



MILESTONES NATIONAL
AUTISM CONFERENCE

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Financial Planning Strategies for Special Needs Family Members

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Speaker Disclosure Information

Brent R. Horvath, CFP, is the Director of Wealth Management Services at Gries Financial Partners and is presenting a session for the Conference on a voluntary basis. He has no relevant financial or non-financial relationships to disclose.

Lauren Rich Fine, CFA, is the Managing Director at Gries Financial Partners and is presenting a session for the Conference on a voluntary basis. She has no relevant financial or non-financial relationships to disclose.



- Gries Financial Partners (GFP) provides the highest level of conflict-free investment and wealth management counsel to a largely high net worth and institutional audience.
- As an independent, fee-only Registered Investment Advisor (RIA), Gries Financial Partners has been managing client assets globally with integrity, objectively, and service intensity since 1978.
- Gries Financial has a long history of helping multi-generational families develop financial strategies.

Financial Planning Process



Establish the Relationship



Collect the Information

Analyze the Client's Financial Status



- Identify and be aware of programs being used or available to special needs individuals



Develop the Financial Plan

- Use strategies/knowledge for special needs individuals



Implement the Plan



Review the Plan

Collaborate with Professionals



- Accountant
- Estate Planner
- Insurance Agent
- Philanthropy Advisor
- Investment Advisor



- Doctor
- Social Worker
- Special Needs
Planning Attorney
- Family Members/Caregivers

Special Needs Planning – Key Areas

1

Family Assets and Planning

- Coordinating
- Caregiving, planning

2

Employer Benefits

- Life, health, welfare
- Retirement plans

3

Government Benefits

- Means-tested benefits (SSI, Medicaid)
- Entitlements (SSDI, Medicare)

4

Legal Planning

- Wills
- Special Needs Trusts

Key Planning Phases

Birth

- Medicaid
- Eligibility for Social Security Survivor Benefits



Adolescence

- Supplemental Security Income (SSI)
- Medicaid/Medicare
- Social Security Survivor Benefit
- SSDI Insurance / Self



Parent's Retirement

- Social Security Disability Insurance (SSDI)
- Childhood Disability Benefit
- Medicare

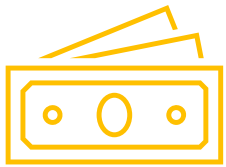


Parent's Death

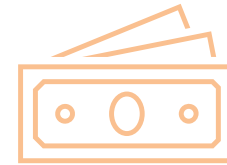
- Social Security Benefits



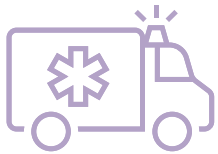
Government Benefits



Supplemental Security
Income



Social Security Disability
Insurance

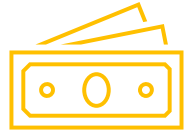


Medicaid



Medicare

Supplemental Security Income



What is it?

- Cash benefit for those with special needs or disabilities to be used for basic needs (food, clothing, shelter)
- Offers a stream of income
 - \$794 a month for individuals
 - \$1,191 for couples
 - (2021 numbers)
 - Exact number depends on your state and other income sources

How do I qualify?

- Your loved one must have a disability
- Must meet income requirements and have less than \$2,000 in assets (\$3,000 if married)

Social Security Disability Insurance



What is it?

- A monthly benefit to disabled individuals
- Individuals who qualify for SSDI receive payments based on accumulating enough work credits
- Benefits for workers and for adults disabled since childhood

How do I qualify?

- A person with disabilities younger than age 65
- Must have a medical condition expected to last at least one year or result in death

Medicaid



What is it?

- Federally-funded assistance program
- Provides vital health coverages for people with special needs
- Provides at-home care and care in long term care facilities

How do I qualify?

- Meet the financial eligibility rules based on the Modified Adjusted Gross Income (MAGI) for your state
- Have a blindness or disability
- Must be a resident of the state in which they're receiving Medicaid

Medicare



What is it?

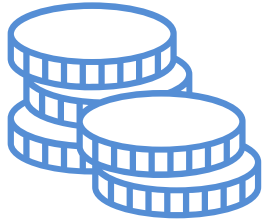
- Federal health insurance program
- Provides sponsored health insurance programs for those with disabilities and anyone who is 65 and older

How do I qualify?

- Must be 65 years or older
- Under 65 and receive SSDI for more than 24 months
- Under 65 with End-Stage Renal Disease (3 mo. of dialysis) or ALS (enrolled in 1st month)

Different Types of Special Needs Trusts

First Party Trust



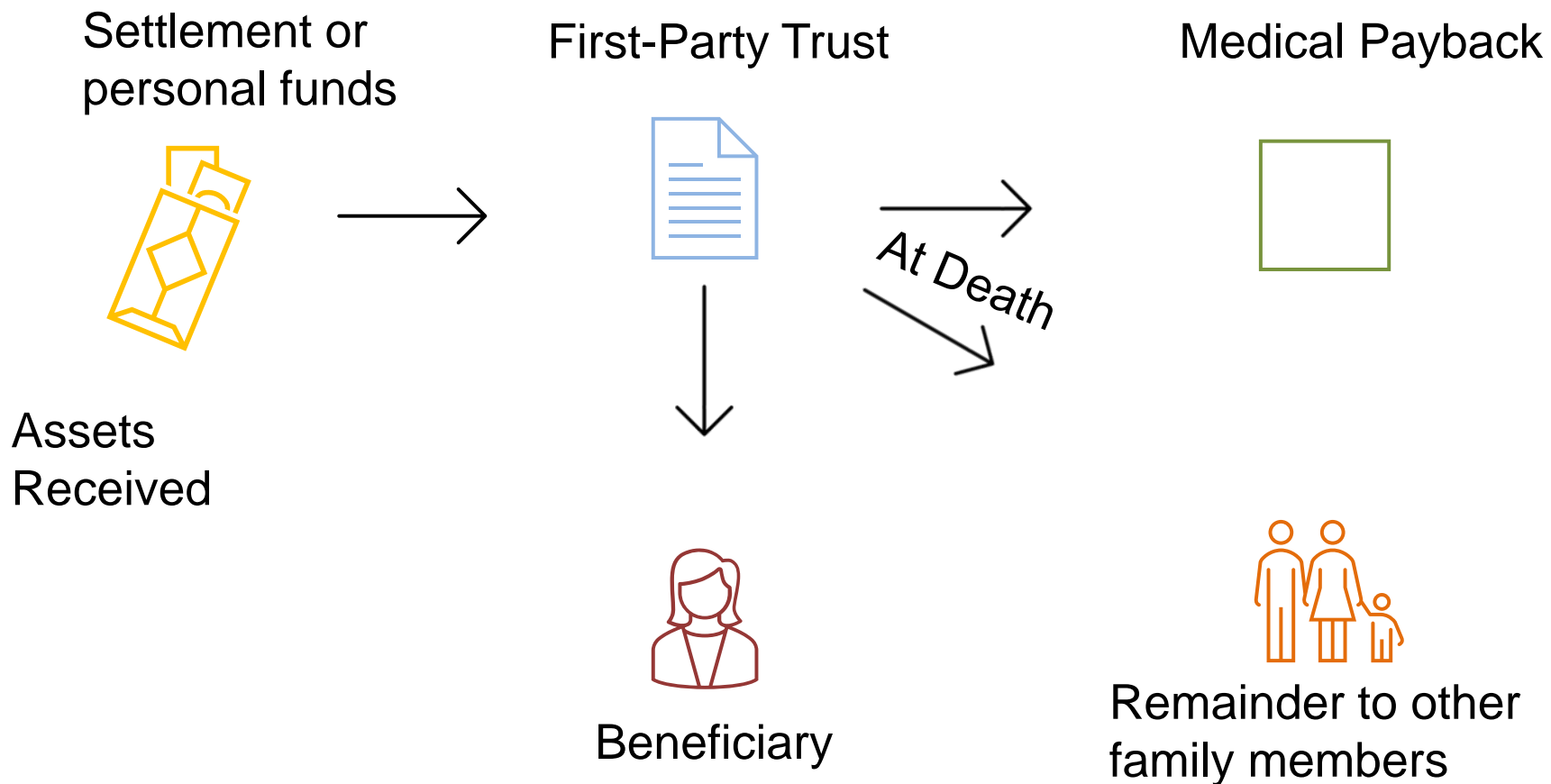
Third Party Trust



Pooled Trust

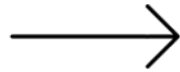


First Party Trust



Third Party Trust

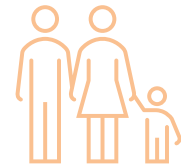
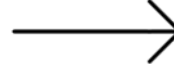
Funded by Parents or Family



