

Creating Financial Security for a Loved One With Special Needs

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Planning For Those With Special Needs

82%

of caregivers are concerned they do not have enough financial resources to last their disabled relative's lifetime

77%

of caregivers are concerned they won't be able to retire

70%

believe they will have to compromise their own retirement plans in order to provide for their dependent with special needs

60%

of caregivers with life insurance have less than \$300,000 of coverage and fewer than half have the protection of whole life coverage. However, the lifetime cost of caring for a dependent with autism is between \$1.4 and \$2.4 million

73%

of caregivers don't have long term care insurance

87%

are concerned about what will happen to their child with disabilities when they (mom/dad) are no longer living

59%

have not written a Will addressing the special needs of their relative

67%

of parents have not set up a Special Needs Trust

23%

of families have a formal financial plan for their dependent and only 37% work with a financial advisor

Planning For Those With Disabilities



Luther is 7 years old and was born with Congenital CMV

Congenital CMV infection can result in microcephaly, hearing and vision impairment, developmental delays, seizures, non-verbal communication, and mobility challenges.



Loves being social with friends, swimming, camping, and farming with dad and grandpa.

15 years in financial services; 5 years specializing in special needs planning



National practice with regular speaking engagements and training and coaching other advisors.

Mission



Educate Strategic Partners



Guide Caregivers



**Facilitate emotional conversations
with key family members...**

...thus, we navigate the complexity of life planning for children/adults with special needs, and create a sustainable, high quality of life for everyone in the family.



**When it comes to
your finances,
what do you worry
about most?**

What We Hear Every Week...

**“We don’t
know where to
start...it’s too
overwhelming.”**

**“We have it all
taken care of.”**

**“We have a lot in
place already, but no
funding plan for our
daughter’s special
needs trust.”**

**“Wealthy families
don’t need this
planning.”**

Keep In Mind



**It's Never Too Soon
To Start Planning**



**You Don't Have To Do
Everything at Once**



You're Not Alone

Today's Agenda

1

Building Your Team

2

**Developing Your
Special Needs Plan**

3

Special Needs Trust

4

ABLE Plans

Let's get started!



MOST IMPORTANT!

Families should never leave more than \$2,000 directly to their child with disabilities, even in a jointly held account.

WHY?

To qualify for certain federal, state & local benefits, like Medicaid, SSI (or others), asset & income tests can apply.

Why We're Different: Building Your Team

Identifying & Aligning Your Team



**Financial
Professional**

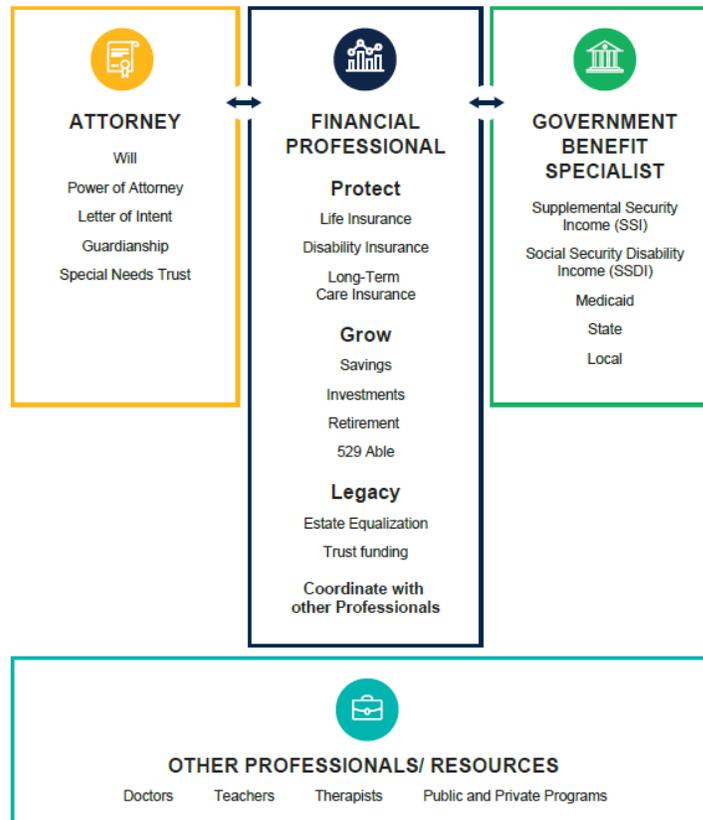


**Government
Benefits Specialist**



Attorney
(experienced in
special needs)

Special Planning For Special Families



Developing Your Special Needs Plan

Understand Where You Are and Where You Want To Go

YOU:

- What are your savings and spending habits?
- What are your short-, medium- and long-term financial goals?
- What do you want for your future?



YOUR LOVED ONES:

- What do you envision for your loved one's life?
- Where will they live?
- Who will provide day-to-day care?
- What social activities do you want them to be a part of?

Developing Your Special Needs Plan

Understand What Benefits Your Loved One is Eligible For:

- Social Security: Supplemental Security Income and Retirement Income
- Medicaid: Health Care and Custodial Home Care
- Vocational Services
- Public School Services
- Veterans' Benefits

Your government benefits specialist can make sure you're not leaving money on the table.

