A Client with a Disability

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News/Articles

Overview of Public Assistance Programs

Incomes

- Social Security Disability Insurance (SSDI)
- Supplemental Security Income (SSI)
- Disabled Adult Child – Childhood Disability Benefits
- SSA.gov

Overview of Public Assistance Programs

SSI, SSDI, Medicare and Medicaid - 2021

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Incomes from Social Security:

SSI – Supplemental Security Income – Maximum monthly payment is $794/month in 2021. You must be disabled, or over age 64, and you must meet financial criteria similar to Medicaid. This program is generally for disabled individuals who have not worked enough to qualify for Disability. If a disabled individual gets an SSI check each month then they are eligible for full *Medicaid* medical coverage in Florida.
https://www.ssa.gov/benefits/ssi/

SSDI – Social Security Disability Insurance – This is a benefit of working and paying into the system. There are no financial requirements for this, only that you paid into the system enough credits based on the age you became disabled. Some disabled persons can draw on a parent's credits if their disability occurred at a young age. This program pays a monthly income if you become disabled that is based on what you paid in. This program is tied to *Medicare*.
https://www.socialsecurity.gov/disabilityssi/

DAC – CDB – Disabled Adult Child – Childhood Disability Benefits – This program allows for a son or daughter to draw on a parent's work history if: the child is disabled, the disability occurred prior to age 22, is unmarried, hasn't worked at a significant level and the parent is either drawing a Social Security check or is deceased. There are a few other requirements but if the son or daughter qualifies for this program, after 24 months he or she will be eligible for *Medicare*.
https://www.socialsecurity.gov/pubs/EN-05-10026.pdf

Medical Coverage:

Medicare – Once you qualify for SSDI or CDB benefits you can get Medicare after 24 months. This covers a portion of certain hospital, doctor and prescription expenses. Also, if you are age 65 and have enough credits with Social Security you are eligible for Medicare. There are no financial limitations for this program, though if your income is high you may pay more of a premium for Medicare Part B. Generally, Part A is free, Part B is $148.50. Prescription coverage, Part D, can vary.
https://www.medicare.gov/your-medicare-costs/costs-at-a-glance/costs-at-glance.html

Medicaid – This program has financial limitations. You must be disabled (but don't necessarily need a formal determination by Social Security). You can get this program by either: 1) qualifying for and receiving SSI or 2) by applying directly through the Department of Children and Families. There are several types of Medicaid programs that assist with medical expenses and there are long-term-care programs and associated "waiver" programs. Medicaid programs can be more comprehensive because there is often no co-pay or deductibles to meet, though service networks can be very limited.
https://www.myflfamilies.com/service-programs/access/medicaid.shtml

Overview of Public Assistance Programs

Medical Coverage

- Medicare
- Medicaid
- Medicaid Waiver Programs
- Private Insurance - ACA

Eligibility for SSI and Medicaid Programs

- Level of care (medical need)
- Resource test and cap levels on assets and income
- Penalty periods if you transfer
- Traditional trusts count as an available resource

Eligibility for SSI and Medicaid Programs

SSI-Related Medicaid Coverage Groups
Financial Eligibility Standards: July 1, 2021

TYPES OF COVERAGE GROUPS (eff 01/01/21)	INCOME LIMIT	ASSET LIMIT
ICP/HCBS/HOSPICE-Individual (I)-300% Federal Benefit Rate (FBR) ICP/HCBS/HOSPICE-Couple (C)- 300% FBR	$2,382 $4,764	$2,000 $3,000
HCBS/Working People w/Disabilities (WPwD) (I)-550% FBR HCBS/Working People w/Disabilities (WPwD) (C)- 550% FBR	$4,367 $8,734	$13,000 $24,000
MEDS-AD/ICP-MEDS(I)-88% Federal Poverty Level (FPL) MEDS-AD/ICP-MEDS(C)-88% FPL	$945 $1,278	$5,000 $6,000
Medically Needy, MNIL-(I)-No income limit (subtract from gross income) Medically Needy, MNIL-(C)-No income limit (subtract from gross income)	$180 $241	
TYPES OF COVERAGE GROUPS (eff 04/01/21) *A $20 General Income Disregard applies to these coverage groups*	**INCOME LIMIT**	**ASSET LIMIT**
Qualified Medicare Beneficiaries (QMB) (I) –100% FPL Qualified Medicare Beneficiaries (QMB) (C)–100% FPL	$1,074 $1,452	$7,970 $11,960
Specified Low-Income Medicare Beneficiary (SLMB) (I)-120% FPL Specified Low-Income Medicare Beneficiary (SLMB) (C)-120% FPL	$1,288 $1,742	
Qualifying Individual (QI-1) (I)-135% FPL Qualifying Individual (QI-1) (C)-135% FPL	$1,449 $1,960	
Working Disabled (WD) (I)- 200% FPL Working Disabled (WD) (C)- 200% FPL	$2,147 $2,904	$5,000 $6,000
Low Income Subsidy (LIS) Extra Help-(I)-150% FPL Low Income Subsidy (LIS) Extra Help-(C)-150% FPL	$1,610 $2,178	$13,290 $26,520
Medicare Part A Premium (free for most) Medicare Part B Premium	$471 $149	N/A

