



Midwest Special Needs Trust

Missouri Family Trust dba Midwest Special Needs Trust (MSNT) was established as a result of advocacy by parents and professionals who realized that many obstacles hinder planning for the financial future of individuals with disabilities. The organization was created by statute (RSMo 402.199 - 402.208) in 1989 for the primary purpose of administering special needs trusts for persons with disabilities to protect important public benefits. As authorized and specified by statute, the Missouri Family Trust was incorporated as a non-profit and received IRS 501(c)(3) charitable designation.



What is a special needs trust?

A special needs trust is a written legal document that allows for a person with a disability to have funds available to them for their supplemental needs without impacting eligibility for Supplemental Security Income (SSI), Medicaid, SNAP (Food Stamps) or HUD housing.

First Party Trust

Funded with assets belonging to the person with a disability. First Party Trust sub-accounts are irrevocable and have a Medicaid payback requirement.

Upon the death of the Beneficiary a 25% contribution of the remainder balance is retained for the MSNT Charitable Trust. After payment of allowable fees and expenses, and Medicaid any remaining balance is distributed to named Remainder Beneficiaries.

Third Party Trust

Funded with assets or resources from someone other than the Beneficiary. These trust sub-accounts can be created as revocable or irrevocable and do not have a Medicaid payback requirement.

Upon the death of the Beneficiary a 25% contribution of the remainder balance is retained for the MSNT Charitable Trust. After payment of allowable fees and expenses, any remaining balance is distributed to named Remainder Beneficiaries.

Inactive Trust

The Inactive Trust allows for pre-planning of future deposits—from life insurance, wills, or settlements. Family members, friends, and even the Beneficiary can open a trust sub-account within the Inactive Trust. An initial deposit of \$200 along with the applicable trust agreement documents are required to establish an Inactive Trust. \$100 is for an enrollment fee and the remaining \$100 will be deposited into the Inactive Trust sub-account.

How Funded

First Party

- **Beneficiaries <65**
 - Social Security backpay
 - Personal injury or other legal settlements
 - Unplanned inheritance or life insurance proceeds
 - Conserved funds
- **Beneficiaries >65**
 - Varies from state to state
 - Please call the MSNT office to discuss

Third Party

- Planned inheritance from a will, trust, or estate
- Planned life insurance proceeds
- Gifts or fundraising by family or friends

Enrollment Fee

The enrollment fee is a one time fee that covers the cost of setting up the initial sub-account. A First Party Trust sub-account may qualify for a reduced enrollment fee based on the initial deposit and the Beneficiary's yearly income.

MSNT's minimum deposit to set up a trust is \$500.





What is a trust versus a trust sub-account?

A Beneficiary's portion of the Trust is called a sub-account. Each type of trust, First Party, Third Party Irrevocable and Third Party Revocable, has its own pool for investment and management purposes. Within each pool, there are six different types of investment portfolios. Funds deposited for the Beneficiary are pooled together with similar trust and portfolio types for investment and tax optimization purposes. **All earnings are individually accounted for.**

How can I establish a trust sub-account?

Request a free consultation by calling or emailing MSNT. A Trust Specialist will discuss your specific circumstances and help you with a plan to meet your needs. They will then mail you the appropriate forms. When completed, the initial deposit check and forms are mailed back to MSNT for review and processing.

How can a trust sub-account be used?

Must be used for the benefit of the Beneficiary (person with a disability).

This can include dental and medical services not covered by other insurances, co-pays, pharmacy, medical supplies, equipment, entertainment, and other personal needs of the Beneficiary.



Supplemental needs of the Beneficiary do not include rent, mortgage, room and board, utilities, food, or cash to the Beneficiary. Payment for these expenses may cause a reduction in the Beneficiary's monthly benefit from Social Security.



What decisions must be made when completing the documents?

Completing the trust agreement documents requires consideration for the following:

- Naming Co-Trustee(s) and Successor Co-Trustee(s) who are authorized to submit requests for funds and communicate on behalf of the Beneficiary. If no one is available, MSNT will serve as Sole Trustee.
- Naming Remainder Beneficiaries who, at the death of the Beneficiary, will receive the remaining funds after all allowable final distributions.

Why use MSNT?

- MSNT's Trust Specialists are certified Work Incentives Practitioners from Cornell University
 - Up-to-date certification on rules and policies regarding Social Security benefits, Medicaid, Medicare, and other benefit programs
- Trust Specialists have a background in case management, home health, finances & customer service
- Trust Specialists assist with Medicaid and Social Security eligibility reviews
- Affordable Fees
- Quarterly trust sub-account statements
- Convenient online access
- Pre-loaded debit card for eligible participants
- Ongoing compliance through timely amendments to the trust agreement documents
- Toll free phone access for consultation or assistance
- Establish trust sub-accounts for Beneficiaries in Missouri, Arkansas, Illinois, Iowa, Kansas, Kentucky, Nebraska, Oklahoma and Tennessee.

What makes MSNT different?

- Created by state statute in 1989 as a pooled trust organization.
- Governed by a Board of Trustees comprised of professionals who have family members with a disability, are named by the Missouri Governor, confirmed by the Missouri State Senate, and comply with the Missouri Ethics Commission requirements.
- Retained funds at closure support the MSNT Charitable Grant Program. Which provides grants to individuals with disabilities for items or services they would not otherwise afford.
- MSNT believes in the power of community and is committed to fostering independence, confidence, and comfort for those who need it most.



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