




Ensuring Safe Housing for Your Disabled Adult Child: Estate Planning
 Mark Gilfix, Esq.
 Morgan Autism Center Annual Conference
 June 20, 2014
www.gilfix.com

Overview



- Protect the Family Home
- Government Benefit Issues
- Leaving the Family Home to Special Needs Child
- Special Needs Trusts
- Life Estates – Issues
- Converting the Residence

www.gilfix.com

One of our Biggest Concerns





Preserving the family home...or at least providing a safe place for our children to live
www.gilfix.com

Government Benefits are Key 


- Assume adult child is or could be eligible for government benefits
 - Supplemental Security Income (SSI)
 - Medi-Cal/Medicaid
- Strict eligibility criteria - \$2000
- What does this mean?

www.gilfix.com

Give or Leave Home to Child 


- Government benefits?
 - Home is an “exempt resource”
- Leave outright? Generally not a good idea
 - Management, maintenance...house can be lost
 - Child could give or leave residence to anyone
 - Child could sell or encumber house
- Subject to Medi-Cal estate reimbursement for claim benefits received 55+

www.gilfix.com

Special Needs Trusts 

- Leave residence to Special Needs Trust (SNT) – the **trust owns the home**
- **Trust** purchases
- **Trust** pays rent
- **Not** subject to Medi-Cal reimbursement claim
- Parents **leave cash to SNT** to maintain residence, or to purchase or rent residence
- ****Assets in SNT do not interfere with eligibility for government benefits**

www.gilfix.com

Special Needs Trust Info 


**Special Needs Trust
Creation and
Management Guide**

California Second Edition

Michael Gilfix, Esq.
Gilfix & LaPelle, Attorneys LLP


*"No area of estate and
protective planning is more
important than
Special Needs Trusts."*

www.gilfix.com

Leave "Life Estate" in Residence to Disabled Child 

- Home effectively belongs to child during lifetime
- Some issues...
- What if child cannot safely live in home?
- If house rented out during child's lifetime, income goes to special needs child = potential problem
- Does avoid Medi-Cal reimbursement claim
- Not our recommended approach

www.gilfix.com

Convert Residence to Group Home 

- Some wonderful organizations
- Will your child be able to live there?
- Leave residence to nonprofit organization
- Team with other parents, create private group home

www.gilfix.com

In Conclusion...You Have Options!



- Planning ahead is critical
- You **can** provide a home and security for your special needs child after you are gone
- Special Needs Trusts are powerful tools
- We can help, and many great resources here

www.gilfix.com
