

Acknowledgement of Responsibilities as the Trustee for a Special Treatment Trust

Customer:	AHCCCS ID:	
Eligibility Specialist:	Office:	Phone:

Please carefully read the following information and then sign and date the form at the bottom of the second page. By signing and dating this form, I acknowledge that I am swearing to and affirming that I understand my responsibilities as a trustee. Return this form to your local office by _____.

General Trustee Requirements

- I must** *not* use trust funds to make gifts to, payments for or loans to any other person, whether in cash or in kind.
- I must** pay the beneficiary's assessed Share of Cost monthly, based on the income assigned to the trust.
- I must** maintain records of all financial activity related to the trust and make these records available to ALTCS staff when requested.
- I must** provide a statement listing the payments that I expect to be issuing in the next twelve-month period, when requested.
- I must** notify the ALTCS Local Office of any changes in trust income or anticipated payments 45 days in advance of the change. I understand a change that is reported less than 45 days in advance will be considered untimely and may affect eligibility and/or Share of Cost.
- I must** notify the ALTCS Local Office within 30 days, if an emergency trust payment must be made,

Restrictions on Use of Trust Funds and Payments by the Trust

I agree, that in accordance with A.R.S. §36-2934.01, that I will issue trust payments only for the items listed below:

- Reasonable legal and professional expenses; including trust taxes and investment fees, and trustee, accounting, and attorney fees; related to the administration of the trust.
- The ALTCS Share of Cost, when income is assigned to the trust.
- For Income Trusts established under §1917(D)(4)(B) of the Social Security Act, the personal needs allowance as computed by ALTCS in determining the ALTCS Share of Cost.
- Health Insurance premiums, medically necessary medical expenses and special medical needs of the beneficiary, such as:
 - Expenses required to make the home accessible to accommodate the person's disability;
 - The purchase and maintenance of a specially equipped vehicle, but **only when** the vehicle is titled to the trust or to the beneficiary, with the trust holding a lien against the vehicle in the amount of the current market value of the vehicle;
 - Durable medical equipment;
 - Over the counter medical supplies and medications such as diapers, lotions and cleansing wipes;
 - Medicare Part D prescription drug plan premiums and co-payments; and
 - Personal care services that are determined to be medically necessary by the beneficiary's physician, and provided by a person who is registered by the administration to provide the services. Personal care payments to a financially responsible individual (the spouse of the beneficiary or parent of a beneficiary who is a minor child) cannot exceed the AHCCCS fee for service rate for personal care services.
- Maintenance payments for the living expenses of the beneficiary's spouse or minor children, if permitted as a deduction from income assigned to the trust in the ALTCS Share of Cost calculation.

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- ❑ Other expenses of the beneficiary such as:
 - Living expenses for food and shelter (**Real property purchased by the trust must be titled to the trust**);
 - Guardianship and conservatorship fees based on the fair market value of the services provided;
 - Income taxes owed on income from trust investments or on income of the beneficiary that is assigned to the trust but **only when** an actual tax liability is established;
 - Entertainment, educational or vocational needs or items that are consistent with the person's ability to use those items;
 - Burial expenses that are limited to:
 - Purchase of a prepaid burial plan funded by an irrevocable life insurance policy, irrevocable trust account or irrevocable escrow account;
 - Life insurance that funds a burial plan for only the beneficiary with a face value that does not exceed \$1,500 after allowing for deductions for burial plot items as defined by the administration; OR
 - Funding a burial fund account in an amount not to exceed \$1,500.
 - Travel expenses for a companion when a companion is required to enable the beneficiary to travel for non-medical reasons (including a financially responsible relative);
 - **Other expenses that are individually approved by the Director.**
- ❑ **I must pay only** the beneficiary's proportionate share of joint expenses when the beneficiary shares common household expenses or any other expense with other people.

Treatment of Trust Income and Trust Payments

- ❑ I understand that income assigned to the trust will be counted in determining the beneficiary's share of cost.
- ❑ I understand that if I issue payments from the trust directly to the beneficiary for any reason, or payments to a third party to provide the beneficiary with food or shelter, that those payments will be counted toward the ALTCS income limit.

Failure to Administer the Trust in Accordance with the Statute – Possible Penalties

- ❑ If payments are issued which were not reported in time for the worker to consider for the month the disbursement occurred, then the ALTCS Local Office shall determine if the disbursement would have caused ineligibility. If so, the ALTCS Local Office shall apply the month of ineligibility to a future month, following timely notice.
- ❑ If there is an increase in income assigned to the trust which is not reported timely and which causes the SOC to be under-assessed, the under-assessed SOC amounts for past months shall be added to the SOC for a future month, following timely notice.
- ❑ An adverse action may be taken against the beneficiary's eligibility if I, as trustee, violate the terms of the trust or my responsibilities as the trustee. **The trust beneficiary's ALTCS medical assistance may be discontinued.**
- ❑ **Payments, loans or gifts issued for the benefit of others shall be considered a transfer without fair compensation and may also result in loss of ALTCS benefits. Ineligibility shall continue until I have corrected my actions unless I can establish that considering the assets and income would create an undue hardship for the trust beneficiary.**
- ❑ I cannot terminate, revoke or defund the trust without satisfying the State of Arizona's beneficiary interest in the trust, even if the beneficiary is deceased or is no longer receiving ALTCS benefits at that time.

By signing below, I declare under penalty of perjury that I understand and will comply with my responsibilities as the trustee of a Special Treatment Trust. I also understand that if I withhold information or provide or assist another in providing false, fraudulent, or misleading information, I may be subject to civil and/or criminal prosecution resulting in fines, imprisonment and/or repayment for costs of all coverage improperly received.

Trustee's Signature:

Date: