## Chapter 3. Specially Adapted Housing (SAH) or Special Home Adaptation (SHA) Grants

#### 1. Eligibility for SAH or SHA Grants

|  |  |
| --- | --- |
| Introduction | This topic contains information about the eligibility for specially adapted housing (SAH) or special home adaptation (SHA) grants, including   * general information on SAH and SHA grants * eligibility for SAH grants * eligibility for SHA grants * SAH or SHA claims based on paired organs or extremities, and * reduction of benefits due to tort judgment or settlement., and * temporary SAH criteria under PL 112-154. |

|  |  |
| --- | --- |
| Change Date | April 7, 2014 |

|  |  |
| --- | --- |
| a. General Information on SAH and SHA Grants | The Department of Veterans Affairs (VA) administers two types of grants to assist seriously disabled Veterans and service members in adapting housing to their special needs:   * specially adapted housing (SAH), and * special home adaptation (SHA).   ***SAH grant basic entitlement***  An eligible person may receive a grant of not more than 50 percent of the cost of a specially adapted house, up to the total maximum allowable by law.  ***SHA grant basic entitlement***  An eligible person may receive a grant for the actual cost to adapt a house or for the appraised market value of necessary adapted features already in a house when it was purchased, up to the total maximum allowable by law.  ***Notes***:   * Under [38 U.S.C. 2101A](http://www.law.cornell.edu/uscode/text/38/2101A) and [38 CFR 3.809](http://www.benefits.va.gov/warms/docs/regs/38CFR/BOOKB/PART3/S3_809.DOC) and [3.809a](http://www.benefits.va.gov/warms/docs/regs/38CFR/BOOKB/PART3/S3_809a.DOC), grants may be made to active duty members of the Armed Forces on or after December 16, 2003, who meet the criteria for benefits based on disabilities incurred or aggravated in the line of duty. * Under [38 U.S.C. 2102(d)](http://law.cornell.edu/uscode/html/uscode38/usc_sec_38_00002102----000-.html), a claimant may receive up to three awards of SAH or SHA benefits, as long as the total amount received does not exceed the statutory amount of entitlement. |

Continued on next page

1. Eligibility for SAH or SHA Grants, Continued

|  |  |
| --- | --- |
| b. Eligibility for SAH Grants | Eligibility for assistance in acquiring SAH exists when:   * a Veteran is entitled to compensation under [38 U.S.C. Chapter 11](http://www.law.cornell.edu/uscode/text/38/part-II/chapter-11) for a permanently and totally disabling qualifying condition, or * a service member on active duty has a permanently and totally disabling qualifying condition incurred or aggravated in the line of duty.   Qualifying conditions are   * amyotrophic lateral sclerosis (ALS) * loss or loss of use of * both lower extremities * one lower extremity and one upper extremity affecting balance or propulsion, or * one lower extremity plus residuals of organic disease or injury affecting balance or propulsion such as to preclude locomotion without the aid of braces, crutches, canes, or a wheelchair; * loss or loss or use of both upper extremities precluding use of the arms at or above the elbow; * blindness in both eyes, having light perception only, and the loss or loss of use of one lower extremity; or, * a severe burn injury * full thickness or subdermal burns that have resulted in contractures with limitation of motion of * two or more extremities, or * at least one extremity and the trunk. |

