

Securing the Future

Protecting eligibility, preserving dignity,
and planning for the long term.

This guide navigates the complex landscape of Special Needs Trusts (SNTs). It is designed to help families move from anxiety about the future to a structured plan that ensures care continues when parents are no longer there.



Public benefits are fragile and means-tested



The Lifeline

Medicaid and Supplemental Security Income (SSI) provide essential medical care and income.



The Limit

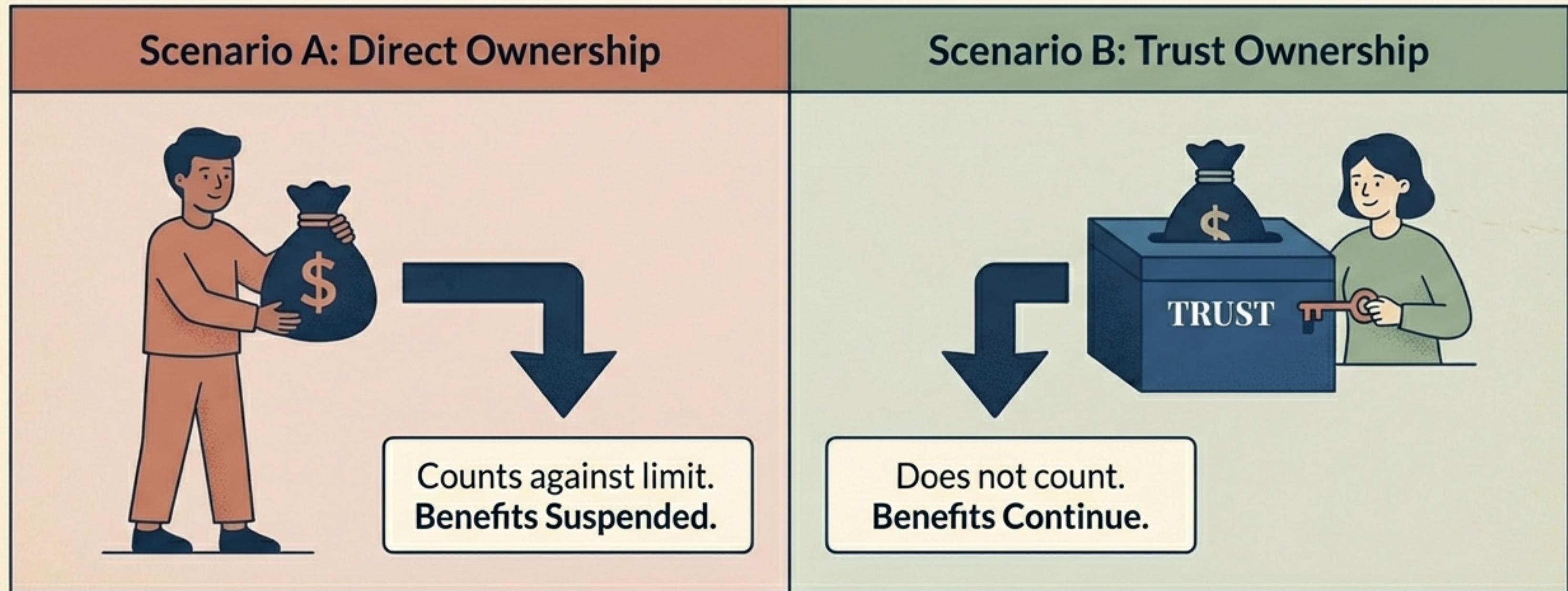
Benefits are means-tested. For SSI, the general resource limit is just \$2,000.



