


SNTS AND THOSE OTHER PESKY BENEFITS


BRIDGET O'BRIEN SWARTZ
CELA AND ACTEC FELLOW

 DYER BREGMAN & FERRIS, PLLC

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AGENDA


- (a) SNTs and PBs-What to think about
- (b) Revisit SSI and Medicaid-Review and context
- (c) Temporary Assistance to Needy Families (TANF)-Temporary
- (d) Supplemental Nutrition Assistance Program (SNAP)-Accessibility
- (e) Subsidized housing-Imputed income, SNT distributions and HOTMA

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WHAT PBs AT STAKE?

- Does the client know his/her benefits?
- Needs-based or not?
- Income-sensitive only? Asset test?
- Value of PBs?
- SNT able to replace PBs?
- PBs compatible?

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THE PRIORITIES-SSI AND MEDICAID

- SSI and categorical eligibility for Medicaid but for LTSS/LTC
- Compatibility of SNT requirements
- Income distributions
- Sole benefit rule
- Medicaid restrictions on distributions



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TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)

- Administered locally and eligibility requirements vary substantially from state to state
- Temporary in nature BUT 60 months or longer
- Must be 18 or younger and head of household, pregnant or have child under age 18
- Low and very low income
- Disability of a parent or child a factor

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TANF-FINANCIAL ELIGIBILITY



- Low resource limit
- Transfer to SNT may be subject to penalty
- Income limits vary greatly and low to very low limits apply
- Cash distributions = income
- Vendor payments ≠ income

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SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)

- State variance
- Categorical eligibility for TANF and SSI recipients
- Higher resource limit for household with elderly or disabled member (\$3500 v. \$2250)
- Resources of SSI and TANF eligible members not counted

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SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) AND SNTS

- Is the SNT "available"?
- Function of control and access to provide for support
- Like TANF, vendor payments ≠ income

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SUBSIDIZED HOUSING




- Multitude of assistance programs (Section 8, projects, vouchers)
- Overseen by HUD but administered publicly (e.g., PHAs) or privately at local level
- Administering bodies have great autonomy = variance in rule interpretation and application

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SUBSIDIZED HOUSING: THRESHOLD QUESTION


- Not an entitlement program and other obstacles
- Size of SNT and whether a home can be purchased and maintained
- Size of SNT and whether imputed income, SNT distributions may disqualify or increase rental obligation substantially
- Cost of housing and inadequacy of SSI to cover the cost


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SUBSIDIZED HOUSING AND RESOURCES


- No resource limit currently but with HOTMA, \$100,000
- Irrevocable Trust/SNT not a resource if no family member has control and inaccessible
- Transfers including funding of SNT → imputed income for 2 years


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SUBSIDIZED HOUSING: INCOME ELIGIBILITY AND RENT

- Annual income of family counted and includes unearned income
- Imputed income (actual v. .06%) on assets over \$5,000/\$50,000 with HOTMA
- Imputed income for 2 years on assets transferred


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**SUBSIDIZED HOUSING AND SNT DISTRIBUTIONS
PRE-HOTMA/NOW**

- “Income” not principal distributed is counted
- Distributions paid to the beneficiary is counted but not paid to a third party
- Distributions for medical expenses a safe-harbor
- “Temporary, nonrecurring or sporadic” distributions ≠ income

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**SUBSIDIZED HOUSING AND SNT DISTRIBUTIONS
POST-HOTMA-YIKES!**

- Adios to exclusion for “temporary, nonrecurring, or sporadic income”
- New definition of “distribution from a trust” to include any and all payments to whomever for whatever
- Very narrow exemption for trust distributions for medical expenses of minor



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SUBSIDIZED HOUSING-WHAT NOW?

- NAELA, SNA and other advocates may influence final regulations!
- ABLE accounts may be saving grace!
 - SNT distributions to ABLE account ≠ income AND
 - Payment of expenses by ABLE account ≠ income

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CONCLUSION: TO SNT OR NOT TO SNT?

- Not if TANF only because “temporary”
- Is value of SNT sufficient to replace benefits?
- What distributions are contemplated?
- Subsidized housing and treatment of trust distributions (pre- and post-HOTMA)
- Bottom line-Counsel your client!

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