



GRANT ANNOUNCEMENT: AOA PAST ANNOUNCEMENT

DEPARTMENT OF HEALTH AND HUMAN SERVICES (DHHS) Administration on Aging Fiscal Year 1998 Program Announcement (AoA-98-5) and Application Kit

SUMMARY: The Administration on Aging (AoA) announced in the *Federal Register* of April 21, 1998 that it will hold a competition for grant awards to support **Pension Information and Counseling Projects**, as authorized by Title IV, Section 429 of the Older Americans Act, as amended (P.L. 89-73). The accompanying set of materials comprises the **application kit** for preparing and submitting grant proposals to compete for these project awards.

This program announcement consists of two parts. *Part I* provides background information and describes the priority area, **Pension Information and Counseling Projects**, under which the AoA is inviting applications to be considered for funding. *Part II* describes, in detail, the process governing the consideration of project applications for funding and provides guidance on how to prepare and submit an application. All of the forms (Standard Form 424), Assurances, and Certifications necessary to complete the application are included following Part II. Grant awards to be made under this priority area are subject to the availability of funds.

DATE: The *deadline date for the submission of applications is June 21, 1998.*

ADDRESS: Application receipt point: U.S. Department of Health and Human Services, Administration on Aging, Office of Administration and Management, 330 Independence Avenue, S.W., Room 4643, Washington, DC 20201, Attn: AoA-98-5.

FOR FURTHER INFORMATION CONTACT: Department of Health and Human Services, Administration on Aging, Office of Elder Rights Protection, 330 Independence Avenue, S.W., Room 4274, Washington, DC 20201, telephone: (202) 619-1058 or (202) 619-1269.

Part I. Background Information and Priority Area Description

A. Statutory Authority

The statutory authority for awards made under this program announcement area is contained in Title IV of the Older Americans Act, (42 U.S.C. 3001 et seq.), as amended by the Older Americans Act Amendments of 1992, Pub.L.102-375, September 30, 1992.

B. Eligible Applicants

Applicant eligibility for Pension Information and Counseling Projects is limited by Section 429 of the Older Americans Act to state and area agencies on aging and to

nonprofit organizations with proven experience in the counseling of older persons regarding retirement benefits and pension rights.

Any nonprofit organization applying under this program competition that is not now a DHHS grantee should include, with its application, Internal Revenue Service or other legally recognized documentation of its nonprofit status. A nonprofit applicant cannot be funded without proof of its status.

C. Priority Area Description

1) Introduction

The AoA is soliciting applications under this program announcement to carry out model Pension Information and Counseling Projects. The AoA expects these projects to further demonstrate innovative and effective means for ensuring that those older Americans eligible for pension benefits have the requisite knowledge, information, and counseling to exercise fully their rights and entitlements. Since 1993, the AoA has supported several pilot pension information and counseling projects at various sites throughout the country (Boston, MA; Chicago, IL; Lansing, MI; New York, NY; Saint Paul, MN; San Francisco, CA; Tucson, AZ; Tuscaloosa, AL; and Washington, DC). This program announcement is designed to build on that effort by extending the opportunity for innovation and advancement in the provision of pension benefits counseling and information to other parts of the country.

2) Background

For most people, retirement means an end to the regular workaday world of full time employment and a switch to part time work or leisure time and volunteer activities. For most people, retirement also means a change in the amount and the source of their income. Depending on a person's age at the time of retirement, he or she will be eligible for social security. But social security does not and was not intended to provide all the income that a person needs in retirement.

The great majority of government employees and many people in private industry are covered by some sort of pension plan to assist them in retirement. According to the latest data available, one out of every three older household units received income from public and/or private pension benefits. These employee pensions account for almost 20% of the income of older persons. Those who benefit the most from pension income tend to be those who reach retirement with average or high career earnings and have middle or high incomes in retirement. In 1994, public and private employee pensions provided only 3 percent of the income of elderly units in the lowest income quintile and 8 percent of the income of those in the next lowest quintile. By contrast, those in the highest quintile received about 21 percent of their income from pensions.

C) Purpose and Scope of Work for the Pension Information and Counseling Projects

The adequacy, availability, coverage, and reliability of pensions have long been issues. In particular, problems arise when people move from company to company during their careers, when companies go out of business, or when companies are bought out by other companies and their pension plans take on a different form. Compounding this problem are the myriad of different entitlements and restrictions that are built into different pension plans, occasionally rendering them almost unintelligible to anyone but highly trained legal experts.

Recognizing the large unmet need to provide older Americans with information and counseling in the area of pension benefits, Congress provided in Section 429J of the Older Americans Act for the funding of Pension Rights Demonstration Projects. In response to that mandate, the Administration on Aging (AoA) has funded a total of nine demonstration projects as well as a training and technical assistance project which has provided technical support to the pension information and counseling effort. Information on these projects is available by contacting Ms. Nancy Wartow at (202) 619-1058. To build on that effort, under this program announcement the AoA intends to fund additional model demonstration projects which will provide innovative forms of outreach, information, counseling, referral, and related assistance on pension benefits. Preference in awarding grants will be given to applicants that propose new, or innovative adaptations of existing, model programs for providing pension rights information and counseling. These proposed projects shall:

- provide counseling and assistance to individuals needing information that may assist them in establishing rights to, obtaining and filing claims or complaints relative to pension and other retirement benefits;
- provide information on sources of pension and other retirement benefits;
- make referrals attorneys, actuaries, legal services and other advocacy programs;
- establish a system of referrals to federal, state, and local agencies relative to pensions and other retirement benefits; and
- establish outreach programs to provide information, counseling, assistance and referral regarding pension and other retirement benefits with particular emphasis on outreach to women, minority, rural, and low income retirees.

The proposed projects should also consider training volunteers to work with claimants on many of the details that do not require legal intervention. This has proven to be a useful vehicle for several of the pension information and counseling projects funded by the AoA. Other operational factors that can be gleaned from the experience of this group of pension projects, and which applicants may wish to build upon, include the following:

- The process of pension counseling is a far more difficult process than health benefits counseling and requires volunteers who are able to cope with complexity;
- Applicants should be established, known presences in their respective communities, and should be led by experienced and enthusiastic directors;
- Imaginative and innovative use of the media for outreach is often a significant factor in a successful project;

Successful projects develop partnerships with the private sector (e.g., lawyers and actuaries) and community agencies, as well as with local offices of federal agencies. Finally, any of a variety of structures can be used to develop a successful project; e.g., the staff may or may not include lawyers or paralegals or volunteers or stipend volunteers. As explained above, eligibility for pension information and counseling demonstration project awards is limited by statute to state and area agencies on aging and nonprofit organizations with proven experience in the counseling of older persons regarding retirement benefits and pension rights. The AoA intends to fund approximately 3-5 projects with a federal share of approximately \$65,000-\$75,000 per year and an expected project period of 3 years. Because projects are currently being funded in these locations,

no awards will be made in: Chicago, IL; New York, NY; San Francisco, CA; Tucson, AZ; Tuscaloosa, AL; or Washington, DC.