

# Providing the best quality of life requires informed decisions.

The best way to provide your special needs child with compassionate care and a comfortable life is to support your legal and financial decisions with reliable information and proven expertise. That's why America's finest disability attorneys have combined their talents to create the Special Needs Alliance.

As attorneys in the field of Disability and Public Benefits Law, we help to enhance your child's quality of life. Every member of the alliance has the resources and legal expertise to help you maintain public benefits for your child and develop effective estate plans that protect your assets.

This brochure is provided as a service of Special Needs Alliance and is informational only. It is not intended to serve as legal advice or replace the advice of a legal professional.



Special Needs Alliance members  
are available nationwide.

To contact a member in your area, call

**877-572-8472**

or visit us online at

[www.specialneedsalliance.org](http://www.specialneedsalliance.org)

# Estate Planning

*For Parents of Children  
With Disabilities*



*Special needs require special attorneys*



## Harry and Sally's autistic son

Bill is 21 years old. Bill lives with his parents and the couple is concerned about his welfare after they die. Harry and Sally always thought Bill would live with his sister Joan; however she now has three children and it is apparent that her husband prefers that Bill not live with them.

Bill receives SSI and Medicaid, and he can have no more than \$2,000 in assets, as any income Bill receives will reduce his SSI benefit dollar-for-dollar. If Bill loses his SSI he then would lose his Medicaid, and he is not eligible for a group home.

Harry and Sally own a home, have retirement plans, and \$100,000 in investments and life insurance. As with all parents of children with disabilities, the critical question in Harry and Sally's mind is, "What will happen to our child after we die?" From a legal and financial standpoint, Harry and Sally are anxious to protect Bill's future.

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## Finding the Right Lawyer

The first issue is finding a lawyer who specializes in estate planning for persons with special needs. The Special Needs Alliance is an organization of leading elder- and disability-law attorneys located throughout the country who specialize in planning for such individuals. Parents can find an attorney in their state, meet with the individual and learn about the importance of a special needs trust.

## The Special Needs Trust

Special needs trusts are discretionary, spendthrift Trusts created for the elderly or individuals with disabilities. They are intended to supplement, but not replace, any public benefits that the trust beneficiary receives such as SSI, Medicaid, Section 8 Housing and other programs.

The special needs trust fund can be used to supplement the government benefits by paying for services and equipment that Medicaid would not cover, such as the purchase of a home, special wheelchairs, handicap-accessible vans or mechanical beds; as well as pay for vacations, a personal attendant and recreational and cultural experiences. This trust can be tailored to enrich the beneficiary's life.

## Funding the Trust

Each family must decide how much money to put in the special needs trust. Parents often divide their estates equally among

their children. This makes sense if all of the children are healthy; however, if one child has special needs, that child may need more or less than an equal share. The best way to make that determination might be to have a life care plan designed for the child. In this plan, parents can define the lifestyle they want for their child and the life care planner will estimate the cost of the child's care over his or her lifetime. Parents then are able to determine how much of their estate to designate to the child's special needs trust. Life insurance often is used to fund the trust.

## Letter of Intent

Finally, there is a need for a Letter of Intent. The letter can be addressed to the successor trustee and the care manager. Many families use this letter to tell the child's story and write out the medical history and back-ground; special education; treatments and therapies; daily care needs; favorite recreation and sports activities; vacations taken; and places the child wants to visit.



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