

What you leave behind

Planning for the financial future of your loved one
with a mental health disorder or intellectual disability

Let me tell you a true story. The mother of two adult children wanted to treat them equally in her will, so she divided her estate evenly between the two. The daughter had special needs and the son was a successful professional living on the west coast. After the funeral, the son, who loved his sister, wanted to provide for her care. However, he discovered that his sister was no longer eligible to receive governmental entitlements because of her new income from the estate. Without entitlements she could not continue to live in a subsidized home, and her medical insurance (Medicaid) was cancelled, rendering her ineligible for the services she had received from the Community Services Board. Her brother was forced to decide between moving his wife and family from the west coast to Norfolk to personally care for his sister, or displacing his sister from the only community she had ever known. Neither his wife nor his sister wanted to move from their homes.

This is but one of many examples of how a family's best intentions can go wrong and actually do more harm than good. In the desire to treat all family members equally, parents often divide their estates uniformly among all of their heirs. However, families with members who have special needs such as an intellectual disability or mental health disorder should be aware that an increase in income may disqualify the recipient from receiving Medicaid and other governmental benefits. The Norfolk Community Trust provides an opportunity for family members to protect the benefits and entitlements of their loved one and still enhance the quality of that person's life.

The Norfolk Community Trust was established in 1992 as an instrument through which parents and guardians could ensure that their loved one would

be provided for after they are no longer able to do so. The Trust, which can be established with as little as one dollar, ensures that individuals with a mental health disorder or intellectual disability will receive funds that enhance their benefits even after the parents or guardians are gone. Once the Trust has been opened, it is funded at the death of the parent or guardian or by others. Funding is often in the form of life insurance or distribution of the estate of the donor. The Trust is consumer specific and all monies in the Trust must be used only for the benefit of the specific named individual.

The Trust continues to grow in popularity as a viable method of maintaining continuing care.

The Exempt Fund

The Norfolk Community Trust Exempt Fund, a second funding alternative, was established shortly after the Norfolk Community Trust. This instrument is a charitable fund

for consumers in need who have no one to open a trust account on their behalf. The Exempt Fund provides an opportunity for interested parties to protect or enhance the quality of life for people who have an intellectual disability or mental health disorder. The Exempt Fund differs from the Norfolk Community Trust in that funds are not designated for the use of a particular individual.

The Exempt Fund is a charitable organization under Section 501(c)(3) of the Internal Revenue Code. It is vitally important to those with a mental disability who are in need, and is a great charitable deduction for the donor.

If you or someone you know would like information regarding the Norfolk Community Trust, or would like to make a contribution to the Exempt Fund, please contact the Office of Consumer Relations, 823-1600.

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