

# Alternatives to Special Needs Trusts

- Spend down the money to purchase needed exempt assets
  - Home or home repairs/improvements, vehicle, or pre-paid funeral/burial plan
  - Compliant with POMS & state Medicaid requirements
  - Payment of loan or debt accumulated by the beneficiary
- Pre-pay expenses for a reasonable time period
  - Rent, utilities, insurance premiums or home warranty
  - Needed hygiene or care supplies not covered by Medicaid
- Lose Medicaid eligibility until money is spent below asset limits
- ABL Accounts – onset of disability prior to age 26
  - Similar to 529 Plans but specifically for persons with disabilities
  - An account that protects assets for purposes of qualifying for Medicaid and SSI
  - Review law & limitations carefully interpreted in SSA POMS & IRS rules