



Protect Your Family

PEACE OF MIND YOU CAN TRUST

Pooled Trust I
Monthly Spend Down Trust for Persons with Disabilities

Policies and Procedures

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The Trust

The Protect Your Family Pooled Trust I (PYF), established by Life Family Center, Inc. d/b/a Protect Your Family (Trustee), is a supplemental needs pooled trust established pursuant to Federal and State law that permits a disabled person as defined by Social Security Law, §1614(a)(3), 42USC1382c(a)(3), to shelter his/her own resources in order to remain eligible for governmental benefits. The Master Trust document governs the entire pool of sub-trust accounts and is already in place.

Eligibility

Individuals who are disabled as defined in Social Security Law Section 1614(a)(3)[42USC 1382(c)(a)(3)] are eligible to establish a PYF Sub-Trust Account. There are no restrictions with respect to an individual's disability, gender, ethnicity, or religious beliefs.

The Beneficiary and his/her representatives are solely responsible for determining whether this Trust meets the needs of the individual. Prospective beneficiaries and his/her representatives should speak with their attorney, case manager, and/or other advisors to determine if the trust is for them. The Trustee does not know the individual circumstances of any individual and cannot determine if the Trust represents the optimal solution for a particular person.

Establishing an Account

Prospective Beneficiary must complete the Beneficiary Background and Joinder Agreement. It must be signed, dated and notarized by the appropriate individual. Please submit along with the Submission Checklist. Other documents may be required for initial setup, including but not limited to: Copy of the Power of Attorney including the Statutory Gift Rider (SGR) as required by HRA for any POA's executed after September 1, 2009, Guardianship documents, a copy of a Court Order mandating a trust, a copy of Beneficiary's Social Security Card, the Medicaid Award Letter, a copy of funeral arrangements if already in place.

A check or money order must be sent along with the Joinder Agreement for the non-refundable initial application fee. The application fee may be deducted directly from the surplus amount or sent separately.

All checks should be made payable to:

PROTECT YOUR FAMILY
(please list Beneficiary's name on Memo Line)

All paperwork and checks should be mailed to:

**PYF POOLED TRUST DEPARTMENT
303 Merrick Road
Suite #505
Lynbrook, NY 11563**

Please note: The Joinder Agreement and other documentation are occasionally updated. Please refer to our website or contact our office to make sure you have the most updated version.

A PYF employee will contact the Beneficiary and/or his/her representative regarding any questions or concerns with the submitted information/funds. To ensure the timely review of your application, please submit all required documentation as listed above and on the submission checklist. Incomplete or unsigned documents will be returned and slow down the process of establishing a trust.

Once approved, the acceptance letter, a copy of the executed Joinder Agreement and a Verification of Deposit will be sent to the contact listed on the agreement that is responsible for submitting the trust documents to Medicaid, SSA, and/or other government agencies for approval.

Funding the Sub-Account

It is the responsibility of the Beneficiary to send in their required monthly surplus every month. Medicaid determines an individual's spend-down/surplus. Please contact your local Medicaid Office to obtain this information. PYF cannot advise individuals in regards to their spend-down/surplus or determine their necessary monthly deposit. Nor will PYF be responsible to remind clients to send in their payment.

PYF will accept the monthly surplus in the form of Check, Money Order, or Auto Bill Pay.

Please note: any checks returned for insufficient funds will result in a fee charge, refer to the current fee schedule. After two (2) insufficient fund returns, Beneficiary will not be allowed to send in personal check or Auto Bill Pay, only Money Orders will be accepted.

Fees

A non-refundable initial application fee will be charged to establish an account. This fee can be sent in separately or can be deducted from the surplus amount.

The first month's administrative fee will be charged in the month the account is established with the surplus funding. Administrative fees are charged monthly according to the current fee schedule. Fees are subject to change.

An annual fee will be deducted on each anniversary date of the Beneficiary joining the PYF trust. Please refer to our current fee schedule.

Trust expenses and fees are deducted before requested disbursements. Therefore, please remember to consider this when submitting disbursement requests. A lack of funds will delay the processing of disbursement requests until funds are received. It is suggested that you always keep a small monetary cushion in the account to make sure that there is always a positive balance in the account.

