



PROTECTED TOMORROWS®

*Critical Crossover Strategies for
Families with Special Needs*

Presented by Mary Anne Ehlert, CFP®
Protected Tomorrows, Inc.
Sister of Marcia Wallace



Mary Anne & Marcia



A Unique, Future Care Planning Program...



TOMORROW'S®



Life Care Design Studio



Tomorrows Careers



Protected Tomorrows Charities

- Education & resources for families



- Transform U



- Tails for Life





PROTECTED
TOMORROWS®



Amigo



TECTED
MORROWS®



Our Topics Today

- Understand the complex issues surrounding Special Needs Planning
- What we as professionals need to know about our client's needs
- Why is this important to our clients with a disability and their families?
- Why is this important to me as a professional?



The Facts:

The Special Needs Community

- Over 20% of the population*
- Disabilities vary greatly – 4 types
 - ✓ Developmental
 - ✓ Physical
 - ✓ Cognitive
 - ✓ Mental Illness

*Source = U.S. Census (2010)



The Facts:

The Special Needs Community

- Everyone, rich or poor, is impacted
- Families will do whatever it takes
- Families rely on each other
- They never stop searching



The Reality

- Special needs market is significant and growing
- Majority of professionals not serving these clients
- Small portion of professionals understand issues
- Families want help
- Liability exists for professionals if issues not addressed



Stage 1

Take a Candid Look™



Conflicts We See

- Disagreement on capabilities
- Control of future
- Understanding of realistic needs

Stage 2

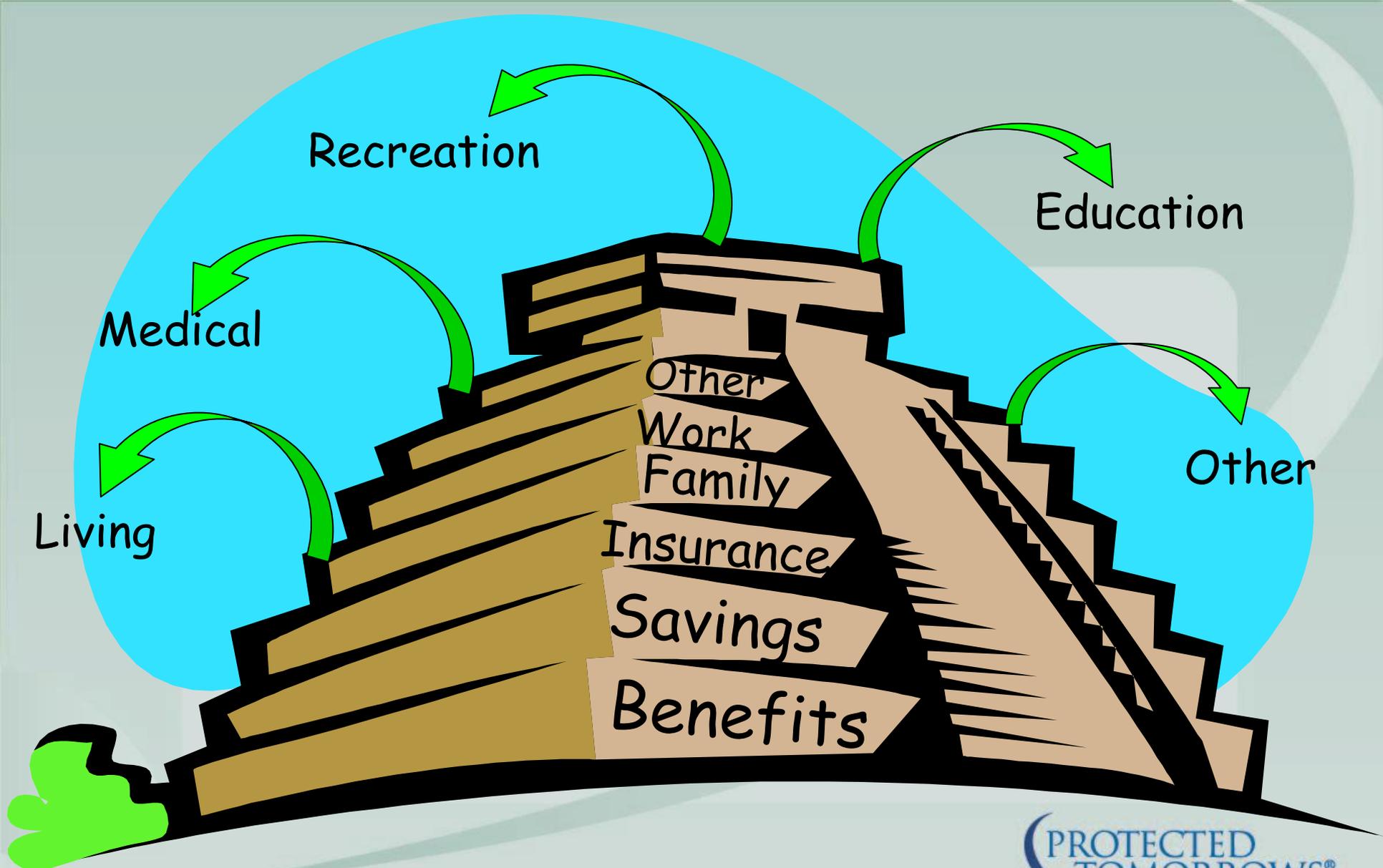
Create the Future Map™





**Have you done
your financial planning?**





Create the Vision



STAGE 2: CREATE the Future Map™

0 - 3 Childhood	<input type="checkbox"/>
4 - 18 School	<input type="checkbox"/>
19 - 22 Transition	<input type="checkbox"/>
23 - 65 Adulthood	<input type="checkbox"/>
Life without You	<input type="checkbox"/>