Continued on next page

, Continued

|  |  |
| --- | --- |
| (continued) | ***Notes***:   * Compensation under [38 U.S.C. Chapter 11](http://www.law.cornell.edu/uscode/text/38/part-II/chapter-11) includes compensation for service connected disabilities and disabilities “as if” service connected under [38 U.S.C. 1151](http://www.law.cornell.edu/uscode/text/38/1151). * “Preclude locomotion” means the necessity for regular, constant use of a wheelchair, braces, crutches or canes as a normal mode of locomotion although occasional locomotion by other methods may be possible. * Effective October 1, 2012, Public Law (PL) 112-154, “Honoring America’s Veterans and Caring for Camp Lejeune Families Act of 2012,’’ added new, temporary criteria for SAH. These are addressed in [M21-1MR, Part IX, Subpart i, 3.1.f](imi-internal:M21-1MRIX.i.3.1.f). * Although [38 CFR 3.809](http://www.benefits.va.gov/warms/docs/regs/38CFR/BOOKB/PART3/S3_809.DOC) provides that ALS is a qualifying condition for SAH *when evaluated 100 percent disabling under* [*38 CFR 4.124a, diagnostic code (DC) 8017*](http://www.benefits.va.gov/WARMS/docs/regs/38cfr/bookc/part4/s4_124a.doc), whenever there is a diagnosis of ALS there is a qualifying condition for SAH purposes. Any diagnosis of ALS is sufficient to support the assignment of a permanent 100 percent evaluation under DC 8017 or a hyphenated diagnostic code (8017-XXXX) for the predominant complication of ALS. Do not issue a denial when multi-system effects of ALS are separately evaluated with a single 100 percent evaluation assigned for a complication of ALS under a hyphenated DC. * The regulatory change to [38 CFR 3.809](http://www.benefits.va.gov/warms/docs/regs/38CFR/BOOKB/PART3/S3_809.DOC) allowing for qualification based on ALS (78 FR 72573) is applicable to all applications for SAH pending before VA on, or received after, December 3, 2013.   ***References***: For more information on   * the criteria for SAH see * [38 CFR 3.809](http://www.benefits.va.gov/warms/docs/regs/38CFR/BOOKB/PART3/S3_809.DOC) * [38 U.S.C. Chapter 21](http://law.cornell.edu/uscode/html/uscode38/usc_sup_01_38_10_II_20_21.html) * [*Kilpatrick v. Principi*](http://vbaw.vba.va.gov/bl/21/Advisory/CAVCDAD.htm#bmk)*,* 327 F3d. 1375 (Fed. Cir. 2003) * the criteria for finding blindness with light perception only, see [M21-1MR, Part IV, Subpart ii, 2.H.39.j](imi-internal:M21-1MRIV.ii.2.H.39.j) * the criteria for finding loss of use of a hand or foot, see [M21-1MR, Part IV, Subpart ii, 2.H.39.e, f](imi-internal:M21-1MRIV.ii.2.H.39.e) * the criteria for compensation under [38 U.S.C. 11](http://www.law.cornell.edu/uscode/text/38/1151)51, see [M21-1MR, Part IV, Subpart ii, 2.G](imi-internal:M21-1MRIV.ii.2.G), and * evaluating ALS, see [M21-1MR, Part III, Subpart iv, 4.G.25](imi-internal:M21-1MRIII.iv.4.G.25). |

Continued on next page

, Continued

|  |  |
| --- | --- |
| c. Eligibility for SHA Grants | Eligibility for assistance in acquiring SHA exists when:   * a Veteran is entitled to compensation under [38 U.S.C. Chapter 11](http://www.law.cornell.edu/uscode/text/38/part-II/chapter-11) for a qualifying condition, or * a service member on active duty has a qualifying condition incurred or aggravated in the line of duty.   Qualifying conditions are   * blindness with visual acuity of 20/200 or less in each eye * permanent and total disability from loss or loss of use of both hands, or * permanent and total disability from a severe burn injury * deep partial thickness burns that have resulted in contractures with limitation of motion of * two or more extremities, or * at least one extremity *and* the trunk * full thickness or subdermal burns that have resulted in contracture(s) with limitation of motion of * one or more extremities, or * the trunk * residuals of an inhalation injury, including, but not limited to * pulmonary fibrosis * asthma, or * chronic obstructive pulmonary disease (COPD). |

