SPECIAL NEEDS TRUST ADMINISTRATION

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TOPICS

1) About PLAN of CT
2) Special Needs Trusts
3) Types of trusts PLAN offers
4) Requirements for D4c
5) PLAN's Role as Trustee
6) Establishment Process
7) Services to Beneficiaries
8) Referral Scenario
9) Charitable Trust Fund
10) Contact Info & Q and A

PLAN of CT cannot offer legal or financial advice, and this presentation does not constitute such counsel. Please consult with an attorney or financial advisor accordingly.

PLAN OF CT

Planned Lifetime Assistance Network of CT (PLAN of CT) is a non-profit acting as trustee for special needs trusts and providing services to families and people with disabilities.

We are reviewed like any Connecticut bank or trust company and overseen by the CT Banking Commission.

We remain the only organization in the state that can administer a Special Needs Pooled Trust.

MISSION & HISTORY

Our Framework

The concept was initiated by families in the late 1980's whose children were living with disabilities.

Our Beginning

In 1990 the organization was given authority by the CGA to exercise trust powers and to administer privately established trusts for those with disabilities.

Our Objective

In the following two years, PLAN of CT was incorporated as a nonprofit and prepared three types of SNT’s for use by CT attorneys.

The mission of PLAN of CT is to improve the lives of people with disabilities by providing access to cost-effective special needs trust administration services.

PLAN'S ROLE AS TRUSTEE

As trustee, we are responsible for:

1. Understanding Special Needs trusts types
2. Knowledge of public benefit eligibility in CT
3. Maintaining careful records
4. Ensuring proper tax forms are prepared
5. Navigating changing laws/policies for SNT's
6. Managing the disbursement of funds
7. Investment of Trust funding

HOW IS PLAN DIFFERENT THAN OTHER TRUSTEES?

PLAN of CT focuses on the services that a trust can provide individuals with disabilities, rather than purely on the management of the funds.

We work with families of all financial levels and provide excellent services for reasonable fees as a nonprofit.

We create the ability for family members to offer emotional support and companionship to their loved one by transferring the fiduciary responsibility of the trust to PLAN for the individual’s lifetime.

WHAT IS AN SNT?

"A special needs trust (SNT) is a trust that will preserve the beneficiary's eligibility for needs-based government benefits such as Medicaid and Supplemental Security Income (SSI). Because the beneficiary does not own the assets in the trust, he or she can remain eligible for benefit programs that have an asset limit. As a general rule the trustee will supplement the beneficiary's government benefits but not replace them. Examples of supplemental needs are costs for sitters, companions, and dental or medical expenses not covered by Medicare or Medicaid."

O'Hara Esq., Amy. 2013. "Your Special Needs Trust ("SNT") Defined | Special Needs Alliance." Specialneedsalliance. January 15, 2013. https://www.specialneedsalliance.org/the-voice/your-special-needs-trust-snt-defined-2/.

WHY DO WE NEED SNT'S?

Disabilities can be expensive for individuals and families.

Public means-tested benefits (SSI, Medicaid, etc.) cover some **but not all** expenses.

Means-tested benefits typically have low financial eligibility guidelines.

Special Needs Trusts enable individuals with disabilities to retain private resources **and** access these benefits.

Establishing a Special Needs Trust (SNT) for an individual with a disability is often vital to maintaining their well-being and safety.

SPECIAL NEEDS TRUSTS - THE BASICS

Trusts are financial and legal arrangements typically involving ownership of property or assets.
(For more information on different trust types see POMS SI 01120.200)

Special Needs Trusts require careful investment, disbursement and management of funds as there are prohibited expenses and payments that could negatively impact benefits of the beneficiary.

SNT Trustees are known to have ‘full discretion’ as beneficiaries may not have access directly to funds.

Unlike other trusts, “under the special needs trust exception, the trust must be established and used for the benefit of the disabled individual.”
(POMS SI 01120.203)

TRUST PROTECTIONS

SNT's offer many levels of protection for individuals with disabilities.

Some individuals with disabilities require assistance with financial management or are susceptible to financial abuse. An SNT trustee can assist with these concerns.

OVERSIGHT

SNT's allow families to protect hard earned assets for their loved one with a disability to use for long periods of time, even an entire lifetime. SNT's can help avoid spenddowns.