Income

SSI

Medicaid

Family

Other

Expenses

Living

Medical

Recreation

Education

Other

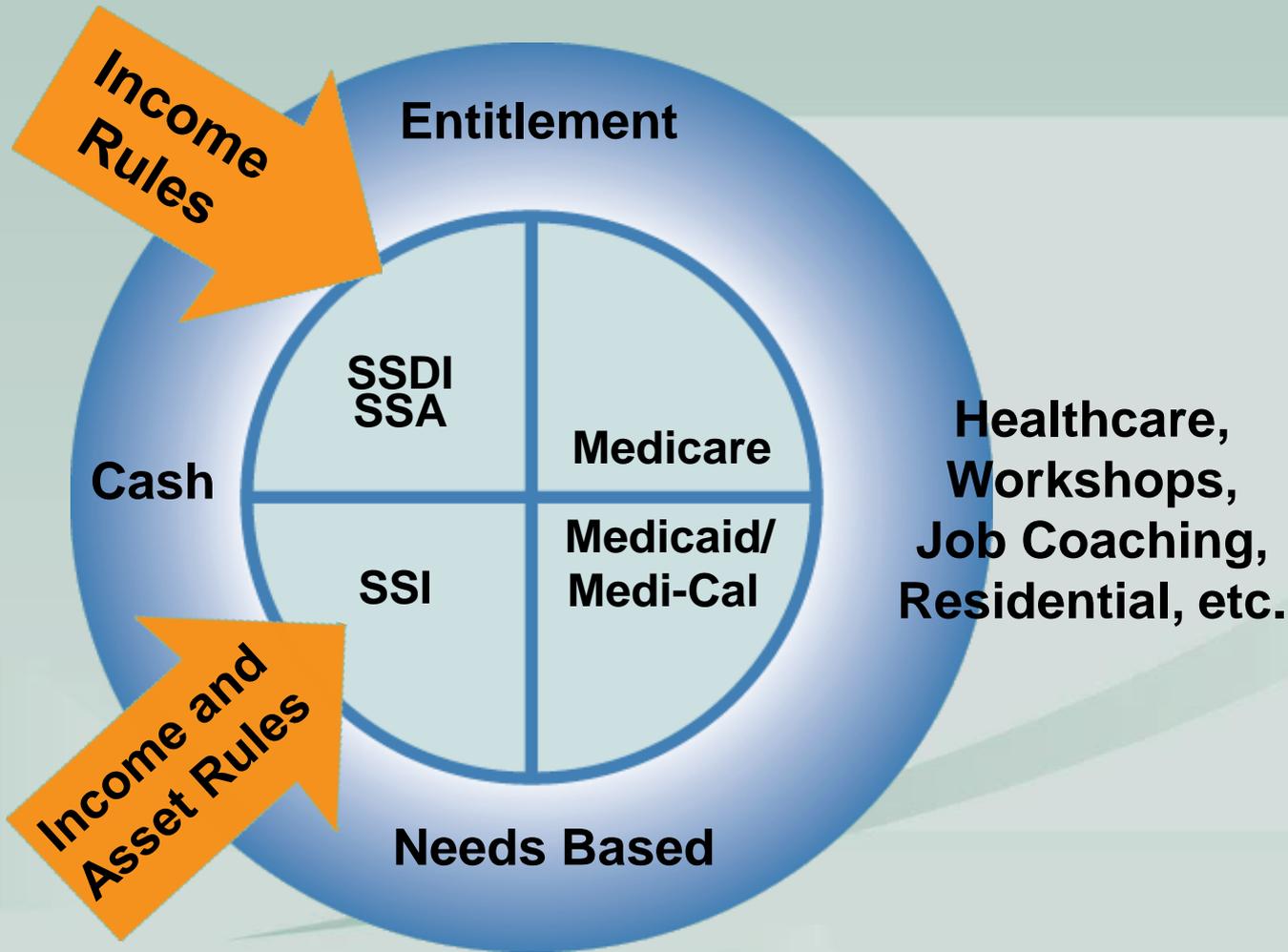


Stage 4

Capture Potential Benefits™



Government Benefit Programs



Know Your Benefits

Sample Social Security Statement (partial)

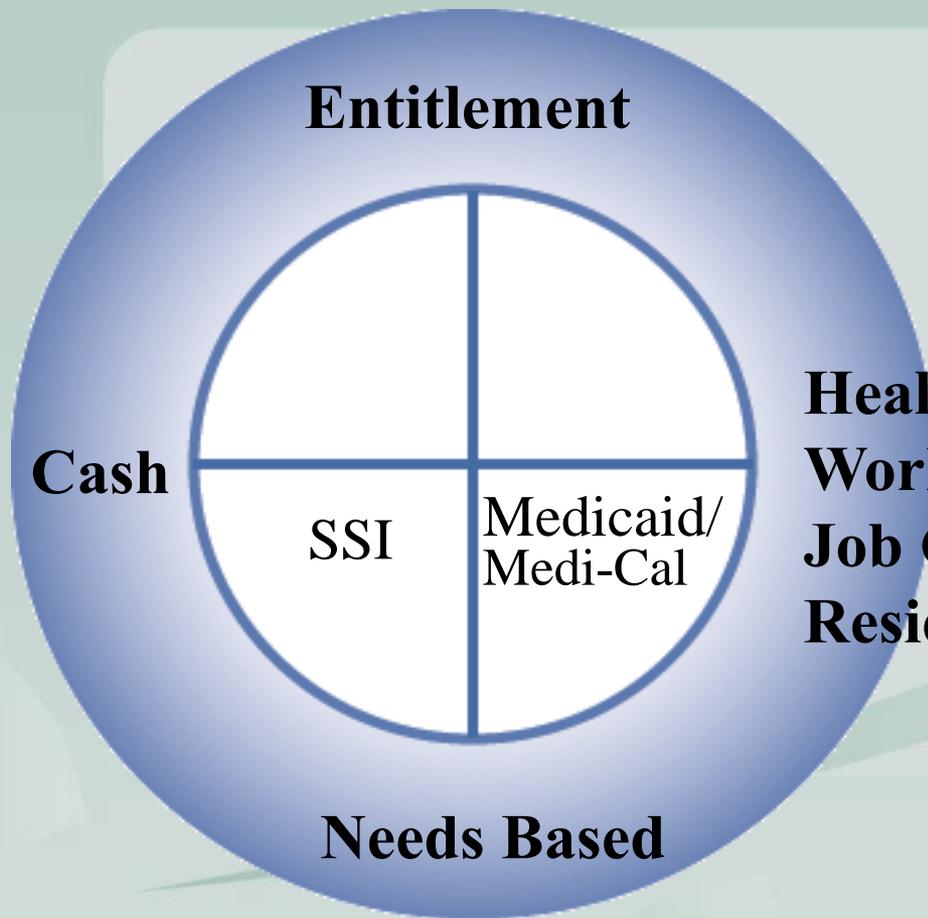


Your Estimated Benefits

<p>*Retirement</p>	<p>At your full retirement age (67 years), your payment would be about...</p>	<p>\$2,600 a month</p>
<p>*Family</p>	<p>If you get retirement or disability benefits, your spouse and children also may qualify for benefits.</p>	
<p>*Survivors</p>	<p>You have earned enough credits for your family to receive survivors benefits. If you die this year, certain members of your family may qualify for the following benefits.</p>	
	<p>Your child...</p>	<p>\$1,800 a month</p>
	<p>Total family benefits cannot be more than...</p>	<p>\$4,400 a month</p>



