FIRST WESTERN
BANK & TRUST

Special Needs Trust

Protect Benefits. Enhance Quality of Life.

What is a Special Needs Trust (SNT)

A Special Needs Trust is a specialized legal document designed to benefit an individual who has a disability. SNTs enable a person with a physical or mental disability, or an individual with a chronic or acquired illness, to have an unlimited amount of assets held in Trust for his or her benefit. In a properly drafted SNT, those assets are not considered countable assets for purposes of qualification for certain governmental benefits.

Special Needs Trusts Fill the Gap

What often comes to mind is that SNTs are intended to supplement and not reduce the public benefits for which a beneficiary is eligible. The primary purpose of establishing a Special Needs Trust is to enable the beneficiary to remain eligible for needs-based public benefits. Over the long term, our SNT professionals provide continuous support for families, and help them address the challenges they face. You will have a direct and personal relationship with a specialist, backed by the support of our professional trust team.

Two Key Points on Administration

We're always happy to guide you through SNTs. Meanwhile, here are two key points on administering SNTs:

- Make sure your special needs trust is not overly restrictive and is drafted so the trustee can make distributions to provide for the beneficiary's support. This may reduce benefits, if that is in the beneficiary's best interest.
- Don't assume that SSI on its own will support the individual. Use the Special Needs Trust to improve upon his or her living circumstances and free up the SSI benefit (even though it may be reduced) for the beneficiary to spend in his or her discretion.

How a Special Needs Trust Works

- You place money or property into the trust
- A trustee (family member, friend, or professional) manages the funds
- The trustee uses funds to support your loved one's needs
- Funds are used to supplement—not replace—government benefits

Often, Public Benefits Are Not Enough

In most instances, public benefits are not enough to provide for an individual's basic support needs, let alone those needs that are not covered or provided for by public benefits.

The following expense examples will NOT reduce governmental benefits if they are paid directly from the Trust:

- Transportation Costs
- Clothes
- Fitness Equipment
- Musical Instruments
- Pets and Pet Supplies
- Tickets for Entertainment (Including Cost for Companion)
- Vacation (Including Cost for Companion)
- Educational Opportunities

First Western Bank & Trust specializes in administrating SNTs. Work with us to provide and protect assets for family members with disabilities or manage your malpractice settlements and injury awards.

Key Planning Tips

- Ensure your trust allows flexibility for the trustee
- Use trust funds to enhance—not replace—benefits
- Plan beyond SSI to meet full living needs

Work with trusted professionals to protect and manage assets for your loved one's future.