Continued on next page

, Continued

|  |  |
| --- | --- |
| (continued) | ***Notes***:   * Eligibility only exists for SHA if the claimant is not entitled to, and has not previously received, SAH. * Compensation under [38 U.S.C. Chapter 11](http://www.law.cornell.edu/uscode/text/38/part-II/chapter-11) includes compensation for service connected disability as well as for disabilities “as if” service connected under [38 U.S.C. 1151](http://www.law.cornell.edu/uscode/text/38/1151). * Blindness is assessed based on central distance visual acuity with the use of a standard correcting lens. * For SHA purposes a visual field that subtends an angle no greater than 20 degrees is considered the equivalent of 20/200 visual acuity. This is synonymous with average contraction of the visual field to no more than 20 degrees. * Effective October 1, 2012, PL 112-154 changed the visual acuity standard for SHA from 5/200 to 20/200, added the visual field equivalent and removed the requirement that visual impairment be permanently and totally disabling. * Qualification for SAH based on a respiratory disorder requires more than a showing of permanent and total disability from a respiratory diagnosis such as pulmonary fibrosis, asthma or COPD. The diagnosis must have resulted from an inhalational injury caused by breathing steam or toxic fumes, gases and mists present in a fire environment (including, but not limited to, acrolein, chlorine, phosgene, and nitrogen dioxide).   ***References***: For more information on   * eligibility for SHA, see * [38 U.S.C. 2101](http://www.law.cornell.edu/uscode/text/38/2101), and * [38 CFR 3.809a](http://www.benefits.va.gov/warms/docs/regs/38CFR/BOOKB/PART3/S3_809a.DOC) * the criteria for finding loss of use of a hand, see [M21-1MR, Part IV, Subpart ii, 2.H.39.e](imi-internal:M21-1MRIV.ii.2.H.39.e), and * The criteria for compensation under [38 U.S.C. 1151](http://www.law.cornell.edu/uscode/text/38/1151), see [M21-1MR, Part IV, Subpart ii, 2.G](imi-internal:M21-1MRIV.ii.2.G). |

Continued on next page

, Continued

|  |  |
| --- | --- |
| d. SAH or SHA Claims Based on Paired Organs or Extremities | Even though compensation may be payable under [38 CFR 3.383](http://www.benefits.va.gov/warms/docs/regs/38CFR/BOOKB/PART3/S3_383.DOC), claimants do not qualify for SAH or SHA grants if they suffered a loss of paired SC and nonservice-connected (NSC) organs or extremities.  ***Reference***: For more information on entitlement to compensation for loss of SC and NSC organs and extremities, see [38 U.S.C. 1160](http://law.cornell.edu/uscode/html/uscode38/usc_sec_38_00001160----000-.html). |

|  |  |
| --- | --- |
| e. Reduction of Benefits Due to Tort Judgment or Settlement | SAH or SHA benefits must be reduced by an “offset amount” in cases where a judgment or settlement of a tort claim against the United States is granted for disability established under [38 U.S.C. 1151](http://law.cornell.edu/uscode/html/uscode38/usc_sec_38_00001151----000-.html), if the tort judgment or settlement   * becomes final * on or after December 10, 2004, but * before the date VA awards SAH benefits, and * includes an amount specifically designated for housing.   ***Notes***:   * Contact local Regional Counsel to determine whether a judgment or settlement qualifies for offset under [38 CFR 3.363](http://www.benefits.va.gov/warms/docs/regs/38CFR/BOOKB/PART3/S3_363.DOC). * If the offset amount exceeds the amount of the SAH benefits awarded, the excess amount is offset against VA compensation.   ***Reference***: For more information on the offset of benefits, see  [M21-1MR, Part IV, Subpart iii, 3.G.36.a](imi-internal:M21-1MRIV.iii.3.G.36.a). |

Continued on next page

, Continued

|  |  |
| --- | --- |
| f. Temporary Additional Basis for SAH Under PL 112-154 | Section 202 of PL 112-154 amended [38 U.S.C. § 2101(a)(2)](http://www.law.cornell.edu/uscode/text/38/2101) to temporarily expand eligibility for SAH for Veterans who served and became permanently disabled on or after September 11, 2001. The statutory change went into effect October 1, 2012.  The amendment adds a basis for qualification for SAH: permanent loss or loss of use of one or more lower extremities, severely affecting the functions of balance or propulsion as to preclude locomotion without the use of braces, crutches, canes, or a wheelchair.  The law, as extended by PL 113-37, authorizes SAH assistance only for applications approved by September 30, 2014.  ***Notes***:   * Although the Section 202 amendment refers to “Veterans”, under [38 USC 2101A](http://www.law.cornell.edu/uscode/text/38/2101A) any reference to “Veterans” in the chapter includes active duty service members with a qualifying disability incurred or aggravated in the line of duty. * Loss or loss of use under the temporary eligibility provisions does not have to be totally disabling. * PL 113-37 provides that the Secretary may not approve payment of more than 30 applications for assistance under the temporary provisions during Fiscal Year 2014. This does not affect regional office processing of SAH issues. |