SECURITY

Individuals with a legal guardian in place or living in a facility want a level of checks and balances to assist with supervision of their loved one's best interests and needs.

SUPERVISION

Beneficiaries obtain case management services, resource guidance, budget assurance and more to assist where families may no longer be available to help.

GUIDANCE

PLAN SPECIAL NEEDS TRUSTS

3rd Party

- Most often established by the parents/grandparents of an individual with a disability.
- Can be funded at any time with money from anyone other than the beneficiary.
- No stipulation for state payback.
- Grantor(s) can name remainder beneficiaries including trusts, individuals, charities or PLAN.

Self-Settled

- Established/funded by person under 65yo with disabilities, their legal guardian or COE, or parent or grandparent.
- Funding is disabled person's own assets and is irrevocable.
- For those disabled by the SSA
- Medicaid payback provision, (there can be remainder beneficiaries after state)

Pooled Trust

- Established & funded by a person w/ disabilities of any age, their legal guardian or COE, a parent or grandparent.
- Funding is disabled person's own assets and is irrevocable.
- Must meet the SSA standards for disability determination.
- Medicaid payback provision, (remainder after state sometimes may go to charitable trust)

THIRD PARTY SNT USES

- To provide for expenses, daily or emergency, not covered by state and federal benefit programs through a legacy/inheritance.
- To fulfill the lives of loved ones with disabilities to open possibilities for travel, hobbies, and additional recreation.
- To protect a beneficiary's inheritance from creditors.
- To provide services through case management at PLAN to assist the beneficiary when family is gone or cannot provide the assistance.
- To release family members from fiduciary responsibilities of being a trustee so they may focus on familial relationships.

SELF-SETTLED (D4A) SNT USES

- Allows for CT residents **under age 65** with disabilities who are over income and/or assets to qualify for, or continue to qualify for: Medicaid, waiver programs and other means-tested services.
- Can protect direct inheritances that put beneficiary over the asset limit.
- Can protect recipient of a settlement, accident or divorce, when they rely on state or federal benefits that are means-tested.
- Received back payment from Social Security which would make them program ineligible.
- Can even be used for lottery winnings!

PLAN OF CT POOLED TRUST

- It is the only Pooled trust option for those over 65 in CT.
- The state (DSS) allows folks with disabilities preventing them from working to use this trust to get benefit program access.
- Established & funded by a person w/ disabilities of any age, their legal guardian or COE, a parent or grandparent.
- Funding is disabled person’s own income and/or assets and is irrevocable.
- Must meet the SSA standards for disability determination. A doctor can attest to your disability.
- Medicaid payback provision, (remainder after state sometimes may go to charitable trust)

A LOOK AT PROGRAMS

01 MEDICAID (HUSKY C)

02 CT'S HOME CARE PROGRAM FOR ELDERS (CHCPE)

03 MEDICARE SAVINGS PROGRAMS (MSP)

04 MONEY FOLLOWS THE PERSON (MFP)

05 MEDICAID WAIVER PROGRAMS

06 SUPPLEMENTAL SECURITY INCOME (SSI)

POOLED TRUST FACTS

CT offers only one Pooled Trust option, the PLAN of CT Pooled Trust.

1. Pooled trusts must be established and managed by a nonprofit association. (POMS SI 01120.203)

2. Separate sub accounts must be kept, but they can be pooled for investment purposes. (POMS SI 01120.225)

3. Beneficiaries must meet SSA disability determination standards. (Omnibus Budget Reconciliation Act of 1993 (OBRA '93))

