



Your Estate Plan Is More Than a Special Needs Trust

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One of the more common first conversations a special needs planning attorney has with a new client is the person asking the attorney for a special needs trust (SNT) to manage the future inheritance for their loved one who may already be receiving public benefits. *(You can read more specifically about SNTs [here](#).)*

Knowing that an SNT is likely going to be necessary for any of your estate beneficiaries is a great first step, but just asking an attorney to create an SNT likely won't be enough to meet your long-term planning objectives. As you embark on this project with a special needs planning attorney you should be ready to address the *big picture* of your whole estate plan.

An SNT is just one piece of your *big-picture* estate plan

What does the term estate plan mean to you? If you are like most people, it probably means you create a will, even if you aren't quite sure what a will is. That is OK, many individuals call a special needs planning attorney knowing they need an SNT but aren't quite sure how that relates to their estate plan.

Do not worry that you are not up for this task, as your attorney will be there to guide you. Working as a team, you and your attorney will develop a comprehensive plan that will cover the unique big picture that includes your life, your loved ones, and your objectives.

Wills and trusts

At the start of your project together your attorney will likely ask you to think about how you would like your estate to be managed during your life, and how you would like your estate administration to be handled after you die. With an understanding of your objectives, as well as information about the makeup of your estate, your attorney can counsel you on options to consider and guide you toward developing your plan.

To receive the best counsel possible, you should be ready to prepare an inventory of the things that you own, how those assets are titled, and whether you have current designated beneficiaries attached to assets, and you will need to share that information with your

attorney. Many law firms will provide you with an intake worksheet that should help you organize this information.

In some situations, your attorney may draft your *last will and testament*. This document will direct how your estate assets that are subject to probate after your death will be distributed. Not everything you own would be subject to probate, however, as title ownership and beneficiary designations may divert assets away from probate. The fact that your will won't be a catch-all to direct everything you own reinforces why it is critically important that you share accurate information with your attorney about your estate.

In other situations, you may devise a plan with your attorney for your beneficiaries to avoid having to go through a court probate process after your death. The most common tool used to accomplish this goal is a *revocable living trust*.

In either situation, whether you create an estate plan primarily based on a will or a revocable living trust, the SNT you initially asked your attorney to create will be referred to or drafted within those documents as the direct recipient of your loved one's share of your estate those documents would control. This direct reference to the SNT seeks to ensure a smooth transfer of assets to the SNT for the benefit of the beneficiary to whom you want to provide support.

Beneficiary designations

In addition to your will or revocable living trust, the beneficiary designations on your retirement accounts and life insurance are critical components of your big-picture estate plan. *Again, simply writing a will or a revocable living trust does not change your beneficiary designations.*

As you develop your estate plan you cannot ignore these assets, and because of this, your attorney needs to know about them so they can advise you on how to conform these assets to your overall plan by using the beneficiary designations associated with each account.

In addition, directing retirement accounts to trusts requires specializing drafting, so having a qualified special needs planning attorney draft your SNT to conform to the unique aspects of your estate and the needs of your beneficiary is critically important.

Estate planning coordinated with special needs trusts

No doubt creating an estate plan can feel overwhelming. You may start the process thinking you just need something simple, and along the way become discouraged with your attorney's extensive intake worksheet and probing questions.

However, rest assured that the work you put in now will be worth it. A thoughtful and comprehensive estate plan can provide for a smooth and relatively drama-free estate administration, alleviating stress during a time that is already one of great sadness and personal upheaval for your family. To accomplish this desired outcome, your candor and contribution are of critical importance. Empowered with this information, your attorney will counsel you in developing the best estate plan possible and making sure all pieces of your unique estate are best coordinated with your loved one's SNT.

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