



FOSC TN Pooled Trust Highlights

Objectives:

- Maintain eligibility for public assistance by qualifying as a “pooled trust” under 42 U.S.C. ((1396 pCd)(4)(C).
- Provide for the needs of an individual with a disability.
- Help manage/preserve family assets.

Background:

Pooled Trust Legislation passed in 1996 to benefit those with an impairment that limits one or more major life activities. If the requirements are met, the transfer of assets to the Pooled Trust for the benefit of the person with a disability will result in those assets not being considered for the Resource Test for SSI and Medicaid.

Operations:

- Administration of one trust for management and investment purposes.
 - Separate accounts for each beneficiary
 - Net income allocated to the individual accounts.
- Donor appoints a personal representative to assist the trustee.
 - Usually a family member (requests the expenditures for the beneficiary.)
- At death of beneficiary
 - Remainder beneficiary (3rd party)
 - Medicaid payback (1st party) with any remaining proceeds passed to the beneficiary estate.

Oversight:

FOSC Tennessee Pooled Trust

Contact: Gail Davis

Email: gdavis@setrustco.com

Phone: 423.668.3073

Southeastern Trust Company, a division of Atlantic Capital Bank, N.A.

(Operating Trustee)

531 Broad Street, Chattanooga, TN 37402

Investment Objectives:

Cash- Federated Money Market Funds

Income- Seeks income and the preservation of capital.

Income and Growth – Seeks to emphasize income and the preservation of capital over the growth of capital.

Balanced – Equal emphasis on capital appreciation and current income.

Conclusion

The purpose of a pooled special needs trust is generally the same as an individual special needs trust – To help families use funds wisely to provide the highest quality of life for a family member with a disability. A pooled trust is an alternative solution to address long-term concerns and bring peace of mind to families in the disability community.