Third-Party Trust



At Death



Remainder to
other family
members

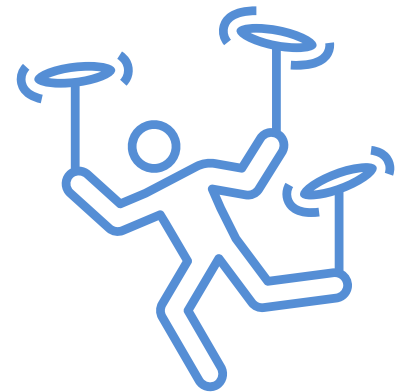


Beneficiary

Trustees – A Full Time Job

Responsibilities

- Carry out the terms of the trust
- Fiduciary duty to the Beneficiary
- Duty to act and invest prudently
- Duty to maintain records
- Duty to collect and protect trust property
- Duty to report to beneficiaries



Trustees – Who to Choose?

- 
- Family Members
 - Friends
 - Attorney

- Available/Location
- Longevity
- Impartiality
- Attention to Detail
- Experience
- Fees

ABLE Accounts



- An ABLE account is a tax advantaged investment account available to eligible individuals with disabilities.



- ABLE accounts are made possible by the federal Achieving a Better Life Experience (“ABLE”) Act.



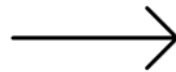
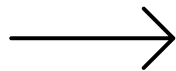
- ABLE accounts allow individuals with the onset of a disability prior to age 26 to save and invest money.

ABLE Accounts Continued

- Eligible individuals can invest money without losing eligibility for certain public benefits programs, like Medicaid or SSI (up to \$100,000).
- Earnings in an ABLE account are not subject to federal income tax if the funds are spent on “Qualified Disability Expenses.”
- Qualified Disability Expenses (QDE) include:
 - Basic living expenses 💰
 - Housing 🏠
 - Transportation 🚗
 - Assistive Technology 🌐
 - Education 🎓
 - Health & Wellness ❤️

ABLE Account Benefits

- ABLE accounts allow individuals with disabilities to save and invest up to \$15,000 annually without affecting eligibility for certain public benefits programs.
- If employed, an additional amount of earned wages that can be deposited into ABLE accounts is \$12,760. This would be a combined annual contribution of \$27,760.
- There is a maximum lifetime contribution limit, but it differs by state. In Ohio, it is currently \$501,000.



Eligibility



Who is eligible?

- Someone whose disability onset occurred prior to the age of 26.
- Has been living with their disability for at least a year.
- Expects their disability to last for at least a year.

How does someone qualify?

- Eligible to receive SSI or SSDI
- Have a condition listed on Social Security Administrations List of Compassionate Allowance's Conditions
- Self-Certify their diagnosis

The “ST”ABLE Card

- The STABLE Card is a loadable prepaid debit card available for the Ohio ABLE account.
- Available at No Cost
- Money from the ABLE Account is transferred onto the card, allowing the available amount of money on the card to be appropriately managed/controlled.



Enrolling for an ABLE Account

- An ABLE account can be opened by a qualifying person with a disability, the parent or legal guardian, or by a designated Power of Attorney.



- Online enrollment is free.



- Participants will need to deposit a minimum of \$50 to open an account.



