

Division of Family Resources

To whom it may concern:

An Arc of Indiana Master Trust account has been set up and funded for the recipient named on the attached account statement.

This trust is a special needs trust. Sections 2615.75.00–2615.75.20.10 of the ICES manual concern trusts. Different rules apply, depending on when and by whom a trust is established. This trust was established with the beneficiary's own assets after August 11, 1993. Accordingly, this trust is governed by Section 2615.75.20 and, more specifically, Section 2615.75.20.05 of the ICES manual.

The Arc of Indiana Master Trust never issues funds directly to the beneficiary when making a trust disbursement. We will only issue checks to third parties when paying for the goods or services provided on behalf of the beneficiary.

Some trusts established by an applicant/recipient will count as income or resources in determining eligibility for Medicaid; others will not. Section 2615.75.20.05 describes trusts that are excluded from counting as income or a resource in determining an applicant's or recipient's eligibility for Medicaid. One exclusion is a pooled trust containing the assets of a disabled applicant/recipient which meets certain conditions. The above referenced recipient is disabled, and our trust meets the conditions listed in 2615.75.20.05. Specifically:

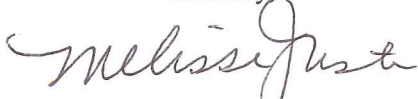
- (i) The trust is established and maintained by a non-profit association.
- (ii) A separate account is maintained for each beneficiary, but for investment and management purposes the funds are commingled.
- (iii) The trust account is established by the applicant/recipient or his/her parent, grandparent, legal guardian or by a court for the sole benefit of the applicant/recipient.
- (iv) There is a provision which specifies that upon the death of the beneficiary, any funds not retained by the trust will be paid to the State up to the amount of Medicaid benefits paid on the individual's behalf.

The Arc of Indiana is a non-profit association; for purposes of investment, the funds are pooled, but separate accounts are maintained for each beneficiary; the account is solely for the recipient's benefit and at death, if any funds remain in the account, after The Arc receives its retained share, the trust will pay to the State an amount equal (but not to exceed) the amount of medical assistance paid on behalf of the recipient through the Medicaid program.

Our payments do not impact Food Stamp eligibility.

The Arc of Indiana Master Trust never makes a disbursement that would create a resource countable against the beneficiary for the purposes of means-tested benefits eligibility. All disbursements are in compliance with applicable state and federal statutory and regulatory schemes, as well as state and federal case-worker manuals.

Sincerely,



Melissa Justice
Director