

**MEETING MINUTES FOR THE
SPECIAL SERVICES ADVISORY COMMITTEE
FEBRUARY 16, 2017**

MEMBERS PRESENT: Kimberlee Coronado, Wendy Heyn

MEMBERS ABSENT: Sara Barron, Jennifer Bertram, Eden Christman, Amy Elfner, Emily Enockson, Lisa Fusco, Jason Gahan Benhi Khabeb, Patrick Jauquet, Murrene Payton, Amy Shurte, Jennifer Siderits, Bonnie Siegel

DEPARTMENT STAFF PRESENT: Chelsee Bates, Jane DeGeorge, Courtney McIntosh, Casey Vullings

GUESTS PRESENT: Simantini Banerjee, Dawn Blackwell, Melissa Burback, Mary Catanese, Dawn Christianson, Vince & Susan Christie, Fatma Demirbilek, Jamie Fraundorf, Renee Gage, Mike Graf, Derick Johnson, Patrick & Patrice Kwiatkowski, Robert & Jennifer Lalko, Erica Lundy, Ann Marie Mason, Mike Oltz, Margaret Panas, Gina Rehkemper, Paul & Roberta Schultz, Lisa Sokolovic, Saira Tahir

APPROVE MINUTES OF NOVEMBER 17, 2016

A motion was made by Chelsee Bates, seconded by Kim Coronado to approve the minutes of the November 17, 2016 meeting.

SPECIAL NEEDS RESOURCE FAIRS & HEALTH CHECK OTHER FOLLOW UP

March 18, 2017 at St. Luke's Parish in Brookfield from 2:30-4:30 p.m.

March 18, 2017 at New Berlin Library from 9:00 a.m.-2:00 p.m.

Contact information for Brad Holman the Service Coordination Specialist from the Special Needs Family Center: 414-266-3189, bholman@chw.org, www.chw.org

CCOP PROGRAM UPDATES

The abbreviation CCOP stands for Children's Community Options Program. Funding from the CCOP program helps meet the needs for families who are waiting for the longer CLTS Waiting List. The goal is to meet with families and within approximately 3-4 months assist them with funding needs, and then continue on to assist more families throughout the year. This year out of the 374 questionnaires mailed out for the CCOP program 158 questionnaires were returned, which is an average amount. There have been 52 cases assigned already to receive funding services.

WADDELL & REED FINANCIAL PLANNING – SPECIAL NEEDS TRUSTS (Kurt Zipp, Steve Barnes & Patrick Schultz)

Questions that often arise for parents and loved ones who care for a special needs child or adult are: Is the child/adult going to be able to handle their own financial responsibilities? Do they need assistance with daily tasks? Who is going to care for the child/adult when the parents are

not there? And how do we preserve government sponsored benefits if something happens to the parent/guardian of the child now, a child aging into adulthood, and the adult?

The benefits of Life Insurance and a Special Needs Trust: A life insurance death benefit received by the trust generally is income-tax free and if properly structured, is excluded from the value of the insured's estate for federal estate tax purposes. A death benefit may provide trust with significantly greater value than costs of premiums on the policy. Cash value accumulation within a permanent life insurance policy is not subject to current federal income tax.

A Special Needs Trust is the most effective way to security and quality of life for your special needs child. It is a special legal entity and can protect the person's eligibility for government provided benefits. There is very specific wording that has to be used in the special needs trust. You are setting money aside that Medicare and Medicaid cannot come after to recoup. Special needs trust can begin immediately, the beneficiary is binding, it creates a place for the money to go, and you do not need any money to open a special needs trust except for the paperwork charge.

There are two types of trust:

Self-Settled Supplemental Needs Trust: This trust holds the assets originally belonging to the minor child or special needs adult. A parent or guardian has to create the trust for a disabled child and the disabled child's money goes into that account (ie. they received an inheritance or work a job). Those have a specific "payback provision" that the State of Wisconsin requires that at the death of the disabled child the money is paid to the State of Wisconsin to the extent that benefits were provided to that child.

Third-Party Trust: A parent or grandparent can create and has their money in that trust, or assets from someone other than the special needs individual. This would be supplementary, not a primary source of support for the special needs individual. This trust does not include the "payback provision" and may provide for additional beneficiaries.

Letter of Intent (non-legal planning): Is an informal, non-binding, self-created document that if something happened to the parents it would allow someone else to care for the child's needs. It would allow the person the knowledge of the process to care for the special needs child providing essential information. It is not legally binding, other than the portion about who is the Guardian.

Costly mistakes: Leaving assets directly to a child as it may disqualify the child from government funding if there are asset limits. Current benefits can be interrupted or terminated. Child also may not be capable of responsibly managing their own assets. Avoid naming a child as a beneficiary (ie. retirement plan, annuity, life insurance policy), as it may void eligibility for government benefits. Directing assets to another person for the benefit of the child could be subject to potential bankruptcy or litigation filing against the intermediary "owner" and/or they may predecease the special needs child.

Age of Majority: Age of majority varies depending upon State and Federal programs. In Wisconsin the age of majority whether the child has a disability or not is 18. The child/adult is now responsible for executing legal documents. If there are funds in an account for instance, like Uniform Transfer to Minors Act they may not be considered an adult until 21. The child/adult must be competent to make their own decisions or the parent needs to have a guardianship in place. That should be completed prior to the child's eighteenth birthday so there is no gap in coverage and legal decision making.

You can build a Toggle Trust. The trustee has the ability to evaluate the child and go through a disabled or non-disabled path. It can switch back and forth depending on the state of the child. The trustee could say whether they think the child can handle their own monies or not and whether they feel the person is still disabled or not.

Benefits of Life Insurance and a Special Needs Trust. A life insurance death benefit received by the trust generally is income-tax free and if properly structured, is excluded from the value of the insureds estate for federal estate tax purposes. A death benefit may provide trust with significantly greater value than costs of premiums on the policy. Cash value accumulation within a permanent life insurance policy is not subject to current federal income tax.

Second to Die Life Insurance Policy: Both parents are insured. The Donors are the parents, there is a special needs trust that purchases the life insurance policy, the policy upon death pays into the special needs trust which then pays out to the trust beneficiaries. The special needs trust is created unfunded because there is no money in it but create this path so that it gets funded upon the Donors death which has created a safety net.

ABLE Accounts: This is for a child or adult who can earn a level of income and do not want that to disqualify them from social benefits. It's their own income and the most they can put in is \$14,000.00 a year. They cannot get the ABLE trust bigger than \$100,000.00. Because it is their own money it does have a Medicaid payback option on it upon their death. But the purpose is to allow the person to have value with it where they can put money in and draw money out for things that they need. It's not a special needs trust but is in a category on its own.

ADJOURNMENT: Chelsee Bates motioned to adjourn, seconded by Courtney McIntosh.
Meeting adjourned at 1:30 p.m.

NEXT MEETING:

The next meeting is scheduled for May 18, 2017 from 12:00-1:30 p.m.

May 18, 2017

APPROVED

*Respectfully submitted,
Tammy Kokan
Administrative Specialist*