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The Self-Directed Support Program
PLAN of MA & RI Presents:
Special Needs Trusts
September 23rd, 2025



PERSONAL SUPPORT BUILT ON PERSONAL EXPERIENCE

About RIPIN

- Independent 501(c)(3) nonprofit organization
- *Peer Professionals*
- Help Rhode Islanders of all ages, abilities, and backgrounds access and navigate:
 - Health Care
 - Education
 - Healthy Aging
 - Other services/supports/complex systems



What is Self-Direction?

Self-Direction is a service model for people who:

→ Have intellectual and/or developmental disabilities (I/DD)

→ Are found eligible for funding from the Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals (BHDDH)

→ Want (along with family or trusted allies) to manage their own budgets, hire their staff, and set their own priorities



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The RIPIN Self-Directed Support Program



We guide and support families and individuals to navigate the systems and supports they need when choosing self-direction with:

- Training and Education
- Resource-Sharing
- Referrals
- Collaboration with other agencies and organizations

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Preserve Assets | Protect Benefits | Live Well

Special Needs Trusts

Presented by Joan McGrath



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Presenter



Joan McGrath, Chief Executive Officer, has been with PLAN since 2009. Prior to assuming the role of CEO, in February 2020, Joan was Director of Finance and Administration for PLAN and has more than 25 years of experience in professional accounting and finance. She has been an auditor with a “big four” public accounting firm, where she focused on high growth, emerging business clients. She also led her own private consulting practice, where she worked with nonprofits, service organizations, and venture capital startups. Joan earned her Bachelor’s degree in Accounting from Boston University’s Questrom School of Business. Joan is a member of the Boston Estate Planning Council, the Estate Planning Council of Rhode Island, Academy of Special Needs Planners, Alliance of Pooled Trusts, National PLAN and is on the Alliance of Pooled Trusts Board and Best Buddies Advisory Board.

**Stacey Purro,
Service Coordinator Supervisor**

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WHAT IS A SPECIAL NEEDS TRUST?

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The background features three faint, light green speech bubbles, each containing a question mark. They are positioned in the upper right and lower right areas of the slide.

What is a Special Needs Trust?

- A Special Needs Trust (SNT), or supplemental needs trust, is a legal document enabling assets to be held on behalf of someone with disabilities without affecting their eligibility for means-tested public/government benefits.
- Assets held by the trust are not considered a “resource” when qualifying for the type of government benefits that are restricted to people with “resources” below a certain level, such as Supplemental Security Income (SSI) and Medicaid.
- An SNT provides for the maintenance of an individual with disabilities, by supplementing, rather than replacing, government benefits. A beneficiary will keep government benefits and still be able to access their Special Needs Trust.
- Most beneficiaries of a Special Needs Trust are eligible for, or seeking eligibility for, Supplemental Security Income (SSI) payments. In many states, receipt of SSI payments automatically qualifies one for Medicaid. Many other government programs explicitly rely on SSI eligibility rules.

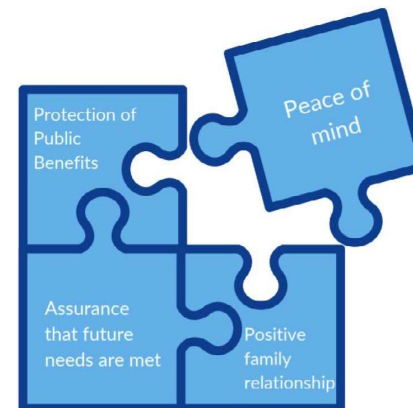


WHY DO I NEED A SPECIAL NEEDS TRUST?

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Why do you need a Special Needs Trust?

- Proper planning for the future creates **peace of mind**.
- It enables a beneficiary to preserve their public benefits, supplement their needs, and have the means to improve their **quality of life**.
- It improves family relationships.
- It assures that there will be funds available to cover costs not covered by benefits.



WHO BENEFITS FROM A SPECIAL NEEDS TRUST?



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Who Might Benefit from a Special Needs Trust?

- An individual with a disability who seeks or wants to maintain public benefits.
- Family members concerned about the well-being of a disabled person; shifts fiduciary responsibility to the trustee.
- People whose disabilities impair their ability to manage money.



WHAT TYPES OF SPECIAL NEEDS TRUSTS ARE THERE?

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Types of Special Needs Trusts



Third-Party Standalone



First Party (d)(4)(A)



Pooled Trust (d)(4)(C)
First Party
OR
Third Party

Types of Trusts

Third-Party Standalone

- A legal document drafted by an attorney for **one** person, individualized terms.
- Generally, a more flexible arrangement because funding for the recipient is purely voluntary by the third party (usually a relative)
- Very few POMS relative to 3rd party special needs trusts
- Trustee may be a professional or non-professional trustee
- No Medicaid payback

First Party/(d)(4)(A)

- A legal document drafted by an attorney for **one** person, individualized terms.
- The disabled person's assets are used to fund the trust (unplanned inheritances, lawsuit settlements and court ordered support), to benefit the disabled individual 64 and under.
- Derived from 42 U.S.C. Sec. 1396p (d)(4)(A)
- Trustee may be a professional or non-professional trustee
- Subject to a Medicaid Payback Provision

