

***Planning for the Disabled Child
with a Supplemental Needs Trust***

For many years it has been public policy in Michigan to allow parents (or other relatives) of a disabled child to set up a trust for their inheritance, which will not disqualify them from governmental benefits, such as Social Security and Medicaid.

The reasoning behind these supplemental needs trusts is simple - prior to the protection now afforded by these trusts, parents would simply disinherit their disabled children rather than see them lose their benefits. Since the state wasn't getting the inheritance monies anyway, why not allow it to go to the disabled child for his or her extra needs, above and beyond what the state supplies, such as sundries, clothing, meals, vacations, over-the-counter medicines, upgraded medical procedures, reading material, recreation, improved housing, etc.

These trusts, however, offer traps for the unwary. Since payments to the child will generally reduce their Social Security payments dollar for dollar.

Your attorney or an attorney from the Law Office of Nettlow & Lynett P.C. will be able to help you establish a proper Supplemental Needs Trust for your disabled child.