Personal Needs Allowance (PNA) (eff 01/01/21)	
NH-ICP/HCBS/HOSPICE/PACE	$130 (I) $260 (C)
HCBS/WPwD	$4,367 (I) $8,734 (C)
Community Hospice	$1,074 (I) $1,452 (C)
ALF-PACE / SMMC-HCBS	R&B+ 20% FPL ($215 (I)/$430 (C))
Community/iBudget	$2,382 (I) $4,764 (C)

Spousal Impoverishment (eff 07/01/21)	
MMMNA	$2,178
CSMIA (eff 1/21)	$3,260
Excess Shelter Standard (eff 10/20)	$654
CSRA	$130,380
Home Equity Interest Limit	$603,000
Transfer of Asset Divisor (eff 03/21)	$9,703

Community Hospice Allocations:
Spouse only = **FBR ($794)**
Spouse + Dependents or Dependents Only = **CNS Standard**

Maintenance Needs Standards / Other (eff 01/01/21)
Standard Disregard = $20
Earned Income Disregard = $65 + ½
Student Earned Income Disregard = $1,930 monthly, maximum $7,770 for calendar year
Spouse Deeming: ½ FBR = $397
Child Allocation = $397/child (Difference between the couple and single FBR)
Disability Substantial Gainful Activity (SGA) = $1,310 *non-blind*-$2,190 *blind*

Abbreviations Key
Institutional Care Program (ICP)
Home and Community Based Services (HCBS)
The Program of All-Inclusive Care for the Elderly (PACE)
Statewide Medicaid Managed Care (SMMC)
Community Spouse Maximum Income Allowance (CSMIA)
Community Spouse Resource Allowance (CSRA)
Assisted Living Facility (ALF)

Special Needs Trusts

- To benefit individuals with disabilities.
- Maintain eligibility for public assistance programs.
- Enhance quality of life.

Special Needs Trusts

- Self-Settled – with beneficiary's own funds

- Third Party – someone other than the beneficiary or spouse

Special Needs Trusts

Basic Parties in all Trusts:

- Settlor (Grantor)
- Trustee (manager)
- Beneficiary

Third Party Special Needs Trusts

- **Set up by a family member or friend for a person with disabilities**
- **Can be done by a spouse if done in a Will (only after death)**
- **Generally a specific trust for each beneficiary**
- **No Medicaid pay-back – can go to other family members**

Third Party Special Needs Trusts

- **Can set up the trust and fund it now**
- **Can have trust funded later**
- **Can write SNT within Will or it can be within a Revocable Living Trust**
- **Can direct funds into a Pooled Trust later**

Self-Settled
Special Needs Trusts

Must be Irrevocable

Must be the funds of the person with a disability

- Inheritance
- Personal Injury Award
- Earnings and Savings

Self-Settled Special Needs Trusts

42 U.S.C. § 1396 p(d)(4) (Social Security Act)

(d)(4)(A) – Under Age 65 Disability SNT
(d)(4)(B) – Qualified Income SNT
(d)(4)(C) – Pooled SNT

Self-Settled Pooled Special Needs Trusts

- **By combining funds with others similarly situated (pooling), costs can be lowered and "minimum fees" can be avoided**
- **Some pooled trusts have one-time enrollment fees as low as $500**
- **Many pooled trusts do not have minimum monthly or annual fees**
- **Non-profit organizations also administer trusts**
- **Guardian Pooled Trust – Guardiantrusts.org**

Self-Settled Special Needs Trusts

- **Advantages**
  - **Maintain governmental benefits**
  - **Keep your money**
  - **Provide for supplemental needs**

- **Disadvantages**
  - **Trust assets may be restricted**
  - **Challenges related to selecting a trustee**
  - **Trust assets subject to state claim on death**

Special Needs Trusts

- **Family Law**
  - **Child Support can be assigned**
  - **Spousal Support can be assigned**
  - **Maximizes SSI and makes Medicaid easier**