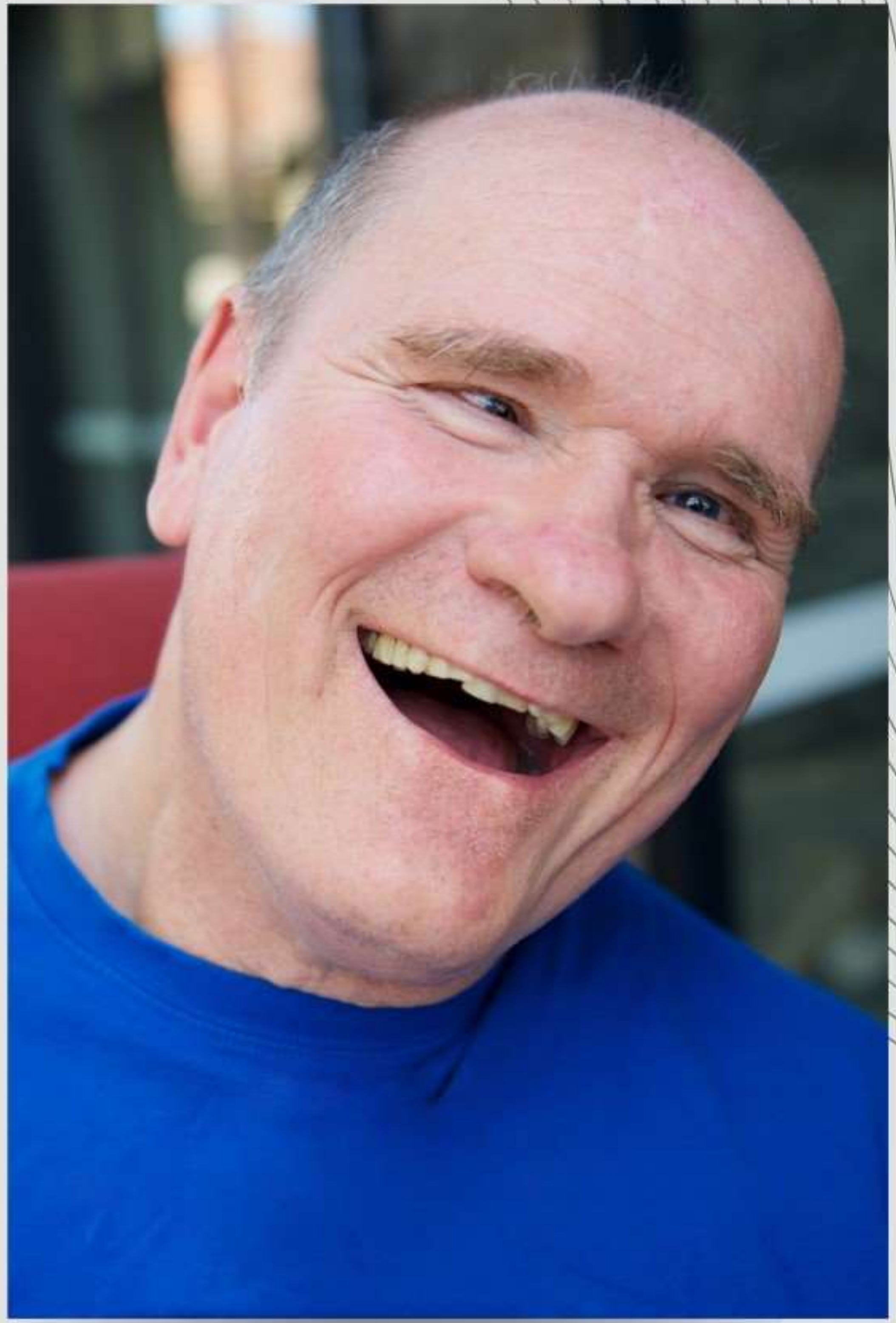
4. These trusts have a state payback stipulation for Medicaid services provided to the beneficiary. (Conn. Gen. Stat. § 17b-600)

CT POOLED TRUST FYI'S

1. **The state of CT requires a spending plan**:
   - This is a spreadsheet of for-benefit-only expenses to possibly be covered with the trusts funding.
   - Used to prove fair market value - to avoid penalties.

(POMS SI 01150.005 - Determining Fair Market Value)

2. **We cannot distribute funding after death** so a pre-need funeral contract should be considered.
   - Funding left after the beneficiary's death is either left to the states that provided Medicaid services or the Charitable Trust Fund.
   - For Pooled Trusts established through probate or for those in an RCH receiving State Supp., the State payback option is the ONLY option.



(POMS SI 01120.203)

IS A POOLED TRUST RIGHT FOR MY CLIENT?

Have you...
Been told you are over income or assets to currently qualify for Medicaid or a Medicaid waiver program?

Do you...
Require more home care services than you can afford out of pocket?

Are you...
Looking to remain in your home or return to your community after time in a rehabilitation center or hospital?

HOW POOLED TRUSTS WORK

Establish it!

