

Distributions from a Supplemental Needs Trust (the Do's and Dont's)

- Do not commingle the trust beneficiary's money (e.g., from SSI) with trust money (i.e., monies contributed to the Trust should be from third parties – parents, grandparents, relatives, friends, etc.)
- Distributions of monies from the trust should be for supplemental expenses, only; i.e., extra care above those expenses paid for by SSI and/or MA
- Distributions should not be used for food, clothing and/or shelter (those expenses should be paid by SSI and/or MA) – otherwise, those distributions may be counted as an income resource.
- No income from the trust principal should be paid to the trust beneficiary – otherwise, those funds may be counted as an income resource which reduces the SSI/MA Recipient's governmental benefits
- Distributions from the trust should not be paid directly to the trust beneficiary; payment should be made to the third-party providing the additional services; for example, third-party providers of educational services, therapy services, transportation services, professional services, phone bills, recreational services or entertainment (keeping in mind that these payments should be for services not covered by any governmental benefits the trust beneficiary would be entitled to).
- Other services that may be paid for from the trust (again so long as not covered by SSI, MA or any other governmental benefits the trust beneficiary would be entitled to) – special medical equipment, training programs or educational services, rehabilitation services, recreational or occupational therapy, physical therapy, vocational therapy, durable medical needs, telephone equipment, cable television, internet access, dental care, eyeglasses, nonessential dietary needs, travel needs, things that would be excluded resources and do not constitute food, shelter or clothing (minus gifts from parents) (gifts should not be things that could be converted into cash) and spending money (be careful with amounts – large amounts of money would be considered income)