

Government Benefit Preservation

Claimants have much to consider regarding the financial implications of their settlements. Eligibility for government benefits is one of the most important issues many claimants must resolve.

Eligibility for Government Benefits

Needs-based government benefit programs use income and asset tests to determine eligibility. In most states, assets as low as \$2,000 (\$3,000 if married)¹ are sufficient to render a claimant ineligible for most needs-based government benefits. While entitlement benefits such as Medicare, Social Security Disability Income (SSDI) and Social Security Retirement Income will not be impacted by the settlement, there are many needs-based programs that would likely be affected, including:

- Supplemental Security Income (SSI)
- Medicaid (Medi-Cal in California)
- Supplemental Nutrition Assistance Program (SNAP)/Food Stamps
- Temporary Assistance for Needy Families (TANF)
- Subsidized Housing
- Children's Health Insurance Program (CHIP)

While some may assume that settlement proceeds should provide an adequate replacement for any lost benefits, the reality is that for many injured claimants, the loss of benefit coverage can be catastrophic. The compounding costs of medical procedures, medication, home modifications, attendant care and more can quickly deplete a settlement.

Expert Guidance

Our team works with injured claimants before finalizing the settlement to determine:

- Whether the claimant is currently eligible or expects to be eligible for needs-based government benefits in the near future; and
- If so, what the best course of action is to protect benefit eligibility and maximize the settlement proceeds.

Whether a Special Needs Trust or a spend down trust is the right solution, our team is here to walk claimants through every step of the process to protect important benefits and preserve their settlement proceeds.

For more information about government benefit preservation, contact Sage Settlement Consulting today.

With local offices across the country, our team offers award-winning comprehensive settlement planning services.

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¹As of July 1, 2022, California raised its Medi-Cal asset limits. More information can be found at www.dhcs.ca.gov.