Please refer to current fee schedule for information regarding other miscellaneous fees including but not limited to: Insufficient Funds Return, Stop Payment, One-Day Processing, Cancelled Check, Overnight Mail.

Changes to Beneficiary's Information

To ensure we have the most current information in our files, please submit any changes in writing to PYF. Persons authorized to discuss Trust matters and/or submit requests on behalf of the Beneficiary are designated in the Background and Joinder Agreement. Only written changes from an authorized individual will be accepted.

Changes pertaining to the Beneficiary and authorized contacts include but are not limited to: living situation, address, telephone numbers, change in amount of monthly spend-down/surplus, changes in relation to Guardianship or Power of Attorney, change in service providers or account numbers for recurring bill payment, death of Beneficiary.

Please be specific with updated information regarding individuals authorized to make disbursement requests and who shall receive statements. This information must be submitted by the Beneficiary or other authorized individual.

Requests For Disbursement

Requests for disbursement must be submitted in writing on the PYF Disbursement form. The request must be signed by the Beneficiary or other individual authorized by the Beneficiary. The request must be accompanied by the appropriate document (bill, invoice, receipt, credit card statement etc.), in the Beneficiary's name. The request and appropriate documentation may be faxed, e-mailed, or mailed to PYF. Disbursement requests that lack the required documentation, are improperly filled out, or not in the Beneficiary's name, will be sent back and will slow down the disbursement process greatly. PYF is not responsible for late charges that may incur as a result.

All disbursement requests are reviewed by PYF to determine acceptability. Payments will be made in a timely fashion by PYF, but please be aware there is a processing time from vendors as well. Please be cognizant of due dates when submitting requests. PYF will not be responsible for late fees if sufficient time is not provided for by the Beneficiary's submission request.

Requests that may adversely affect government benefits or do not appear to be for the sole benefit of the Beneficiary will be denied. Disbursements cannot be made directly to the Beneficiary. All disbursements shall be made to the third party service/goods providers. Pursuant to applicable laws, the requests for repayment must be for allowable items and charges incurred within 90 days of the date of request from when Beneficiary opened the account.

PYF can only make payments for expenses if there is enough money in the Beneficiary's trust account to cover the disbursement request. PYF deducts its monthly fee from the account prior to making disbursements. It is important for the Beneficiary or person authorized on Beneficiary's behalf to ensure there is enough money in the account to cover expenses. Monthly statements will be sent out to show all account activity. However, please do not use this as a final accounting of the account, as it only reflects the activity as of the date of printing.

Payments cannot be made on bank holidays.

Automatic Recurring Payments payment for expenses that are the same amount every month can be set up if the Beneficiary has a sufficient balance and/or is making monthly deposits. An automatic recurring payment application must be completed and provided along with corresponding documentation.

If for three (3) consecutive months account does not have sufficient funds to pay the automatic recurring payment, it will be cancelled with little or no notice. A new request will have to be filled out to set up the automatic recurring payment again.

All disbursements are made at the sole discretion of the Trustees and must meet the below criteria:

All requests must be for the sole benefit of the account Beneficiary.

Expense must have been incurred within 90 days of submission.

Date of service or coverage period must be from date of opening of trust going forward.

Required documentation has been provided, including but not limited to receipts.

Invoice is in the name of Beneficiary.

Reimbursements to a third party require proof of payment. Contact our office prior to making purchases and/or obtaining services to ensure they are eligible for reimbursement.

Credit card payments will be limited to current charges only along with a complete detailed statement.

Property expenses require that the Beneficiary have some percentage of ownership or have retained a life estate for consideration. Expenses may be pro-rated based on percentage of ownership. Submission of a deed or life estate, as applicable, is required.

Disbursement requests relating to a family or other type of Trust require submission of the Trust document for our legal department to review prior to consideration.

Disbursements will not be made payable to the disabled Beneficiary. All disbursements must be made payable to third parties only.

Allowable Expenses

An “allowable expense” is an expense that is for the sole benefit of the Beneficiary, in the Beneficiary’s name, and specifically provides for the Beneficiary’s needs, wants, care, education, training, rehabilitation and/or comfort, as well as, any other expenditure allowable by applicable laws.

