

ALTCS Policies on Special Treatment Trusts

People who are over the income or resource limits for ALTCS can sometimes still be eligible if they set up one of the following trusts. The person who needs ALTCS benefits must be named the primary beneficiary. AHCCCS must be named as a remainder beneficiary of the trust. That means that AHCCCS will get any funds left in the trust when the person dies or the trust is ended.

Income-Only Trust (Miller Trust) – for people whose income is over the ALTCS income limit.

- You will need to set up a bank account that is titled to the trust.
- Only your income can be deposited into the trust account.
- Income must be deposited into the trust account in the month you get it.
- The income assigned to the trust must be direct deposited into the trust account unless the source of the income does not allow direct deposit into a trust account.
- Income deposited into a trust account does not count as income in determining eligibility but is counted in determining your ALTCS Share of Cost.

Disabled Individual Under Age 65 Trust – for people whose resources are over the ALTCS limit.

- Only your income or resources (or both) may be deposited into the trust account.
- The trust must be set up by your parent, grandparent, legal guardian or a Court.
- The trust must be set up and funded before you turn age 65.
- You must be disabled at the time the trust is created.
- Assets deposited into the trust account do not count in determining eligibility.
- Income deposited into the trust account does not count as income in determining eligibility but is counted in determining your ALTCS Share of Cost.

Money Taken Out of a Special Treatment Trust

- Money taken out of a special treatment trust can only be used for your benefit and for the purposes specified in state law (A.R.S. §36-2934.01).
- Any money given directly to you or paid from the trust for your food or shelter will be counted as income in determining eligibility.

Trustee Requirements

- A trustee is the person who is given control of the income or resources that are placed in the trust.
- The trustee is responsible for managing the income or resources for your benefit.
- The trustee must also give ALTCS information about how the trust is being managed. This means that the trustees must let ALTCS know about money they expect to take out of the trust and changes in the plans to take out the money.

Help in Creating Special Treatment Trust

- Since a Special Treatment Trust must meet state requirements, you will probably need to get help in creating the trust document.
- Your own attorney may be able to help you write the trust document.
- If you do not have an attorney, you can find one in the Elder Law Specialist listing in the Attorney Section of the Yellow Pages. Ask the attorney if he or she is familiar with Special Treatment Trusts needed for Medicaid/ALTCS eligibility.
- You may be able to receive free help from your local Area Agency on the Aging.

If you have additional questions, contact your Eligibility Specialist in the ALTCS local office. For more information, go to the following site on the Internet:

<http://azahcccs.gov/Publications/Eligibility/chapter800.asp>