Will Your Loved One Qualify for Social Security Benefits?



Supplemental Security Income

Child under age 18 with working parents



Child age 18 or older with working parents



Must have little to no assets and a monthly income of \$900 or less to qualify for benefits at age 18



In 2025, the benefit amount could be up to \$967 a month.

Retirement Social Security

Retired Parent Taking Social Security and Child Considered Disabled Before Age 22

**Parents Taking
Social Security**



**Parents'
Work Histories**



**Child's Social
Security Benefit**

Has no impact on the Social Security benefit the parents are receiving



Remember: Your loved one may qualify for benefits today or at some point in the future.

Developing Your Special Needs Plan

A Government Benefits Specialist Can Help Estimate Future Costs

**Where
You Live**



**The Care You
Provide Now**



**Potential Annual
Future Costs**

Government Benefits Specialist can help
quantify costs and look for gaps



Remember: If your child outlives you, the care you provide now probably won't be a free service anymore.

Third-Party Special Needs Trusts

- These trusts help pay for supplemental needs that can enrich the life of your loved one.
- Anyone except your loved one with special needs can contribute.
- Government benefits generally should not be affected.



Third-Party Special Needs Trusts



1

Hire an estate planning or elder law attorney to draft your trust

2

Consider having a bank serve as trustee

3

Life insurance can fund a special needs trust

4

A trust can be set up, so the remaining assets pass to family members if the primary beneficiary passes away

ABLE or 529A Plans

Public benefits often have asset limits of \$2,000.

ABLE (ACHIEVING A BETTER LIFE EXPERIENCE) PLANS:

- **May be created any time if disability onset prior to age 26**
- **Will not affect Medicaid eligibility no matter how large the account grows**
- **If account balance is \$100,000 or more, it will affect Supplemental Security Income eligibility**
- **Contributions are post-tax and are not tax deductible at the federal level (some states allow deductions)**
- **Contributions of \$19,000/yr allowed + \$15,060 from earnings**
- **Can roll 529C accounts into 529A plans**
- **Assets grow tax free and qualified distributions are tax free**

ABLE or 529A Plans

Used for:



- **Education**
- **Housing**
- **Transportation**
- **Employment training**
- **Assistive technology**
- **Personal support**
- **Health care expenses**
- **Expenses that improve health, independence or quality of life**



Any money left in the plan at death must be used to reimburse the state for Medicaid support

Determining if an ABLÉ Plan Is Right for You

1. Talk to your financial professional.
2. Visit [ablenrc.org](https://www.ablenrc.org) to learn more about your state's ABLÉ plans.



ABLE NATIONAL RESOURCE CENTER
ACHIEVING A BETTER LIFE EXPERIENCE ACT

Which state has the best program for you?

No matter which state you call home, you can open your ABLÉ account in any state with an active ABLÉ program.

[SELECT A STATE TO BEGIN](#) →

(Blue indicates active programs.)

You can also use our [TOOL THAT COMPARES STATE PROGRAMS](#).

The screenshot displays a map of the United States where states are color-coded to indicate the status of their ABLÉ programs. States with active programs are highlighted in blue, while others are in green. The blue states shown are: WA, OR, ID, MT, ND, SD, MN, WI, MI, NY, VT, NH, ME, MA, RI, CT, NJ, DE, MD, DC, and HI. All other states are shown in green.

**Don't Forget
To Plan For
Yourself, Too!**



Planning for Your Financial Future



Planning for your loved one with special needs is critical... but it's only part of your financial plan.

- What do you want for your own future?



Find a financial professional to help you:

- Identify your goals
- Set priorities
- Create and execute a customized plan
- Keep your plan aligned with your changing life

Choosing a Financial Professional

1

Work with someone you trust

2

**Choose someone who is experienced
in planning for special needs**

3

**Make sure your financial professional with
work with you over time as your needs change**

4

**Select a company that has strong history
and maintains the highest financial
strength ratings in the industry**

RECAP



ASSEMBLE YOUR TEAM

Financial Professional, Government Benefit Specialist and Attorney



DEVELOP A SPECIAL NEEDS PLAN

- Understand your current situation
- Decide what you want for the future
- Get the benefits your loved one is eligible for
- Estimate future cost of care
- Establish and fund a special needs trust and/or ABLE plan



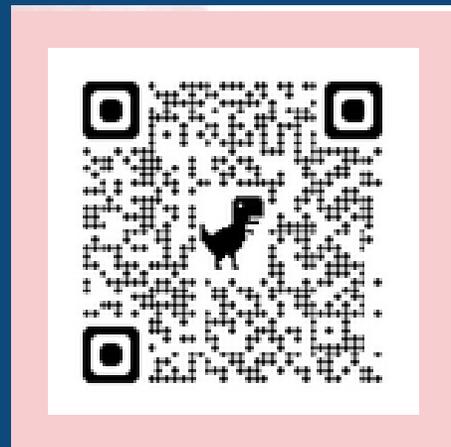
DON'T FORGET TO PLAN FOR YOURSELF

Schedule Your Free Consultation Today

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Thank You

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