

OSNT Quarterly

Achieve with us.

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Stay informed

Stay informed about all of the great things happening at the OSNT and at The Arc Oregon by signing up for our e-newsletter. Go to our website at www.thearcoregon.org and click the *Stay In Touch* box to register.



DIRECTOR'S MESSAGE

Spring is here! I hope that you are enjoying the beautiful weather!

The biggest thing on everyone's mind these days seems to be the Achieving a Better Life Experience Act (ABLE Act) and what it means for Oregonians with disabilities. I have been watching the federal and state activity closely and am dedicating this issue of the OSNT Quarterly to the ABLE Act - where it currently stands, and how an ABLE account compares to a special needs trust account.

On April 2nd I attended the Public Hearing and Work Session held by the Senate Committee on Human Services and Early Childhood. Many individuals, families and providers were in attendance to encourage the committee to approve the bill (SB777). After hearing public testimony, the bill was passed and it is now being sent on to the Finance and Revenue committee for review.

ABLE accounts will provide a low cost alternative to special needs trusts that will allow individuals and families experiencing disabilities to save money while preserving eligibility for public benefits. ABLE Act accounts will be set up and administered by the State of Oregon through the Treasury Department as a 529 plan, similar to the 529 college savings plans.

There is still a lot of work to be done before these plans become a reality in Oregon. Of great significance is the fact that the federal IRS regulations relating to these accounts have not yet been drafted, nor have any guidelines for administration been published by the Social Security Administration or Medicaid Services. So, although the federal law was approved in December, and it is likely that the Oregon bill will be approved before the end of this legislative session, it may be a year or more before ABLE accounts are available to Oregonians.

While the ABLE accounts will certainly provide a viable alternative for many individuals and families, they will not be right for everyone, the same way that a special needs trust is not right for everyone. It is important to have all the facts before making a decision as to which way to go. For a little guidance in that area, turn to page 3 to review a basic comparison of similarities and differences between ALBE accounts and special needs trusts.

As always, please do not hesitate to contact me if you have any questions or need assistance related to your account at the OSNT. I am here to help!



Paula
Program Director

Paula

Q *If I have an old bill from last year, can I request payment from the trust?*

A Typically, receipts and/or bills must be dated **within 90 days** of the disbursement request date. Purchases made more than 90 days prior to submitting a disbursement request form may not be approved for reimbursement. Likewise, a bill for services that is more than a year old will not likely be approved.

Q *I am going on a vacation soon, can I get spending cash from the trust?*

A NO. Unfortunately, cash and cash equivalents, like Gift Cards, are not an allowable expense from the trust. We are happy to work with you to find other bills that the trust can pay for you so that you have more personal spending money from your own funds.

Q
&
A

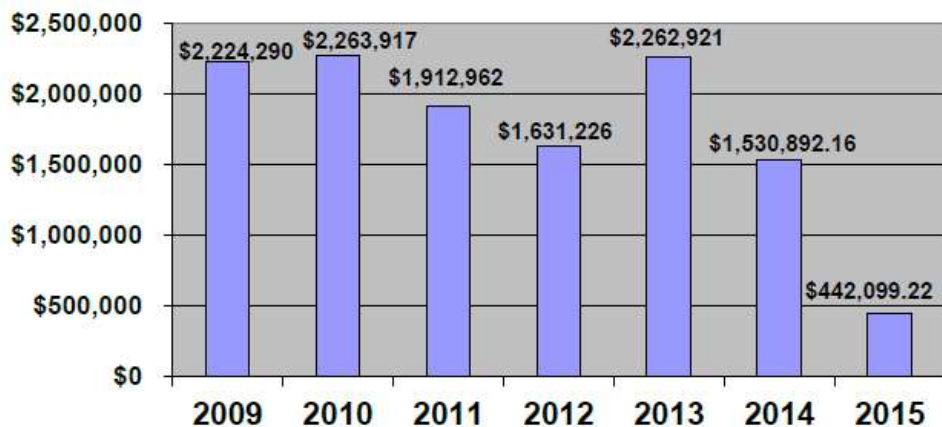
Investment Performance: 1st Quarter - 2015

OREGON SPECIAL NEEDS TRUST

Performance Results for the Period Ending March 31, 2015

The Oregon Special Needs Trust seeks to achieve a rate of current income necessary to meet the needs of the Trust beneficiaries.