Types of Trusts *(continued)*

Pooled Trust (d)(4)(C)

- Administered under a Master Trust Document. Every beneficiary has their own sub-account
 - Can be First Party or Third Party
 - Cost effective for small estates/inheritances
 - Access to highly skilled trustees
 - Funds “pooled” for investment purposes only
 - Federal regulation requires that a non-profit organization serve as professional trustee
- Basis in federal law is the Social Security Act.
 - Derived from 42 U.S.C. Sec 1396p(d)(4)(C)

Examples of ways to fund special needs trusts



Third Party:

- Life Insurance
- Inheritances
- Inherited IRAs

First Party:

- Settlements
- (Unexpected) Inheritances
- Personal Injury Settlements

Considerations when Establishing a Special Needs Trust (SNT)

What Type of Trust Best Suits Your Situation?

First Party SNT/ (d)(4)(A), Third-Party Standalone or Pooled SNT (d)(4)(C)?

What Type of Trustee Do You Prefer?

Professional Trustee:

- Non-profit
- Attorney
- Banking Institution

Non-Professional Trustee:

- Family Member
- Friend

How Do You Want the Funds to be Managed?

- Professional versus non-professional

**NOT ALL SPECIAL
NEEDS TRUSTS ARE
THE SAME. WHAT
MAKES PLAN
DIFFERENT?**

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Scenarios where an SNT Makes Sense with PLAN...

- Families who do not want to place responsibility of administration on siblings or other family members.
- Inheritances, legal settlements, life insurance proceeds or gifts go directly into a Special Needs Trust to prevent interruption of benefits.
- Having smaller assets that may not satisfy a minimum deposit requirement at other institutions, or the beneficiary is **over 65 years old and oftentimes applying for Medicaid benefits.**

Establishing a Special Needs Trust with PLAN- A 501(c)(3) nonprofit



- Complete an application (legal counsel is encouraged, but not required)
 - You have the option to complete the application on our website.
<https://www.planofma-ri.org/>
- PLAN assigns a Service Coordinator who works with the beneficiary to develop a spending plan considering funding, age, life expectancy, income, benefits, expenses, needs and wants.
- PLAN has a Trust department with a Trust officer and staff that review disbursements on a weekly basis.
- Funds are invested in an appropriate investment strategy.
- PLAN has no minimums.

Features of Special Needs Trusts with PLAN

- Every beneficiary is assigned a dedicated service coordinator, who is a licensed social worker, for the life of the trust. Service Coordination is part of a team approach.
- Our Trust Department reviews every disbursement request and responds within 7-10 business days.
- Tax forms are prepared and forwarded to beneficiary/POA address to be used in personal tax return 1040 preparation if applicable.
- Professionally managed investment of funds.
- For Special Needs Pooled Trusts we can work with **any AGE, Disability or Amount**. There are no minimums to establish the pooled trust, but we recommend at least \$10,000.

Social Work Support

- Service Coordinators are primary liaison (unique to PLAN)
- The Service Coordinators are compassionate, experienced, **licensed social workers** who provide support and guidance on how to **best use trust funds in collaboration with public benefits**
- Experienced with **all types of disabilities and all ages**



Why consider naming a Third-Party Special Needs Trust as a beneficiary of your IRA or Qualified Retirement Plan?

- As you know, retirement assets increasingly represent a major portion of an individual's wealth.
- Naming the disabled beneficiary directly will result in loss of benefits, tax consequences and potential mismanagement if the beneficiary is unable to manage on their own.
- If properly administered, can maintain benefits.
- Disbursements can be made that improve the quality of life for the beneficiary while maximizing the investment benefits.

What are the tax considerations of naming a Third-Party Special Needs Trust as beneficiary of your IRA or Qualified Retirement Plan?

- As you all know, the Secure Act made significant changes to how beneficiaries can stretch out IRA distributions.
- It wasn't until Secure Act 2.0 and its subsequent treasury regulations that the IRS finally told us how disabled beneficiaries are affected.
- We know that a properly drafted THIRD PARTY SNT can be the beneficiary of an IRA.
- If the reporting is done on time and the trust is properly structured, funded and administered, the disabled beneficiary can get lifetime stretch out.
- This is a huge benefit, but care must be taken to ensure that it's done properly.
- PLAN has a lot of experience with administering IRAs in third party trusts effectively.