Stage 1: PWD Turns 18 parents still working

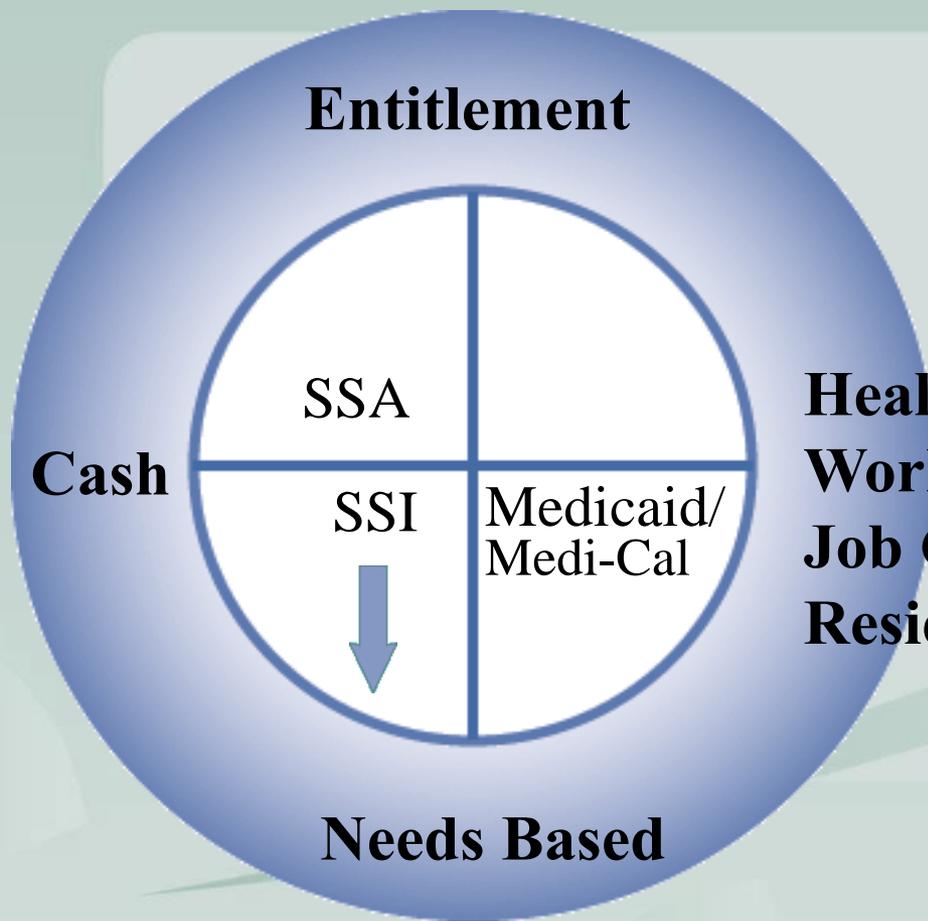


Example:

SSI = \$771/mo

**Healthcare,
Workshops,
Job Coaching,
Residential, etc.**

Stage 2: Parents retire with social security work record

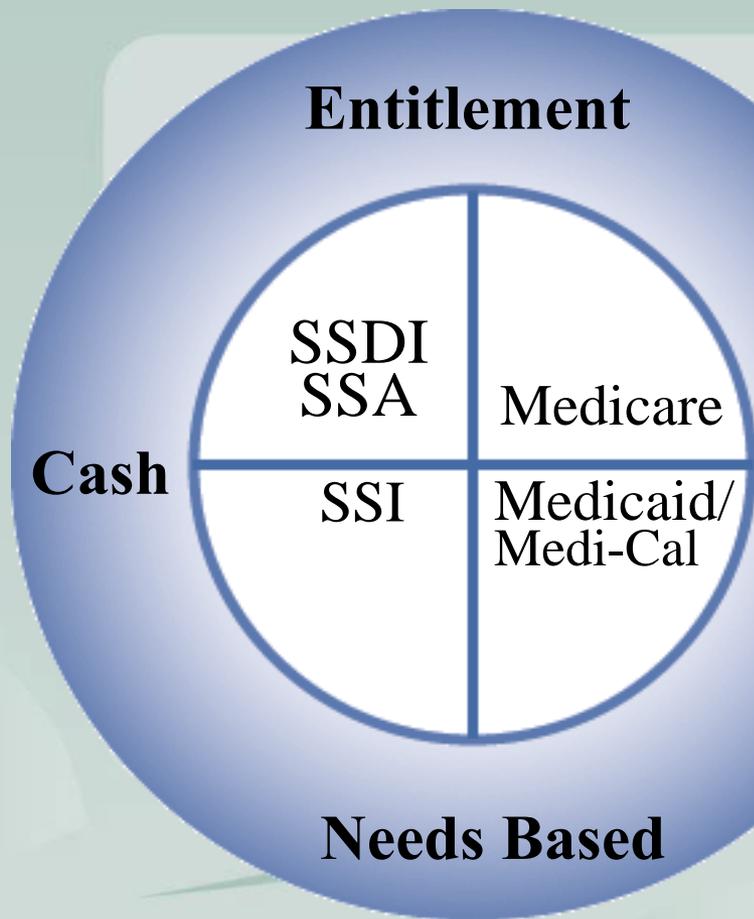


Example:

SSA = \$500/mo

SSI = \$271/mo

Stage 3: Two years following SSA eligibility



Example:

