



Securing the Future: The Essential Role of Special Needs Planning and Financial Planning

Careful financial planning is always a good idea — especially if you have a loved one with special needs.

After all, many people with special needs have low earning potential and rely on means-tested government benefits (Medicaid, SSI, housing vouchers, and SNAP), settlements, and/or support from family members. Understanding the roles of public benefits, taxes, living and healthcare expenses, and investment income, as well as regulations and rights pertaining to special needs, requires a professional hand.

Thankfully, there are people you can turn to for help. As a founding member and former president of the [Special Needs Alliance](#), I'm a passionate advocate for special needs families and have seen firsthand their struggles and successes.

In this article, I'll explain the importance of finding a quality, special needs-focused financial planner and special needs planning attorney, and the important tasks they can help you accomplish.

The Special Needs Planning + Financial Planning Partnership

To be the most prepared, you need two professionals on your team: a special needs planning attorney and a financial planner. Special needs attorneys are experts on the public benefits that may be available to you and the legal planning required to obtain and preserve them, while financial planners can help develop a specific plan to ensure long-term financial security.

Financial planners and special needs planning attorneys work together to ensure that all legal documents, such as wills, trusts, and powers of attorney, are properly drafted and aligned with your public benefits and financial plan. Their partnership ensures that:

- Detailed financial information is collected, and all assets are accounted for.
- Special needs planning documents are properly created and updated.
- Public benefits eligibility is preserved.
- Legal and financial strategies are harmonized to minimize tax liabilities and legal complications.



Since these two roles need to work closely together, it's key to find individuals who are compatible, good communicators, or have worked together in the past.

The easiest route may be to find a professional who is both a special needs planning attorney and certified financial planner, but at the very least, consider a firm with both these capabilities. In addition, check that any potential firm also coordinates with CPAs who can help you understand and take advantage of ever-evolving tax deductions and credits.

Finding the Right Help for You

If possible, avoid generalists claiming to be experts in all types of law. While it may seem efficient to find someone who knows a bit of everything, the law is just too complex, and a focused specialist will provide the best guidance.

Ask potential planners what percentage of their caseload involves special needs planning and look for participation in peer-reviewed professional special needs organizations. These organizations, like the Special Needs Alliance, are an excellent starting point for finding the right representation.

Finally, make sure the professionals you find are a good fit for your personality. You'll be working with these people for a long time, and you need to feel comfortable with them.

What Your Team Will Do for You

After you've carefully selected professionals to help you with your special needs planning, here are the services you can expect to receive.

Clarification of Goals and Strategy Development: Before making a long-term financial plan for your loved one with special needs, you'll need to outline your specific goals. Once those goals are established, your financial planner will determine the financial resources necessary to accomplish them, and your special needs attorney will create the legal structure to obtain eligibility for public benefits and support those resources. This might include:

- Taking inventory of all assets and liabilities.
- Creating a strategy that encompasses public benefits, investments, insurance, and tax planning to ensure your loved one's financial security during your lifetime and efficient transfer of wealth upon death.



- Evaluating and recommending adjustments to existing investment portfolios to align with special needs planning goals.

For example, I once worked with a couple determined to maintain the standard of living their children, including their child with special needs, had grown accustomed to, even after they were no longer there to support him.

Initially they had decided, upon the death of the final parent, to create a special needs trust funded with 50 percent of their assets for the benefit of their child with special needs and give the remaining 50 percent to their other child. However, after working with them to budget expenses and calculate exactly how much they would need to set aside based on their children's expected lifespans, it turned out they would need to use closer to 80 percent of their estate to reach their goals for their child with special needs.

While this was an intimidating percentage to face, I also informed them of several benefit programs they qualified for to help supplement the trust money and create a more realistic way to achieve their goal.

Help Navigating Legal and Tax Implications: A significant part of special needs planning involves understanding and mitigating the legal and tax implications of asset transfers. Public benefits and tax laws, especially involving Medicaid, are complex and require a professional level of understanding to take full advantage of the benefits they are meant to provide.

Certain benefits and premium tax credits are there for people, but you must first, know they exist and, second, understand how to apply for them. This is where your legal help comes in. Your financial planning, CPA, and special needs planning team will provide insights into:

- Tax-efficient strategies to reduce income, estate, and inheritance taxes.
- Eligibility for public benefits.
- The legal requirements for different types of asset transfers and beneficiary designations.
- Setting up trusts and other legal mechanisms to protect assets and ensure they are used according to your wishes.



Ongoing Monitoring and Adjustments: Special needs planning is not a one-time event but rather an ongoing process that requires regular review and adjustments. Your team will help by:

- Monitoring the special needs plan to ensure it stays aligned with your goals and any changes in your financial situation or family dynamics.
- Advising on necessary updates to the special needs plan in response to changes in the law and life events such as marriage, divorce, birth of children, or changes in health.
- Ensuring that beneficiary designations and asset titling are kept current.

Everyone will have different needs depending on their situation — some may need to check in with their team quarterly, and others annually. Either way, it's important to stay aware of any legal changes that may affect your plan. A good way to do this is to subscribe to newsletters put out by your team and follow them on social media. If you see something you have questions about, don't be afraid to contact them.

Providing Peace of Mind: Knowing that there is a well-thought-out plan in place for the future care and financial support of a family member with special needs can provide peace of mind for the entire family. It ensures that the person's needs will be met, even if the primary caregivers are no longer able to provide support. Integrating special needs planning with overall financial planning helps:

- Ensure that all aspects of your financial life are considered and managed cohesively.
- Provide a clear roadmap for asset distribution, reducing the risk of family disputes and legal challenges.
- Offer ongoing support and guidance to your loved one after your passing.

Protecting and providing for your family member with special needs now and in the future is a unique and complicated process. Finding a team to help you set goals, manage your assets, navigate taxes, and monitor your plan is the key to your peace of mind.

If you're ready to chat with a special needs planning attorney in your state, a list of SNA attorney members is available [here](#).



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