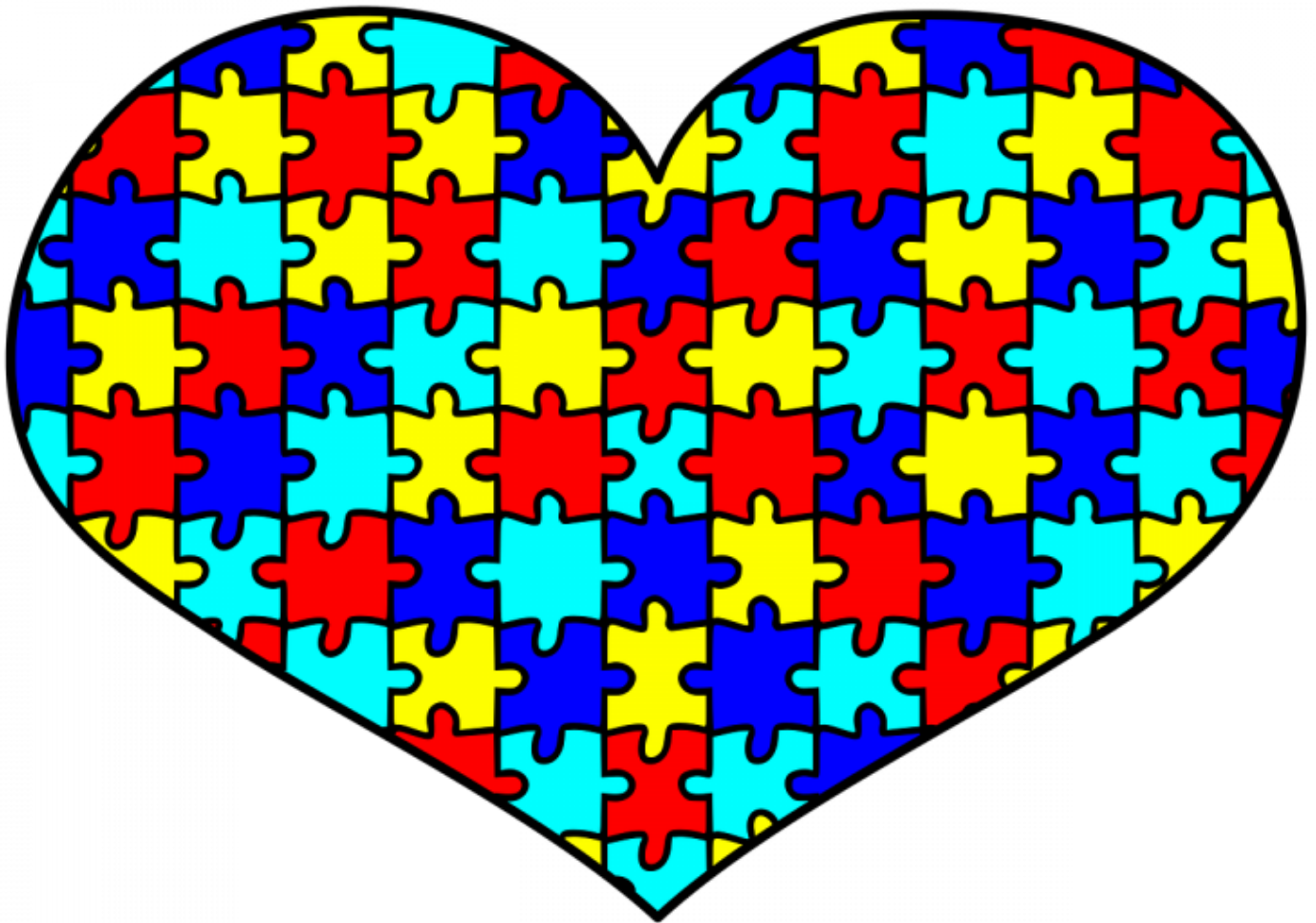


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needs families among your clientele and not even know it.

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By Mary Anne Ehlert, CFP®.

Advisors tell me quite often they started their careers in the financial industry to make a difference in people lives. It is a career that enables us to use our talents and make a real difference on the planet. But a very small percentage of those advisors

have depth in the working with families who have a family member with disabilities.

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The reality is more than 20% of the U.S. population has a disability. If we ask the right questions, we will find many of our clients have a family member who falls into this category. If the advisor ignores the topic, we might be missing a critical opportunity to connect with the clients and what really matters to them, as well as setting their practice up for liability by not addressing some critical planning that needs to be done.

AT LEAST BRING UP THE TOPIC

I recommend advisors at least ask one simple question: *“Is there anyone in your family that needs your financial and emotional support, if we look Up, Down and Around?”* This question will at least open the door for the client to share their story about someone they are responsible for. You might be surprised what you hear. And don't just ask the question once. I ask it once a year, because things change such as a spouse develops a disability; a grandchild is born with a disability; an adult child comes home from college with mental health issues, and more.

