

Chapter 1. Specially Adapted Housing Application/Eligibility

Overview

In this Chapter This chapter contains the following topics.

Topic	Topic name	See Page
1	VA Form 26-4555	1-2
2	Methods of Submitting an Application	1-3
3	Grant Programs and Disability Qualification Criteria	1-4
4	Governing Law	1-7
5	Rating Decisions	1-8
6	VA Fiduciary/Financial Inability to Manage Benefits	1-10
7	Outreach to Veterans Not Yet Rated	1-12
8	Inferred Issue Ratings	1-14
9	Grant Transfers and RLC Responsibility	1-15

1. VA Form 26-4555

Change Date November 10, 2016, Change 2

- Subsection a was updated to clarify the use of the term Veteran throughout the manual.

a. Definition of VA Form 26-4555 [VA Form 26-4555](#), *Application in Acquiring Specially Adapted Housing or Special Home Adaptation Grant*, is the official application for Specially Adapted Housing (SAH) program assistance. Without a properly completed VA Form 26-4555 on file, VA will not be able to provide SAH or Special Home Adaptation (SHA) grant assistance to an eligible Veteran.

Note: Both Veterans and Servicemembers may receive entitlement for the SAH or SHA grant. The term Veteran is used throughout this manual and refers to both Veterans and Servicemembers.

b. How to Complete VA Form 26-4555 All necessary fields of VA Form 26-4555 must be completed legibly, and the form must be signed and dated by the Veteran or his/her legal representative.

Note: If VA Form 26-4555 is successfully submitted via eBenefits (<https://www.ebenefits.va.gov/>), it is deemed completed and signed.

Important: If the SAH Agent notes that VA Form 26-4555 is signed by someone other than the Veteran, he/she must follow up with the Veteran to determine his/her status regarding ability to sign documents. Additional information can be found later in Topic 6 of this Chapter and in Chapter 5, Topic 8.

c. Important Information About the Application It is important to note that VA Form 26-4555 is an application for SAH/SHA grant assistance, and is not an approval of SAH/SHA grant assistance. All applicable statutory and regulatory eligibility, feasibility, suitability, and ownership requirements must be met and final grant approval must be obtained prior to any grant funds being released from the U.S. Treasury (with the exception of death case reimbursements, which do not come from grant funds).

2. Methods of Submitting an Application

Change Date February 12, 2014, Change 1

- This entire section has been updated.

a. eBenefits Veterans are encouraged to submit applications for SAH via the eBenefits system (<https://www.ebenefits.va.gov/>). eBenefits is a central, web-based portal for Veterans and their families to access, research, and manage their benefits and personal information.

Registration is necessary for access to eBenefits and some levels of access require in-person proofing. SAH Agents should refer interested Veterans to the eBenefits website or their Regional Office (RO) of jurisdiction for further information.

When a Veteran submits an application via eBenefits, SAH personnel at the Regional Loan Center (RLC) of jurisdiction are notified electronically for the purposes of tracking and outreach.

b. Paper Application Veterans may download a copy of VA Form 26-4555 from the VA Home Loan website and complete a hard copy for submission. The web address is:

<http://www.vba.va.gov/pubs/forms/VBA-26-4555-ARE.pdf>

The completed paper application may then be submitted by mail, e-mail, fax, or hand-delivery to the RLC. The RLC must ensure that the application is properly recorded in the system before delivering it to the Veterans Service Center (VSC) for processing.

c. Application Processing It is important that VA Form 26-4555 is processed through the RLC of jurisdiction prior to submission to the VSC for claim processing and adjudication. While there is no guarantee that this processing order will occur in all cases, it is preferable for the RLC of jurisdiction to record a copy of the application in the system for monitoring as soon as it is received from the Veteran.

If the VSC receives VA Form 26-4555 and it is part of the claim file, the RLC must obtain a copy of the document from the VSC and record it in the system.

