achieva
Family Trust

Reasons For A Trust & Understanding Government Benefits

People with disabilities and their families face significant challenges in planning for their future. Achieva Family Trust, a member of the Achieva family of organizations, serves as trustee of several kinds of trusts benefiting people with disabilities. Established in 1998 to address parents' wishes to protect their children's futures, Achieva Family Trust now serves more than 2,600 individuals, providing peace of mind to people with disabilities and their families.

REASONS FOR A TRUST

A person with a disability may need a variety of lifelong community supports to optimize his or her quality of life. Those supports often include medical care, early intervention services, in home care, community living arrangements, supported work environments and respite care.

Under the Social Security Act, a person is entitled to receive government assistance for those supports and services as long as the person has:

- A disability as defined by the Social Security Act;
- Monthly income below certain levels; and
- Assets of less than $2,400 if the person is receiving nursing home care or $2,000 if not in a nursing home

"Assets" include all resources, with the exception of a few categories. If a person has assets over the permitted levels, he or she will be ineligible for all means-tested government benefits. Even assets as modest as savings and checking accounts can result in ineligibility or loss of benefits. In order to allow a disabled person to retain access to funds in excess of the maximum asset allotment, a trust can be created for their benefit. The assets in a trust do not count for purposes of calculating whether the person has too many assets to qualifyfor government benefits and services.

Achieva Family Trust operates Third Party, Pooled and Payback Trusts to accommodate a person's specific situation, and distributes trust funds to increase a person's quality of life while preserving eligibility for essential government services. Achieva Family Trust also adds valuable social work expertise to the traditional role of corporate trustee.

The decision regarding when to establish a trust is based on several factors, but some of the most common reasons for establishing a trust are:

- When family members are developing their estate plans
- When family members want to save for the future of a person with a disability
- When a person with a disability has too many assets to remain eligible for essentialgovernment services
- As children with disabilities transition into adulthood

The services of Achieva Family Trust are available to people with disabilities and their families in Pennsylvania and other states. Representatives are also available to speak to professional advisors and family groups concerned with financial and estate plans that include people with disabilities.

For more information, contact familytrust@achieva.info or at 412-995-5000 x 565

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UNDERSTANDING GOVERNMENT BENEFITS

A disabled person may participate in any number of local, state, or federal benefit programs, but the four main programs are Social Security Disability Income, Supplemental Security Income, Medicare, and Medicaid.

Social Security Disability Income (SSDI)

SSDI is a federal program designed to replace lost income because of a physical or mental disability that prevents an person from engaging in gainful employment. SSDI pays monthly benefits to eligible disabled workers and their dependents. Eligibility for SSDI is earned by participating in Social Security or being the dependent of a Social Security insured worker. To be eligible for SSDI an insured worker must have earned a minimum required income for at least 40 quarters. The amount of the benefit is based on the career earnings of an insured worker. SSDI benefits are not based on need, and there is no asset test for eligibility.

Supplemental Security Income (SSI)

SSI is a federal welfare program which, in Pennsylvania, is supplemented with state funds. Eligibility for SSI automatically makes the recipient eligible for Medicaid. Those who are eligible for SSI include the aged, blind, disabled and children under 18 who have a proven medical condition and "marked and severe" functional limitations. People must also meet strict income and assets tests, having no more than $2000 in savings, or $3,000 for acouple. All earned and unearned income,including gifts and inheritance, reduces the amount of the SSI benefit.

Medicare

Medicare is a federal program benefiting the elderly and disabled. To qualify for Medicare an person must be 65 years of age or older or considered disabled and have collected SSDI for at least two years. There are no other requirements for eligibility, and there are no income or asset tests. Medicare has four parts: Part A covers hospital, hospice and home health care; Part B covers physician services; Medicare Advantage is a managed care alternative to traditional Medicare; and Part D covers prescription drug benefits.

Medicaid (Medical Assistance or MA)

Medicaid is a joint state/federal program that provides healthcare coverage for low-income people and children. Financial eligibility standards are similar to those of SSI, however a person may not be eligible for SSI and still be eligible for Medicaid if they have high medical expenses. Eligibility can be achieved by spending down current assets to meet the asset requirement. Certain Special Needs Trusts may help to avoid the need for spend down. Currently in Pennsylvania, disabled children under 21 years of age are eligible for Medicaid without regard to their parents' income or assets. Medicaid pays for a wide variety of healthcare services, including prescriptions and long term care services. Long-term care services such as in-home and residential services and special therapies are available through Medicaid Waiver Programs. The Medical Assistance for Workers with Disabilities (MAWD)Program offers Medicaid for some people with disabilities who are working.

For More Information:

ssa.gov
medicare.gov
dhs.pa.gov

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