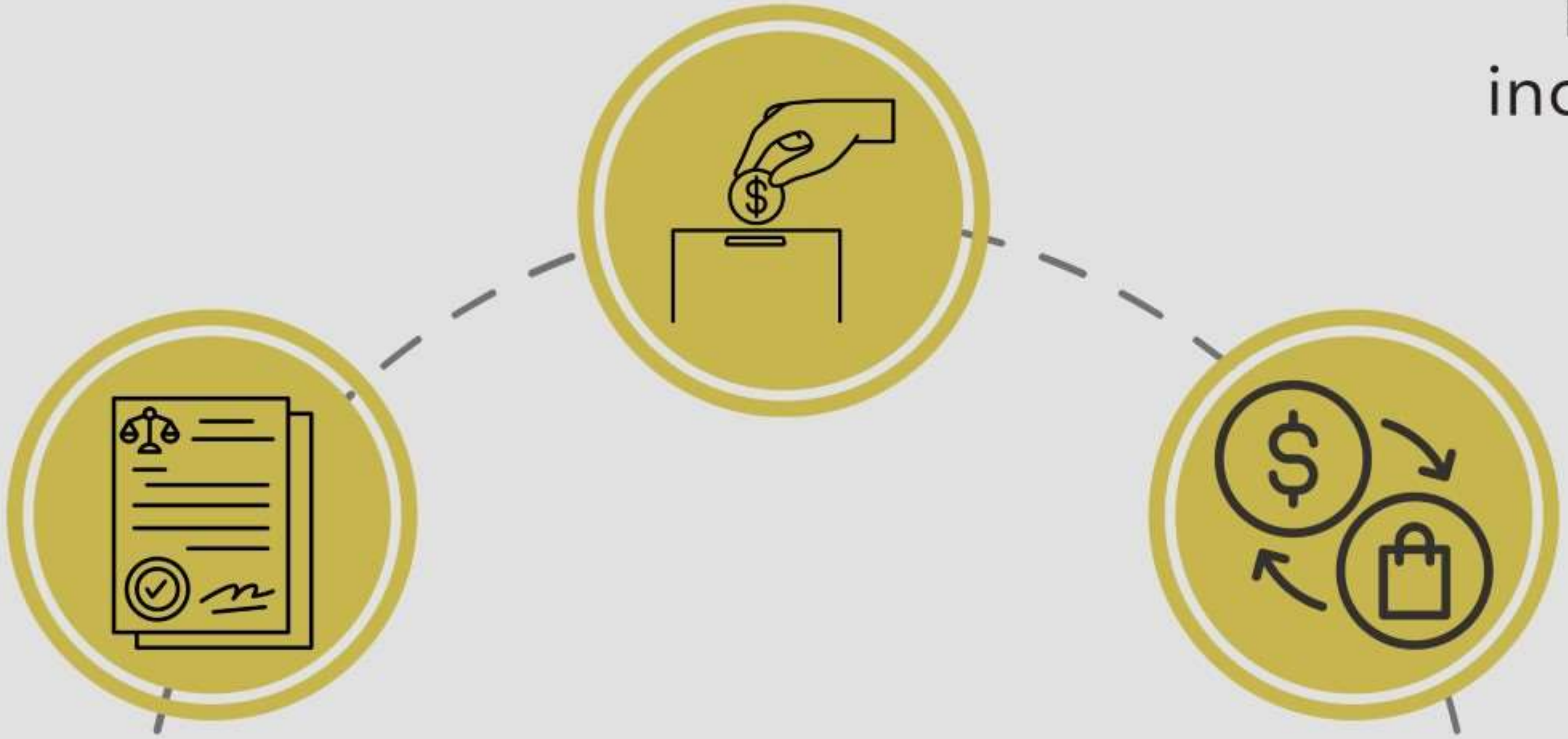
The trust is set up with an attorney, approved by PLAN and then approved by DSS.

Fund It!

Then DSS tells you when to fund. You then send a check to your trust and it is deposited.

Benefit!

Funds in the trust are used to pay some bills at home AND you now get access to the program that you were previously over income/assets for.



SERVICES PLAN OF CT PROVIDES FUNDED TRUSTS

1

Help get access to the funds within the trust! This means bill paying directly, gift cards, and other means for access to the trusts funding.

2

Case management like guidance to relevant resources in the community, programs offered by the state and federal government and tracking down applicable services for the beneficiary.

3

We can do home or facility visits to assist in certain tasks in person as well as provide wellness checks.