3. Grant Programs and Disability Qualification Criteria

Change Date November 10, 2016, Change 2

- Subsection b, d, and e were updated to clarify entitlement and eligibility.

a. 2101(a) Grants 2101(a) grants, otherwise known as SAH grants, help Veterans with certain service-connected disabilities live more independently in a barrier-free environment.

b. 2101(a) Qualifying Disabilities The following represent the permanent and total service-connected disabilities that may qualify a Veteran for an SAH grant:

- Loss, or loss of use, of both lower extremities such as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair.
- Blindness in both eyes, having only light perception, PLUS loss or loss of use of one lower extremity.
- Loss or loss of use of one lower extremity, PLUS residuals of organic disease or injury, which so affect the functions of balance or propulsion as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair.
- Loss or loss of use of one lower extremity, PLUS loss or loss of use of one upper extremity, which so affect the functions of balance or propulsion as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair.
- Loss, or loss of use, of both upper extremities such as to preclude use of the arms at or above the elbows.
- A severe burn injury (as determined pursuant to regulations prescribed by the Secretary).

Note: SAH personnel do not make entitlement determinations. The VSC establishes whether an individual's disabilities are service-connected and whether they meet the criteria for SAH entitlement.

Important: Public Law 112-154 temporarily added an additional qualifying disability for SAH.

Continued on next page

3. Grant Programs and Disability Qualification Criteria, Continued

**b. 2101(a)
Qualifying
Disabilities,
Continued**

Between October 1, 2012, and September 30, 2017, Veterans who, after September 11, 2001, incurred the permanent loss or loss of use of one or more lower extremities which so affects the functions of balance or propulsion as to preclude ambulating without the aid of braces, crutches, canes, or a wheelchair, may be entitled to SAH.

Due to the limited and temporary nature of this entitlement expansion, please contact Central Office (CO) with any questions regarding implementation.

**c. 2101(b)
Grants**

2101(b) grants, otherwise known as SHA grants, help Veterans with certain service-connected disabilities adapt or purchase a housing unit to live more independently.

**d. 2101(b)
Qualifying
Disabilities**

The following represent the service-connected disabilities that may qualify a Veteran for an SHA grant:

- Blindness on both eyes, having central visual acuity of 20/200 or less in the better eye with the use of a standard correcting lens (for the purposes of this subparagraph, an eye with a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered as having a central visual acuity or less).
- A permanent and total disability that includes the anatomical loss or loss of use of both hands.
- Certain respiratory ailments.
- A permanent and total disability that is due to a severe burn injury (as so determined).

Note: SAH personnel do not make entitlement determinations. The VSC establishes whether an individual's disabilities are service-connected and whether they meet the criteria for SHA entitlement.

**e. 2102A
Grants**

2102A grants, otherwise known as Temporary Residence Adaptation (TRA) grants, help SAH/SHA eligible Veterans who are or will be temporarily residing in a home owned by a family member. The qualifying disabilities for the TRA grant are the same as for SAH and SHA. In other words, a Veteran must be entitled to SAH or SHA in order to be eligible for TRA grant use.

Continued on next page

3. Grant Programs and Disability Qualification Criteria, Continued

**f. Limitations
on Assistance
Furnished**

38 U.S.C. 2102 provides information about the limitations on SAH/SHA program assistance. Specifically, there are limitations on both the amount of financial assistance that can be provided under the grant program, and there are also limitations on the number of times a Veteran may use the grant program.

The maximum grant amounts are set by the Secretary each year on October 1, after consultation with a residential cost-of-construction index.

Regardless of which grant program a Veteran chooses to use, he or she is entitled to a maximum of three grant uses, not to exceed the aggregate amount of assistance available to an individual under the law. TRA grants are limited to one use and count as one of the three maximum grant uses.

Important: Public Law 112-154 made significant changes to the TRA grant program.

Effective on October 1, 2012, the TRA grant amount was increased and also indexed in the same manner as the SAH and SHA grants. Additionally, the authority to make TRA grants was extended through December 31, 2022.

Effective August 6, 2013, the TRA grant was excluded from the aggregate limitations on assistance furnished pursuant to section 2102 of Title 38 U.S.C. Therefore, a TRA grant used prior to August 6, 2013, would require that funds be deducted from the maximum grant assistance available under either the SAH or SHA program. A TRA grant used subsequent to August 6, 2013, would NOT be deducted from the maximum grant assistance available under SAH/SHA.

Due to the complex nature of these provisions, please contact CO with any questions regarding implementation.

4. Governing Law

Change Date November 10, 2016, Change 2

- Subsection a was updated to make a minor edit.

a. Overview The SAH program has numerous rules and regulations that are found in various locations. It is important for the SAH Agent to be familiar with all laws, regulations, and policies related to the administration of the SAH program.

b. Statute The statute that governs the SAH program is found in the U.S.C., Title 38, Chapter 21. A link has been provided in Appendix G of this manual.