SSA = \$500/mo

SSI = \$271/mo

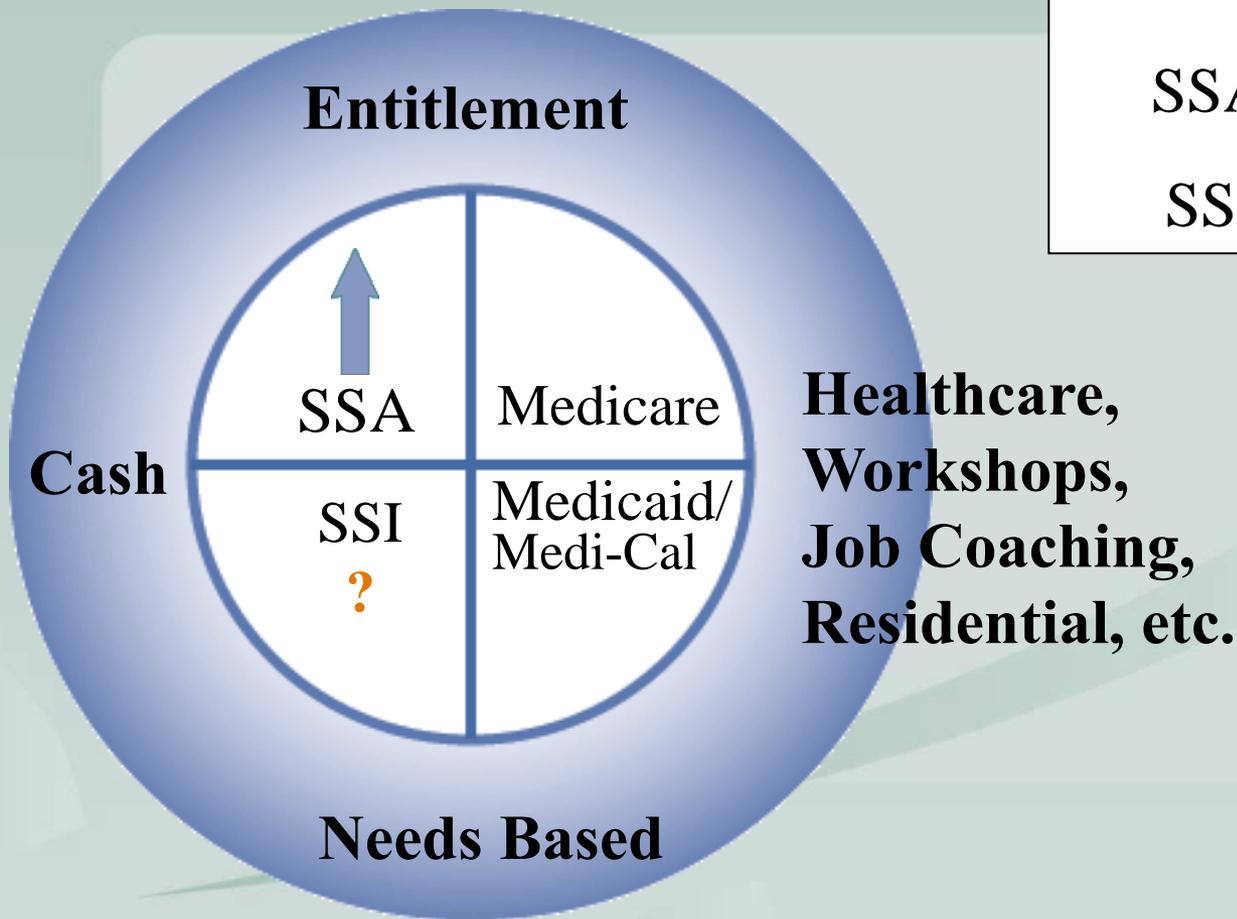
**Healthcare,
Workshops,
Job Coaching,
Residential, etc.**

Stage 4: Parents pass away

Example:

SSA = \$1,800/mo

SSI = \$0/mo





How do you do it?



Stage 3

Filter the Legal Options™



Avoid giving gifts/inheritance

Directly to person with disabilities

To Siblings, with an understanding

To traditional Spendthrift Support Trust

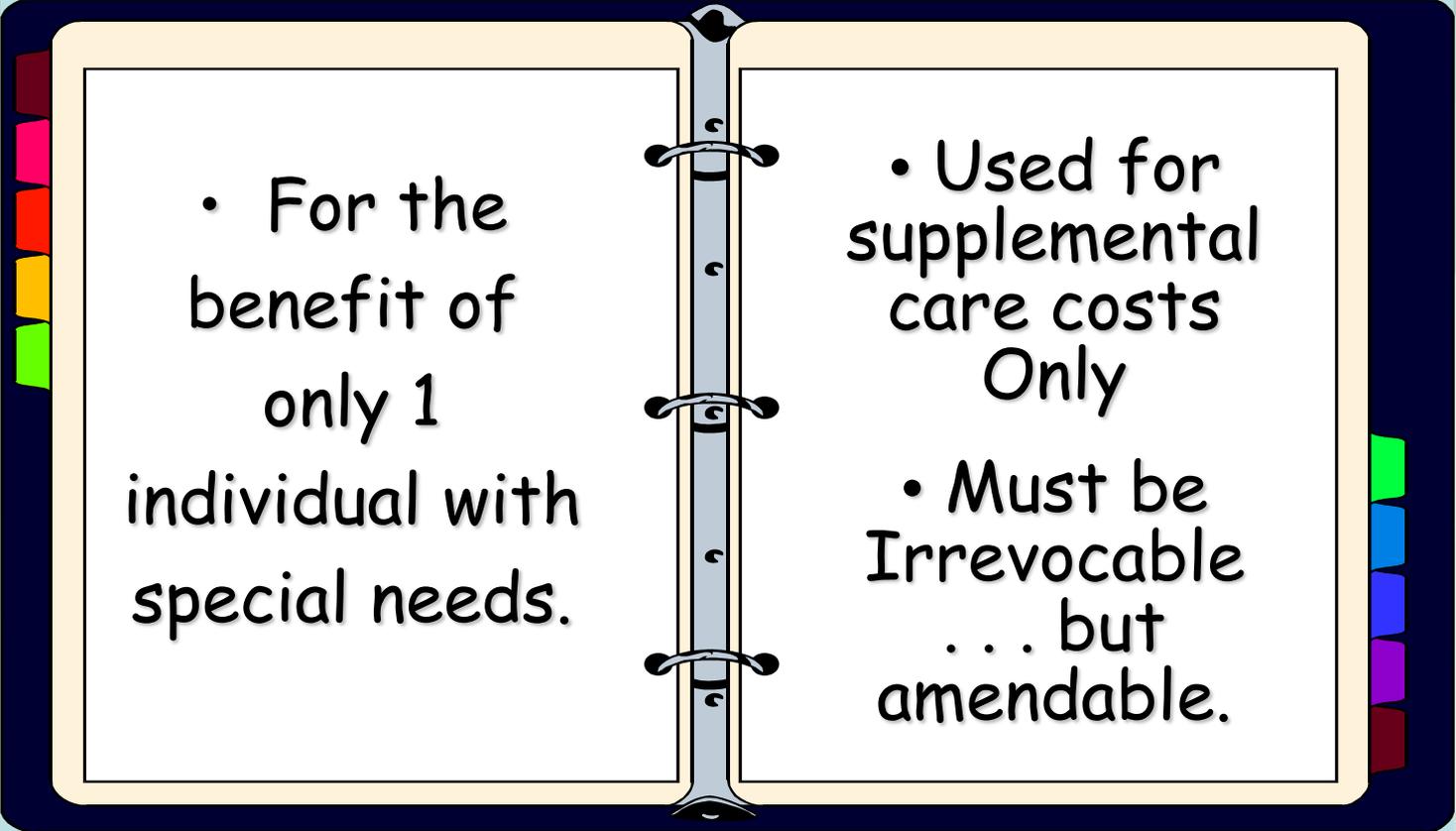


There is a solution!



