

Defining Supplemental Needs Trusts

How are Supplemental Needs Trusts Defined?
What items and expenses can be distributed?

Distributions 'Supplement' but do not Replace Assistance.

Distributions from a Supplemental Needs Trust cannot be made on behalf of the Beneficiary if the effect of such distribution is to replace, or to disqualify a Beneficiary from receiving Government Assistance. The Trust asset is available to the Beneficiary as only the Trustee chooses or directs. The Trustee must refuse any payment request from the Beneficiary for services for which any public agency has the obligation to provide.

Examples of Allowable Distributions: Appropriate Non-support payments on behalf of a beneficiary include but are not limited to, payments for any of the following purposes:

- 1) medical, dental, and diagnostic work and treatment for which there are no available private or public funds;
- 2) medical procedures, even though they may not be medically necessary or life saving;
- 3) differentials in cost between housing and shelter for shared and private rooms in institutional settings;
- 4) supplemental nursing care, rehabilitative and/or occupational therapy services;
- 5) care appropriate for a beneficiary that assistance programs do not otherwise provide;
- 6) expenditures for travel, companionship, and other expenditures that will improve the quality of the Beneficiary's physical, emotional, psychological, and or spiritual health.

See the Following List on the next page for a more detailed account of allowable and disallowable items.

List of Supplemental Needs Allowable & Disallowable Expenses

Allowable Items

Services

Appliances, Washer/Dryer,
Refrigerator, Microwave, etc
Automobile, Insurance, Gasoline
and Repairs/Maintenance

Clothing

Computer & Software, Tablets,
Smart

Phones, etc.

Eyeglasses/Contacts

Funerals

Furniture

Hearing Aids

Hobbies and Activities of All Kinds

Household Products

Life Insurance

Medical Devices

Personal Care Items

Pets of any kind

Televisions(Regardless of size)

Tools

Vacations (Anywhere in the World)

Wheel Chairs & Mobility Assistance
Devices

Allowable Recurring Bills

Cable T.V.

Cell and Telephone Services

Internet Services

Insurance Payments

**Please Call if you have any
questions. 617-770-1050**

College Tuition, Books, Room &
Board

Camps, Day or Overnight

Cruises

Charlie Cards

Chiropractic Therapy

Elective or Cosmetic Surgery

Entertainment Expenses- Movies, Baseball,
Football (Sports of All Kinds)

Concerts, Plays, Museums etc.

Dental Care

Facial Care and Hair Removal

Hair Care (Color, Implants, Extensions, etc.)

Lectures

Lessons (Music & Art)

Home Care & Supplemental Caregiving

Home Improvements

House Cleaning

Massage

Manicure/Pedicure

Medical Care which is not covered by
insurance

Psychotherapy

Physical & Occupational Therapy

Transportation

Travel Expenses

Taxi Cabs

Veterinarian Bills

This is Not an Exclusive list

Disallowed Items - if only on SSI
Food & Groceries

Home Owners or Renters Insurance
Rent/Mortgage
Taxes of any kind
Utility Bills Including Oil Gas, Water,
& Electric
Always Disallowed: "Loans" from
friends and relatives.

The trustee should always pay the vendor. The trustee should not permit the beneficiary to purchase items and request a reimbursement.

No debit card can be given to the beneficiary by order of the United States District Court. Elias v Colvin ____ F. Supp 2 ____ (E.D. PA. 2015)

If the beneficiary is on Medicaid only, they can be given a moderate allowance, but they are never permitted to have over \$2,000.00 in any month in their name.

If the beneficiary receives Supplemental Security Income (SSI), they can only receive a monthly cash allowance of \$20.00

The within information is a generalization; every person's individual facts are different. You cannot rely upon the information contained in this document without retaining a qualified Supplemental Needs Trust attorney.

Dear Friend:

I've drawn up the enclosed list of permissible items that are available for a disabled person in a Special Needs (or Supplemental Needs) Trust. These trusts are an ideal way to protect a disabled child's public benefits. You already know a parent (or anyone-for that matter) can have a trust designed for a disabled child in such a way that the child can retain their SSI, MassHealth benefit, or both. This trust can take effect immediately, or it can take effect (be funded) upon the death of the parent.

Since this trust is not funded with the child's money, the parent can craft the language of the trust virtually any way they wish, within the confines of the 'supplemental' trust law. And since this is not the child's money, if money remains in the trust when the child passes away, it can be distributed to the parents' other children...or anyone the parents wish. This would not be so, if the disabled person receives this money as a result of an accident. In those instances, the state Medicaid Office is entitled to a dollar for dollar payback. Remember, since this is the parents' money, the trust can say whatever the parents want it to say...as long as it doesn't violate public policy...you can't prohibit the child from marrying whomever they want for instance-or from becoming a New York Yankee fan-although that *should* be against the law.

I have prepared a separate sheet explaining in great detail the mechanics of these trusts along with a comprehensive list of allowable and non-allowable items. You can either telephone me to receive your free copy; or better yet, simply go to www.thomasr.mullen and click the big red button labeled FREE TRUST GUIDE.

Very truly yours,

I AM ALWAYS AVAILABLE TO
SPEAK BEFORE ANY OF YOUR
FRIENDS OR ORGANIZATIONS

Thomas R. Mullen
Please visit me at www.thomasrmullen.com