The Trap

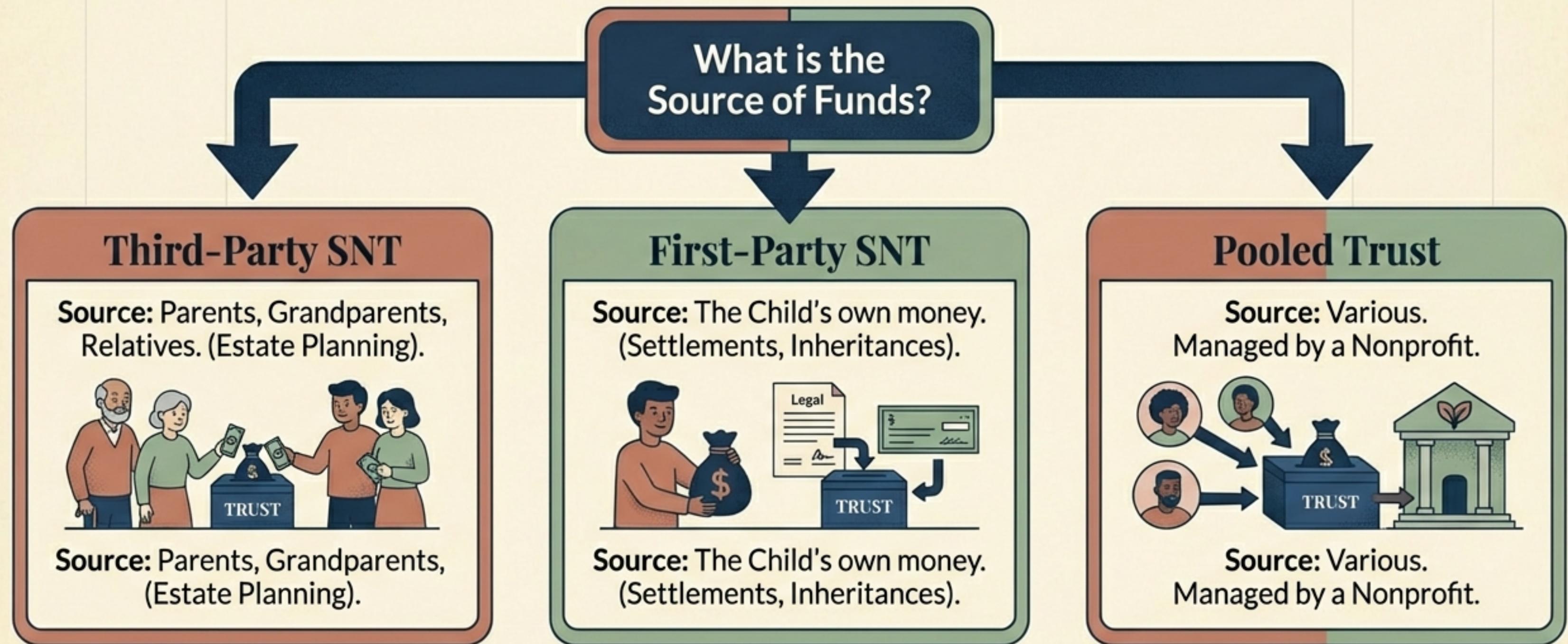
A well-intentioned gift or inheritance can suspend benefits immediately. Families are often forced to fix a crisis instead of planning ahead.

It is not about how much money exists, but who holds it



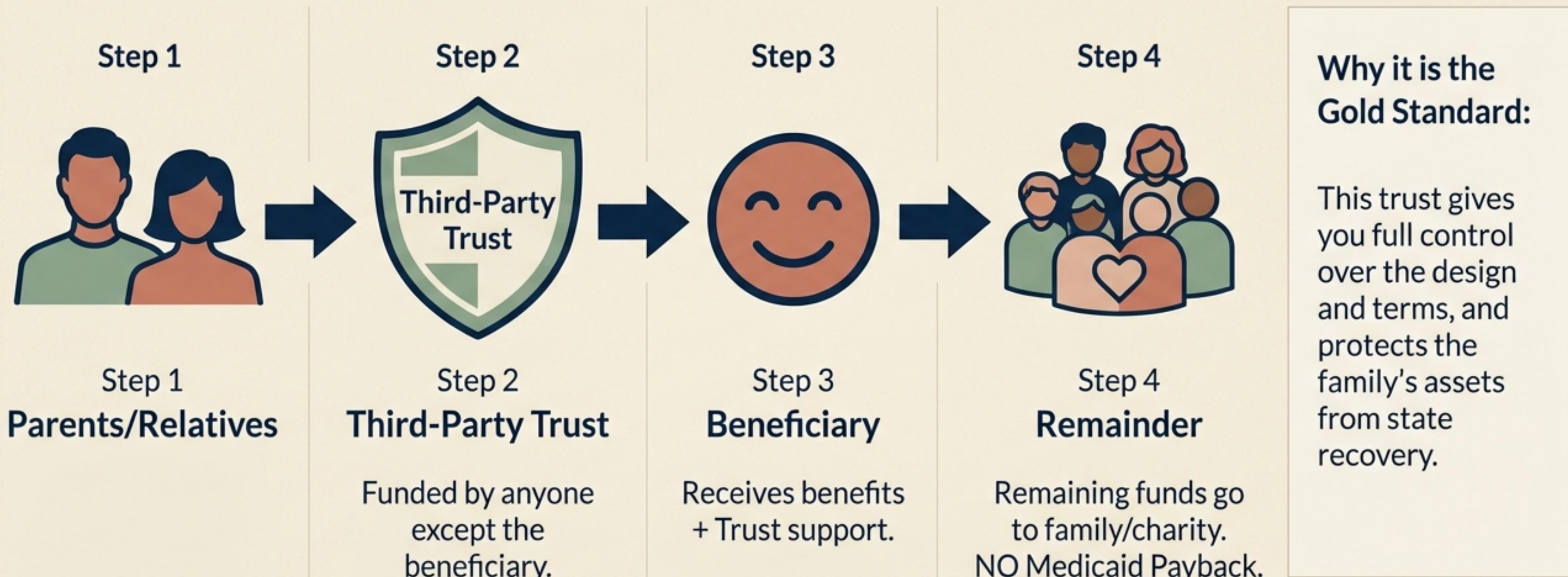
The Golden Rule: If your child owns the money, it counts against the limit. If the Trust owns the money, it acts as a protective container, holding resources so your child does not carry the risk.

