

COMPARISON OF THE SUPPLEMENTAL, SPECIAL, POOLED TRUSTS, AND 529 ABLE ACCOUNT

	Supplemental	Special	Pooled	529 ABLE Account
Use/ Purpose	Generally used for estate planning to provide supplemental resources for a person with a disability that allows for the individual to maintain eligibility for public assistance programs.	An asset protection vehicle that allows a person with a disability to maintain eligibility for public assistance programs and provides for supplemental resources for goods and services beyond those available through public assistance programs.	An asset protection vehicle that allows a person with a disability to maintain eligibility for public assistance programs and provides for supplemental resources for goods and services beyond those available through public assistance programs.	Tax free savings vehicle offering persons with disabilities and their families a savings plan with tax-free growth while maintaining eligible for public assistance programs. **Tax free gains provided funds used for “qualified expenses”.
Beneficiary Requirements	A person with a disability of any age, <i>except</i> those persons over age 64 who reside in a long term care facility.	A person with a certified disability under the age of 65 at time of establishment.	A person of any age with a certified disability.	Beneficiary must be blind or disabled prior to age 26 and be SSI benefit eligible or have MD statement of certification of blindness or disability.
Established by	Third parties only. <u>Cannot</u> be established by the beneficiary, the beneficiary's spouse or anyone obligated to the beneficiary per the terms of a settlement or judgment.	Person with disability (with cognitive capacity), Parent, grandparent, court appointed guardian, conservator, or court.	Generally by parent, grandparent, court appointed guardian/conservator, or court, but not limited to these.	Must use state established plan
Funded By	Assets belonging to third parties only. <u>Cannot</u> be funded by the beneficiary, the beneficiary's spouse or anyone obligated to the beneficiary per the terms of a settlement or judgment.	Assets belonging to the beneficiary, or anyone else.	Subaccount can be funded by assets belonging to the beneficiary, or anyone else Master Pooled Trust Agreement held by non-profit organization acting as Trustee	Funded by person with disability, friends, relatives, etc. Deposits limited to \$14,000 per year (2015) Deposits made are irrevocable (same with the trusts).
Limited Funding?	No limit to amount held by Trust	No limit to amount held by Trust	No limit to amount held by Trust	Account is capped in MN at \$350,000 (2015) for MA eligibility and \$100,000 for SSI eligibility. Amounts over the caps will result in suspension of MA/SSI eligibility and benefits.
Distribution upon death of Beneficiary	To a persons, charities etc. as designated by the Settlor. <u>No payback to the State is required.</u>	<u>Payback to the State is required.</u> Distribution to state agency to reimburse for all medical assistance (Medicaid) benefits paid during lifetime. Any excess is then distributed to person, charities, etc. as designated by the Settlor.	<u>Payback to the State is required.</u> Distribution to state agency to reimburse for all medical assistance (Medicaid) benefits paid during lifetime.	<u>Payback to the State is required</u> but is limited to amount of MA paid for the beneficiary beginning at time of funding the individual's ABLE Account.
Legal Authority	MINN. STAT. § 501C.1205 Subd 2.	42 U.S.C. § 1396p(d)(4)(A) & MINN. STAT. § 501C.1205 Subd 3.	42 U.S.C § 1396p(d)(4)(C)	