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 | INFORMATIONAL LETTER |  
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TRANSMITTAL: 95 INF-30

TO: Commissioners of  
 Social Services

DIVISION: Economic  
 Security

DATE: August 25, 1995

SUBJECT: Clarification of the 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 1-800-343-8859 and ask for:  
 Income Support -Jeff Santillo extension 4-4199  
 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	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
95 INF-12	95 INF-12	352.16 352.17 352.20		PASB XVI-N-all  FSSB XII-G-12	

The purpose of this letter is to provide you with updated information on the Americorps programs as they relate to public assistance, food stamps and medical assistance. Included in this information is a recent clarification received from the U.S. Department of Health and Human Services (HHS) on the treatment of living allowances received by Americorps VISTA participants.

I. Program Description

The National and Community Service 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 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) - (for participants 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 full-time participant who needs child care in order to participate in a national service program.
- reasonable accommodation for individuals with disabilities, including auxiliary aids and services, 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.

II. Treatment of Americorps Payments - Public Assistance and Medical Assistance

1. Living Allowances

For full-time Americorps USA participants and Americorps NCCC participants, living allowances (stipends) are 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.

Recent clarification from HHS has been received on the treatment of living allowances received by full-time Americorps VISTA participants. Living allowances received through Americorps VISTA are disregarded as income for public assistance and medical assistance purposes.

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

a. For PA purposes, the basic health insurance policy, child care services, auxiliary aid and services to individuals with disabilities, and the national service award are treated as in-kind benefits, and are not counted.

b. 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.

III. Treatment of Americorps Payments - Food Stamps

Payments are excluded as income except for some earnings to individuals who are participating in an on-the-job training program (OJT) that is equivalent to those under section 204(5), Title II, of the Jobs Training Partnership Act (see FSSB XII-G-12). Those payments are counted if the person is 19 years old or older or under 19 but not under parental control. The ABEL Earned Income Code that should be used for Americorps VISTA is 07-VISTA (FS only).

IV. Employment Status

Full-time participants who are performing satisfactorily in Americorps programs are exempt from participation in the Job Opportunities and Basic Skills Training (JOBS) Program. Americorps participants are considered employed and are to be given employability code 27 - Full Time Employed.

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Patricia A. Stevens  
Deputy Commissioner  
Division of Economic Security