

Helping families who have children with special needs

Why this market niche is worth exploring





Guidance for families with special needs

3

Opportunities for financial solutions

4

Estate planning tips

6

Ask the right questions

7

Creating a unique estate plan

8

Key estate planning tools

8

Life insurance benefits

8

Identify education and job resources

9

Reaching families with kids with special needs

10

Additional resources

11

By understanding the unique challenges families with children with special needs face, you can help them prepare for their financial future with a personalized estate plan.

It's worth the effort.

There is plenty of opportunity in this relatively untapped market. And parents welcome your advice so they can ensure their love lives on.

Providing guidance for families with children with special needs

Recent estimates in the United States show that about one in six, or about 17 percent, of children aged 3 through 17 years have one or more developmental disabilities.¹

According to the Annual Disability Statistics Compendium:

An estimated

43.6 million

Americans were living with a disability in 2024.²

Americans with disabilities are living longer:

The life expectancy of someone with Down syndrome:

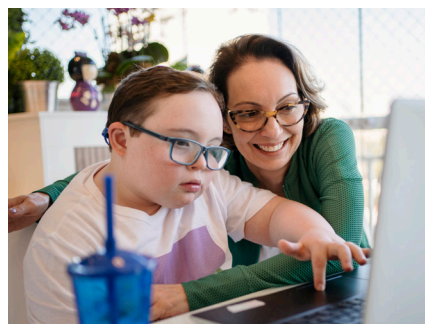
1984

28 years³

2024

60 years³

Not only are more people living with disabilities, but people with disabilities are also living longer. With that in mind, it's especially critical for parents to make a financial plan now – to ensure their children's future quality of life. With the right tools and an understanding of their needs, you can be well positioned to assist parents with their unique estate planning needs.



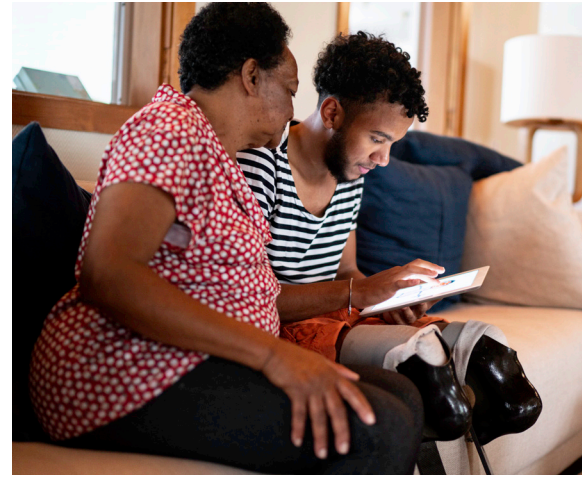
“Special needs” defined

A person with special needs requires specific care, attention or accommodations that other children do not. Special educational, physical or emotional support, and financial assistance can help them maintain independence.

1. Developmental Disability Basics, CDC.gov <https://www.cdc.gov/child-development/about/developmental-disability-basics.html>, May 16, 2024.

2. Annual Report on People with Disabilities in America. The Rehabilitation Research and Training Center on Disability Statistics and Demographics, 2024.

3. Brian Chicoine, MD. Aging and Life Expectancy, Advocate Medical Group, Adult Down Syndrome Center. October 2024.



Opportunities for financial solutions

Now, more than ever, it's time to learn about families with children with special needs – a marketplace that tends to be underserved. That's because some view this community as a niche market or fear doing or saying something insensitive.

By understanding families in this market, you'll discover they typically have the same level of income and face similar challenges as the general population. However, every person with special needs is different and has unique care concerns – and there are complex legal issues and government programs parents must navigate.

You can help parents create a financial strategy and set up a personalized estate plan that helps ensure their children with special needs are cared for when they're no longer there.

Why this market needs your help

Several other factors increase the need for estate planning and financial strategies for families with children with special needs:

People are living longer with disabilities³

Not only must parents and guardians financially prepare for the rest of their own lives, they must also potentially factor in the life of their family member with special needs.

Care resources need to last

Without proper preparation, government benefits could be reduced or stopped, and assets set aside for the family member could be depleted.

The court makes care decisions if families don't

If parents do not determine who will fulfill caretaking responsibilities, the child could become a **ward of the court** when their parents die.

There's opportunity for error

Parents are juggling a myriad of issues, including:

- Variety of public and private programs
- Multiple professionals are involved, increasing the chances of miscommunication
- Lack of awareness regarding how they can unintentionally negatively impact their loved one

Ward of the court

An individual who is unable to care for him or herself, such that the court (government) must assume responsibility for his or her well-being (e.g., minor children whose parents die or become unable to care for them; or an adult who suffers from some sort of mental incapacity and therefore lacks the ability to manage his or her own life).

3. Brian Chicoine, MD. Aging and Life Expectancy, Advocate Medical Group, Adult Down Syndrome Center. October 2024.

Estate planning tips for clients with children with special needs

As a financial professional, you can play an important role in making sure your clients with children with special needs have a sound financial strategy and a proper estate plan in place.