QUESTIONS



**HOW CAN I FIND OUT
MORE?**

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Questions/Next Steps

Enrollment@planofma-ri.org

<https://calendly.com/tiana-moore>

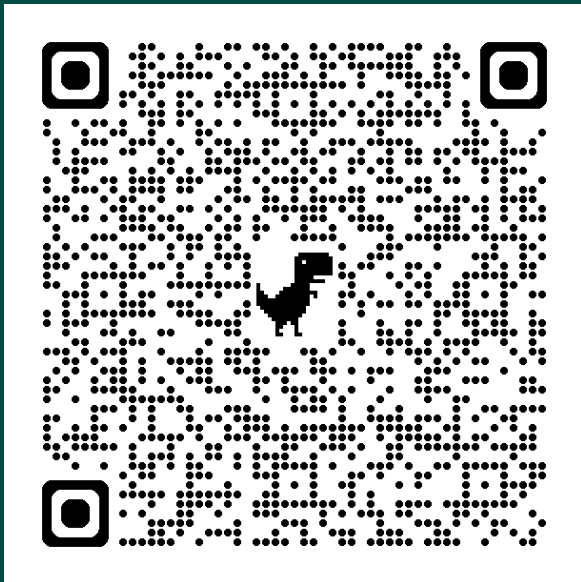
401-234-8444
planofma-ri.org



PLAN
Special Needs Trusts

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**Your feedback is important to us!
Please participate in our survey.**

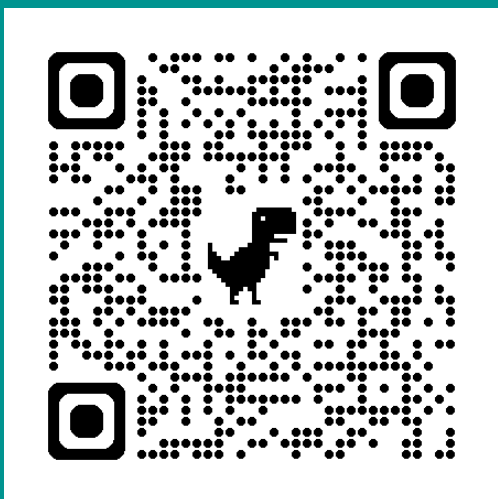


https://ripin.tfaforms.net/forms/view/4813003?tfa_9=701Qk00000Vmoof&tfa_23=2025-09-23%20Special%20Needs%20Trusts%20with%20PLAN%20of%20MA-RI&tfa_144=English&tfa_208=

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Our Fall Calendar



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SELF-DIRECTED SUPPORT PROGRAM



PROGRAMMING

2025

AUG
26

Employment Supports for Individuals Who Self-Direct 2025
Up-to-date information about the services and supports available for those who wish to work.

SEPT
23

Special Needs Trusts
PLAN of MA and RI will share information and options for planning for the future of your loved one's care.

OCT
21

Rhode Island's ABLÉ Accounts
What is an ABLÉ account? How can it help me? How can I use it?

NOV
4

What is the SIS?
An updated presentation about changes to the (SIS) process (Supports Intensity Scale).

DEC
2

Healthy Relationships
Friends from the Rhode Island Cross Disability Coalition lead a discussion about healthy relationships.

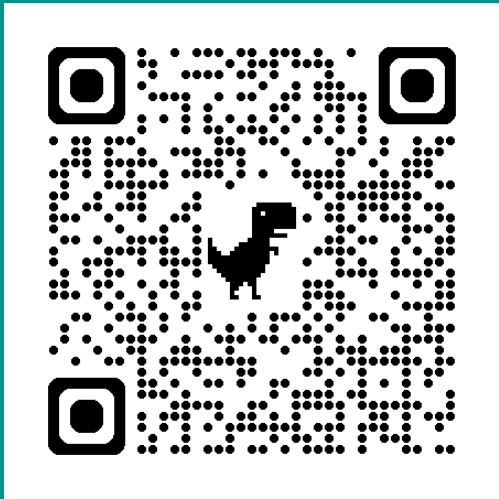


selfdirectedsupport@ripin.org



ripin.org/selfdirectedsupport

Join Us at Our Next Webinar in October



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Online Webinar

Rhode Island's ABLÉ Accounts

TUESDAY, 10/21/25
6:00 PM

What is an
ABLE Account?

How do I use it?

REGISTER
NOW



ripin.org/selfdirectedsupport

PERSONAL SUPPORT BUILT
ON PERSONAL EXPERIENCE

Check out our new resource!

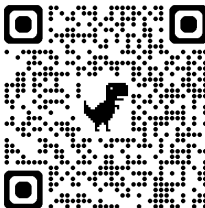
**SELF-DIRECTED
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TOOLKIT



ripin.org/selfdirectedtoolkit

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Sign up for our monthly newsletter!

THE NAVIGATOR

NEWS AND RESOURCES FROM RIPIN'S SELF-DIRECTED SUPPORT PROGRAM



Visit our webpage ripin.org/selfdirectedsupport to sign up!

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Missed something?

View our content on the web!

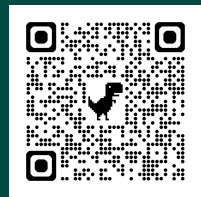
Our live webinars are recorded and posted within a few days to our website for you to view at any time.

They can be reviewed here:

Our Self-Directed Support Program's page:
ripin.org/selfdirectedsupport



RIPIN's webinar page:
ripin.org/webinars/sdsp/



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Contact Us



401-270-0101

Monday through Friday
8:00 AM – 5:00 PM



SelfDirectedSupport@RIPIN.org



Website: ripin.org/selfdirectedsupport

Facebook: @RIPIN.ORG

Twitter/Instagram: @RIPIN_RI

