

DISABILITY TRUST FORM

INSTRUCTIONS FOR COMPLETING TRUST FORM: Please read the instructions carefully and print or type in the numbered blanks on the trust form as follows:

1. Name of the person for whom the trust is established. This person must be under the age of 65 and must be disabled according to Social Security criteria.
2. Date on which the trust is signed.
3. Name of the settlor. The settlor is the person who establishes the trust. The settlor must be a parent, grandparent, legal guardian of the disabled person, or the court.
4. Name of the trustee.
5. Mailing address of the trustee.
6. Name of the person for whom the trust is established.
7. Name of the person for whom the trust is established.
8. Name of the person for whom the trust is established.
9. Name of the trustee.
10. Name of successor trustee.

Both the settlor and trustee must sign the trust in the presence of a notary who completes the notary clause in the spaces provided.

Complete Schedule A. List all of the assets that will be used to fund the trust, such as proceeds from a personal injury case or inheritance and the value of the assets.

If the trust is funded with an annuity or other periodic payments, the Colorado Department of Health Care Policy and Financing must be named on the contract or settlement as the remainder beneficiary up to the amount of medical assistance paid on behalf of the beneficiary.

DISABILITY TRUST

FOR THE BENEFIT OF (1) _____

This declaration of trust is signed on (2) _____, by
(3) _____, as Settlor and by
(4) _____, as Trustee. The
Trustee's mailing address is (5) _____.
The trust is established for the benefit of the primary beneficiary,
(6) _____, who is under the age of 65 years and is disabled
as defined in the Social Security Act, Section 1614(a)(3) (42 U.S.C. 1382c(a)(3)).

ARTICLE I - NAME OF TRUST

This trust shall be known as the (7) _____
Disability Trust. It is written in compliance with 42 U.S.C. 1396p(d)(4)(A), amended
August 10, 1993, by the Omnibus Budget Reconciliation Act of 1993, C.R.S. 15-14-
412.8, and 10 C.C.R. 2505-10, Section 8.110.52.B.5.b.1.. In accordance with those
statutes, the funds in the trust are exempt for the purposes of eligibility for Medicaid, the
program for medical assistance established under Title XIX of the Social Security Act
and for Supplemental Security Income (SSI) in accordance with 42 U.S.C. 1382b,
Section 1613, as amended by the Foster Care Independence Act of 1999.

ARTICLE II - BENEFICIARIES

(8) _____ is the primary beneficiary of this trust. The
primary beneficiary is currently receiving or applying for Medicaid benefits in the state
of Colorado. The Medical Assistance Program of the State of Colorado, commonly
referred to as Medicaid, is the secondary beneficiary, up to the amount of medical
assistance provided to the primary beneficiary.

ARTICLE III - TRUST FUNDING

This trust shall initially be funded with the assets of the primary beneficiary, as listed on
Schedule A, which is attached to this trust document. Such property, together with any
additions acceptable to the trustee made by any other party for the benefit of the primary
beneficiary, together with any income on this amount, shall constitute the trust fund.

If the trust is funded with an annuity or other periodic payments, the Colorado
Department of Health Care Policy and Financing shall be named on the contract or
settlement as the remainder beneficiary up to the amount of medical assistance paid on
behalf of the beneficiary.

ARTICLE IV - PURPOSE OF THE TRUST

This trust is created for the sole benefit of the primary beneficiary during his or her lifetime. Expenditures during the lifetime of the primary beneficiary shall be solely for the benefit of the primary beneficiary. It is also the purpose of the trust to reimburse the Medical Assistance Program of the State of Colorado for all of the medical payments made on behalf of the primary beneficiary at the time of the primary beneficiary's death or at termination of the trust.

ARTICLE V - TRUST EXPENDITURES

5.01 The trustee may pay to or apply for the benefit of the primary beneficiary during the primary beneficiary's lifetime, such amounts from the principal or income, or both, to provide for the supplemental needs of the primary beneficiary. Supplemental needs are defined as services or goods that are not considered as food or shelter, and therefore will not be countable in determining eligibility for medical assistance. Supplemental needs may include, but are not limited to, the following:

- 1) Medical, dental, diagnostic work, and treatment;
- 2) Nursing care or home care;
- 3) Educational expenses;
- 4) Rehabilitative services;
- 5) Plans for self-support;
- 6) Cultural experiences;
- 7) Pre-need burial plan;
- 8) Repairs and upkeep on exempt resources, such as the home and vehicle; and
- 9) Payment of insurance premiums

No expenditures other than payment of federal and state taxes may be made from the trust after the death of the beneficiary.