LEARN ABOUT THE FEARS THEY FACE

Imagine having to scrape together enough money to put your child through Harvard, every year for the rest of his or her life. That's the daunting task faced by the parents of a child with a disability, who must be ready to fund upwards of \$50,000 a year for future care.

More and more families have children with disabilities. In fact, you may have special-needs families among your clientele and not even know it. There aren't more children with disabilities, I don't think, but the diagnostic standards have become more refined over the years. A child who 50 years ago would have been deemed “slow” or a “problem child” would probably today be placed somewhere on the autism spectrum.

Parents of special-needs children are so wrapped up in the day-to-day management

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to mental health issues. If you are talking to the client about rates of return on his/her portfolio, they are not listening.

BUILD CONFIDENCE WITH LISTENING

As financial professionals, we need to help them not only think about the future, but plan for it as well.

Families may have a million questions about their family member's health care, education, residence, and employment when they reach adulthood. Will there be enough money to provide for the whole family now? How does one qualify for government benefits? Evaluate the right school systems? Find the right residential program? Create an appropriate financial plan? Structure an estate plan? Find the right team to support everything that needs to be accomplished.

I saw first-hand the difficulties my parents had in making sure my sister, Marcia, who had cerebral palsy, would be cared for when they could no longer do so. I had the advantage of growing up caring for a sister, later planning for a son with a disability, and later planning for both my parents who developed care needs as they aged.

I have learned more from listening to my parents, and over the past 30+ years, listening to client's fears, to know that is the very first step. Listen well.

Since 1990, when I founded my firm, I've developed an eight-step process we use for future care planning that addresses all aspects of life including legal considerations, potential government benefits, transition planning, residential options, employment opportunities, recreational choices, investment solutions and family communication. At every step, we focus on a client's abilities, not their disabilities.

Maybe you won't become the specialist; maybe you will work on a team with one.

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2. Identify the potential life needs of the special-needs individual. Just like the disabilities themselves, these life needs can vary widely from residential care to community support, even to a life of independent living and employment for those with mild disabilities. This step helps quantify medical expense deductions, identify tax returns to be filed and clarify other expenses not yet accounted for.

3. Discuss legal implications. We're not attorneys, so we're not going to provide legal advice. We will, however, ask whether there are wills, powers-of-attorney, trusts and guardianships. The family may say, "Yes, we have wills," but the wills may not be adequate for this family. You can't determine that, but you can advise them to work with an attorney who is knowledgeable in estate planning for special-needs families. You should also coordinate or participate in the discussions with attorneys. I've found that families want to delay this step because the decisions need to be made are overwhelming. Help the family get to the right attorney.

4. Outline the benefits the special-needs individual may be eligible for. You have a role to play in ensuring the individual maintains their eligibility for such programs as Supplemental Security Income, Social Security Disability, Medicare, and Medicaid. Questions to be asked here include whether the special-needs individual has health insurance through an employer or parent employer; whether the individual holds assets in their name; and whether there's a possibility of an inheritance.

Often, clients proudly tell us that they're setting money aside in their family member's name, sometimes working two jobs. Unfortunately, what they're doing will disqualify their child for government benefits. Families may be horrified when you recommend that they do not leave money directly to their child, until you explain a child over 18 may not have more than \$2,000 in his or her name. Rather, families should establish an ABLE Account and a Special Needs Trust.

5. Document *everything*. We help parents come to the realization that their family

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6. Help the family plan for what happens when a special-needs individual needs more support or ages out of state-supported education. What will happen when that child (perhaps by then an adult) must have a place to live, work and play? You may not be an expert in these types of programs, but you can help a family by providing a network of professionals who can help them.

7.. Fund the future. As financial professionals, we can help a client make wise decisions today that will be beneficial in the future. For example, If the plan dictates that a certain amount of money is needed for the lifetime of the individual, will the government provide all the necessary funding? Can the family fund the special needs trust with a large enough inheritance? Should life insurance be purchased, and who should be the policy owner?

8. Review and revise as needed. New legislation may be enacted that impacts a family's plans, a new program may be created, or one may be discontinued. Families require regular reviews to understand any changes that may occur, both within their own circumstances and the wider environment. Stay abreast of what is available and what has changed. It is always changing for sure!

FINAL ADVICE – DON'T WAIT. TAKE STEP ONE.

If you give your client only one piece of advice, make it this: Don't wait until the situation is urgent. That's the toughest time to plan. Listen well AND get them to the right professionals. Be there to provide all illusive HOPE.

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Mary Anne Ehlert, CFP, specializes in financial planning for families with a disabled family member. She is the founder of [Protected Tomorrows](#) in Lincolnshire, Il.

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