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## **Medical**

Book I

Title 38, Parts 17, 46, 47, 51–53,  
58–64, 70, 71, and 200

Supplement No. 111

Covering period of *Federal Register* issues  
through October 1, 2017

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**GENERAL INSTRUCTIONS**

Custom Federal Regulations Service™

**Supplemental Materials for *Book I***

**Code of Federal Regulations**

**Title 38, Parts 17, 46, 47, 51–53, 58–64, 70, 71, and 200**

***Medical***

**Supplement No. 111**

5 October 2017

Covering the period of Federal Register issues  
through October 1, 2017

When **Book I** was originally prepared, it was current through final regulations published in the *Federal Register* of 15 January 2000. These supplemental materials are designed to keep your regulations up to date. You should file the attached pages immediately, and record the fact that you did so on the *Supplement Filing Record* which is at page I-8 of Book I, *Medical*.

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1. Always file your supplemental materials immediately upon receipt.
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**FILING INSTRUCTIONS**

**Book I, Supplement No. 111  
October 5, 2017**

<i>Remove these old pages</i>	<i>Add these new pages</i>	<i>Section(s) Affected</i>
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**Do not file this supplement until you confirm that  
all prior supplements have been filed**

62.24-1 to 62.25-1	62.24-1 to 62.25-1	§62.25
62.35-1 to 62.36-3	62.35-1 to 62.36-3	§62.36
62.73-1 to 62.81-1	62.73-1 to 62.81-1	§62.80

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## HIGHLIGHTS

### Book I, Supplement No. 111 October 5, 2017

**Supplement Highlights references:** Where substantive changes are made in the text of regulations, the paragraphs of *Highlights* sections are cited at the end of the relevant section of text. Thus, if you are reading §17.100, you will see a note at the end of that section which reads: “Supplement *Highlights* references—37(1).” This means that paragraph 1 of the *Highlights* section in Supplement No. 37 contains information about the changes made in §17.100. By keeping and filing the *Highlights* sections, you will have a reference source explaining all substantive changes in the text of the regulations.

**Supplement frequency:** Beginning 1 January 2000, supplements for this Book I will be issued *every month* during which a final rule addition or modification is made to the parts of Title 38 covered by this book. Supplements will be numbered consecutively as issued.

#### **Modifications in this supplement include the following:**

1. On 1 September 2017, the VA published a final rule effective 2 October 2017, to amend its regulations that govern the Supportive Services for Veteran Families (SSVF) Program. This rulemaking clarifies VA's procedures for continuing to fund SSVF Program services in communities that have lost grants due to the non-renewal or termination of services of an existing award to a grantee. VA can now award the non-renewed or deobligated funds to other existing SSVF grantees in or near the affected community. This award of non-renewed or deobligated funds prevents potential access issues associated with grant termination. This rulemaking also reduces the number of satisfaction surveys grantees are required to provide to participants in order to reduce the burden on grantees and participants. Changes:

- In §62.25, added paragraph (d),
- In §62.36, revised paragraph (c)(2),
- In §62.80, revised paragraph (d)(2).

**§62.24 Scoring criteria for grantees applying for renewal of supportive services grants.**

VA will use the following criteria to score grantees applying for renewal of a supportive services grant:

(a) VA will award up to 55 points based on the success of the grantee's program, as demonstrated by the following:

(1) Participants made progress in achieving housing stability.

(2) Participants were satisfied with the supportive services provided by the grantee.

(3) The grantee implemented the program and delivered supportive services to participants in a timely manner.

(4) The grantee prevented homelessness among very low-income veteran families occupying permanent housing that were most at risk of homelessness.

(5) The grantee's program reduced homelessness among very low-income veteran families occupying permanent housing in the area or community served by the grantee.

(b) VA will award up to 30 points based on the cost-effectiveness of the grantee's program, as demonstrated by the following:

(1) The cost per participant household was reasonable.

(2) The grantee's program was effectively implemented on-budget.