5.02 The trustee may expend trust funds to purchase resources, which are exempt for Medicaid eligibility including a principal place of residence, household goods and personal effects, and one vehicle, to be used solely for the benefit of the primary beneficiary. Such exempt property may be titled in the name of the primary beneficiary rather than the trust, at the sole discretion of the trustee.

5.03 The trustee may take into consideration the applicable resource and income limitations of the medical assistance program. Normally, the trustee shall not make any payments if such payments would disqualify the primary beneficiary for medical assistance. However, if in the trustee's judgment, there are unusual circumstances indicating that it would be in the primary beneficiary's best interest to make certain payments to or for the primary beneficiary, the trustee may make such payments that would result in disqualifying the primary beneficiary from medical assistance. In the

event of this occurrence, the trust shall be terminated in accordance with the provisions in this document for termination.

ARTICLE VI - APPOINTMENT OF TRUSTEE

(9) _____ is hereby appointed as trustee of this trust. The trustee shall serve without fee and without bond. A corporate trustee may be appointed for investment purposes and may charge a reasonable fee for services in accordance with its published schedule, as amended from time to time. If the trustee becomes unable or unwilling to serve as trustee,

(10) _____ is appointed as trustee. The Colorado Department of Health Care Policy and Financing must be notified in writing of any trustee address changes or change of trustee within 30 calendar days. The Department's mailing address is 1570 Grant Street, Denver, CO 80203.

ARTICLE VII - POWERS OF THE TRUSTEE

7.01 The trustee may perform every act reasonably necessary to administer the trust. In addition to all of those powers and duties specifically authorized in the trust document, the trustee may exercise those powers in the Colorado Fiduciaries' Powers Act, as amended, subject to the limitations set forth in the trust document.

7.02 The trustee shall provide an annual accounting to the primary beneficiary or his or her conservator, guardian, or legal representative and to the secondary beneficiary, the Colorado Department of Health Care Policy and Financing, or its designee. Such accountings shall set forth all receipts and distributions during the reporting period and the assets held in the trust at the end of the period. An annual accounting of trust income and expenditures and an annual statement of trust assets shall be submitted to the county department of social/human services or to the Colorado Department of Health Care Policy and Financing upon reasonable request or upon any change of trustee.

7.03 The trustee of this trust may amend this trust document with the approval of the Colorado Department of Health Care Policy and Financing so that it conforms to any regulations that are approved by any governing body or agency related to 42 U.S.C. 1396p and C.R.S. 15-14-412.8.

ARTICLE VIII - TRUST TERMINATION

8.01 Unless sooner terminated by exhaustion of the corpus, this trust shall terminate upon the death of the primary beneficiary or if the trust is no longer required for Medicaid eligibility in Colorado. The assets remaining at the termination of the trust shall be paid within three months after termination to the Colorado Department of Health Care Policy and Financing, or its successor agency, as reimbursement to the Medical Assistance Program of the State of Colorado for medical benefits provided to the primary

beneficiary during his or her lifetime. An extension of time may be granted by the Colorado Department of Health Care Policy and Financing if a written request is submitted within two months of the termination of the trust.

8.02 In the event that any trust assets are remaining after payment to reimburse the Medical Assistance Program of the State of Colorado as set forth above, then the balance shall be paid to the primary beneficiary, if surviving. If the primary beneficiary is deceased, then the balance shall be paid to the primary beneficiary's personal representative for distribution in accordance with the terms of his or her will, if any, or if none, to those persons who would have inherited from the primary beneficiary had he or she died intestate owning such trust assets.

ARTICLE IX - TRUST IRREVOCABLE

9.01 This trust shall be irrevocable. Neither the beneficiary nor the trustee shall have any right or power to alter, amend, revoke or terminate this trust or any terms of the trust, except as set forth below.

9.02 Notwithstanding the irrevocable nature of the trust, the trust may be terminated if the primary beneficiary is no longer disabled or is no longer receiving Medicaid benefits in Colorado. In this event, the provisions in Article VIII regarding distribution of remaining trust funds shall be applicable.

SETTLOR (Signature)

DATE _____

STATE OF _____

COUNTY OF _____

Subscribed and sworn to before me this _____ day of _____ 200__, by
_____ as settlor.

My commission expires: _____

Notary Public

TRUSTEE (Signature)

DATE _____

STATE OF _____

COUNTY OF _____

Subscribed and sworn to before me this _____ day of _____ 200__, by
_____ as trustee.

My commission expires: _____

Notary Public

SCHEDULE A

List of trust assets, source (personal injury proceeds, inheritance) and value: