

## Pooled Income Trust

With a *Pooled Income Trust*, you can retain the benefit of all of your income and have Medicaid pay for home care. Here's how it works:

Pooled Income Trusts can be established with several non-profit organizations that are authorized to operate them for the benefit of disabled persons or those aged 65+. For investment and management of funds, your income is "pooled" together with the resources of other participants, however your contributions are held in a separate account, segregated for your needs only.

As an example, let's say you receive \$1,700 a month in Social Security and pension benefits. The excess amount of \$855 over Medicaid's \$845 ceiling, is sent to the trust every month, which will follow your instructions on what expenses to pay. They'll pay your bills with this money.

Through the Pooled Income Trust, your excess income can be used for food, monthly rent or mortgage, phone, electric, home repairs – just about anything you'd normally pay for (except medical insurance and many medical bills). The non-profit essentially functions like a bill paying service, and takes a small monthly processing fee. When you pass on, whatever is left in your account will be used by the organization for charitable purposes.

The net result of this strategy is you're able to save your surplus income and use it to pay for the same things you regularly would. The alternative is spending your income on the cost of your care under Medicaid regulations. So with this approach, you retain your lifestyle while *still qualifying* for Medicaid benefits.

In an actual case involving an elderly woman who needed 24-hour care, her condition deteriorated to a point where her family was no longer able to attend to all her needs. We protected her income with a Pooled Income Trust. Next, all her assets were transferred to a second protective trust. Then a Medicaid application was filed for home care assistance, which was approved. The result: she obtained and continues to get around-the-clock, fully paid care. In fact, we recently processed her recertification. Just as important, she is able to comfortably remain in her own home with her family, maintaining her quality-of-life and dignity.