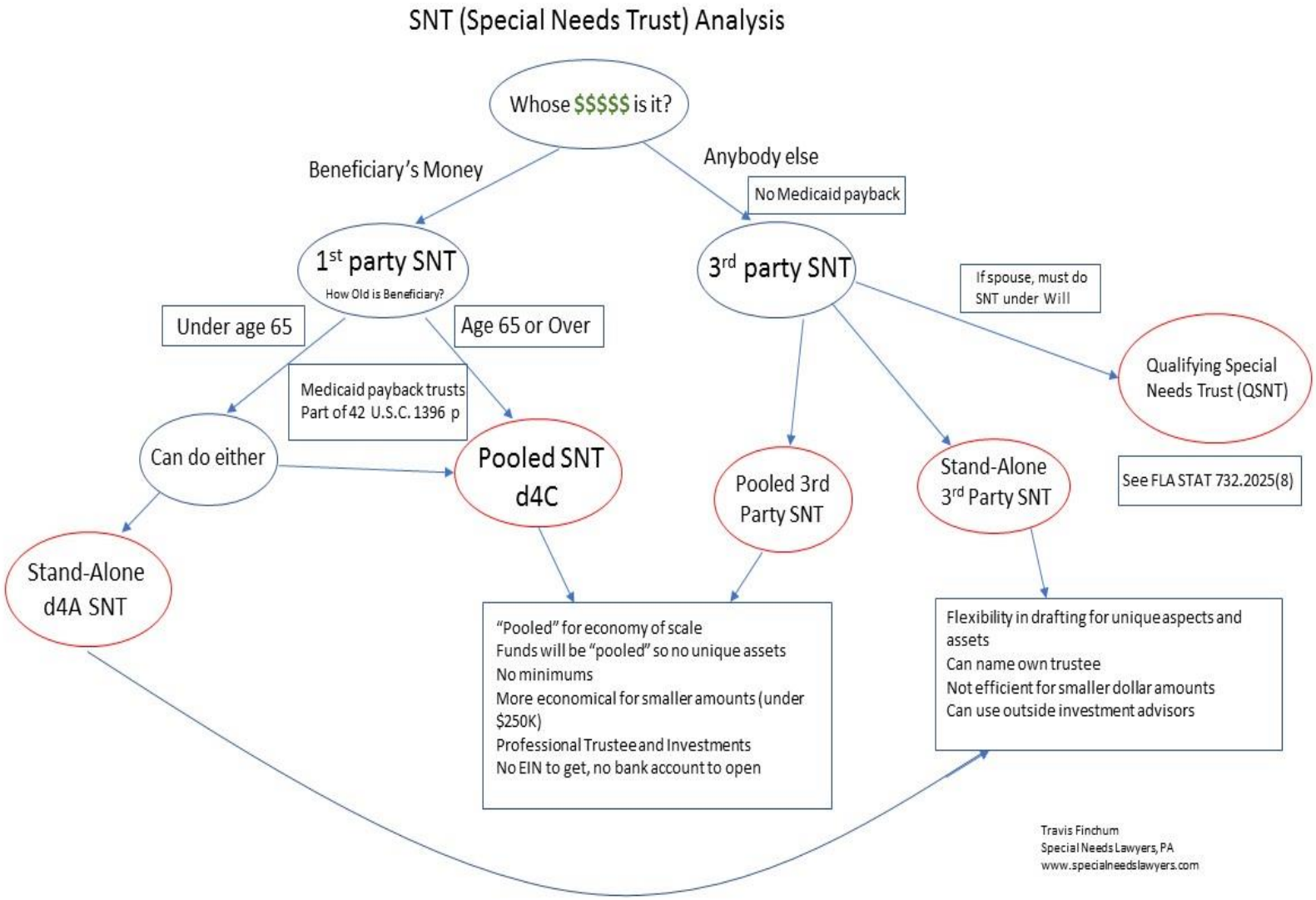
- **Personal Injury**
  - **Can maintain SSI and Medicaid programs**
  - **Can keep funds out of guardianship for minors (good and bad)**
  - **Medicare beneficiaries – Medicare Set Aside Accounts (MSA's)**

Special Needs Trusts

- **Veteran's Benefits**
  - **Survivor's Benefits can be assigned**
    - **Must be a first party SNT and must have an Attorney Opinion Letter that the trust qualifies**

- **Trusts for Disabled Children**
  - **Can transfer assets into a SNT for others – for SSI and for Medicaid LTC**

Special Needs Trusts



Thank You!

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