The Discretionary 3rd Party Special Needs Trust





- For the benefit of only 1 individual with special needs.

- Used for supplemental care costs Only

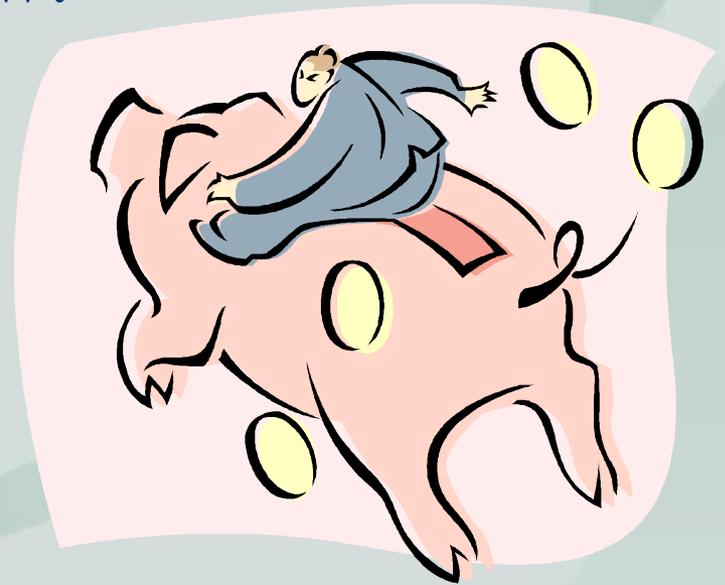
- Must be Irrevocable ... but amendable.

More things to talk to your attorney about

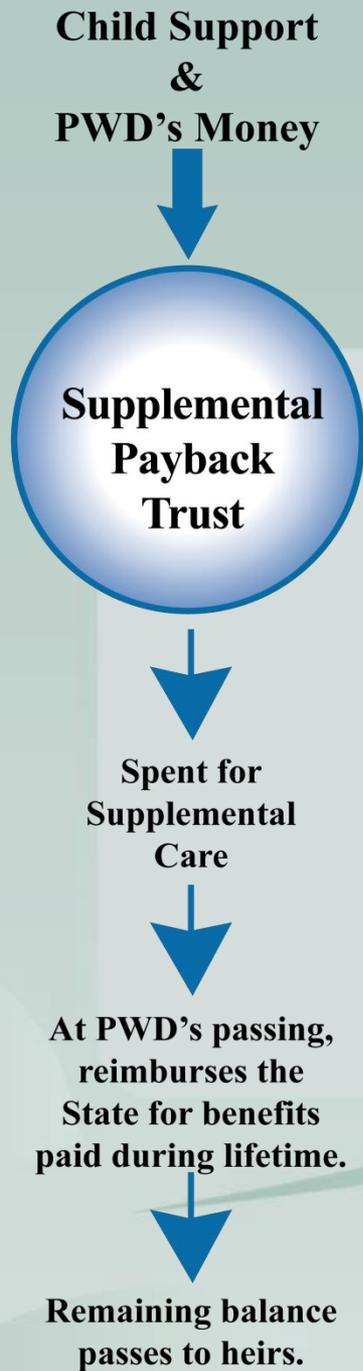
Ask your attorney for a separate document

established now, to allow:

- Grand-fathering
- Piggy-backing



What if the PWD has or receives money directly?

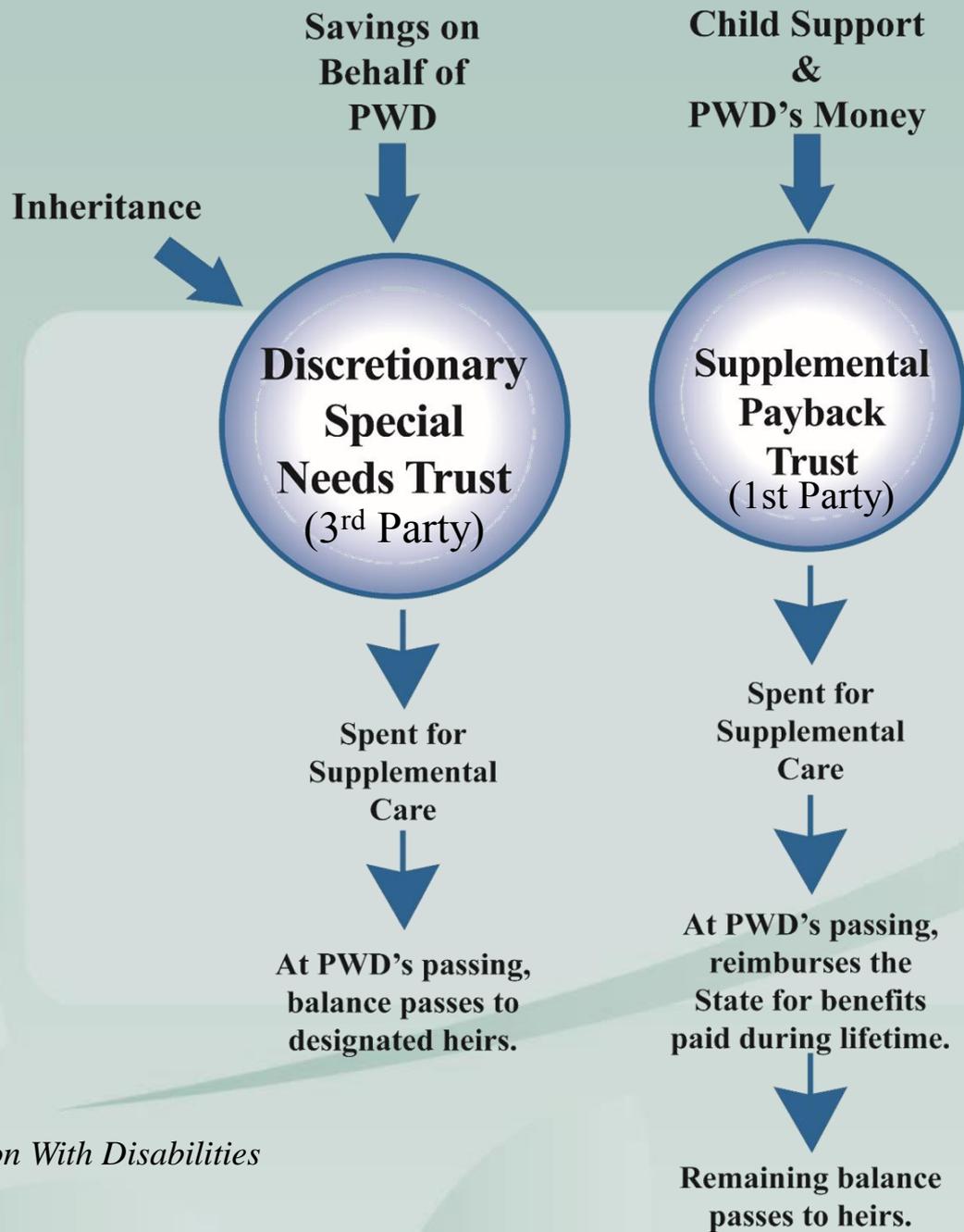


Talk to your attorney about:

- “Oops” Trust
- OBRA 93 Trust
- Payback Trust

PWD-Person with Disabilities





PWD-Person With Disabilities



The ABLE Act

- The ABLE Act amends Section 529 of the Internal Revenue Service Code of 1986 to create tax-free savings accounts for individuals with disabilities
- Encourages and assists individuals and families in saving private funds
- Provides and secures funding for individuals with disabilities that will supplement, but not replace benefits



THE BASICS

- Yes, Tax Free Savings
- To be used for Only Approved Expenses
- Onset of Disability must have occurred prior to age 26
- One ABLE account per qualified person
- Total Annual Contribution Limited to Fed Gift \$
- Maximum Amount capped by state (529 amount)



What are the Rules?

	Individual's Own Name	3rd Party SNT QDT Eligible	1st Party SNT	ABLE Account
Maximum Assets for SSI	\$2,000 + Exempt Assets	UNLIMITED	UNLIMITED	\$100,000
Maximum Contributions Per Year	N/A	UNLIMITED	UNLIMITED	\$15,000
Allowable Expenditures	Anything for the benefit of the Beneficiary	Anything for the benefit of the Beneficiary	Anything for the sole benefit of the Beneficiary	LIMITED: Must be "Disability Related" and on list of expenditures in law or regulation
Federal 2015 Income Tax Exclusion	Taxed to the individual at the individual's tax rate	A) Qualified Disability Trust (QDT) Exclusion B) Distributions taxed on the individual's return C) Rest of income taxed at trust rates	Taxed to the individual at the individual's tax rate	NO TAX... <u>Only</u> if all expenditures are for the "Disability Related" expenses approved. If not, 10% penalty on applicable income tax
Required Reporting of Expenditures	NONE	NONE	UPON REQUEST ONLY	REQUIRED



Limitations – Beware

- SSI Suspended if Account Exceeds \$100,000
- Payback at Death of Person with Disability
on Medicaid spent from Date of Account Setup

Able Accts - New in 2018

- Maximum Contribution Increased to \$15,000
- ABLE Financial Planning Act – 529 rollovers
- Retirement Savings Tax Credit (Saver's Credit)
- Able to Work Act – (Add'l Contributions from ABLE beneficiaries who work – Max \$12,060)



How Will it Probably Be Used?

3rd Party Money

- Gifts from Grandma / Family
- Low income.. Very small estates

How Will it Probably Be Used?

1st Party Money

- Small inheritances
- Small Litigation settlements
- Too much earnings and savings is a problem

That was the easy part...

Now for the hard decisions



Choosing Future Care People™



Who can handle the responsibilities?

- Medical
- Government benefits
- School issues
- Recreation and social
- Employment
- Day programs
- Residential

Other Care People™ considerations

- Each other first?
- Can they understand?
- Will the job outlast them?
- Are married couples preferable?
- Same as trustees?

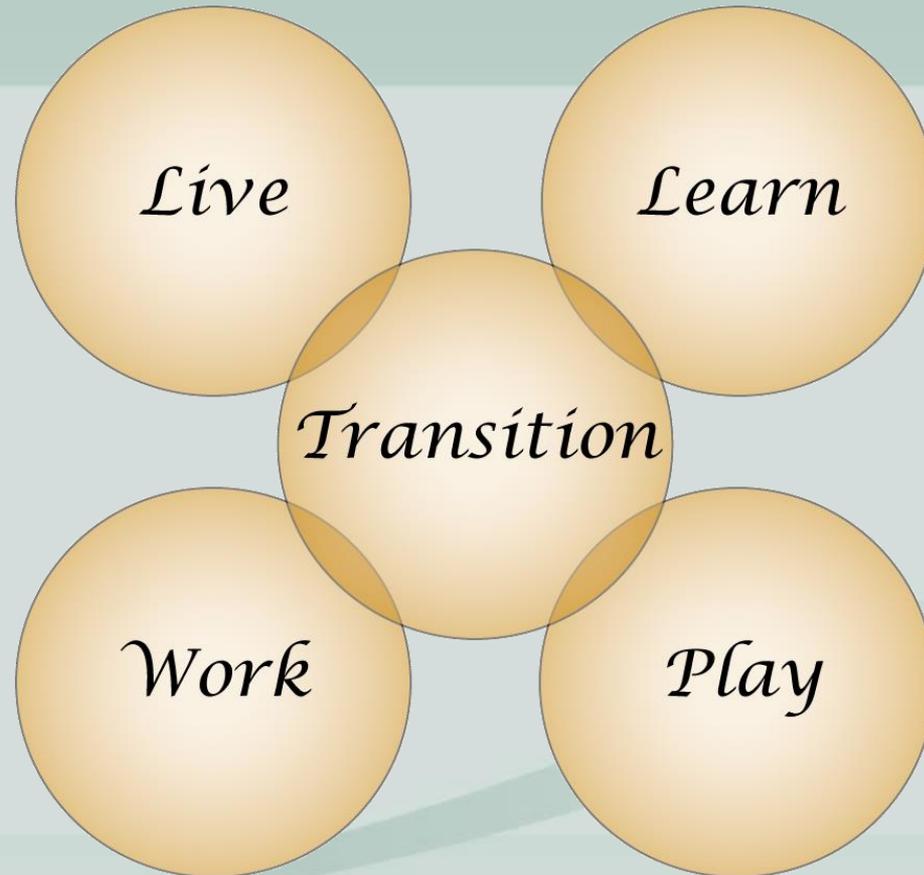


Stage 6

Begin the Transition TM



The Complexities of Transition



How to Start?

Stage 5

Document the Wonder™

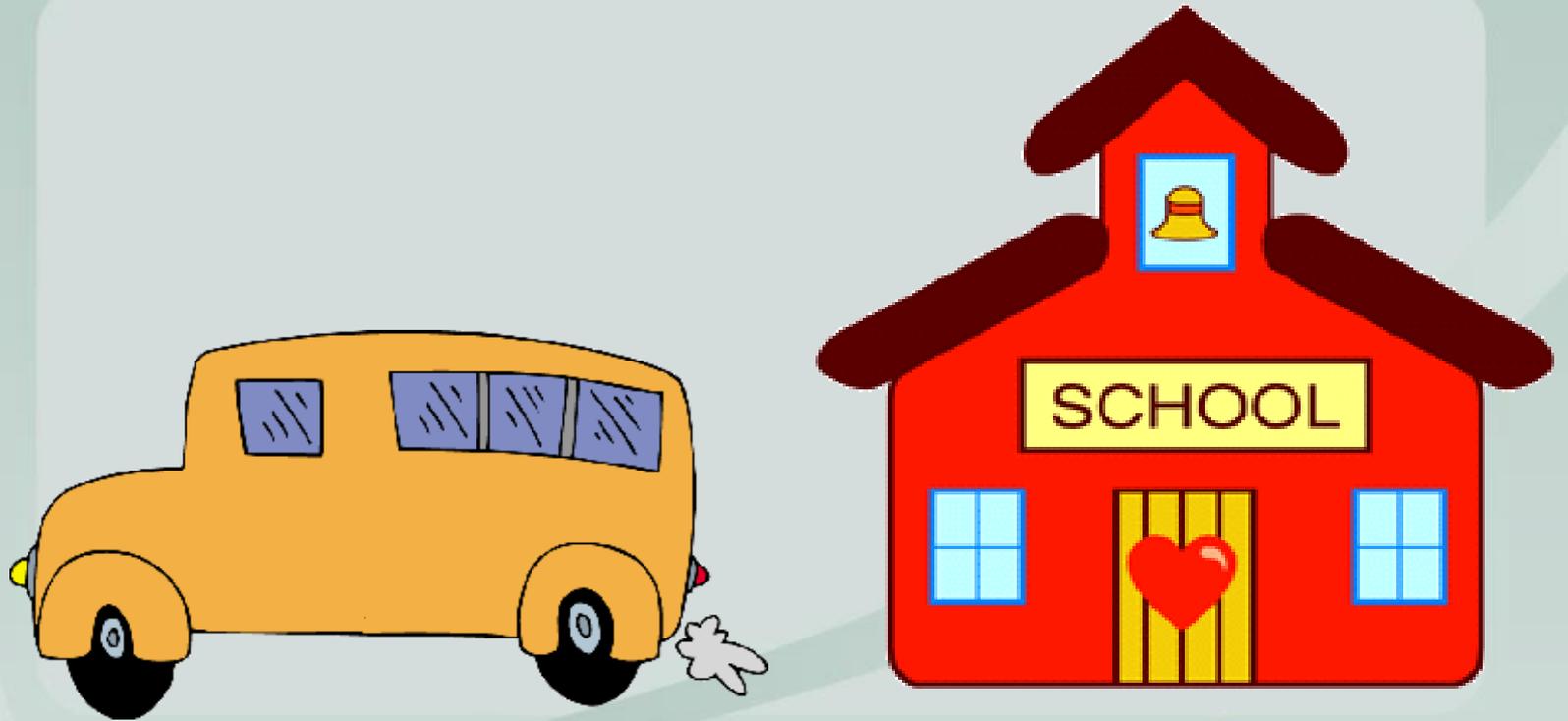
Family Communication is essential



“What about residential?”



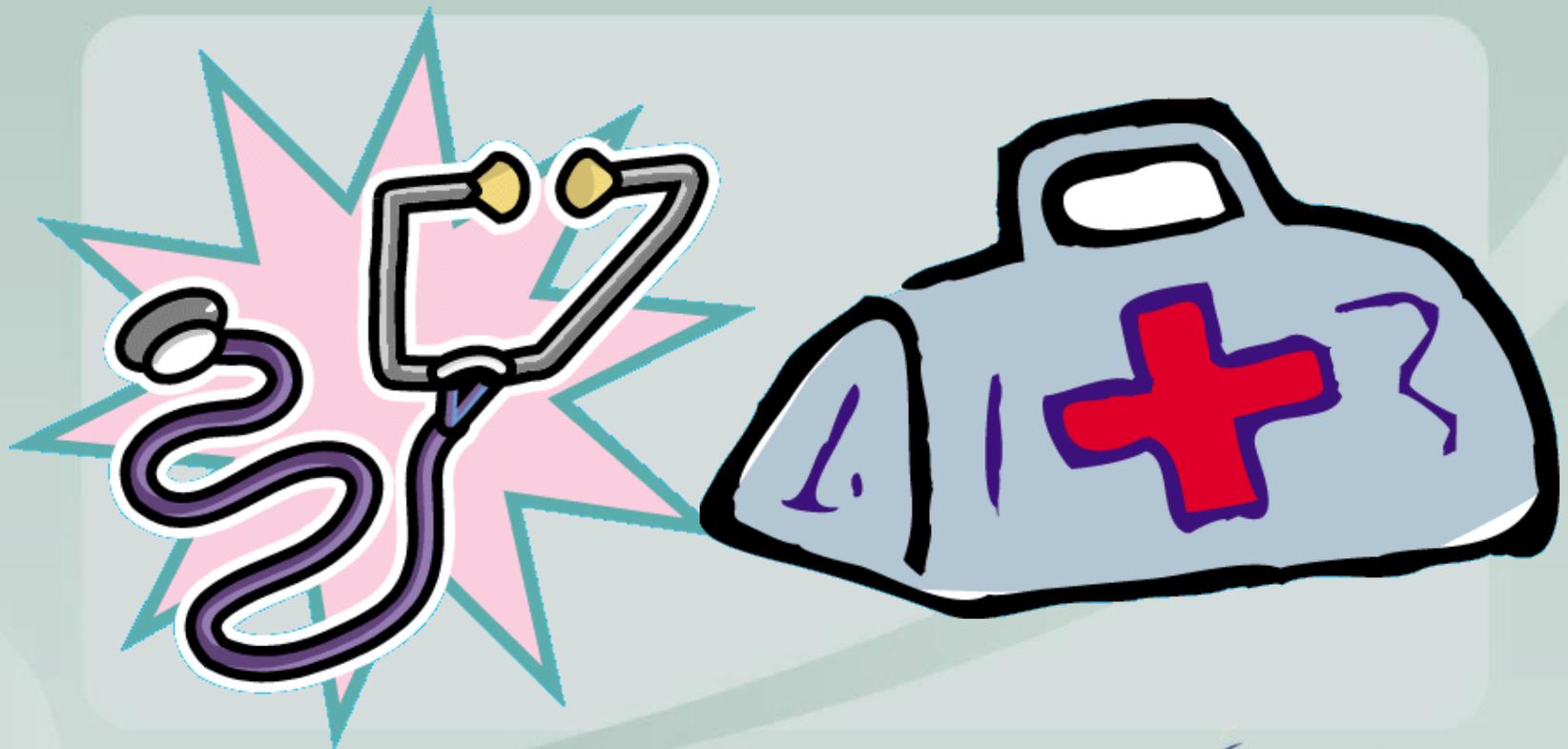
“What about education?”