The type of trust depends on whose money it is

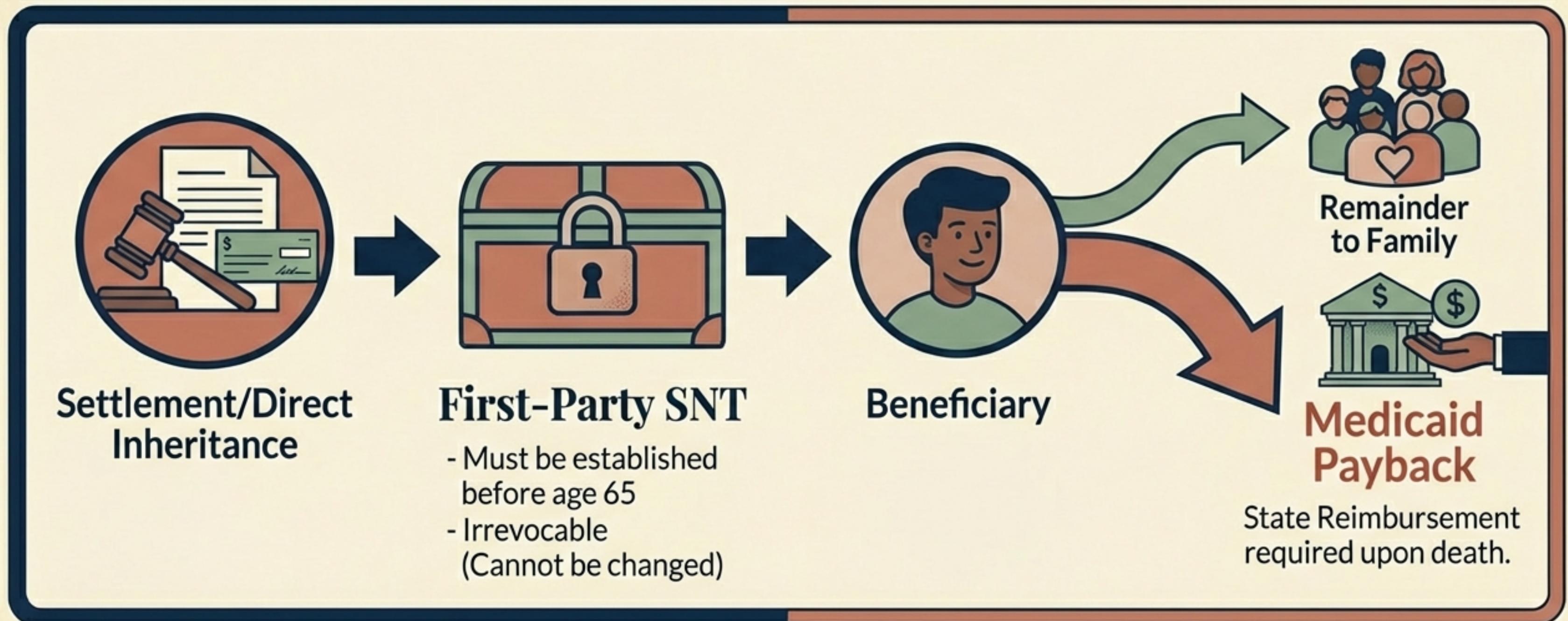


Key Takeaway: You must identify the source of the funds before you can choose the right vehicle.