#### 2. Jurisdiction for SAH or SHA Claims

|  |  |
| --- | --- |
| Introduction | This topic contains information on the jurisdiction for SAH or SHA claims, including information on   * responsibility for determining SAH/SHA eligibility * SAH/SHA mailbox addresses at regional loan centers (RLCs) * jurisdiction of medical determinations in SAH/SHA claims * the definition of the term determination of medical feasibility, and * referring SAH/SHA claims to the rating activity. |

|  |  |
| --- | --- |
| Change Date | January 12, 2012 |

|  |  |
| --- | --- |
| a. Responsibility for Determining SAH/SHA Eligibility | The Veterans Service Center (VSC) is responsible for determining eligibility for SAH and the SHA grant.  ***Note***: Each VSC must designate a point of contact for SAH/SHA claims who will   * maintain the SAH/SHA mailbox, and * correspond with the regional loan center (RLC) of jurisdiction. |

|  |  |
| --- | --- |
| b. SAH/SHA Mailbox Addresses at RLCs | The table below shows the encrypted SAH/SHA mailbox addresses to use when corresponding with the RLCs of jurisdiction. |

|  |  |
| --- | --- |
| RLC of Jurisdiction | SAH/SHA Mailbox Address |
| Atlanta | [**VAVBAATL/RO/CNV**](mailto:316lgycnv@va.gov) |
| Cleveland | [VAVBACLE/RO/SAH](mailto:sah.vbacle@va.gov) |
| Denver | [VAVBADEN/RO/SAH](mailto:DenverSAH@VA.GOV) |
| Honolulu | [VAVBAHON/RO/SAH](mailto:SAH.VBAHON@VA.GOV) |
| Houston | [VAVBAHOU/RO/LGYSAH](mailto:lgysah.vbahou@va.gov) |
| Roanoke | [SAHSHA](mailto:SAHSHA.Roanoke@va.gov) |
| Phoenix | [VAVBAPHO/45/SAH](mailto:45/SAH@vba.va.gov) |
| St. Paul | [VAVBASPL/RLC/SAH](mailto:SAH.VBASPL@va.gov) |
| St. Petersburg | [**VAVBASPT/RLC/SAH**](mailto:SAH.VBASPT@va.gov) |

|  |
| --- |
| ***Reference***: For information on each RLC’s area of jurisdiction, see <http://vbaw.vba.va.gov/bl/26/rlcmap.htm>. |

Continued on next page

, Continued

|  |  |
| --- | --- |
| c. Jurisdiction for Medical Determinations in SAH/SHA Claims | Loan Guaranty does *not* have the authority to make medical determinations. Medical determinations regarding eligibility fall under the jurisdiction of the rating activity. However, determinations regarding medical feasibility of home adaptations are made by a Veterans Health Administration (VHA) physician at the request of Loan Guaranty.  ***References***: For more information on   * the responsibility of Loan Guaranty, see [M21-1MR, Part IX, Subpart i, 5.A.2](imi-internal:M21-1MRIX.i.5.A.2), and * requesting evidence of medical infeasibility, see [M21-1MR, Part IX, Subpart i, 3.3.d](imi-internal:M21-1MRIX.i.3.3.d). |

|  |  |
| --- | --- |
| d. Definition: Determination of Medical Feasibility | A ***determination of medical feasibility*** is made by a VHA physician when a Veteran is hospitalized or undergoing long-term care in a nursing home or other type care facility. It concerns the feasibility of a Veteran, based on his/her mental/physical abilities, to reside in a home that is adapted to   * meet the minimum property requirements of the SAH grant, or * include the allowable adaptations of the SHA grant. |

