

## Steps to Take

Special Needs Trusts (SNT's) or Pooled Trusts are often a result of a court settlement and it is important for an individual or his or her guardian to follow the steps below:

1. Find an attorney who is knowledgeable with trusts. You can contact Alaska Legal Services or the Alaska Bar Association to request referrals to attorneys specializing in Elder or Medicaid law.
2. Find a willing person or agency that you trust to be your trustee.
3. Open a separate bank account for your trust account. If income is involved, have all money directly deposited into the account for accounting ease.
4. Give a copy of the trust bank statement to your DPA caseworker showing deposits going into the trust account. You may be required to provide an accounting of all trust expenditures and use.
5. After the attorney has written the trust, provide a complete copy to your DPA caseworker. The trust must then be approved by a Medicaid policy specialist.
6. Once the Medicaid policy specialist approves your trust, record the trust with the court system.
7. Give a copy of the recording document to your DPA caseworker.
8. Keep a copy of your trust for reference.
9. If your trustee changes, be sure to give your DPA caseworker the Successor Trustee Appointment document.

## Division of Public Assistance (DPA) Contacts

### Home and Community Based Waiver Services, Nursing Home Medicaid, and TEFRA Medicaid Contacts:

- Coastal Field Office Specialized Medicaid Office (for Southcentral, Northwestern, and Southwestern Alaska): (907) 269-8950 or 1-800-478-4364 or 1-800-478-4372
- Fairbanks Public Assistance Office: (907) 451-2850 or 1-800-478-2850
- Southeast Adult Public Assistance Office: (907) 465-3537 or 1-800-478-3537

### Medicaid for the Disabled, Blind, or Elderly:

- Anchorage Adult Public Assistance Office: (907) 269-6000
- Mat-Su Adult Public Assistance: (907) 376-3903 or 1-800-478-7778
- Coastal Adult Public Assistance Office (for Northwestern, Southwestern, and the Kenai Peninsula): (907) 269-8950 or 1-800-478-4372
- Fairbanks Adult Public Assistance Office: (907) 451-2850 or 1-800-478-2850
- Southeast Adult Public Assistance Office: (907) 465-3537 or 1-800-478-3537

### General Trust Questions:

- General Trust Questions may be directed to the DPA Long Term Care Coordinator at (907) 269-7880

State of Alaska  
Dept. of Health & Social Services  
Division of Public Assistance  
P.O. Box 110640  
Juneau, Alaska 99811-0640  
(907) 465-3347

## Special Needs and Pooled Trusts



Sarah Palin, Governor, State of Alaska  
Karleen K. Jackson, Commissioner  
Dept. of Health & Social Services  
[www.hss.state.ak.us](http://www.hss.state.ak.us)

## What are Special Needs and Pooled Trusts?

### Special Needs Trusts:

A Special Needs Trust (SNT) is a resource trust established for the sole benefit of a disabled individual under age 65. The trust must contain the assets (resources) of the disabled individual only; but any income the individual receives may also be placed into the trust. A Special Needs Trust must be established by a parent, grandparent, legal guardian, or court.

### Pooled Trusts:

A Pooled Trust is a resource trust established for the sole benefit of disabled individuals regardless of age. The pooled trust is established and managed by a non-profit agency for the benefit of more than one beneficiary. A separate account is maintained for each beneficiary of the trust, but for purposes of investment and management, the funds in each account are pooled together. A beneficiary may also place income into the trust.

A beneficiary who is age 65 or older must have a finding of disability.

### When is a Special Needs or Pooled Trust Useful?

A Special Needs or Pooled Trust is useful when a blind or disabled individual has resources over the Medicaid resource limit of \$2,000.

## Special Needs and Pooled Trust Requirements

A valid Special Needs or Pooled Trust must have the following conditions:

- It must be established for the sole benefit of the beneficiary.
- It must consist only of the income and resources of the beneficiary.
- The beneficiary must be determined disabled using Social Security rules;
- It must be irrevocable, meaning once established it cannot be cancelled or withdrawn by the beneficiary.
- It must terminate only upon a court order or the death of the beneficiary, whichever is earlier.
- It must stipulate that upon death of the individual, the state receives all amounts remaining in the trust up to the total amount of Medicaid benefits paid on behalf of the recipient.
- **Special Needs Trusts** must name a trustee. The Trustee is responsible for the trust and manages all financial aspects of the trust.
- **Pooled Trusts** must be established and managed by a non-profit agency.

## Important Special Needs and Pooled Trust Q & A's

### Can income be placed into a Special Needs or Pooled Trust?

- Yes, income may be placed in both a Special Needs or a Pooled Trust. However, income placed into a trust is considered income for the purpose of determining a persons cost-of-care obligation, if applicable. It is the Trustee's responsibility to pay the cost-of-care obligation from trust funds.

Medicaid recipients who have a Special Needs or Pooled Trust that includes Income should contact their DPA caseworker for the Qualified Income Trust information and requirements.

### Can money placed into the trust be spent and if so, how can it be spent?

- Money placed in a Special Needs or Pooled Trust must be used for the sole benefit of the blind or disabled individual. It is important that the Trustee reviews the trust language very carefully to see how the funds can be used.

### Will the use of Trust funds be reviewed?

- Yes, your DPA caseworker and a state contractor will periodically ask for an accounting of trust funds. Additional documentation may be requested if there are any discrepancies.