Third-Party Trusts: The flexible standard for parents



First-Party Trusts: When the child holds the assets



This is a damage control tool. It secures eligibility, but at a higher long-term cost.

Pooled Trusts: The Community Option

How it Works

1. You join a Master Trust run by professionals.
2. Professionals handle compliance, tax, and distributions.
3. The child has a sub-account, but the heavy lifting is done by the nonprofit.



Trade-offs

Pros: Professional management, no burden on family members.

Cons: Enrollment fees and annual administrative costs.

Trustee selection is an operational job, not an honorary title



Family Member

Intimacy, Free Labor,
but potential Overwhelm.



Professional

Compliance Expert,
Continuity, but costs Fees.

The Actual Duties

- **Duty of Loyalty:** Act solely in beneficiary's interest.
- **Prudence:** Keep detailed accounting records.
- **Policy:** Interpret complex SSI manuals.

"There is no universal right answer. The question is: who will actually do this work for the next forty years?"

Supplement, don't replace.

GREEN LIGHT

YELLOW LIGHT

RED LIGHT

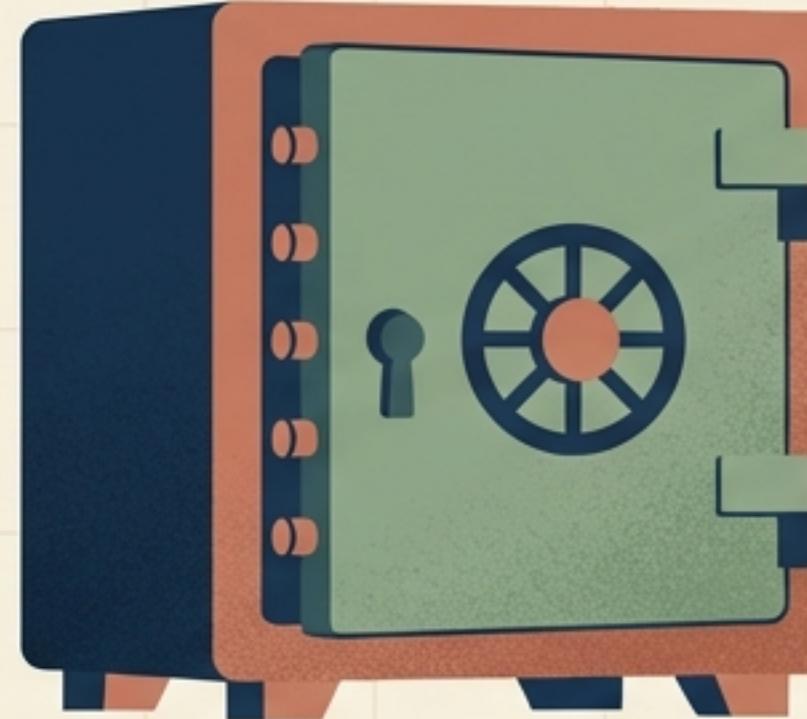


Therapy, Specialized Equipment,
Travel, Computers,
Advocacy, Education.

Rent, Utilities.
Allowed, but may reduce
SSI check (In-kind support).

Never give cash directly to the
beneficiary. Dollar-for-dollar reduction
in benefits.

ABLE Accounts: The companion tool for autonomy



ABLE Account

For daily spending and autonomy.
Controlled by Beneficiary.

- Tax-advantaged savings.
- Up to \$100,000 disregarded for SSI.
- Eligibility: Disability onset before age 26 (moving to age 46 in 2026).

Special Needs Trust

For large assets, housing,
and complex care.

Controlled by Trustee.

Strategy: Not a replacement for a Trust, but a powerful partner.