“What about employment?”



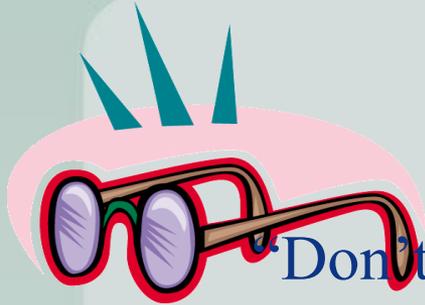
“What about medical care?”



“What about family member’s social life?”



Don't forget routines?



"Don't move
my glasses"

"I always use
the red cup"



"Buzzwords/
pet expressions"



"That's my
favorite chair"

Sweetie Pie

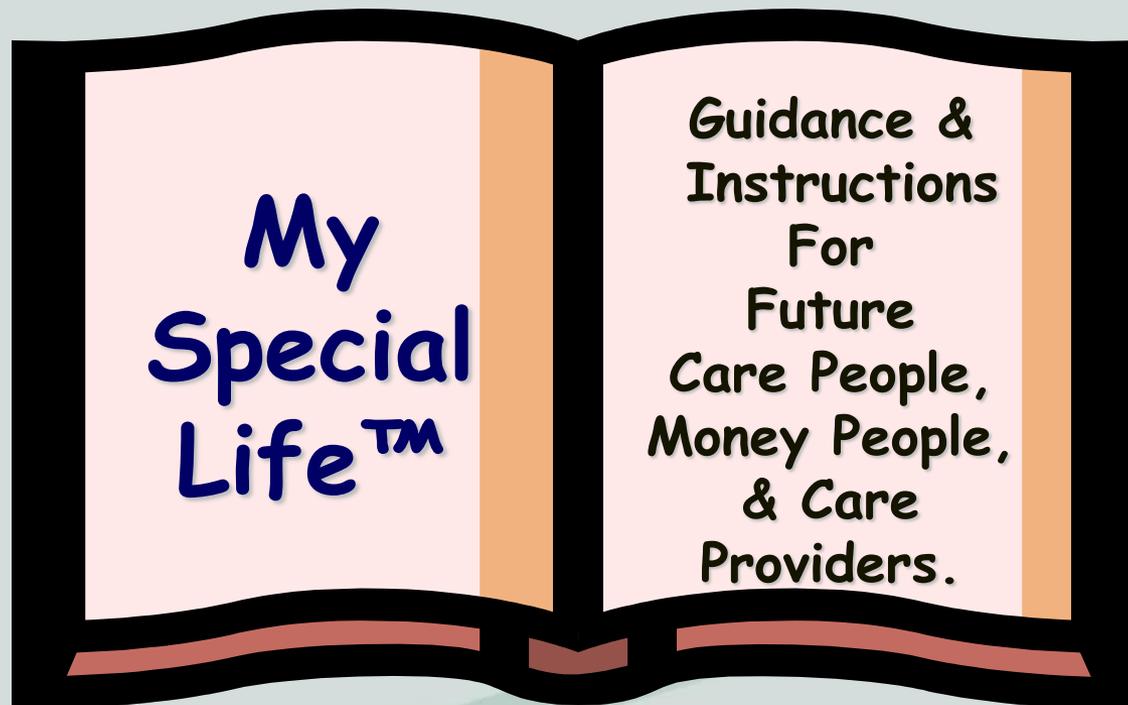
Honey Bunch

My Darlin'

PROTECTED
TOMORROWS®



Write it ALL Down!



- [Stage 1](#)
- [Stage 2](#)
- [Stage 3](#)
- [Stage 4](#)
- [Stage 5](#)**
- [Stage 6](#)
- [Stage 7](#)
- [Stage 8](#)

MY PROFILE

What's New

JOIN US!



Our next event will be on April 21st at Naperville High School Dist 203 Connecting Parents 6:30-8:00pm

[Click here for more details](#)

Let's Get Together!



Contact Us For more information about how we can share with you what we know



Stage 5

Document the Wonder

When we document our own lives, we create a memoir — a narrative that tells our own story that we and others can look back on and arrive at a greater understanding of who we are. In chronicling the story and gift of your loved one with special needs, this goal takes on a greater significance. This story serves as a record for future caregivers to understand your family member and what makes him/her special, so that they can continue the process of building your loved one's abilities and self-esteem. Special needs individuals often contribute their own wishes about what they hope for their own futures at this Stage in the Protected Tomorrows process. We work with you and your loved one to document these wishes and ensure that they are carried out as desired.

Before proceeding, we encourage you to listen to this brief webinar:

Preparing for Future Caregivers — Document the Wonder (7:26)



As you begin work on your selected topics, a list will be created for you in this area. Choose a topic below to begin.

- | | |
|---|---|
| About Me | I Was Chosen For Adoption |
| My Friends Are Great! | My Mother |
| School Friends | |
| My Neighborhood Friends | |
| My Reactions to Animals | |
| Community Awareness | |
| Childhood Intervention Programs | |
| My Pre-School | |
| My School | |
| My Teachers | |
| My Day Programs/Workshops | |
| My Employment | |
| My Life Skills | |
| Description of My Disability | |
| Additional Medical Background | |
| My Allergies | |
| My Primary Care Physician(s) | |
| My Other Specialists | |
| My Dental Information | |
| Medical Personnel I Am Never To See | |
| Medications | |
| My Pharmacy and Hospital | |
| My Emotional Well-Being | |
| My Behavioral Information | |
| My Personal Behaviors | |
| My Social Behaviors | |
| My Adult Behavior | |
| Important Documents and Their Locations | |
| Advisors | |
| My Guardianship | |
| My Government Benefits | |
| My Insurance Information | |
| My Residential Planning | |
| Final Arrangements | |

My Special Life[®] Online

*Your client's life mission
of providing a safe and
fulfilling future for their
loved one with special needs
is our mission, too.*



Which Plan Will You Prepare for Your Client with Special Needs?





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Thank you!

Presented by Mary Anne Ehlert, CFP®
Protected Tomorrows, Inc.