



— THE NATIONAL FOUNDATION FOR —
SPECIAL NEEDS INTEGRITY, INC.
— *Special Needs Trust* —

Frequently Asked Questions

GENERAL INFORMATION

What is a Special Needs Trust?

A Special Needs Trust is a legal tool designed to enhance the quality of life for an individual with a disability. The Omnibus Budget Reconciliation Act of 1993 is a federal law stating individuals with a disability, as defined by Social Security Administration, can establish a Pooled Special Needs Trust and still maintain eligibility for means-tested government benefits, such as Medicaid and Supplemental Security Income (SSI). This law allows the disabled individual to place their money into the irrevocable Pooled Special Needs Trust, as long as that trust is managed by a nonprofit organization such as Special Needs Integrity. By design, the funds placed into a Special Needs Trust are not considered to be a countable asset and should not jeopardize eligibility for means-tested government benefits. A Special Needs Trust is intended to offer supplemental care beyond what the government programs will provide.

What types of trusts are administered by Special Needs Integrity?

Special Needs Integrity administers two types of trusts:

- Self-Settled Pooled Special Needs Trust - A trust that is established with the beneficiary's own funds. This type of trust contains a Medicaid Payback provision.
- [Third-Party Special Needs Trust](#) - A trust that is established by a third party, such as a grandparent, parent, relative, or friend for the benefit of a loved one with a disability.

Who can have a trust?

In order to qualify for a Special Needs Trust, the individual will need to meet the criteria for disabled under the Social Security Administration's definition.

What are the fees?

Special Needs Integrity charges a one-time Enrollment Fee at the time funding, as well as the Annual Fee and additional fees. (See your state specific Joinder Agreement for current fees and additional information.)

How are the trust funds invested? What does it mean to "pool" investments?

Special Needs Integrity utilizes a conservative investment plan to minimize risk to our beneficiaries. Each beneficiary has their individual sub account that holds their specific cash balance. We then "pool" or combine together the sub accounts for investment purposes and to reduce the administrative fees. Based upon the beneficiary's share of the principal, the earnings are then reinvested into the sub account. The financial institution will maintain the financial record for each sub account reflecting this activity.

When will my account be funded?

A Self-Settled Pooled Special Needs Trust is funded with the beneficiary's own funds. This means the trust can be established from being a litigant in a mass tort, a personal injury settlement, an inheritance left

directly to the beneficiary, Social Security back pay, etc. Once the check has arrived at Special Needs Integrity, the trust will be funded within 24-48 hours of receipt.

A Third-Party Special Needs Trust is funded by someone other than the beneficiary. This means the trust can be funded at any time when the third party has chosen to start contributing.

Who do I call once my account has been funded? Will I have a caseworker?

Once your trust has been funded, you will be assigned to a specific Disbursement Coordinator. Please feel free to contact our office to speak with your designated person. Due to a high volume of calls, if your Disbursement Coordinator is assisting another beneficiary, please leave your information with the receptionist and he/she will contact you at their earliest convenience.

What happens if I move before my trust is funded?

Please contact our office. It is important we maintain accurate contact information for the beneficiary.

DISBURSEMENT INFORMATION

Do I submit a Disbursement Request Form with every request?

Yes, this Disbursement Request Form is essential to communication and allows your Disbursement Coordinator to know specifically what you are requesting.

What expenses can the trust pay?

A Special Needs Trust can be used in many ways to enhance the quality of life for a beneficiary. Some examples include clothing, furniture, transportation, hobbies, eye and dental care, computer/software, educational expenses, etc. Please refer to a more extensive list of goods and services the trust is commonly used on every day. If you have a question whether a disbursement is an allowable expense, feel free to contact your Disbursement Coordinator for further information.

How do I purchase a vehicle?

The first step is to contact your Disbursement Coordinator to obtain a Vehicle Request Form. This form will list everything we need in order to submit your vehicle purchase to our legal department for approval. Please note: Each state has specific rules and guidelines we must abide by in order to maintain your eligibility to receive means-tested government benefits. Our legal department will review your state specific statute prior to making their determination. A Disbursement Coordinator will then contact you regarding the status of your request at that time.

Can I buy things for someone else, such as my grandchildren/parent/spouse?

Unfortunately, a Special Needs Trust has a specific rule called the Sole Benefit Rule. This means that any funds spent out of the trust must be for the sole benefit of the named beneficiary. In order to maintain eligibility for means-tested government benefits, each trust must follow this rule. Please see your Declaration of Trust for further information.

Can my trust be used to pay for rent, utilities, or food?

Supplemental Security Income (SSI) and other benefits received are to cover the basic needs such as food and shelter expenses. Special Needs Integrity cannot make disbursements that would duplicate what these benefit programs are providing. Doing so would reduce or eliminate some or all of the benefits the individual receives. Please speak with your Disbursement Coordinator with any questions.