The Trustee shall also take into consideration that the main purpose of the trust is to act in a way that will not jeopardize the Beneficiary’s governmental benefits. Therefore, Trustee has sole discretion as to whether or not to make payment on any specific disbursement request.

In the event the Trustee disallows an expense, Beneficiary will be notified by PYF. Beneficiary shall be required to pay for that expense out of their own income resources outside of the sub-account.

If you have specific questions about allowable expenses, please feel free to contact our office.

Sample Eligible Items for Disbursement: Please note this list is not inclusive nor does it guarantee payment will be approved. Beneficiaries that receive different governmental benefits programs have different allowable expense rules.

Rent: A current signed lease indicating the Beneficiary as tenant must be submitted. Rental amount must not exceed “market” rent. A lease between spouses will not be honored.

Mortgage: A copy of the Loan payment letter. Must be in Beneficiary’s name.

Assisted Living: A current signed lease or other documentation provided by facility indicating the Beneficiary as tenant.

Property Taxes: Deed, life estate, or trust document must be submitted. The Beneficiary must have some ownership in the property.

Insurance: A copy of the Renters, Homeowners or Car Insurance. Must be in Beneficiary’s name. Please note: Health Insurance and Life Insurance are ***not*** allowable expenses.

Utilities: Gas, electric, water, Cable/satellite television, cell phone, telephone, internet. Invoice must be in the Beneficiary’s name and indicate primary residence as service address.

Credit Card- Must be in Beneficiary’s name. Current month charges only. Items must be for the Beneficiary and allowable pursuant to trust guidelines. The amount of a credit card statement which is allowed for payment shall be confirmed by the Trustee. No amount of cash drawn is allowable.

Funeral Expenses: An Irrevocable/Medicaid eligible pre-need agreement may be considered during the Beneficiary’s lifetime. A copy of the pre-need contract is required. The sub-trust account can make disbursements toward eligible pre-need arrangements up until death. Per Federal and State statute, no funeral or related expenses may be paid after death.

Non-Allowable Expenses

A “non-allowable” expense is an expense that is not for the sole benefit of the Beneficiary, in the Beneficiary’s name and specifically to provide for the Beneficiary’s needs, wants, care, education, training, rehabilitation and/or comfort, as well as any other expenditure allowable by applicable laws.

In the event the Trustee disallows an expense, Beneficiary will be notified by PYF. Beneficiary shall be required to pay for that expense out of their own income resources outside of the sub-account.

If you have specific questions about “non-allowable” expenses, please feel free to contact our office.

Sample Non- Eligible Items for Disbursement: Please note this list is ***not*** inclusive and can change.

Disbursement payable to Beneficiary.

Cash advances taken on credit cards and related fees.

Debts or loans incurred prior to sign up.

Payments to financial institutions for debit card charges, and overdraft fees/expenses, lines of credit.

Rental lease agreements between spouses.

Reimbursement for purchases made from a joint checking account held with the Beneficiary.

Reimbursement to spouse.

Tobacco, alcohol, firearms, gambling.

Bail, restitution or related Legal (fees, tickets, fines etc.).

**Medicaid eligible expenses incurred after the Trust was established.
Gifts or Donations.**

Surplus income invoices (NAMI, Spend-down).

Any item for an individual other than the Beneficiary.

Life insurance.

Health insurance.

Gift cards.

Donations.

Any disbursement after the death of the beneficiary.

Termination of Sub-Account

Please notify PYF immediately in the event the Beneficiary enters a nursing home, no longer has excess income to spend down, or dies.

PYF does not charge a termination fee. However, PYF is an Irrevocable Supplemental Needs Trust, therefore all funds remaining in the sub-account shall remain with the Trust to further its purposes. PYF cannot refund any balance remaining in the sub-trust account.

Consistent with Federal statute, the sub-trust account terminates upon the death of the Beneficiary. The authorized representative should submit a copy of the death certificate as soon as possible. **In addition, no further disbursements will be made.**

Please note that if there is inactivity in the account for three (3) or more consecutive months, the trust account will be closed with little or no notice. In order to re-establish the trust, client will need to reenroll with updated personal information, along with any fees that may be due.