4

We can advocate for the beneficiary to programs, the state, service providers and more to make sure the beneficiary is getting their needs met.

5

We take care of all the appropriate fiduciary managing of the trusts’ funds including taxes, investments, accounting, etc.

TRUST ADMINISTRATORS

Trust Administrators act as case managers for beneficiaries after trusts become funded.

TA's handle requests from beneficiaries/conservators or POAs and present them to the trust committee for approval.

Trust Administrators (TA's) also commonly:

- Advocate/Schedule for outside services
- Providing resource referrals
- Contact vendors and servicers
- Assist with direct bill payment to vendors
- Home visits when necessary to gauge needs
- Coordinate with other providers

PLAN OF CT, INC. POOLED TRUST PERSONAL CARE PLAN

Spending Plan:

Please list monthly expenses that you foresee the trust paying for (e.g. Rent, Gas, Electric, Cable, Taxes, Mortgage, Clothes, and Medical - not covered):

Expense	Amount
(e.g.) Electric	*$120.00*
PLAN Reserve Fee	**$100**
Rent	$1800
Gas Bill	$75
Electric	$150
Phone	$50
Funeral (Pre-Need)	$200
Donation to Church	$30
Pay Daughter for Care	$500
Gift to Grandchild	$150

These disbursements are not allowed! We cannot make donations from the trust, purchase gifts for others from the trust or act as employer by privately paying family/friends for care.

States Beneficiary has received Medicaid other than Connecticut:

TRUST ALLOWABLE EXPENSES

To prove fair market value, the beneficiary submits to PLAN and the State of CT a spending plan with expenses to be paid from the trust.

Expenses must be approved by PLAN as trustee.

IMPORTANT: Inclusion of expenses on this list does not guarantee PLAN can or will pay these for any particular beneficiary.

FEE SCHEDULE

Pooled trusts are cost benefit decisions:

Value of program benefits
vs.
Startup/admin costs of trust

Typical start-up costs vary.

An attorney is required, you pick the attorney so **you pick the attorney fee you are okay with.**
PLAN of CT establishment fee is **$1050 per trust.**

Ongoing cost:
PLAN will hold about **$100 per month** of the funding to cover fees throughout the year (i.e. Taxes, accountings, bill pay, postage, etc.)

ESTABLISHMENT PROCESS

01 CALL PLAN

The process starts with a call to PLAN to discuss pros and cons of a special needs trust to fit their circumstances.

02 ATTORNEY

Families interested in a PLAN SNT then choose a partnering attorney based on their price and availability.

03 COMPLETE

Families then meet with their attorney for legal counsel on their trust and assistance completing the documents.

04 APPROVAL

The attorney submits the documents to PLAN for approval. Approvals are then sent to the state by the family.

APPLIED KNOWLEDGE

01 77yo client is applying for CHCPE

02 Current out of pocket care is $8K+/month

03 Their 2025 GMI is $3,400 - DSS denies them

04 Family cannot assist in care or cost of care

05 Client wants to remain in the home to avoid SNF

06 Should the client be referred to PLAN of CT?

APPLIED KNOWLEDGE

01 14 year old is on SSI and Medicaid

02 Child's father passes unexpectedly

03 Child will now receive SSDI as well as inheritance

04 Mother wants to protect Medicaid

05 SSDI will push child off of Medicaid

06 Should the parent be referred to PLAN of CT?

HOW YOU CAN HELP!

BENEFITS

Help the client or family understand the benefit of the program they are looking to become eligible for!

FORMS

Direct clients to our helpful forms on our website, or provide print-outs of these forms!

CONTACT

Provide contact info for the client to reach PLAN of CT for a deeper discussion on SNT's!

www.planofct.org/resources

CHARITABLE TRUST

PLAN of CT has a grant for folks with disabilities of ANY AGE!

1. Request must be directly disability related
2. Applicant does not have enough funds to cover it.
3. Applicant must be deemed disabled in accordance to the SSA

We have assisted with:

- wheelchair ramps
- stairlifts
- shower chairs
- dental services
- lift recliners
- braille books
- assistive technology mounts & more...

Visit www.planofct.org/charitable-trust-grants/ for more info and applications!

Call to discuss disability related requests not named here!

We do not pay debts, give out cash, pay for basic needs or help with insurance covered items.

CONTACT

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