

- MORGAN AUTISM CENTER Creating Opnortunities for Success

Ensuring Safe Housing for Your Disabled Adult Child: Estate Planning

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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

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One of our Biggest Concerns





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

Government	Benefits	are	Keν	,
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- 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?

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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+

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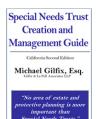
Special Needs Trusts



- 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

Special Needs Trust Info





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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

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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

ln	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