

Question: How do payments from Programs for Older Americans affect SSA disability benefits?

CWICS may encounter beneficiaries aged 55 and older who are working under government-sponsored training programs, referred to as Programs for Older Americans, or Senior Community Service Employment Programs (SCSEP). In order to accurately advise beneficiaries as to how wages and other payments under these programs affect SSA disability benefits, it is important to understand the relevant POMS citations in both the Title II and SSI programs.

These programs are established in chapter 35 of title 42 of the U.S. Code, Programs for Older Americans. There are different programs established under the Older Americans Act, such as Foster Grandparents, and volunteer programs. The focus of this discussion is employment programs. Here is a summary of Chapter 35, subchapter IX:

Summary of Chapter 35 – Programs for Older Americans, Subchapter IX – Community Service Employment Program

This program was established to foster individual economic self-sufficiency and promote useful opportunities in community service activities, including community service employment, for individuals who meet the eligibility criteria. Criteria include: age 55 or older, has income of not more than 125% of the poverty level (excluding income that is unemployment compensation, SSI, veteran's benefits paid from the VA, or 25% of SSA Title II benefits). The program also ensures that safe and healthy conditions are provided and will ensure that the participants will be paid wages that shall not be lower than whichever is highest of: the minimum wage under the Fair Labor Standards Act, the state or local minimum wage, or the prevailing rates of pay for individuals in similar public occupations by the same employer.

Here is a link for more information about Chapter 35:

http://www.law.cornell.edu/uscode/html/uscode42/usc_sup_01_42_10_35.html

Under the Title II program, (SSDI, CWB, DWB), the relevant POMS citation that provides information about evaluating payments under these programs is [DI 10505.025 – Special Employment Situations](#).

Here is the relevant section:

1. Job training and employment programs

a. General

Federal funds have been made available to State and local agencies to provide job training and employment opportunities for economically disadvantaged, unemployed and underemployed people to prepare them to function acceptably in various kinds of competitive employment.

b. Documentation and evaluation

The work activity of a person in a government-sponsored job training program must be evaluated under the usual criteria for earnings and services as discussed in [DI 10505.001](#) through [DI 10505.020](#), in order to determine whether he or she is engaging in SGA. A decision as to whether the work is SGA, and when such SGA may have begun, should be based on information as to the person's "countable earnings" and performance. Workers under any of these programs should not, therefore, be treated as a group. Rather, each case should be evaluated on its own merits.

The "countable earnings" of a person involved in a government-sponsored job training program are determined in the same manner as for all types of employees, as discussed in [DI 10505.001](#). It should be noted, however, that subsidies are frequently involved in work for such programs. It is important, therefore, to consider this possibility and, when appropriate, to develop thoroughly the issue of subsidy in accordance with [DI 10505.010A](#).

If, after the issue of subsidy (and/or impairment-related work expenses (IRWE)) is resolved, a person's "countable earnings" are not more than the amount shown in the SGA Earnings Guidelines, and if the work does not meet either the test of comparability or the test of worth of work in circumstances where these tests apply (see [DI 10505.020C](#).), the work activity will not be found to represent SGA. (See [DI 10505.015](#) for when averaging earnings applies.)

Under some government-sponsored programs, part of the participant's time may be devoted to on-the-job training. Whether the person's activity is all work or whether such training is also involved, all of the SGA tests as discussed above apply.

For purposes of charging months of the trial work period (TWP), the provisions in [DI 13010.050](#) apply.

In other words, under the Title II program, the work activity of a beneficiary participating in a program for older Americans will be evaluated in the same manner as other employment situations, with special attention paid to the possibility of subsidy. Payments that do not reflect work activity, such as reimbursement for expenses, would not be counted.

Under the SSI program, there may be a distinction between earned and unearned income, and what income is "countable". The relevant citation here is: [SI 00830.640 Programs for Older Americans](#):

A. INTRODUCTION

The Federal Government through the Administration on Aging is involved in a variety of programs for older Americans. The programs may be operated by State or local governments or community organizations. Some types of programs are:

- *health services;*
- *nutrition services (see [SI 00830.635](#));*

- *legal assistance; and*
- *community service employment.*

B. POLICY

1. Wage or Salary

A wage or salary paid under chapter 35 of title 42 of the U.S. Code, Programs for Older Americans, is earned income subject to the general SSI policies on earned income.

2. Not a Wage or Salary

Anything provided under chapter 35 of title 42 of the U.S. Code, Programs for Older Americans, other than a wage or salary is excluded from income.

C. PROCEDURE

1. Verify Program

Use documents in the individual's possession, contact with the provider or a local council on aging, or a precedent to verify that the program is funded by the Federal Government under chapter 35 of "The Older Americans Act" and whether a wage or salary is paid.

2. Wage or Salary

See [SI 00820.100 ff.](#)

3. Not a Wage or Salary-Accept Allegation

Accept the individual's allegation of receipt of anything other than a wage or salary and exclude it without further development unless you have reason to question the allegation.

To summarize, wages that an SSI beneficiary receives through a program for older Americans would count as earned income, and all of the earned income exclusions would apply. Any other type of payment would not count either as earned or unearned income. This is great news for SSI beneficiaries, as earned income is treated more favorably than unearned income under this program.

Additional Tips for CWICS:

- Be sure to verify what program the beneficiary is participating in under the Older Americans Act. Ask the beneficiary for letters from the agency, or, if in doubt, you can obtain a written release of information to contact the program.
- Wages from the SCSEP are excluded from countable income under the Food Stamp (SNAP) and Public Housing programs. A letter has been drafted by the Department of Labor in order to document this exemption. However, beneficiaries and program directors may misinterpret this

exemption and believe that it covers all federal programs, including SSI. This is not the case. A copy of the letter can be found at: http://www.doleta.gov/Seniors/other_docs/TEGL11-06.pdf

- VCU-NTC Liaisons are available to assist with questions that CWICs may have when they counsel beneficiaries on these programs. When in doubt- Be sure to ask.