

# Government Benefits and Participation in Service Programs

What government benefits do people with disabilities often receive?

Can participating in service jeopardize an individual's eligibility for government benefits?

How can I prevent this?

## Section XI: Government Benefits and Participation in Service Programs

### ***Key Words and Terms***

**Medicaid**

**Medicare**

**Social Security Disability Insurance (SSDI)**

**Supplemental Security Income (SSI)**

### ***What government benefits do people with disabilities often receive?***

Many persons with disabilities receive government benefits, sometimes on the basis of their income eligibility, sometimes on the basis of their disability, and sometimes on the basis of both. The Social Security Administration (SSA) administers Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI). For some, SSI and SSDI are a sole source of income and provide access to Medicaid and Medicare, crucial sources of health care and services. In addition, a range of other federal, state, and local benefit programs provide housing assistance, transportation, and other services. Often, these government benefits are critical to the ability of a person with a disability to remain self-sufficient.

### ***Can participating in service jeopardize an individual's eligibility for government benefits?***

Depending on the type of service program and the type of government benefits, there may be a risk that participating in a service program might jeopardize an individual's eligibility for government benefits. An effective and inclusive program manager will be aware of these concerns and will be able to direct individuals to appropriate resources for assistance. *Most often, only full-time AmeriCorps participants will be impacted.*

## “Income Disregard” Rules

At the time of this printing, the legislation that authorizes the programs of the Corporation for National and Community Service is being reviewed for reauthorization. The following text provides the current, general framework of how participation in a service program might affect an individual’s eligibility for government benefits, with some specific guidance about SSI and SSDI. Any changes due to reauthorization will be noted on the Corporation for National and Community Service website: [www.nationalservice.org](http://www.nationalservice.org).

Based on the “income disregard” rule in the Domestic Volunteer Service Act (DVSA), participation in AmeriCorps\* VISTA or Senior Corps projects should not affect an individual’s eligibility for any government assistance program. For more detailed information about this rule, go to: [www.americorps.org/resources/memo.html](http://www.americorps.org/resources/memo.html). Participation in Learn and Serve America activities also should have no effect on an individual’s eligibility for any government assistance program.

Because the “income disregard” rule in the current National Community Service Act is narrower than the DVSA rules, other AmeriCorps participants (including AmeriCorps, Tribe, Territory, Education Award, Promise Fellow, and National Civilian Community Corps) who receive government benefits need to proceed with caution. Participant benefits in AmeriCorps may not affect an individual’s eligibility for the following benefits:

- [Food Stamps](#)
- [Women, Infants, and Children \(WIC\)](#)
- [HUD-subsidized housing](#)
- [Veterans’ benefits](#)
- [Any other need-based Federal or federally assisted program \(except a program supported under the Social Security Act or Federal student financial aid\)](#)

However, participant benefits in AmeriCorps State/National programs may affect an individual's eligibility for the following benefits:

- Temporary Assistance to Needy Families (TANF)
- Supplemental Security Income for the Aged, Blind, and Disabled (SSI)
- Social Security Old Age, Survivors, and Disability Insurance (OASDI)
- Medicaid and Medicare
- State Children's Health Insurance Program (CHIP)
- Title 20 Social Services
- Unemployment Insurance
- Need-based Federal Student Financial Aid

### **SSI and SSDI and AmeriCorps State/National**

There are several potential areas of concern for individuals who receive SSI or SSDI and serve in AmeriCorps State/National.

First, eligibility for both SSI and SSDI is based on a finding that an individual is disabled. In several cases, the Social Security Administration (SSA) determined that an individual who was participating in AmeriCorps State/National was engaged in "substantial gainful activity" and therefore was no longer disabled. SSI and SSDI recipients need to be aware of this risk and that they may decrease this risk by taking advantage of SSA work incentives and income exclusions.

Second, SSI recipients serving in AmeriCorps State/National need to be aware that SSA considers the living allowance to be "earned income." This may result in a decrease in monthly SSI benefits, which are based on an individual's countable income. SSI recipients can lessen the reduction (and increase their total income) by taking advantage of SSA's work incentive options.

SSA recently made two policy changes for SSI recipients who participate in AmeriCorps State/National. First, SSA extended the Student Child Earned Income Exclusion to AmeriCorps participants under the age of 22 who are neither married nor the head of household. Second, it excluded from countable income the AmeriCorps education award

**You can advise applicants who receive SSI/SSDI to talk to their local Social Security Office or seek assistance from the local independent living center.**

**Even if an AmeriCorps member declines the living allowance, she/he should still consult with the Social Security Office. In some cases, the Social Security Administration (SSA) will consider the living allowance potential income.**

to the extent that it is used for paying tuition, fees, and other necessary educational expenses. To learn more about these SSI policy changes, go to: [www.ssa.gov](http://www.ssa.gov) and view SSA Disability Notes No. 28.

SSA has also developed cooperative agreements with state and local organizations to provide assistance and counseling on benefits for persons with disabilities. These organizations can be a valuable resource for your program and for persons with disabilities who have questions about the potential impact of serving. For more information go to [www.ssa.org](http://www.ssa.org).

### ***How can I help prevent this?***

Knowing that the impact of service on eligibility for government benefits is a real concern, program managers can take the following steps to increase participation, alleviate concerns, and ensure retention of individuals with disabilities in service programs:

- Inform all applicants and participants that guidance is available regarding the relationship between participation and eligibility for government benefits.
- Encourage participants to notify the government benefits agency (e.g., Social Security Administration) that they will be participating in service to identify any potential problems as well as ways to address those problems.
- Emphasize the availability of work incentives and other policies that might lessen any adverse impact on SSI or SSDI benefits.
- Develop working relationships with local Social Security offices and with local organizations to raise the level of awareness among all involved about ways to ensure that participation in national service will not result in a loss or reduction in disability benefits.