing for NOAA.
- Send the appropriate notice within processing time frames. (See [Change Notices](#))

NOTE A participant who enters a shelter may have changed their Social Security number or name. See [Social Security number \(SSN\)](#) for more information about SSN requirements.

### GLA Shelter and Medical Deduction

The GLA may charge a basic rate for room and board and a higher rate based on needed medical care. Consider **all** of the following:

- Use the basic rate minus the NA maximum benefit for a one-person budgetary unit to establish the shelter expense. (See [Thrifty Food Plan](#) for the benefit amount.)

NOTE More than one resident may apply as part of the same NA budgetary unit. Deduct the NA maximum benefit amount for one participant from each resident's room and board payment to establish the shelter expense.

- Use the difference between the basic and higher rates as an allowable medical expense.

NOTE Do not allow a medical or shelter deduction when the expense amounts cannot be separately identified.

- The basic rate may include an amount for meals, and the shelter does not itemize the amounts. Count only the total payment amount that exceeds the maximum NA benefit for one participant as a shelter expense.

Review GLA residential bills for other itemized allowable expenses. Allowable expenses could include **any** of the allowable expenses:

- Medical expenses
- Utility expenses
- Telephone expense

Deduct the allowable expenses from the basic rate and treat the amounts as separate expenses.

(See [Expenses](#) for more information about how allowable expenses are treated as deductions from income.)

## Verification

When a participant resides in an ineligible institution, the participant is not eligible for benefits, and verification is not required.

When a participant resides in an eligible institution, verification that the participant is a resident includes **any** of the following:

- When an NA authorized representative for a domestic violence shelter, drug and alcohol treatment center, or group living arrangement applies for the participant.
- A written statement from the institution in which the participant resides.
- FAA completes a collateral contact to the institution to verify residence.

An eligible resident of an institution is required to provide the same eligibility verification as all NA participants. (See the [Eligibility Factors Table PDF](#) for eligibility factors and verification methods.)

---

## AZTECS Keying Procedures

Participants residing in an ineligible institution are not qualified to participate in the NA program. Complete **one** of the following:

- For incarcerated participants, deny or stop NA benefits allow for [notice of adverse action\(g\)](#) using the RJ Denial Closure Reason Code on FSED and send the NA – Ineligible (F210) notice.
- For participants in an ineligible institution, deny or stop NA benefits allowing for Notice of adverse action (NOAA) using the RI Denial Closure Reason Code on FSED and send the F210 notice.
- Stop benefit for a participant receiving NA benefits with others allowing for NOAA when incarcerated or moves into an ineligible institution. Remove a participant from a budgetary unit for the first month possible by completing **all** the following:
  - Key OU in the PT field on SEPA for the correct month next to the participant.
  - Key the date of denial closure in the INELIG DATE field on SEPA.
  - Redetermine eligibility for the remaining participants.

See [Removing a Participant – Overview](#) for the correct policy for the different situations.

## Domestic Violence Shelters

When participants move into a domestic violence shelter, they may receive benefits for the month they left the budgetary unit in their former residence. For the participant's new application, key **all** of the following:

- On ADDR, use the shelter's P.O. Box for the participant's mailing address. Do not include the physical address of the shelter on ADDR.

NOTE When the shelter does not have a P.O. Box, use the FAA address which serves the ZIP Code of the shelter as the participant's mailing or residential address.

- When applicable, key the residential address displayed on the ACP ID card for an Address Confidentiality Program (ACP) participant.

NOTE See [Handling Special Cases – Address Confidentiality Program \(ACP\)](#) for instructions on keying the ACP address on ADDR.

- Key Y in the CONFIDENTIAL field on ADDR.
- On SEPA, key the SH participation code.

### **Drug and Alcohol Treatment Rehabilitation Centers and Group Living Arrangements.**

Key Y in the GLA/REHAB field for all eligible treatment center applications on REAP.

On ADDR, key the name of the NA authorized representative.

### **Disqualified Institutions**

Residents of disqualified institutions are ineligible to receive NA benefits during disqualification. In this situation, **all** of the following apply:

- Stop benefits for the first month possible. Notice of adverse action is not required.
- Deny or stop benefits by keying the RI Denial Closure Reason Code on FSED.
- Send the F210 notice informing the residents of the determination and the effective date of the closure.

---

### **Legal Authorities**

7 CFR 273.11(e)

7 CFR 273.2(n)(4)(i)(C)

7 CFR 273.3(a)

7 CFR 273.1(b)(7)(vi)

7 CFR 273.11(g)

7 CFR 273.1(c)

### **[Prior Policy](#)**

*last revised 02/13/2023*