

# Sharper Solutions



Any person or institution serving as Trustee of a self-settled (d)(4)(A) trust (also referred to as a supplemental or special needs trust) must develop expertise regarding the rules of public benefit programs. An example of a self-settled trust is one in which a disabled person

places the proceeds of a personal injury award into a trust for his or her own use. If the funds are not administered properly, the beneficiary may very well become ineligible for SSI or Medicaid, thus defeating the purpose for which the trust was established.

My purpose for developing this Special Edition of Sharper Solutions is to provide an outline of the types of expenses that can be paid from the Trust. The guide is not intended to be comprehensive and is not a substitute for legal advice. We urge you to consult with counsel when making distribution decisions so that the complex rules of these programs are not inadvertently violated.

Anyone who is managing a Special Needs Trust for a person with disabilities is faced with a maze of complicated rules. This list is designed to assist Trustees in determining what expenditures may be made to meet the financial needs of a disabled person while complying with the complex rules of public benefit programs. The Trustee may make any of the following expenditures from the trust. This list of non-support items is provided for purposes of description and shall not limit the trustee in making other distributions for other items or amenities that the trustee may believe are in the best interest of the beneficiary. Those items may include, but are not limited to:

1. Automobile/Van
2. Accounting services
3. Appliances (TV, VCR, stereo, microwave, stove, refrigerator, washer/dryer)

4. Bus pass/public transportation costs
5. Camera, film, recorder and tapes, development of film
6. Clubs and club dues (record clubs, book clubs, health clubs, service clubs, zoo, advocacy groups, museums)
7. Computer hardware, software, programs, and Internet service
8. Courses or Classes (academic or recreational) including supplies
9. Curtains, blinds, drapes, and the like
10. Dental work not covered by Medicaid, including anesthesia
11. Down payment on home or security deposit on apartment
12. Dry cleaning and/or laundry services
13. Fitness equipment
14. Funeral expenses
15. Furniture, home furnishings
16. Gasoline and/or maintenance for automobile
17. Haircuts/salon services
18. Holiday decorations, parties, dinner dances, holiday cards
19. Home alarm and/or monitoring/response system
20. Home improvements, repairs, and maintenance (not covered by Medicaid), including tools to perform home improvements, repairs and maintenance by homeowner.
21. House cleaning/maid services
22. Insurance (automobile, home, and/or possessions)
23. Legal fees/advocacy
24. Linens and towels
25. Massage
26. Non-food grocery items (laundry soap, bleach, fabric softener, deodorant, dish soap, hand and body soap, personal