Here are five steps your clients can take to help ensure a secure tomorrow for their family:

Step 1 **Choose a team of family members and professionals.** You, along with a family's attorney and social worker, can work together to help clients understand fiduciary requirements, government benefits, tax laws – and any other special concerns.

Step 2 **Assess needs.** Help families set both short- and long-term financial goals. Determine the amount of money they need and how much their loved one will need in the future.

Step 3 **Prepare and implement a strategy.** Remind families to consider the type of lifestyle they want for their loved one and the costs.

Step 4 **Write down a vision.** Encourage parents to write a Letter of Intent for future caregivers and trustees and outline their wishes for their child.

Step 5 **Review these steps annually.** Help clients regularly review their health or benefit eligibility, their financial situation, the current financial team, a special needs trust, and any changes needed to meet their goals.



Ask the right questions

As you work together with parents to develop a financial strategy that works for their family member, ask the right questions:

- What are the current instructions for care?
- What are your loved one's unique interests and abilities?
- What opportunities and experiences do you want to ensure for your family member?
- What assets are owned by your loved one?
- What will life be like for your family member after you're gone or incapacitated?
 - Who will provide care? Are these people willing?
 - Should the primary caregiver be the designated guardian of your loved one?
 - What will be the guardian's responsibilities?
 - Where will your family member live?
 - Would your family member be better assisted in a group home or an alternate living facility?
 - Where will your loved one spend the holidays?
 - Will adequate funds be available?
- Is your loved one eligible for governmental benefits?
 - If so, do you understand them?
 - Are government programs and funding available for your loved one's entire life?
 - Are your financial assets and legal documents able to protect eligibility for government benefits?
- Do you know if your loved one is a direct beneficiary of assets from other family members?
- Have the rest of your family's needs been addressed?

Creating a unique estate plan

Children with special needs might qualify for government programs such as Medicaid or Supplemental Security Income (SSI). However, there are strict income and asset limitations. For example, a child must have less than \$2,000 in assets to qualify for SSI.⁴

Therefore, it's critical that an analysis be made regarding potential or known inheritances the loved one may receive, perhaps from a grandparent or even as a beneficiary on an account.

An estate plan can help ensure the continued care and lifestyle of children with special needs so government benefits aren't reduced or stopped.

Use our [Special needs estate planning questionnaire \(F72274-2\)](#) to start the conversation.

Key estate planning tools

You can also help families identify and meet their financial needs and goals by discussing these important estate-planning tools:

Power of attorney (POA) – Person who has the legal right to handle someone's financial affairs

Living will – Legal document that provides health care direction if someone becomes incapacitated or terminally ill

Trust – Legal document that directs the management and distribution of assets

Letter of intent – Informal document that gives detailed instructions to future caregivers; use our "Letter of Intent template" (F72274-28)

Special needs trust – Protect a child's assets while allowing them to maintain eligibility for public assistance benefits; supplies extra income for care, assistance and education

ABLE accounts – Tax-advantaged savings accounts that allow up to \$100,000 without affecting government benefits

Life insurance benefits

In addition to proper estate planning, life insurance can provide smart solutions for families with a child with special needs.

1. The death benefit can provide tax-free financial support to ensure the lifestyle families have created for their loved one remains intact even after they are gone.

2. Cash value can be a valuable tool for current and future costs associated with raising a child with special needs. The cash value has the potential to grow tax-deferred and become a tax-advantaged source of cash to supplement future financial needs.

3. Additional agreements may enhance the life insurance policy to address each aspect of the clients' goals, from providing for their own care to customizing the death benefit payout.

By providing parents of children with special needs with life insurance options, you are helping ensure their children's futures are secure.

4. [Spotlight on Resources: 2022 Edition](#). Social Security Administration, ssa.gov, 2024.

Agreements may be subject to additional costs and restrictions. Agreements may not be available in all states or may exist under a different name in various states and may not be available in combination with other agreements.



Identify education and job resources

Every parent dreams that their child – with or without special needs – can reach his or her full potential. This includes education and finding a fulfilling job or career.

The Section 529 Savings Plan lets families set aside money that grows tax advantaged for a wide range of education expenses. Parents with children with special needs can avoid negatively affecting their children's SSI benefits by only using 529 plan funds for qualifying expenses, such as tuition, fees, school supplies and transportation.

The Social Security Administration's (SSA) Ticket to Work program also enables SSI recipients to explore free employment services. And the Plan to Achieve Self-Support (PASS) allows SSI recipients to set aside funds to cover expenses related to their job search.

The Achieving a Better Life Experience (ABLE) Act is a tax-advantaged savings account designed for individuals to help pay for qualified disability expenses. Participation in an ABLE Account does not guarantee that the contributions and investment returns will be adequate to cover all expenses related to the designated beneficiary as a result of living with disabilities. Contributors to the plan assume all investment risk, including the potential for loss of principal, and any penalties for non-qualified disability withdrawals.

Each state's ABLE program will have different investment choices, costs and fee structures. Clients should consult with their financial, tax or other advisor to learn more about how state-based benefits (including any limitations) would apply to their specific circumstances. They may also wish to contact the state specific-plan Program Administrator to learn more about the benefits that might be available to them by investing in an ABLE Account. Not all states have an ABLE program.

