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## Nazi Victims Compensation Trusts Offer Unique Planning Opportunities For Survivors

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The establishment of Nazi Victims Compensation Trusts is a recent development in the field of Elderlaw, which may be of great value to victims of Nazi persecution who are also recipients of funds paid to them as compensation, pension and/or restitution. The beneficial developments of which we speak have the effect of allowing compensation beneficiaries to receive U.S. Governmental assistance for medical benefits, without spending down their assets to proscribed levels.

Many readers will already have seen articles about recent claims filed against Swiss banks, insurance companies and manufacturers who profited from slave labor during the 1930s and '40s, as well as claims paid as property settlement, restitution or pensions. It's important to protect these payments and compensation assets paid over the preceding decades. This is particularly true in light of the fact that, for many victims, the costs of aging in American society are becoming of more than passing concern. Of the survivors who are living in the United States and receiving restitution payments, many will, at some point, find themselves in an assisted living situation or nursing facility. The ever-increasing costs of long-term assisted living, whether in one's own

home or in a nursing facility, can erode an individual's assets.

Through legislation enacted by Congress in 1994, American citizens who were victims of Nazi persecution can exempt from Medicaid costs funds received as compensation for this persecution

By taking advantage of this legislation and establishing a Compensation Trust, such funds received as restitution or pension from Germany, Austria or the Netherlands, or their equivalent, are kept separate from an individual's other assets and cannot be touched by Medicaid. Most importantly, during the lifetime of the recipient, these protected assets may be used at his or her discretion for whatever purposes he or she desires.

A Compensation Trust further protects these same funds from Medicaid estate recovery provisions and ensures that the compensation assets will benefit the next generation. People often neglect to make certain that the assets will pass directly to their heirs. Therefore, once they themselves die, these assets - once free from Medicaid's claims - are then grossly depleted through "estate recovery." By establishing a trust agreement funded solely by funds identified as Nazi Victims Compensation funds, these funds remain exempt and the trust ensures that those same funds are distributed according to the individual's testamentary intent.

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TEVET 5760  
JUNE 2000  
VOLUME 14 NUMBER 2

800-375-4583 Outside the NY area