

Special Needs Trust Foundation

P.O. Box 1890



Lakeside, CA 92040



(619) 201-2672

How To Set Up A Special Needs Trust With The Special Needs Trust Foundation

How can a trust be established with the Special Needs Trust Foundation?

Print 1st and 3rd Party Trust documents from our web site: www.sntf-sd.org or contact the SNTF to request they be mailed to you/your attorney.

1st and 3rd Party Trusts: By submitting a Joinder Agreement Master Trust to the Special Needs Trust Foundation. The SNTF Board will then review and, if appropriate, approve the Joinder Agreement.

When can it be funded?

1st Party Trusts: Anytime after the Joinder Agreement is approved with a minimum of a \$5,000 deposit.

3rd Party Trusts: Anytime after the Joinder Agreement is approved with a minimum of a \$5,000 deposit. Either during donor's lifetime or after their death through an estate plan.

What are the fees?

1st Party Trusts:

1. Enrollment fee is \$1,000.00 per 1st party trust established. To be billed to the trust when trust is funded.
2. Accounts with a balance of \$10,000 or less will have zero fees, other than a \$25 transaction fee for each check written over three checks per month. (If the account is frozen or closing, that fee will not be charged.) Accounts with a balance of \$10,000 - \$100,000 will be charged a fee of \$100 per month. Accounts over \$100,000 will be charged a fee of 1.15% per month.
3. Bank investment fees for each trust are currently at .72% annually and subject to change.
4. Annual tax returns, if required, will be prepared by a certified public accountant. Preparation fee and any related tax liability will be billed to the trust.

3rd Party Trusts:

1. Enrollment fee is \$100.00 per 3rd party trust established.
2. No fee for first three checks issued per month and a fee of \$25 per check issued over three check limit per month.
3. Bank investment fees for each trust will have a maximum .72% annual fee and are subject to change.

How are distributions made?

1st and 3rd Party Trusts:

Once the trust is funded distributions can be made from the trust. See "What Can A Special Needs Trust Do" for acceptable expenditures. Distributions can be made before or after the requested item is purchased and must be accompanied with a Distribution Request form and receipt/invoice/ statement. Distribution requests are reviewed by the SNTF and upon approval a check is sent out within approximately two weeks. Other rules applied and vary by government benefit received.

What happens to the remaining funds upon the death of a beneficiary?

1st Party Trusts require a payback to MediCal on the termination of the trust or death of the beneficiary up to the value of the benefits received. If a balance remains after the State(s) has been reimbursed, it will be distributed as per your instructions in the Joinder Agreement.

3rd Party Trusts: The remaining balance of the account will be distributed as per your instructions in the Joinder Agreement. Your designations must include a minimum of 25% to the SNTF and 25% to one of the member agencies.

For more information please refer to the SNTF First-Party and Third-Party brochures, or the SNTF web site: www.sntf-sd.org