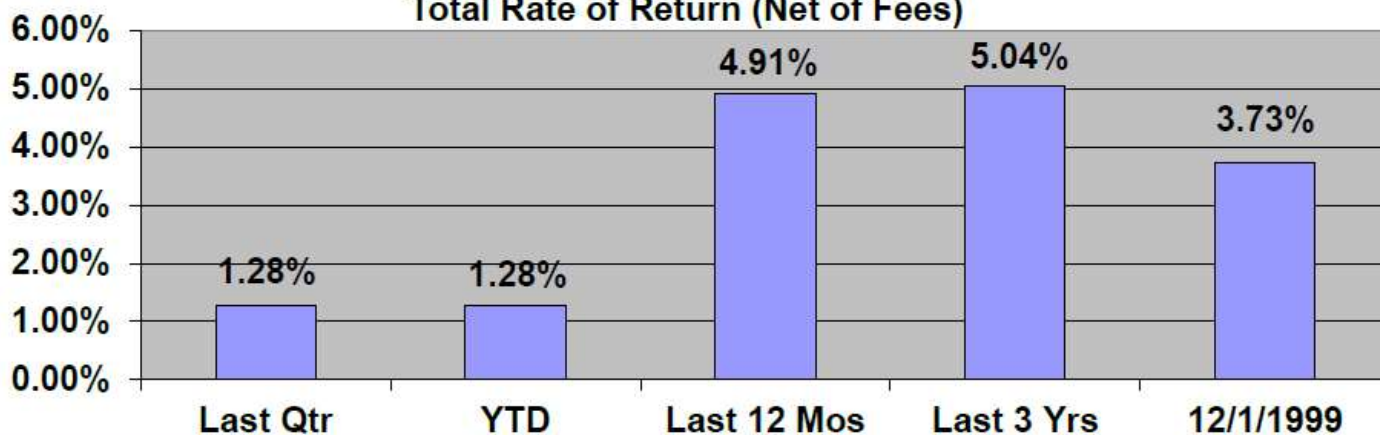
Total Contributions



Portfolio Composition



Total Rate of Return (Net of Fees)



Disclaimer: Returns shown represent the results of the Oregon Special Needs Trust managed by HighMark Capital Management, a subsidiary of Union Bank, NA. Historic performance is no guarantee of future results. Proceeds upon redemption may be either less than or greater than the original investment. There is no guarantee that this or any investment strategy will achieve its investment objective. Investments are not guaranteed by Union Bank, NA and are not insured by the FDIC or any other government agency.

TRUST PRESENTATIONS

If you would like the OSNT Program Director to make a presentation to your organization, school, community group, professional association, or other group, please contact the Program Director, Paula Boga, to schedule your event anywhere in the state.

The presentation will help families learn how they can provide for their child's personal needs after they are gone, without endangering eligibility for government programs; and will also provide information on how an individual with a disability can fund his or her own trust. Families, advocates, and/or professionals will have the opportunity to learn more about the Oregon Special Needs Trust and other information on planning for individuals with disabilities.

RESOURCE FAIRS

Is your organization or group sponsoring a resource fair? Please contact Paula Boga, OSNT Program Director! We would love to participate in your event. The OSNT is a statewide program and we are happy to travel to whatever part of Oregon your event happens to take place!



WHAT IS THE ABLE ACT?

The Achieving a Better Life Experience (ABLE) Act creates a new section of IRS tax code to establish new tax-favored accounts. Assets in an ABLE account and distributions from the account for qualifying expenses would be disregarded or receive special treatment when determining the beneficiary's eligibility for most federal means-tested benefits. In Oregon, ABLE accounts will be administered by the Oregon 529 Savings Network within the State Treasurer's office.

ABLE ACCOUNT VS. POOLED TRUST

FEATURE	ABLE ACCOUNT	POOLED (OSNT)
MEDICAID PAYBACK	ALL funds subject to payback from opening date of the account	1st Party: All funds not retained by the trust 3rd Party: NO payback requirement
DISBURSEMENTS	Qualified Disability Expenses ONLY: education, housing* (reduction in benefits), transportation, employment training and support, assistive technology, personal support services, health care expenses, financial management and administrative services	All of the same things allowed in ABLE accounts, PLUS broader range of supplemental needs including travel, electronics, entertainment, etc., to enhance the beneficiary's quality of life
COSTS	Low costs expected but unknown at this time	Most likely higher than ABLE but lower than Private Trusts
FUNDING	Limit of \$14,000/year Asset Cap of \$100K for SSI Maximum balance of \$310K	No limits
CONTROL	Beneficiary	Trustee
ELIGIBILITY	Disability must have occurred BEFORE age 26	1 st Party - Under age 65 3 rd Party - No limit
NUMBER OF ACCOUNTS	One	Unlimited
CLOSURE/ CANCELLATION	May be possible w/payment of taxes/penalties or Rollover	Irrevocable Death or Depletion of funds

***Important!** Although housing benefits are listed as an allowable expense, the same rules would apply as with a special needs trust. That is, if housing payments are made, SSI benefits would incur a one-third reduction for the month in which housing payments are made.

UNKNOWN FACTORS

- ✦ What information/documentation will be needed to establish an account
- ✦ The detailed definition of Qualified Disability Expenses
- ✦ What documentation of expenses will be required
- ✦ Whether deposits over age 65 create a disqualifying transfer as they do with trusts
- ✦ Costs and Procedures

STAY TUNED!

We will continue to monitor the progress of Oregon's ABLE program and will have a full report on its implementation in the July issue of the OSNT Quarterly.



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Watch for the next issue in July!

NEW WEBSITE FEATURES - NOW ONLINE

- *Online Disbursement Request Form*
- *Easier Access to Trust Forms & Reports*
- *Easier Access to Online Account Login*
- *Online Information Change Forms*

As promised, the new website and online pooled trust features are **now online** and ready to use. As reported in the last newsletter, the site now offers easier accessibility for current trust clients. Right at the top of every page of the new website, you can see the **Trust Client Services** menu. From here, you can **login** to your account, submit an **Online Disbursement Request form**, and go directly to the Forms & Documents page that features all available **downloads and online forms**.

For additional, easily accessible options, there is a **Trust Account Services** menu at the bottom of each page as well.

Top Menu



Bottom Menu



Visit the website now to try your first **Online Disbursement Request!**

www.TheArcOregon.org

Do you have a question or topic that you think should be featured in the next newsletter? Please send your question to pboga@thearcoregon.org.