



Turning 65: Changes to Consider for Individuals with Special Needs

This post was authored by SNA member [Ann McGee Green, Esq.](#), Partner of [Anderson, Desimone, and Green, P.C.](#) in Roanoke, Virginia. An SNA member since 2007, Ann focuses her practice on the areas of elder law and estate planning, guardianship, estate and trust administration, Medicaid, and Special Needs Planning.

Traditionally, turning 65 has been synonymous with retirement. For those with family members receiving benefits from Medicaid, Medicare, and Social Security, a review of their benefits before they turn 65 will be important.

Supplemental Security Income, Social Security Disability Insurance, and Disabled Adult Child

One benefit many people with disabilities may be receiving is Supplemental Security Income (SSI), a federal program offering monthly payments to adults and children with a disability who have income and resources below specific financial limits. Many states also offer a state supplement since the benefit is so low. People aged 65 and older who do not have disabilities but who do meet federal financial qualifications can also receive SSI.

When a person with a disability receiving SSI payments turns 65, the amount they received before turning 65 will remain the same. Also, for those people who were never able to document their disability for Social Security disability before, they may be eligible now because of their age – if they meet the income and asset limitations.

Another program frequently utilized by people with disabilities is Social Security Disability Insurance (SSDI). SSDI pays benefits to people with disabilities if the recipient is “insured,” meaning that they worked and paid Social Security taxes on their earnings long (and recently) enough as determined by the federal government. Another way a person may be receiving benefits of SSDI would be if they are an adult who has a disability that began before age 22. They could receive benefits based on their parent’s payments into the social security system. These recipients are referred to as Disabled Adult Child (DAC). They are receiving benefits as a result of their parent’s death, disability, or retirement.

When turning 65, like SSI, the SSDI recipient’s benefit amount should not change, although the benefit may increase for a child whose parent is still living, upon the death of their parent if they are receiving DAC benefits. Typically, the social security disability review process will end when a beneficiary turns 65.

Issues with Medicaid to Medicare

Many people with disabilities are enrolled in Medicaid to receive healthcare coverage that joint federal and state funds subsidize. Medicaid eligibility, if based on SSI eligibility in the past, should not change upon turning age 65. However, if your loved one is receiving Medicaid services based on expanded eligibility criteria, you need to explore eligibility post age 65, where asset and income limitations may now be relevant and are much more restrictive than expanded Medicaid eligibility.

Medicare benefits are something many Americans receive after turning 65 (should they qualify because of their work history) or after receiving SSDI or DAC benefits for two years. Many loved ones, based on qualifying for benefits based on their parents' work history, have been receiving Medicare for many years prior to turning age 65. Getting supplemental insurance to cover premiums and deductibles not covered by Medicare is often expensive. But at age 65 (and three months prior to the 65th birthdate and three months after the birthdate), you can access supplemental insurance and advantage programs with no medical qualifications. This can substantially reduce costs for supplemental policies. Don't miss this date; it is time for a do-over!

Special Needs Trust Considerations

Some of our loved ones may need to fund (or have a parent fund) a first-party Medicaid payback trust or a pooled disability trust. At age 65, windows of time to fund these types of Special Needs Trusts may close in many states. It is crucial to talk with a knowledgeable attorney to discuss whether this type of trust is necessary or prudent prior to the beneficiary turning 65. These types of trusts can be a source of funds for years to come and an analysis of the benefits of establishing one should be done.

Assistance with Planning

The above topics discussed are meant to serve as a starting point in navigating your or your family member's retirement and disability planning. For more information, please check out the resource links below or refer to the [Special Needs Alliance](#) to find an attorney in your area who can guide you.

[Disability Benefits Help](#)

[Medicare FAQ](#)

[Social Security FAQs](#)

About this Article: *We hope you find this article informative, but it is not legal advice. You should consult your own attorney, who can review your specific situation and account for variations in state law and local practices. Laws and regulations are constantly changing, so the longer it has been since an article was written, the greater the likelihood that the article might be out of date. SNA members focus on this complex, evolving area of law. To locate a member in your state, visit [Find an Attorney](#).*

Requirements for Reproducing this Article: *The above article may be reprinted only if it appears unmodified, including both the author description above the title and the “About this Article” paragraph immediately following the article, accompanied by the following statement: “Reprinted with permission of the Special Needs Alliance – www.specialneedsalliance.org.” The article may not be reproduced online. Instead, references to it should link to it on the SNA website.*