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| INFORMATIONAL LETTER | TRANSMITTAL: 95 INF-12

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DIVISION: Economic

TO: Commissioners of

mmissioners of Security

Social Services

DATE: March 31, 1995

SUBJECT: Treatment of Americorps Awards

SUGGESTED

DISTRIBUTION: Public Assistance Staff

Food Stamp Staff

Staff Development Coordinators

Medical Assistance Staff

Employment Staff CAP Coordinators

CONTACT PERSON: Call 1-518-473-3170 and ask for the following:

Income Support-Patricia O'Shea, extension 6-5123

Food Stamps-Food Stamp Representative, extension 3-0332

Health and Long Term Care - Priscilla Smith,

extension 3-5532

ATTACHMENTS: None

FILING REFERENCES

| _ | | | | | | | |
|---|-------------------------|-----------------------|-------------------|----------------------------|---------------------------|----------------|------|
| _ | Previous ADMs/INFs | Releases Cancelled | | Soc. Serv. Law & Other | Manual Ref. | Misc. | Ref. |
| | i | | | Legal Ref. | i - | i | |
| | | | 352.16 352.20 | | <u>PASB</u> XVI-N-all | | |
| | | | 352.17 | | FSSB | | |
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The purpose of this letter is to provide you with information on the Americorps programs as they relate to public assistance, food stamps and medical assistance programs.

I. Program Description

The National and Community Services and Trust Act of 1993 (NCSTA) amends the National and Community Service Act of 1990 and establishes a Corporation for National and Community Service. The Corporation administers national service programs including Americorps, the new movement to engage Americans in a year or two of national service in exchange for an educational award of \$4,725 per year of completed service. The Americorps Network of Programs encompasses three programs:

Americorps USA (United States of America) - (for participants 17 years and older)

Americorps VISTA (Volunteers In Service To America) - (for participants 18 years and older)

Americorps NCCC (National Civilian Community Corps) - (16 to 24 years of age)

Under NCSTA, Full-time participants in Americorps are provided with:

- a living allowance.
- a basic health insurance policy if the participant is not otherwise covered by a health insurance policy.
- child care or a child care allowance for children of each fulltime participant who needs child care in order to participate in a national service program.
- reasonable accommodation, including auxiliary aids and services for individuals with disabilities, as defined by the Americans with Disabilities Act of 1990.
- a national service educational award if the individual successfully completes the required term of service; was 17 years of age or older at the time he or she began serving in the program or was an out-of-school youth serving in an approved position with a youth corps program; and is a citizen of the United States or is a lawful permanent resident alien.

The educational award is available to (1) repay student loans; (2) pay all or part of the cost of attendance at an institute of higher education; (3) pay expenses incurred in participating in an approved school-to-work program; and (4) pay interest expenses during forbearance on student loan repayments. The award will be paid directly to the holder of the loan or the institute of higher learning and will require the endorsement or other certification of the eligible individual.

II. <u>Treatment of Americorps Payments - Public Assistance, Medical</u> Assistance and Food Stamps

1. Living Allowance

The living allowance (stipend) is treated as earned income for public assistance and medical assistance purposes, and the general earned income disregards, or student earned income disregards when appropriate, are applied.

2. Child care allowances

Allowances received for child care are exempt from consideration as income for public assistance and medical assistance purposes to the extent the funds are used to meet child care expenses necessary for participation in a NCSTA program.

3. Other benefits and services

The basic health insurance policy, child care services, auxiliary aid and services to individuals with disabilities, and the national services award are treated as in-kind benefits. In-kind benefits and services are not counted in New York State for public assistance purposes.

- 4. For MA purposes, other benefits and services should be exempt from consideration as income. However, the health insurance should be added to WMS as insurer code "AM" so that coverage can be used as a third party resource.
- 5. Americorps funds received are excluded from income determination of eligibility or benefit amount for food stamp purposes. The exclusion applies to all payments made under the Americorps Program except for earnings to individuals who are participating in an on-the-job training (OJT) program that is equivalent to those under Section 204(5), Title II of the JTPA, see FSSB XII-G-12. Those payments are counted if the OJT participant is 19 years old or older or under 19 but not under parental control.

III. Jobs Program

Full-time participants who are performing satisfactorily in Americorps programs are exempt from participation in the Job Opportunities and Basic Skills Training (JOBS) Program.

Robert N. Seaman
Deputy Commissioner
Division of Economic Security