|  |  |
| --- | --- |
| e. Referring SAH/SHA Claims to the Rating Activity | Refer an SAH/SHA claim to the rating activity when   * you identify an 890 work item in Share, which indicates that * the RLC received a *VA Form 26-4555, Veteran's Application in Acquiring Specially Adapted Housing or Special Home Adaptation Grant*, and * there is no existing SAH/SHA rating decision in the corporate record * you receive a report of examination or hospitalization and *VA Form 10-4555b, Certificate of Medical Feasibility*, or * there is reasonable probability of entitlement under [38 U.S.C. 2101(a)](http://law.cornell.edu/uscode/html/uscode38/usc_sec_38_00002101----000-.html) or [38 U.S.C. 2101(b)](http://law.cornell.edu/uscode/html/uscode38/usc_sec_38_00002101----000-.html).   ***Note***: The rating activity should infer the issue of entitlement to SAH or SHA if the Veteran meets the eligibility requirements, but should otherwise not address the issue in the rating decision unless it is specifically claimed.  ***Reference***: For more information on processing SAH/SHA claims, see [M21-1MR, Part IX, Subpart i, 3.3](imi-internal:M21-1MRIX.i.3.3). |

#### 3. Processing Claims for SAH or SHA

|  |  |
| --- | --- |
| Introduction | This topic contains information on processing claims for SAH or SHA, including information on   * the initial processing of SAH/SHA claims meeting eligibility requirements * processing *VA Form 26-4555* when the record * contains an SAH/SHA rating decision, or * does not contain an SAH/SHA rating decision * the language to include in the section 5103 notice for SAH/SHA claims * requesting evidence of medical feasibility * extending the control period, and * what to do when the extension period expires. |

|  |  |
| --- | --- |
| Change Date | May 2, 2013 |

|  |  |
| --- | --- |
| a. Initial Processing of SAH/SHA Claims Meeting Eligibility Requirements | The table below describes the stages in the initial processing of all original or reopened claims in which there is a reasonable probability that the requirements of   * [38 CFR 3.809](http://www.benefits.va.gov/warms/docs/regs/38CFR/BOOKB/PART3/S3_809.DOC), and/or * [38 CFR 3.809a](http://www.benefits.va.gov/warms/docs/regs/38CFR/BOOKB/PART3/S3_809a.DOC) will be met. |

|  |  |  |
| --- | --- | --- |
| Stage | Who Is Responsible | Description |
| 1 | Rating Activity | At the request of the claimant, Loan Guaranty, or if the issue is inferred, the rating activity, prepares an ancillary rating decision for a Veteran or service member who is   * awaiting disability separation, or * undergoing pre-separation rehabilitation services.   ***Reference***: For more information on rating ancillary issues, see   * [M21-1MR, Part III, Subpart iv, 6.B.3.b](imi-internal:M21-1MRIII.iv.6.B.3.b), and * Ancillary Decisions in the [*RBA2000 User Guide*](http://vbaw.vba.va.gov/VetsNet/RBA2000_Docs/webhelp/RBA2000_Help.htm)*.* |

Continued on next page

, Continued

|  |
| --- |
| (continued) |

|  |  |  |
| --- | --- | --- |
| Stage | Who Is Responsible | Description |
| 2 | VSC | * Receives a copy of the rating decision from the rating activity, and * immediately sends an encrypted e-mail to the RLC of jurisdiction’s mailbox, indicating the * Veteran’s name * Social Security number * date of the rating decision, and * whether eligibility is established.   ***Reference***: For a list of the RLC SAH/SHA mailbox addresses, see [M21-1MR, Part IX, Subpart i, 3.2.b](imi-internal:M21-1MRIX.i.3.2.b). |
| 3 | Loan Guaranty | After receiving the e-mail notice, sends *VA Form 26-4555* to the Veteran if eligibility is established and no such form is on file. |
| 4 | Veteran or Service member | Completes and returns *VA Form 26-4555*. |