This statute is the primary federal authority for the SAH program. Statutes are enacted by Congress.

c. Regulations The regulations that govern the SAH program are found in the Code of Federal Regulations (CFR), Title 38, Part 36, Subpart C. A link has been provided in Appendix G of this manual.

These regulations help to clarify the statute, and they serve to assist the agency in administering the program.

d. Circulars Circulars are documents that explain policy so information can be quickly delivered to stakeholders for immediate action. The necessity for circulars can be due to changes in legislation, policy, market conditions, emergency measures, or other factors. It is expected that circulars will provide temporary guidance, and that they should ultimately either be rescinded or incorporated into larger, more permanent guidance.

e. Manuals Manuals are comprehensive program guidance documents, containing detailed processing instructions for VA employees and, in some cases, external stakeholders. Manuals are meant to incorporate all circulars, regulations, and statutes in a way that makes it possible for end users to have all relevant information in one location. Manuals also provide a framework for oversight of work.

5. Rating Decisions

Change Date November 10, 2016, Change 2

- Subsections b and c have been updated to clarify obtaining, reviewing, and uploading a rating decision.

a. Definition A rating decision is the official declaration of benefits available to a Veteran due to his/her service-connected disabilities, as determined by the VSC of jurisdiction.

A rating decision indicates whether or not a Veteran is entitled to the SAH or SHA grant. It also provides the legal, medical, and service-related justifications for granting or denying the benefit.

In discussing the SAH program and processes with Veterans, it is important to convey that the rating decision establishes entitlement, but does not equate to grant approval. All applicable statutory and regulatory eligibility, feasibility, suitability, and ownership requirements must be met and final grant approval must be obtained prior to any grant funds being released from the U.S. Treasury (with the exception of death case reimbursements).

b. How an SAH Agent Gets a Copy The SAH Agent must obtain a copy of each rating decision for each grant use and upload it in the system within 7-business days of eligibility being established. Usually, an electronic copy, which will contain both the full narrative and the more abbreviated code sheet, can be obtained from the Veterans Benefits Management System (VBMS) or the Virtual VA (VVA) system at: <http://virtualva.vba.va.gov/>. In rare instances, when the rating decision is unavailable electronically, a hard copy of the rating decision can be requested from the VSC or, if applicable, the Veterans Service Organization (VSO) representing the Veteran in regards to his/her claim(s).

Note: It is the SAH Agent's responsibility to note in the system if the rating decision is not available for upload within the 7-business day requirement. The SAH Agent must then upload the rating decision when the document is available, but no later than 150-calendar days from eligibility being established.

Continued on next page

5. Rating Decisions, Continued

c. Critical Review

Prior to substantive contact with the Veteran, it is essential that the SAH Agent review the rating decision and all of its component parts in detail to ensure that it is correct and complete.

- Narrative: The SAH Agent should review the narrative to ensure that the correct entitlement benefit is indicated (SAH or SHA) along with the proper associated disability. For example, if SAH is the entitlement benefit awarded, there should be information in the narrative regarding one of the SAH qualifying disabilities. In addition, there should be a mention of the governing law for the SAH grant program.
- Code sheet: The SAH Agent should review the code sheet to ensure that it is consistent with the narrative. While it is not necessarily required that the Veteran have a combined service-connected percentage of 100 percent, it should be rare that an SAH-entitled Veteran is rated at less than 100 percent.

In addition to reviewing the rating decision for accuracy, the SAH Agent should review the document for other helpful information about the Veteran, such as dates of service, presence of secondary disabilities, and competency.

If the SAH Agent or other RLC personnel encounter errors or inconsistencies in the rating decision, he/she must contact the appropriate point of contact at the VSC and inquire, and document the issue and resolution in the case notes. While SAH Agents are not subject matter experts regarding rating decisions, they should be alert to errors and address any questions/concerns with VSC staff. If the RLC is having difficulty getting a response from the VSC, please notify CO for assistance.