Transitions happen fast—plan before the crisis

in Playfair Display



**Establish
Third-Party Trust**

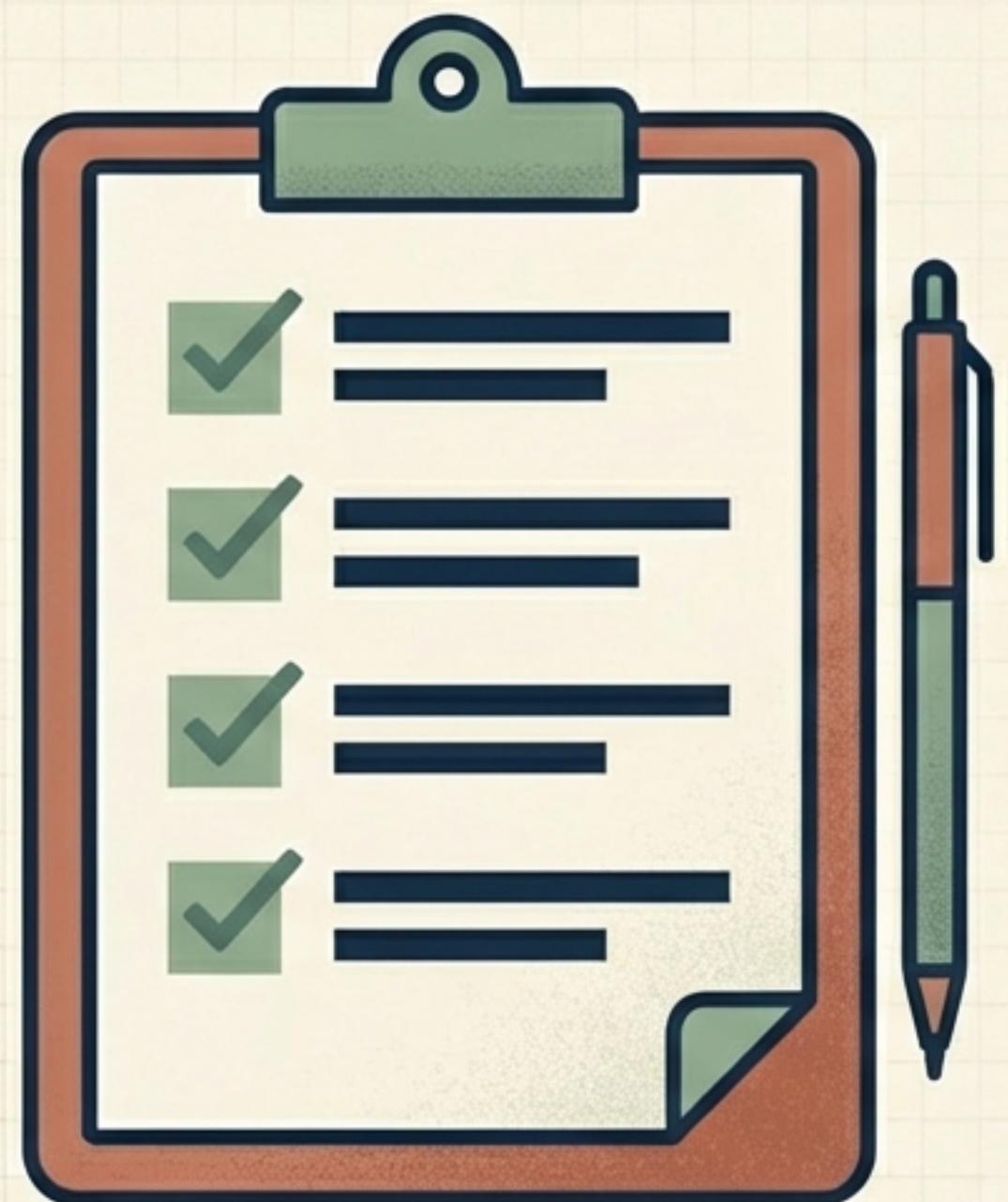
Legal Adulthood
Parents lose authority.
Consider Guardianship or
Power of Attorney.

CRITICAL

Coordinate court approval with
Trust creation simultaneously.

Do not let funds hit the child's
bank account directly.
Prevention is the priority.