|  |  |
| --- | --- |
| b. Processing VA Form 26-4555 When Record Contains a Previous SAH/SHA Rating Decision | RLCs use a computer program, SAHSHA, to track and process *VA Forms 26-4555* electronically*.*  When a *VA Form 26-4555* is entered into the SAHSHA system, and the corporate record shows there is an existing rating decision in the corporate record that addresses SAH or SHA eligibility   * SAHSHA records the information * an SAH agent processes the claim, and * the VSC is not required to take any action.   ***Notes***:   * The *VA Form 26-4555* may be entered into SAHSHA by * a claimant’s electronic submission, or * manual input from an RLC employee. * *VA Form 26-4555* is not available in the Veteran Online Application (VONAPP). |

Continued on next page

, Continued

|  |  |
| --- | --- |
| c. Processing VA Form 26-4555 When Record Does Not Contain an SAH/SHA Rating Decision | The table below describes the processing of SAH or SHA claims when   * an RLC receives *VA Form 26-4555*, and * the corporate record does not contain a rating decision that addresses SAH or SHA eligibility.   ***Note***: It may be necessary to update the corporate record if the rating decision is old and does not appear in the system. |

|  |  |  |
| --- | --- | --- |
| Stage | Who Is Responsible | Description |
| 1 | RLC | * Receives *VA Form 26-4555* from the mailroom or electronically from the claimant, and * enters the form into SAHSHA.   ***Note***: SAHSHA automatically creates an 890 work item in Share when *VA Form 26-4555* is entered. |
| 2 | VSC Authorization Activity | * Identifies the 890 work item * establishes a pending issue EP 290 with either a *Specially Adapted Housing* or *Special Home Adaptation* claim label, and * issues a section 5103 notice. |
| 3 | VSC Authorization Activity | After development is complete, or the 30-day response period expires   * refers the claim to the rating activity, and * clears both the 890 work item and EP 290. |
| 4 | VSC Rating Activity | Prepares the rating determination of eligibility within 10 days after receipt.  ***Important***: Due to the functionality of the SAHSHA program, there is no need for the VSC to send a copy of the rating decision to the RLC.  ***Reference***: For more information on  actions arising from rating decisions, see [M21-1MR, Part IX, Subpart i, 3.5.a](imi-internal:M21-1MRIX.i.3.5.a). |

Continued on next page

3. Processing Claims for SAH or SHA, Continued

|  |  |
| --- | --- |
| d. Requesting Evidence of Medical Feasibility | Use the table below to request medical evidence of medical feasibility on behalf of Loan Guaranty. |

|  |  |
| --- | --- |
| When … | Then … |
| the RLC is uncertain as to whether it would be medically feasible for the Veteran to reside in a specially adapted home | it sends an encrypted e-mail to the SAH/SHA point of contact at the VSC, requesting a medical feasibility determination. |
| the Veteran or service member is hospitalized | the VSC requests a   * current interim hospital summary including the complete medical findings, and * completed *VA Form 10-4555b*.   ***Note***: You may also request a *VA Form 21-2680, Examination for Housebound Status or Permanent Need for Regular Aid and Attendance,* to ascertain the extent of disability, when warranted. |

|  |
| --- |
| ***Note***: Once the medical evidence is obtained, immediately deliver it to the SAH agent in Loan Guaranty at either the RLC or an out-based location. |

Continued on next page

3. Processing Claims for SAH or SHA, Continued

|  |  |
| --- | --- |
| e. Extending the Control Period | If a required examination and certificate of medical feasibility have not been received within the 30-day control period, the VSC   * makes a follow-up request, and * extends the control for an additional 15 days. |

|  |  |
| --- | --- |
| f. What to Do When the Extension Period Expires | If the initial control period and the additional 15-day period expire without receipt of the examination and certification, the VSCM should   * call or meet with the clinic Director * notify the SAH agent in Loan Guaranty, and * place a record of the conference on *VA Form 27-0820, Report of General Information*, in the claims folder. |