(c) VA will award up to 15 points based on the extent to which the grantee's program complies with Supportive Services for Veteran Families Program goals and requirements, as demonstrated by the following:

(1) The grantee's program was administered in accordance with VA's goals for the Supportive Services for Veteran Families Program.

(2) The grantee's program was administered in accordance with all applicable laws, regulations, and guidelines.

(3) The grantee's program was administered in accordance with the grantee's supportive services grant agreement. (Authority: 38 U.S.C. 501, 2044)

**Supplement *Highlights* reference: 58(1)**

**§62.25 Selecting grantees for renewal of supportive services grants.**

VA will use the following process to select grantees applying for renewal of supportive services grants:

(a) So long as the grantee continues to meet the threshold requirements set forth in §62.21, VA will score the grantee using the scoring criteria set forth in §62.24.

(b) VA will rank those grantees who receive at least the minimum amount of total points and points per category set forth in the Notice of Fund Availability. The grantees will be ranked in order from highest to lowest scores.

(c) VA will use the grantee's ranking as the basis for selection for funding. VA will fund the highest-ranked grantees for which funding is available. (Authority: 38 U.S.C. 501, 2044)

(d) At its discretion, VA may award any non-renewed funds to an applicant or existing grantee. If VA chooses to award non-renewed funds to an applicant or existing grantee, funds will be awarded as follows:

(1) VA will first offer to award the non-renewed funds to the applicant or grantee with the highest grant score under the relevant Notice of Fund Availability that applies for, or is awarded a renewal grant in, the same community as, or a proximate community to, the affected community. Such applicant or grantee must have the capacity and agree to provide prompt services to the affected community. Under this §62.25, the relevant Notice of Fund Availability is the most recently published Notice of Fund Availability which covers the geographic area that includes the affected community, or for multi-year grant awards, the Notice of Fund Availability for which the grantee, who is offered the additional funds, received the multi-year award.

(2) If the first such applicant or grantee offered the non-renewed funds refuses the funds, VA will offer to award the funds to the next highest-ranked such applicant or grantee, per the criteria in paragraph (d)(1) of this section, and continue on in rank order until the non-renewed funds are awarded.

[75 FR 68979, Nov. 10, 2010; as amended at 82 FR 41526, Sep. 1, 2017]

**Supplement *Highlights* references:** 58(1), 111(1).

*Next Section is §62.30*

**§62.35 Limitations on and continuations of the provision of supportive services to certain participants.**

(a) *Extremely low-income veteran families.* A participant classified as an extremely low-income veteran family will retain that designation as long as the participant continues to meet all other eligibility requirements.

(b) Limitations on the provision of supportive services to participants classified under §62.11(c).

(1) A grantee may provide supportive services to a participant classified under §62.11(c) until the earlier of the following dates:

(i) The participant commences receipt of other housing services adequate to meet the participant's needs; or

(ii) Ninety days from the date the participant exits permanent housing.

(2) Supportive services provided to participants classified under §62.11(c) must be designed to support the participants in their choice to transition into housing that is responsive to their individual needs and preferences.

(c) Continuation of supportive services to veteran family member(s). If a veteran becomes absent from a household or dies while other members of the veteran family are receiving supportive services, then such supportive services must continue for a grace period following the absence or death of the veteran. The grantee must establish a reasonable grace period for continued participation by the veteran's family member(s), but that period may not exceed 1 year from the date of absence or death of the veteran, subject to the requirements of paragraphs (a) and (b) of this section. The grantee must notify the veteran's family member(s) of the duration of the grace period.

(d) Referral for other assistance. If a participant becomes ineligible to receive supportive services under this section, the grantee must provide the participant with information on other available programs or resources. (Authority: 38 U.S.C. 501, 2044)

(e) *Families fleeing domestic violence.* Notwithstanding the limitations in §62.34 concerning the maximum amount of assistance a family can receive during defined periods of time, a household may receive additional assistance if it otherwise qualifies for assistance under this Part and is fleeing from a domestic violence situation. A family may qualify for assistance even if the veteran is the aggressor or perpetrator of the domestic violence. Receipt of assistance under this provision resets the tolling period for the limitations on the maximum amount of support that can be provided in a given amount of time under §62.34.