6. VA Fiduciary/Inability to Manage Benefits

Change Date February 12, 2014, Change 1
• This section was updated with minor grammatical edits.

a. General Information VA's Fiduciary Program was established to protect Veterans and other beneficiaries who, due to injury, disease, or age, are unable to manage their benefits without VA supervision or the assistance of a fiduciary. VA will determine if a Veteran is unable to manage his or her VA benefits only after receipt of medical documentation or a determination by a court of competent jurisdiction.

If the Veteran is determined unable to manage his or her VA benefits and incompetency is established, VA will appoint a fiduciary. The fiduciary, normally chosen by the Veteran, will be investigated to determine suitability to serve. This investigation includes a criminal background check, a personal interview, and a review of the applicant's credit report and character references. Only after a complete investigation affirms suitability is a fiduciary appointed to manage the benefits of the Veteran. The fiduciary is responsible to the Veteran and oversees management of VA benefit payments. Generally, family members or friends serve as fiduciaries; however, when family and/or friends are not able to serve, VA looks for qualified individuals or organizations to serve as fiduciaries.

b. How Does This Arise? While reviewing the rating decision, the SAH Agent may find a determination of incompetency.

Continued on the next page

6. VA Fiduciary/Inability to Manage Benefits, Continued

**c.
Considerations
and Action
Items**

A determination of incompetency can be made at any time during a Veteran's life and does not apply to non-VA finances or the right to enter into an agreement or contract. Because a Veteran's SAH/SHA claim is adjudicated does not mean that the incompetency decision is finalized. SAH Agents should review any cases of incompetency as early as possible in the grant process to avoid unnecessary delay. SAH Agents should also monitor the Veteran's incompetency status throughout the grant process. In most cases, there will be no need for additional action or documentation when a Veteran is rated incompetent for VA purposes. However, the following situations will require interaction between the SAH Agent and the VA Fiduciary Hub:

- Cases in which the Veteran, as part of his/her SAH grant, is purchasing property, OR
- Cases in which the Veteran will be receiving SAH grant funds in the form of direct reimbursement.

In the above cases, the SAH Agent must contact the VA Fiduciary Hub representative to obtain approval for the grant to proceed. The approval from the VA Fiduciary Hub must be in writing (e-mail is acceptable) and must be included with the grant approval submission.

If the SAH Agent learns that the Veteran has a court-ordered guardian, conservator, or incompetency-related adjudication, please contact the VA Office of General Counsel (OGC) Loan Guaranty National Practice Group and CO for guidance.

7. Outreach to Veterans Not Yet Rated

Change Date	November 10, 2016, Change 2 <ul style="list-style-type: none">• Subsections a and c were updated to make minor edits and to clarify verification of application information.
a. General Information	In general, this section provides information regarding outreach expectations related to Veterans who have not yet received entitlement for SAH/SHA. All other contact and outreach requirements will be contained in subsequent chapters.
b. Verify Application Information	<p>When the RLC receives an application (VA Form 26-4555) from a Veteran, regardless of the method of submission, the SAH Agent must contact the Veteran within 7-business days to verify the information provided in the application. Specifically, the RLC should have a working telephone number, a valid mailing address, and, if possible, a functioning e-mail address for the Veteran and/or a family member. This information must be recorded in the system.</p> <p>At this time, the RLC must also verify that the claim has been properly created in the system(s). If the claim has not been properly created, the RLC must deliver the <i>VA Form 26-4555</i> to the VSC either in hard-copy or electronically.</p>
c. Provide Information About Benefit	<p>When performing initial outreach, provide basic information about the SAH/SHA grant programs, so Veterans are aware of the disability qualification criteria. Many Veterans simply complete VA Form 26-4555 because they are instructed to and are unaware of the benefit for which they are applying. It is important that Veterans understand the SAH/SHA benefit and can distinguish it from other benefits for which they may have applied.</p> <p>If, upon performing outreach, the Veteran indicates that he/she likely does not meet the disability qualification criteria and would like to withdraw his/her claim, the SAH Agent must contact the VSC of jurisdiction (to withdraw the claim) and CO (to close the case).</p>

Continued on next page

7. Outreach to Veterans Not Yet Rated, Continued

d. Provide Information About Other Benefits Available

When performing initial outreach, the SAH Agent should inform the Veteran of other benefits that may be available, such as the Home Improvements and Structural Alterations (HISA) grant and/or grants provided by state or local organizations. The level of detail does not need to be the same as in the initial interview; however, since rating decisions can take a significant amount of time, it is beneficial for a Veteran to know of other programs through which to seek similar assistance.

e. Provide Expectations and Information for Follow-Up, Next Steps

When performing initial outreach, provide the Veteran with approximate cycle times and discuss stakeholders inherent to the program. Explain the difference between the rating decision process and the actual benefit delivery process. Provide the Veteran with VSC contact information so he/she can follow-up on the claim status. Also, provide RLC contact information for follow-up regarding SAH/SHA. Explain what happens after submission of a grant application, after receipt of a rating decision that grants/denies entitlement, and after meeting with a SAH Agent, etc.