#### 4. Notifying Claimants of Medical Infeasibility

|  |  |
| --- | --- |
| Introduction | This topic contains information on   * notifying the claimant * when medical feasibility cannot be certified * of an unfavorable determination * on withdrawal of basic eligibility, and * a sample notification letter of medical infeasibility. |

|  |  |
| --- | --- |
| Change Date | April 19, 2005 |

|  |  |
| --- | --- |
| a. Notifying the Claimant When Medical Feasibility Cannot be Certified | If medical feasibility cannot be certified, the RLC returns the claims folder along with *VA Form 10-4555b* to the VSC for notifying the claimant.  ***Note***: Include the comments of the examining Medical Board and the designee of the Chief Medical Director in the claims folder. |

|  |  |
| --- | --- |
| b. Notifying the Claimant of an Unfavorable Determination | When notifying the claimant of an unfavorable determination, prepare a locally-generated letter using the comments of the examining Medical Board and designee of the Chief Medical Director. Provide the claimant with the following:   * a full and adequate statement of the evidence considered * the reasons for the disallowance of the claim, and * notice of the right to appeal.   ***Note***: The VSC must provide a copy of the notification to the SAH agent in the RLC |

Continued on next page

4. Notifying Claimants of Medical Infeasibility, Continued

|  |  |
| --- | --- |
| c. Sample Notification Letter | The following is an example of a letter notifying the claimant of an unfavorable determination:  *Although basic eligibility for assistance in acquiring specially adapted housing has been established because of your service-connected disabilities, it has been found that due to* **[insert reason for medical infeasibility]***, it is not medically feasible for you to occupy specially adapted housing at this time.*  *In view of this determination, it has been necessary to disallow your application for specially adapted housing. However, when your condition improves to the point where* **[insert applicable contingency]***, we will be pleased to reconsider this matter on your request*. |

|  |  |
| --- | --- |
| d. Notifying Claimants on Withdrawal of Basic Eligibility | Follow the steps in the table below when reconsideration of the case results in a rating decision denying basic eligibility after the RLC issues a notice to the claimant. |

|  |  |
| --- | --- |
| Step | Action |
| 1 | Inform the claimant of the   * evidence considered * reason for the determination, and * right to appeal. |
| 2 | Furnish immediately to Loan Guaranty   * copies of the rating decision, and * the letter denying basic eligibility. |

#### 5. Processing Notices of Disagreement (NODs) or Substantive Appeals

|  |  |
| --- | --- |
| Introduction | This topic contains information on   * filing notices of disagreement (NODs) or substantive appeals, and * handling NODs for medical activity decisions. |

|  |  |
| --- | --- |
| Change Date | April 19, 2005 |

|  |  |
| --- | --- |
| a. Filing NODs or Substantive Appeals | Claimants may file notices of disagreement (NODs) and subsequent substantive appeals based upon the denial of claims for SAH.  ***Notes***:   * The VSC is responsible for furnishing the statement of the case (SOC) and certification of appeal arising from rating decisions denying basic eligibility. * The examining medical activity is responsible for furnishing the statement of the case when an NOD is filed with a determination that medical feasibility has not been established.   ***Reference***: For more information on NODs and SOCs, see [M21-1MR, Part I, 5](imi-internal:M21-1MRI.5). |

|  |  |
| --- | --- |
| b. Handling NODs for Medical Activity Decisions | Follow the steps in the table below when an NOD is filed with a determination that medical feasibility has not been established. |

|  |  |
| --- | --- |
| Step | Action |
| 1 | Forward a copy of the NOD to Loan Guaranty. |
| 2 | Transfer the claims folder to the examining medical activity for preparation of the SOC. |
| 3 | Release the completed SOC when the claims folder is returned from the examining medical activity. |

Continued on next page

5. Processing Notices of Disagreement (NODs) or Substantive Appeals, Continued

|  |
| --- |
| b. Handling NODs for Medical Activity Decisions (continued) |

|  |  |
| --- | --- |
| Step | Action |
| 4 | If a substantive appeal is filed, forward the claims folder to the examining medical activity for processing and certification of the appeal. |

|  |
| --- |
| ***Note***: Notify the SAH agent in Loan Guaranty at either the RLC or an out-based location of all significant developments in the appeals process. |