

Funding Sources for Home Modifications and Repairs

A Technical Assistance Brief for Area Agencies on Aging



Home modifications are changes to the home to make daily activities easier and safer. These changes can help people to stay in their homes and communities as they age. While many home modifications, such as removing clutter from the floor, are free or low cost, others, such as remodeling bathrooms for accessibility, can be more expensive.

Funding sources for home modification exist, but there is no single responsible agency. Home modification service delivery involves professionals from the aging, disability, housing, and health care sectors, and funding is spread across these sectors as well. This brief describes home modification funding sources and how to access them.

Why is Home Modification Funding Important?

- More than ¼ of all U.S. homes are multi-story and lack a bedroom and full bathroom on the first floor that would help ensure accessibility
- Only 10% of housing units are “aging ready,” with a step-free entryway, bedroom and full bathroom on first floor, and at least one accessibility feature in the bathroom
- 28% of households with an adult age 65+ have at least 1 person who has difficulty using some element of the home (e.g., climbing stairs, using bathtub)
- Unmet housing needs are especially common among older households that are economically disadvantaged

Source: U.S. Census Bureau, 2020 (Data from American Housing Survey, 2011)

Home Modification Funding Sources

Home modification is funded and administered at the national, state, and local levels. To qualify, there are eligibility categories or requirements, such as: **Target population:** Homeowners, renters, landlords, Veterans, family; **Demographics:** Income, age, disability, level of care required, geographic location. Consider exploring the examples of funding sources listed below.

Federal Funding Source Examples

- **Administration for Community Living (ACL)**
 - Older Americans Act Title IIIB and National Family Caregiver Support Program Title III E
 - Grants (e.g., dementia, fall prevention, disabilities)
- **Centers for Medicare and Medicaid (CMS)**
 - Medicaid Home and Community-Based Waivers
 - Money Follows the Person Program (MFP)
 - Nursing Home Transition Program (NHT)
- **Coronavirus Aid, Relief, and Economic Security (CARES) Act funding** can be used to add home modification services
- **U.S. Department of Agriculture (USDA)**
 - Section 504 Home Repair
 - Section 533 Rural Housing Preservation
- **U.S. Department of Energy (DOE)**
 - Weatherization Assistance Program (can cover safety repairs)
- **U.S. Department of Housing and Urban Development (HUD)**
 - HOME Program
- **Veterans Affairs (VA)**
 - Specially Adapted Housing Grant (SAH)
 - Special Housing Adaptation Grant (SHA)
 - Home Improvements and Structural Alterations Grant (HISA)

State Funding Source Examples

- **State tax credits** A growing number of states offer tax credits that include home modifications for accessibility and independence
- **State general revenues** (e.g., State funded programs; Safe Housing and Transportation; State Legislature; Bingo/state funds)
- **State home care programs** (e.g., State Funded In-Home or Homecare Program; State Home and Community-Based Service Funds; State Senior Community Services)
- **State block grant funds** (e.g., Lottery fund; Aging Services Block Grant; State Housing Bond Program/Housing Bond Fee grant; State Human Services grant; State Development Services Administration Program grant)

Local Funding Source Examples

- **Area Agencies on Aging (AAAs)**
- **Community Development Block Grants (CDBG)**
- **Local tax credits**
- **Local/City taxes** (Tax Board Fund; Local or senior millage funds)
- **Neighborhood Housing Agencies**
- **Civic groups, non-profits** (Rebuilding Together, Habitat for Humanity)
- **Centers for Independent Living (CIL)**
- **Tribal general funds and Title VI**
- **County funding** (County General Funds; District funding)
- **Local government** (City Council funds; Local funding: Measure A)
- **Local philanthropic funds**

Older Americans Act Title III-B funding for home modifications and repairs is capped at \$150 per person due to a 1988 federal regulation. Contact your ACL regional administrator to request to waive that cap.

Where Do Area Agencies on Aging Refer Clients for Funding?

458 of 618 AAAs responded; 45% refer clients to direct funding sources. Of those:

- 88% refer to the **USDA Weatherization Assistance Program** for low-income households to improve energy efficiency and address health and safety concerns
- 62% refer to **nonprofit organizations** (Habitat for Humanity, Rebuilding Together)
- 62% refer to **local city/county housing/community development departments**
- 59% refer to **Medicaid Home and Community-Based Services Waivers**

References

The Role of Area Agencies on Aging in Home Modifications and Repairs. (2019).

<https://www.n4a.org/Files/DataReport-Home-mod-508.pdf>

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<https://homemods.org/resources/>

Learn more about your state's home modification funding sources!

The **USC Home Modification Information Network** is a state-by-state inventory designed to put details about each state's home modification policies, funding sources, and programs right at your fingertips.

Visit: www.homemods.org/acl/hmin.

The **Fall Prevention Center of Excellence** offers resources on how to make homes safe and where to find services, programs, and funding support in your area.

Visit: homemods.org

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