

Qualifying Income Trust Frequently Asked Questions

Effective September 1, 2003, changes to the Medicaid Program will require that individuals who need Nursing Facility or Waiver services but have gross income over \$1,656 per month will have to place the excess income into a Qualifying Income Trust (QIT), which is also called a Miller Trust in order to maintain or attain Medicaid Eligibility.

1. What is a Qualifying Income Trust?
A Qualifying Income Trust allows individuals with gross income over \$1,656 per month to place all or part of that income into a trust so that they may be income eligible for Medicaid coverage.
2. Who will need to set up a Qualifying Income Trust?
Individuals with gross income over \$1,656 per month who are currently receiving, or want to receive, Nursing Facility, Homecare, Home and Community Based, or Acquired Brain Injury Waiver Services will need to set up trusts to continue their Medicaid Coverage.
3. What are the requirements of a Qualifying Income Trust?
*The QIT must be approved by the Department for Medicaid Services.
The QIT must be irrevocable.
Income must be put into the QIT to bring the individual below the Special Income Standard of \$1,656 per month.
No resources can be put in the QIT.
A separate bank account must be set up for the QIT.*
4. Who sets up the Qualifying Income Trust?
Individual should contact an attorney or financial institution to set up the trust. The Kentucky Bar Association (www.kybar.org) may assist in locating an attorney.
5. Will the creation of a Qualifying Income Trust increase the cost of care?
No. The creation of a QIT should not change what a provider charges an individual for services.
6. Will the creation of a Qualifying Income Trust decrease the amount that supports an individual's spouse?
No. The spouse of the individual will continue to receive the same support contribution.
7. What is the allotment for a spouse?
The spousal allotment is determined by the caseworker and is based upon the amount of the spouse's income.
8. Will the creation of a Qualifying Income Trust change the Personal Needs Allowance?
No. There will be no change in the Personal Needs Allowance of \$40 per month.
9. Will the creation of a Qualifying Income Trust mean that individuals can not have savings and checking accounts with a balance?
No. Other accounts can be maintained. There is no limit to the number of other checking/savings accounts as long as the combined total value of the non-QIT accounts is less than \$2,000.

10. How many accounts are required to set up a Qualifying Income Trust?
There should only be one (1) QIT account. That account can contain only income and can not contain any resources. If resources are placed in the account it results in ineligibility.
11. What type of fund/account is required for the Qualifying Income Trust?
There are no requirements for the type of account/fund that is used for the QIT.
12. Can you supply a copy or example of an acceptable QIT?
There is no template for the QIT. The individual should request the advice of an attorney or financial institution.
13. Where can further information about the Qualifying Income Trust be found?
Criteria for the QIT can be found in the Social Security Act Section 1917, the State Medicaid Manual Section 3259, and 907 KAR 1:640 and 1:650 when filed.