



7 Planning Tips For Parents

By Ryan F. Platt

Founder of A Special Needs Plan

1. **Will / Designating a Guardian.** While a will and the designation of a guardian after a parent is unable to care for a minor child is important, it is critical for those parents of children with special needs. This is usually a very difficult decision, due to the fact families feel they do not want to burden a friend or family member with the life-long commitment of caring for their child. In some cases, the care needs of the child may be so demanding that a guardian other than his or her siblings will be required. Parents need to make this determination while they still can, and the designation of the guardian will be done within their will.

Please keep in mind that an adult child may require a guardian before the parent dies—meaning the parents health deteriorates to a point they can no longer care for themselves or their adult child. It is therefore important to begin making a transition to a new guardian while the parent is able to assist in this process. You can do this in the form of co-guardianship.

2. **Set up a Trust.** Any funds that are left to a child with special needs, whether from an estate, life insurance, retirement plans, extended family members (grandparents) should be left to a trust. Leaving this money to a properly drafted trust (Special Needs Trust), by an attorney who specializes in this area of law, will allow the child to continue to qualify for the essential government benefits of Medicaid and SSI. Please keep in mind that there are various types of Special Needs Trust, so the correct one must be used for your specific situation.
3. **Buy enough Life Insurance.** A parent is irreplaceable, but the reality is someone will have to fill in. Many times it is not just one or two people but a combination of family and friends. Almost always, these family and friends will have financial obligations of their own and will not be able to financially support their special needs loved one. This is why it is so important for the parents to consider the life-long needs of their child, the expenses government benefits will cover, and the expenses they do not. As with the trust, there are financial planners who specialize in this area and they can help you determine these costs. We find that most families use life insurance to cover these life-long expenses because it provides more money at their death than they could have ever hoped to save during their lifetime.
4. **Write your L.I.F.E.™ Journal.** This document provides the next caregivers of your loved one instructions on how to provide the best care. It gives these caregivers a head start because it tells them all the things you have learned through years of interaction and care for your child. It is a document the parents write that includes three major areas – Medical History of Child, Day-to-Day Living Advice, and your wishes for the rest of their life.



5. **Share your Plan.** It is critical to share what you have done with extended family members. It is all too common for parents to assemble a great plan with all the proper pieces in place, and then a well-intending grandparent leaves money to the child and this act of benevolence undoes the entire plan. This event most often disqualifies the child from future government benefits which can total hundreds of thousands of dollars over their lifetime.
6. **Make it a Team Effort.** Find professionals, such as an attorney and financial planner that work in the Special Needs arena to assist you with this planning. Just like you would not have your Family Doctor perform your brain surgery, you do not want a generalist to complete your Special Needs Plan. You should also have the attorney you choose and the financial planner you choose work together because it is critical to coordinate the financial and legal pieces so the money flows into the proper legal instruments.
7. **Don't Forget about Yourself.** As a parent, I know that you can lose yourself in caring for your loved one; however, I am a firm believer that if you do not take care of yourself, eventually you will be no good to anyone else. It is imperative that in your planning process you define your own needs for Today, Retirement, and for your own long term health needs.

For more information on Special Needs Planning please visit
www.aspecialneedsplan.com or call Ryan Platt at 800-SN9-8610