Vetting your attorney protects your plan

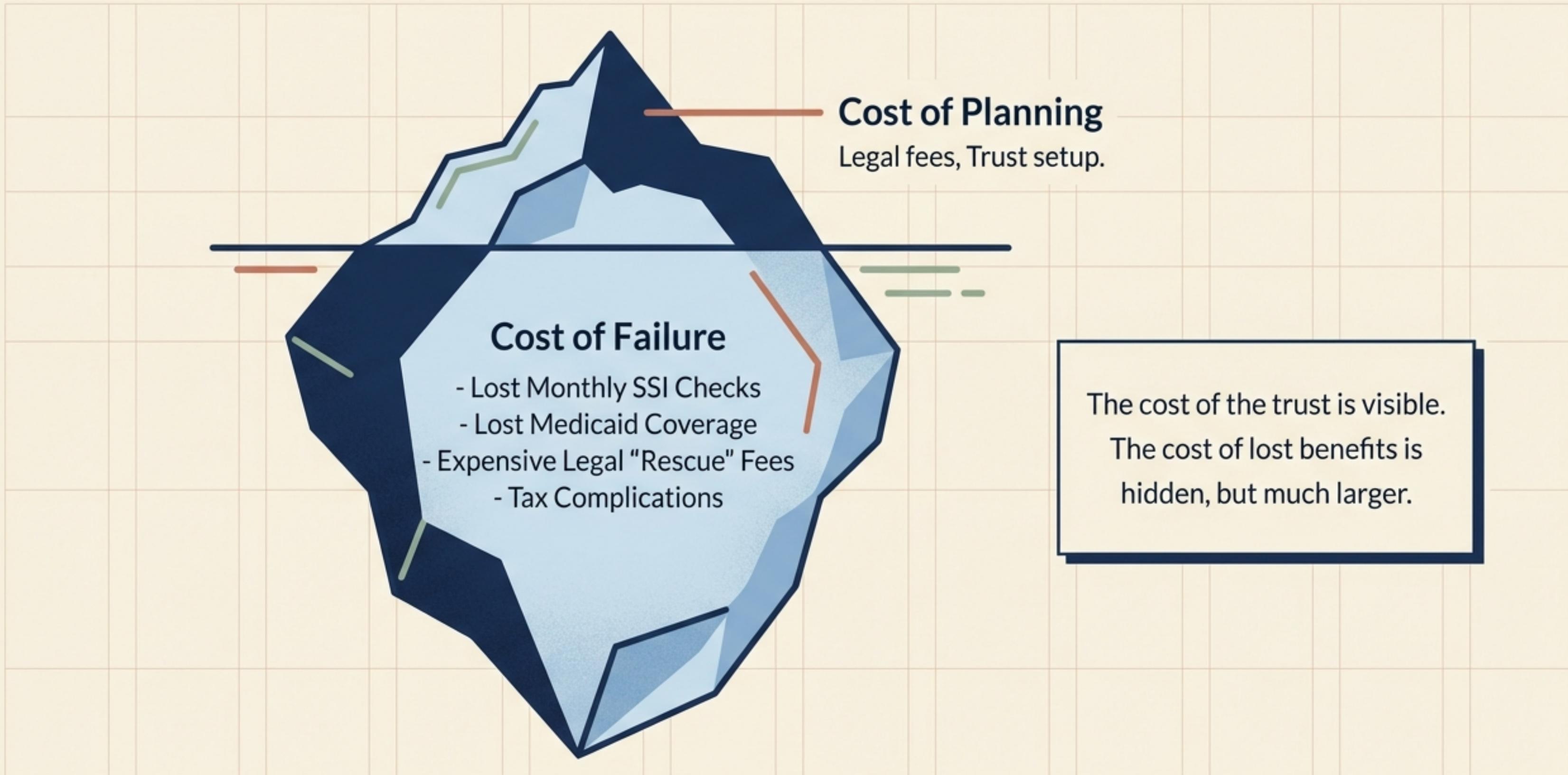


Questions to Ask

- 1. VOLUME:** How many Special Needs Trusts have you drafted in the last year?
- 2. PAYBACK:** How do you handle payback language if we move states?
- 3. MANUALS:** Do you provide written instructions for the trustee?
- 4. ASSET FLOW:** Will you review beneficiary designations to ensure funding works?

This is a specialty field. Generalists often miss critical details.

