

No. 2014-186

AN ACT

SB 428

Amending Title 20 (Decedents, Estates and Fiduciaries) of the Pennsylvania Consolidated Statutes, further providing for pooled trusts for persons with disabilities.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 7799.3 heading, (f) and (h) of Title 20 of the Pennsylvania Consolidated Statutes are amended to read:

§ 7799.3. Pooled trusts for **[persons]** *individuals* with disabilities.

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(f) Notice.—The Office of Attorney General and the Department of Public Welfare shall make available information on the treatment of pooled trusts for the **[persons]** *individuals* with disabilities in the medical assistance program.

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(h) Definitions.—As used in this section, the following words and phrases shall have the meanings given to them in this subsection:

"Beneficiary." An individual with a disability who has the right to receive services and benefits of a pooled trust.

"Board." A group of persons vested with the management of the business affairs of a trustee.

"Disability." A physical or mental impairment as defined in section 1614 of the Social Security Act (49 Stat. 620, 42 U.S.C. § 1382c).

"Pooled trust." A trust which meets all of the following:

- (1) The trust contains assets of more than one beneficiary.
- (2) Each beneficiary **[has]** *is an individual with* a disability.
- (3) The trust is managed by a nonprofit corporation.

(4) A separate account is maintained for each beneficiary of the trust, but, for purposes of investment and management of funds, the trust pools these accounts. Accounts in the trust may be established by the parent, grandparent or legal guardian of the individual with a disability, by the individual with a disability or by a court.

(5) **[Upon the death of a beneficiary or upon the earlier termination of the trust, amounts remaining in the beneficiary's account must be distributed in accordance with one of the following:**

(i) **The trust may retain up to 50% of the remaining balance for the benefit of other beneficiaries. The remaining 50% of the balance must be reimbursed to the Commonwealth and any other state that provided medical assistance up to an amount equal to the total amount of medical assistance paid on behalf of the beneficiary.**

(ii) **The amounts must be used to reimburse the Commonwealth and any other state that provided medical**

assistance up to an amount equal to the total amount of medical assistance paid on behalf of the beneficiary.] *The trust provides that any money remaining in a beneficiary's account upon the death of the beneficiary that is not retained by the trust will be paid to the Commonwealth, up to the total amount of medical assistance paid on behalf of the beneficiary.*

"Trustee." A nonprofit organization that manages a pooled trust.

Section 2. This act shall take effect in 60 days.

APPROVED—The 27th day of October, A.D. 2014

TOM CORBETT