8. Inferred Issue Ratings

Change Date November 10, 2016, Change 2

- This entire section is new.

a. General Information An inferred issue case is a record that is automatically created in the system based on a rating decision granting entitlement for SAH or SHA. In these cases, the Veteran did not specifically apply for the SAH or SHA benefit, but entitlement was “inferred” because the Veteran met the qualifying disability criteria.

b. Rating Decision Review The inferred issue record must be reviewed to verify the accuracy of the rating decision granting entitlement. If a rating discrepancy or clarification on a rating decision is needed, the RLC must contact the appropriate VSC point of contact for assistance and document the system.

Important: The rating decision must be reviewed for accuracy prior to substantive contact with the Veteran. The narrative and code sheet should be uploaded into the system immediately, but it must be uploaded within 7-business days of eligibility being established.

c. Required Outreach After an inferred issue rating decision has established SAH or SHA entitlement, the RLC must request an application (VA Form 26-4555) from the Veteran to begin grant processing. The first attempt to contact the Veteran must be by telephone, but subsequent contact can be via telephone, e-mail, or postal mail. All contact attempts must be properly recorded in the system. If the Veteran indicates that he/she is not interested in the grant, or if there have been three contact attempts (at 30-day increments), and no responses from the Veteran, the case may be placed in an inactive status. However, in both cases, SAH staff must provide the Veteran with a letter containing RLC contact information and instructions for being placed on active status in the future. This letter must be recorded in the system along with the Veteran’s reason for not wanting to pursue the grant.

If an inferred issue record is placed in an inactive status, the RLC must send an annual contact letter to the Veteran, providing instructions on how to begin processing the grant. The annual contact letter must be recorded in the system along with the date that the letter was sent.

9. Grant Transfers and RLC Responsibility

Change Date November 10, 2016, Change 2
• This entire section is new.

a. General Information

In order to ensure that the Veteran is receiving prompt customer service from the most proximate RLC, it is important to verify that the Veteran's case is assigned to the correct RLC. When it is determined that the Veteran resides in the jurisdiction of another RLC, the case must be transferred immediately. The most common scenarios requiring a grant transfer are:

- An inferred issue case is assigned to an RLC, but upon initial contact with the Veteran, it is determined that the Veteran resides in the jurisdiction of another RLC.
- A Veteran moves to the jurisdiction of another RLC.

Note: In some cases, it may be determined that the Veteran is temporarily residing at a medical facility outside of the assigned RLC's jurisdiction. If it is determined that the Veteran will be returning to his/her home in the future, it is not necessary to transfer the case. As discussed in Chapter 2, Topic 1(c), the initial interview may be completed by telephone in this situation.

b. How to Transfer a Grant

Typically, the SAH Agent is the first to identify the need for a grant transfer. When it is determined that a grant must be transferred, the SAH Agent must notify the VO/AVO immediately. The VO/AVO must then transfer the grant using the grant transfer function in the system. The VO/AVO must also notify the VO/AVO of the accepting RLC of the pending transfer by e-mail to ensure the Veteran's case is properly assigned.

c. RLC Responsibility

Due to the time sensitive policy requirements associated with grant processing, it is important that grants are transferred immediately once a transfer is determined necessary. In order to ensure policy requirements are met, the transferring RLC and accepting RLC have certain responsibilities associated with grant transfers.

The transferring RLC must:

- Ensure the grant is compliant with current SAH policy prior to the transfer.
- Record a note in the system if it is not possible to satisfy certain policy requirements prior to the transfer.
- Transfer grants in a manner that allows the accepting RLC sufficient time to comply with time sensitive policy requirements.

The accepting RLC must ensure the case is compliant with current SAH policy prior to the next stage of accuracy review.
