

**COMMUNITY FUND MANAGEMENT FOUNDATION POOLED MEDICAID PAYBACK TRUST**

**NOTICE TO BENEFICIARIES AGE 65 OR OLDER AND THEIR LEGAL COUNSEL**

Ohio law<sup>1</sup> allows individuals of any age to establish and fund pooled trusts. However, CMS, the federal agency that administers the Medicare and Medicaid programs, issued a letter in 2008 advising that if a pooled trust is funded with the assets of a beneficiary age 65 or older, federal law<sup>2</sup> considers such transfer of assets to be improper and a period of restricted Medicaid eligibility should be imposed.<sup>3</sup>

Ohio law provides that transfers to a pooled trust shall not be treated as an improper distribution of assets.<sup>4</sup> CFMF wants beneficiaries who are age 65 or older to be aware of the inconsistency between state law and the interpretation of federal law regarding the Medicaid program transfer penalties. Therefore, individuals who are age 65 or older should seek legal counsel prior to transferring any assets to a pooled trust.

Beneficiaries who are age 65 or older who receive Supplemental Security Income (SSI) should also be aware of Social Security regulations and that transfer of resources to a pooled trust will subject the applicant to a loss of SSI benefits for up to 36 months.

**I acknowledge that I have informed the person establishing this Trust Sub-Account of the risk, benefit, and uncertainty related to transfer of funds to a pooled trust belonging to an individual age 65 or older.**

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Attorney Signature

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Date

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<sup>1</sup> R.C. 5163.21(F)(3).

<sup>2</sup> 42 U.S.C. 1396p(c)(2)(B).

<sup>3</sup> See Centers for Medicare & Medicaid Services Chicago Regional State Letter No: 08-03 (July 2008).

<sup>4</sup> R.C. 5163.21(F)(3)(c).