A 529 plan is a tax-advantaged investment program designed to help pay for qualified education expenses. Participation in a 529 plan does not guarantee that the contributions and investment returns will be adequate to cover education expenses. Contributors to the plan assume all investment risk, including the potential for loss of principal, and any penalties for non-educational withdrawals.

The state of residence may offer state tax advantages to residents who participate in the in-state plan, subject to meeting certain conditions or requirements. Clients may miss out on certain state tax advantages should they choose another state's 529 plan. Any state-based benefits should be one of many appropriately weighted factors to be considered in making an investment decision. Clients should consult with their financial, tax or other advisor to learn more about how state-based benefits (including any limitations) would apply to their specific circumstances. They may also wish to contact their home state's 529 plan Program Administrator to learn more about the benefits that might be available to them by investing in the in-state plan.



Reaching families with kids with special needs

It will take time to learn about the special needs market and cultivate relationships with families.

Our “Families with special needs” materials will provide you with the education, tools and resources you need to send a comforting and empowering message to families with children with special needs. And they can help you provide your clients with the life insurance solutions they need to reach their goals:

- How to create a special needs financial strategy ([F72274-3](#))
- Special needs estate planning questionnaire ([F72274-2](#))
- Helpful resources for families with special needs ([F72274-5](#))
- Financial strategies for families with special needs ([F72274-8](#))
- Case Studies: Ensuring care for children with special needs ([F72274-17](#))
- Letter of Intent template ([F72274-28](#))

Additional resources

Daily life brings unique challenges and joys for families with children with special needs. There are many organizations and resources available on a wide range of topics to assist.

As a starting point, you and your clients can visit these government websites for helpful information:*

Administration for Community Living

acl.gov/programs/aid

Centers for Medicare & Medicaid Services

cms.hhs.gov

U.S. Department of Labor: Office of Disability Employment Policy

dol.gov/odep/topics/disability.htm

Social Security Administration: Benefits for Children with Disabilities (pdf)

ssa.gov/pubs/EN-05-10026.pdf

Social Security Administration: Supplemental Security Income

ssa.gov/ssi/index.htm



Learn more

Contact our Life Sales Support Team today:

1-877-696-6654 (Securian Financial and broker-dealer)

1-888-413-7860, option 1 (independent brokerage)

*This list is provided for informational purposes only and should not be considered an endorsement of services or entities.

Please keep in mind that the primary reason to purchase a life insurance product is the death benefit.

Life insurance products contain charges, such as Cost of Insurance Charge, Cash Extra Charge, and Additional Agreements Charge (which we refer to as mortality charges), and Premium Charge, Monthly Policy Charge, Policy Issue Charge, Transaction Charge, Index Segment Charge, and Surrender Charge (which we refer to as expense charges). These charges may increase over time, and these policies may contain restrictions, such as surrender periods. Policyholders could lose money in these products.

Additional agreements may be available. Agreements may be subject to additional costs and restrictions. Agreements may not be available in all states or may exist under a different name in various states and may not be available in combination with other agreements.

Policy loans and withdrawals may create an adverse tax result in the event of lapse or policy surrender, and will reduce both the surrender value and death benefit. Withdrawals may be subject to taxation within the first 15 years of the contract. Clients should consult their tax advisor when considering taking a policy loan or withdrawal.

Guarantees are based on the claims-paying ability of the issuing insurance company.

This material may contain a general analysis of federal tax issues. It is not intended for, nor can it be used by, any taxpayer for the purpose of avoiding federal tax penalties. This information is provided to support the promotion or marketing of ideas that may benefit a taxpayer. Taxpayers should seek the advice of their own tax and legal advisors regarding any tax and legal issues applicable to their specific circumstances.

These materials are for informational and educational purposes only and are not designed, or intended, to be applicable to any

person's individual circumstances. It should not be considered investment advice, nor does it constitute a recommendation that anyone engage in (or refrain from) a particular course of action. Securian Financial Group, and its subsidiaries, have a financial interest in the sale of their products.

Insurance products are issued by Minnesota Life Insurance Company in all states except New York. In New York, products are issued by Securian Life Insurance Company, a New York authorized insurer. Minnesota Life is not an authorized New York insurer and does not do insurance business in New York. Both companies are headquartered in St. Paul, MN. Product availability and features may vary by state. Each insurer is solely responsible for the financial obligations under the policies or contracts it issues.

Securian Financial is the marketing name for Securian Financial Group, Inc., and its subsidiaries. Minnesota Life Insurance Company and Securian Life Insurance Company are subsidiaries of Securian Financial Group, Inc.

For financial professional use only. Not for use with the public.

This material may not be reproduced in any way where it would be accessible to the general public.



PREPARE
PROTECT
SECURE

securian.com

400 Robert Street North, St. Paul, MN 55101-2098
©2024 Securian Financial Group, Inc. All rights reserved.

F72274-15 Rev 1-2025 DOFU 1-2025
4043916