

Special Needs Children Require Special Planning

Parents of physically, mentally, or emotionally challenged children devote countless hours to caring for their special needs. Parenting a child with special needs requires that you trust many doctors, teachers, therapists, and care providers to give you and your child the best advice at the right time. You must also trust yourself to make decisions that could impact your child's future comfort, care, and development.

Concerns about the future are very real. Where will your special child live after you and your spouse are no longer alive? Who will care for your child, and where will the money come from? Fortunately, help is available with local, state, and federal programs easing some of the monetary demands on the family. In addition, there are private groups that can help with long-term care. If you wish to provide the highest level of care, however, you will need to plan for the best possible use of your funds.

The plan that may be most helpful for families needing to make provisions for a child with special needs is a special needs trust. This device would allow a trustee, typically a family member familiar with your child's needs, to use funds placed in a trust by you, for the necessary care. It offers sufficient flexibility to handle almost any situation, while providing privacy in the details of the arrangements made by parents, grandparents, or others who wish to make a gift to a special needs child.

While you may feel that trusts are only for the very wealthy, the financial situation of a special needs family require prudent planning to prevent loss of agency funding after the parents are gone. For example, assets received as an inheritance might disqualify an adult child from receiving public funds for housing, medical care, and other government programs. Assets placed in a trust, however, and directed to uses other than those available through government sponsorship, remain available for the individualized care a parent might wish to provide.

What Steps Should You Take?

With the guidance of a financial advisory team, the first and most important step is to explore the types of third-party trusts suitable for your situation. Then, establish a trust to benefit your special needs child.

Part of this task will be to choose a trustee. Many families choose either a trusted friend or family member, but you also want to consider some available options; you may decide to appoint three people to administer the trust. This reduces the burden on all, and allows for discussion to help ensure the best care possible.

Also integral to the establishment of the trust is to change all beneficiary forms- directing proceeds of pensions, life insurance, Individual Retirement Accounts (IRAs), and other assets that you wish to commit to the future care of your special needs child-to the trust rather than to the child.

To ensure adequate funding of the trust, assess your personal insurance picture, including long-term care, catastrophic health-care coverage, major medical and life insurance.

Finally, keep a "Personal Needs Notebook" in which you record all aspects of your emotional and monetary support, physical care, family members, friends, and advocacy groups involved with your child.

Replacing the love and care you give to your special needs child may be impossible, but providing for a future filled with support and competent care is within your grasp. Planning now for the time your

child must go on without you can be one of the greatest gifts of love you have to give.

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