[75 FR 68979, Nov. 10, 2010; as amended at 80 FR 9612, Feb. 24, 2015]

**Supplement *Highlights* references:** 58(1), 91(1).

**§62.36 General operation requirements.**

(a) *Eligibility documentation.* Prior to providing supportive services, grantees must verify and document each participant's eligibility for supportive services and classify the participant under one of the categories set forth in §62.11. Grantees must recertify the participant's eligibility as a very low-income veteran family at least once every 3 months.

(b) Confidentiality. Grantees must maintain the confidentiality of records kept on participants. Grantees that provide family violence prevention or treatment services must establish and implement procedures to ensure the confidentiality of:

- (1) Records pertaining to any individual provided services, and
- (2) The address or location where the services are provided.

(c) Notifications to participants.

(1) Prior to initially providing supportive services to a participant, the grantee must notify each participant of the following:

- (i) The supportive services are being paid for, in whole or in part, by VA;
- (ii) The supportive services available to the participant through the grantee's program; and
- (iii) Any conditions or restrictions on the receipt of supportive services by the participant.

(2) The grantee must provide each participant with a satisfaction survey, which the participant can submit directly to VA, within 30 days of such participant's pending exit from the grantee's program.

(d) Assessment of funds. Grantees must regularly assess how supportive services grant funds can be used in conjunction with other available funds and services to assist participants.

(e) Administration of supportive services grants. Grantees must ensure that supportive services grants are administered in accordance with the requirements of this part, the supportive services grant agreement, and other applicable laws and regulations. Grantees are responsible for ensuring that any subcontractors carry out activities in compliance with this part.

(f) *Habitability standards.*

(1) Grantees using supportive services grant funds to provide rental assistance, payments of utilities fees, security deposits, or utilities deposits, as set forth under § 62.34, on behalf of a participant moving into a new (different) housing unit will be required to conduct initial and any appropriate follow-up inspections of the housing unit into which the participant will be moving. Such inspections shall ensure that the housing unit meets the conditions set forth in 24 CFR 583.300(b) and do not require the use of a certified inspector. Inspections should occur no later than three (3) working days after the housing unit has been identified to the SSVF

grantee, unless the Alternative Inspection Method is used to meet the requirements of this paragraph.

(2) *Alternative inspection method.* An inspection of a property will be valid for purposes of this paragraph if:

(i) The inspection was conducted pursuant to the requirements of a Federal, State, or local housing program (including, but not limited to, the Home investment partnership program under title II of the Cranston-Gonzalez National Affordable Housing Act or the low-income housing tax credit program under section 42 of the Internal Revenue Code of 1986);

(ii) If the inspection was not conducted pursuant to the requirements of a Federal housing program, the public housing agency has certified to the Secretary that such standard or requirement provides the same (or greater) protection to occupants of inspected dwelling units;

(iii) Pursuant to the inspection, the property was determined to meet the requirements regarding housing quality or safety applicable to properties assisted under such program; and

(iv) The inspection was conducted within the past 2 years.

(g) *Continuum of Care coordinated assessment.* Grantees must participate in the development, implementation, and ongoing operations of their local Continuum of Care's coordinated assessment system, or equivalent, as described in the McKinney-Vento Act, as amended by the HEARTH Act (42 U.S.C. 11302). (Authority: 38 U.S.C. 501, 2044)

(The Office of Management and Budget has approved the information collection provisions in this section under control number 2900-0757.)

[75 FR 68979, Nov. 10, 2010; as amended at 80 FR 9610, Feb. 24, 2015; 82 FR 41526, Sep. 1, 2017]

**Supplement *Highlights* references:** 58(1), 91(1), 111(1).

[Reserved]

**§62.73 Technical assistance.**

VA will provide technical assistance, as necessary, to eligible entities to meet the requirements of this part. Such technical assistance will be provided either directly by VA or through grants or contracts with appropriate public or non-profit private entities. (Authority: 38 U.S.C. 501, 2044, 2064)

**Supplement *Highlights* reference:** 58(1)

*Next Section is §62.80*

**§62.80 Withholding, suspension, deobligation, termination, and recovery of funds by VA.**

(a) Recovery of funds. VA will recover from the grantee any supportive services grant funds that are not used in accordance with the requirements of this part. VA will issue to the grantee a notice of intent to recover supportive services grant funds. The grantee will then have 30 days to submit documentation demonstrating why the supportive services grant funds should not be recovered. After review of all submitted documentation, VA will determine whether action will be taken to recover the supportive services grant funds.