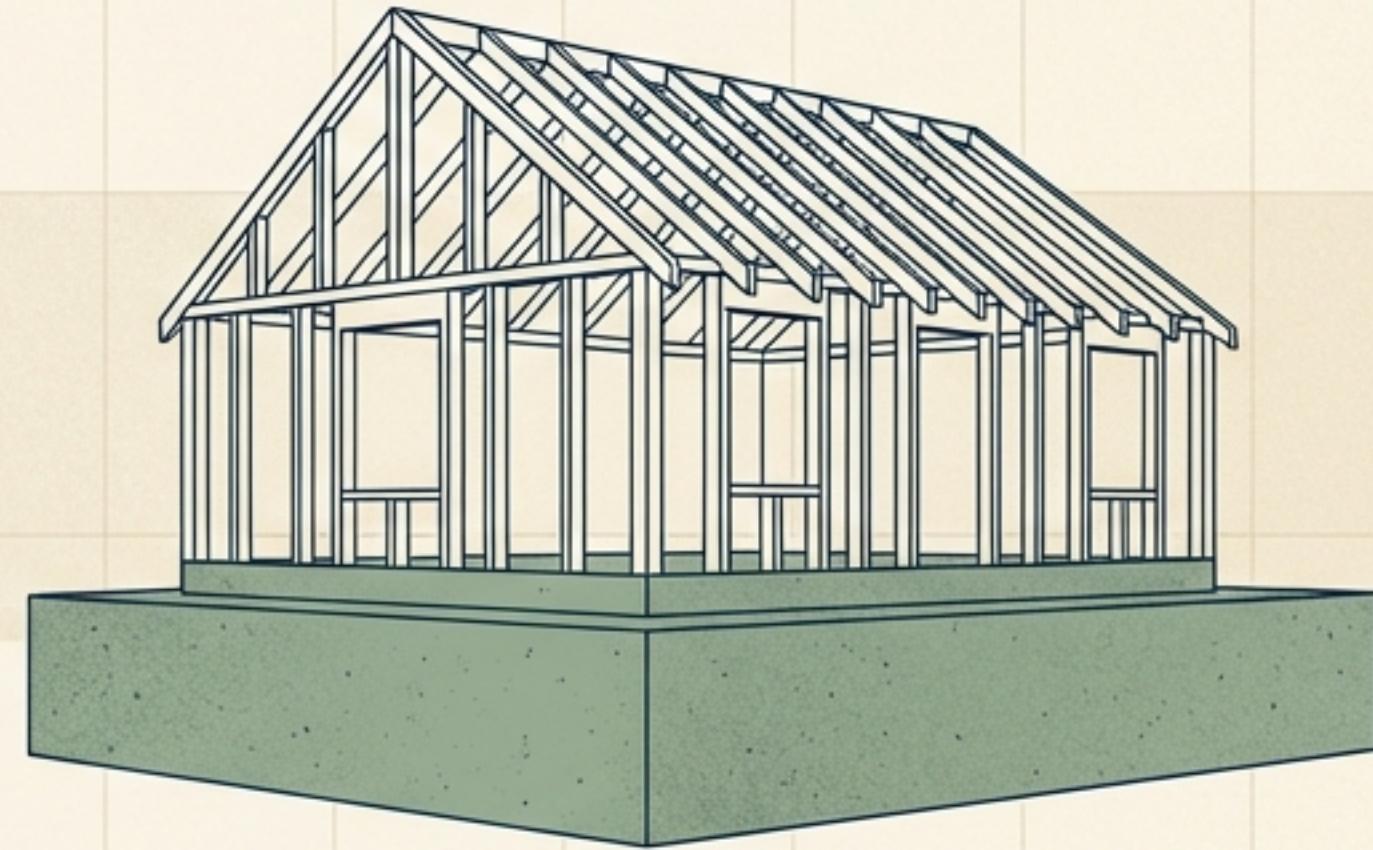
Prevention is cheaper than repair



Support without disqualification

The Moral Center

This is not about gaming the system. It is about recognizing that public benefits have rigid rules. The Trust allows you to build a life **around** those rules.



“When you leave money to a properly drafted Special Needs Trust, you do not hand your child ownership and risk. You hand them support and stability.”

Summary and Next Steps



**Plan early. Ask hard questions.
Secure the future.**