



Understanding Expenditures

Understanding which expenditures are permitted from a Beneficiary's Trust can be complicated. All disbursements from a Trust are subject to the discretion of the Trustee (Delaware CarePlan, Inc.), **must be for the sole benefit of the Beneficiary**, and **must be pre-approved**. The trust can only pay for the Beneficiary's share of an expense if others benefit from that expense. A Trustee takes into consideration many aspects affecting the Beneficiary, such as the Trust balance, annual budget, Beneficiary's age, special circumstances of the Beneficiary, Supplemental Security Income (SSI), and Medicaid regulations. Requests for Trust expenditures may only be disbursed as payments to third-party vendors, rather than to the Beneficiary. All expenditures must be verified with invoices and/or complete, legible receipts.

Examples of Expenses a Trust MAY Pay For

Some items listed below may not be appropriate for all Beneficiaries. Different disbursement rules may apply to minor Beneficiaries due to parental duties and obligations of support.

Recreation:

- Vacation (*beneficiary and 1 caregiver, if necessary*)
- Entertainment (*concerts, sporting events, etc.*)
- Memberships, Subscriptions
- Pets, Pet Supplies, Veterinarian

Household*:

- Home Purchase**
- Home Maintenance, Lawn Care, Landscaping, Snow Removal
- Telephone, Cable, Internet Bill
- Food and Grocery Items (*toiletries, detergents, etc.*)
- Homeowners or Renters Insurance
- Appliances
- Furniture, Home Decor
- Electronic Equipment
- Household Supplies and Equipment
- Accessibility Installation/Maintenance
- Security System

Transportation:

- Bus Pass
- Vehicle Purchase**/Maintenance
- Vehicle Insurance
- Gasoline
- Accessible Transportation

Education/Vocation:

- Tuition and Books
- Training
- Computer / Printer / Software

Personal/Medical:

- Dental Care (*incl. dentures, other appliances*)
- Eye Care (*incl. glasses, contacts*)
- Hearing Aids
- Durable Medical Equipment (*not covered by other source*)
- Over-the-Counter Meds, Vitamins, Supplements
- Clothing
- Salon Services

Services/Other:

- Pre-Need Burial Expenses (***cannot be paid upon death w/ 1st-party trusts***)
- Legal/Accounting Services
- Guardianship or Conservatorship Services
- Therapy or Treatment (*not covered by another source*)
- Alternative Therapies
- Elective Surgery
- Cleaning/Housekeeping Service

Expenses NOT Allowed

- Cash or Cash Equivalents (*including gift cards*)
- Mortgage, Rent
- Utility Bills (*electric, heat, water, sewer, trash*)
- Property Taxes
- Homeowner/Condo Fees (*unless property is held in Trust*)
- Gifts of Any Kind (*third-party benefits, incl. weddings*)
- Gambling, Lottery Tickets
- Firearms, Ammunition
- Pawned Items (*or items that can be a resource*)
- Services or Items which the Beneficiary is Entitled to Receive through Gov't or Other Programs
- Funeral/Burial Expenses upon Death of Beneficiary (*1st-party trusts only; arrangements must be PRE-PAID*)

***Allowable disbursements are dependent on home ownership.**

****Liens are held by Trust for homes/vehicles purchased using Trust funds.**

DISCLAIMER: These are general guidelines. Requests are made on a case-by-case basis.