(b) VA actions when grantee fails to comply. When a grantee fails to comply with the terms, conditions, or standards of the supportive services grant, VA may, on 7-days notice to the grantee, withhold further payment, suspend the supportive services grant, or prohibit the grantee from incurring additional obligations of supportive services grant funds, pending corrective action by the grantee or a decision to terminate in accordance with paragraph (c) of this section. VA will allow all necessary and proper costs that the grantee could not reasonably avoid during a period of suspension if such costs meet the provisions of the applicable Federal Cost Principles.

(c) Termination. Supportive services grants may be terminated in whole or in part only if paragraphs (c)(1), (2), or (3) of this section apply.

(1) By VA, if a grantee materially fails to comply with the terms and conditions of a supportive services grant award and this part.

(2) By VA with the consent of the grantee, in which case VA and the grantee will agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated.

(3) By the grantee upon sending to VA written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if VA determines in the case of partial termination that the reduced or modified portion of the supportive services grant will not accomplish the purposes for which the supportive services grant was made, VA may terminate the supportive services grant in its entirety under either paragraphs (c)(1) or (2) of this section.

(d) Deobligation of funds.

(1) VA may deobligate all or a portion of the amounts approved for use by a grantee if:

(i) The activity for which funding was approved is not provided in accordance with the approved application and the requirements of this part;

(ii) Such amounts have not been expended within a 1-year period from the date of the signing of the supportive services grant agreement;

(iii) Other circumstances set forth in the supportive services grant agreement authorize or require deobligation.

(2) At its discretion, VA may re-advertise in a Notice of Fund Availability the availability of funds that have been deobligated under this section or award deobligated funds to an applicant or existing grantee. If VA chooses to award deobligated funds to an applicant or existing grantee, funds will be awarded as follows:

(i) VA will first offer to award the deobligated funds to the applicant or grantee with the highest grant score under the relevant Notice of Fund Availability that applied for or was awarded funds in the same community as, or proximate community to, the affected community. Such applicant or grantee must have the capacity and agree to provide prompt services to the affected community. Under this section the relevant Notice of Fund Availability is the most recently published Notice of Fund Availability which covers the geographic area that includes the affected community, or for multi-year grant awards, the most recently published Notice of Fund Availability which covers the geographic area that includes the affected community for which the grantee, who is offered the additional funds, received the multi-year award.

(ii) If the first such applicant or grantee offered the deobligated funds refuses the funds, VA will offer to award funds to the next highest-ranked such applicant or grantee, per to the criteria in paragraph (d)(2)(i) of this section, and continue on in rank order until all deobligated funds are awarded.

[75 FR 68979, Nov. 10, 2010; as amended at 82 FR 41526, Sep. 1, 2017]

**Supplement *Highlights* references:** 58(1), 111(1).

**§62.81 Supportive services grant closeout procedures.**

Supportive services grants will be closed out in accordance with the following procedures upon the date of completion:

(a) No later than 90 days after the date of completion, the grantee must refund to VA any unobligated (unencumbered) balance of supportive services grant funds that are not authorized by VA to be retained by the grantee.

(b) No later than 90 days after the date of completion, the grantee must submit all financial, performance and other reports required by VA to closeout the supportive services grant. VA may authorize extensions when requested by the grantee.

(c) If a final audit has not been completed prior to the date of completion, VA retains the right to recover an appropriate amount after considering the recommendations on disallowed costs once the final audit has been completed. (Authority: 38 U.S.C. 501, 2044)

**Supplement *Highlights* reference: 58(1)**

*End of Part 62*