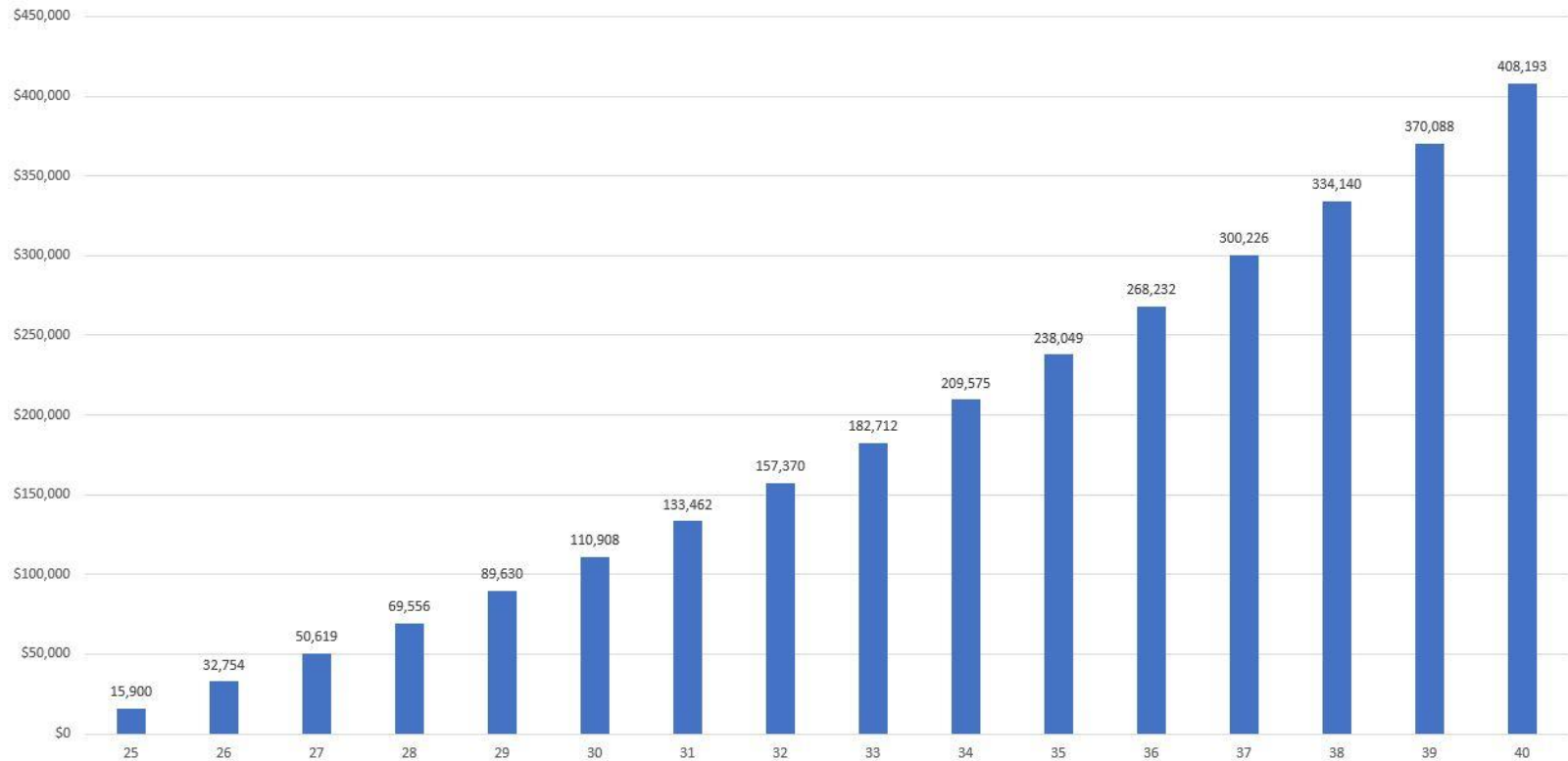
ABLE Account Costs

- Accounts are free to open and require \$50 to get started.
- Nominal monthly maintenance fees and investment fees also exist, see below. (These should go down as more people use ABLE accounts.)

	Current Monthly Maintenance Fees	Asset-Based Fees (Investment Fees)
Ohio Residents	\$2.50 (\$2.00 effective 7/1/21)	Between 0.19% and 0.33%
Partner States AZ, GA, KY, MO, NH, NM, OK, SC, VT, WV, WY	\$3.50 (\$3.00 effective 7/1/21)	Between 0.19% and 0.33%
All Other States	\$3.50 (\$3.00 effective 7/1/21)	Between 0.45% and 0.59%

\$15,000 Investment into an ABLER Account

Growth of \$15k @ 6% for 16 years

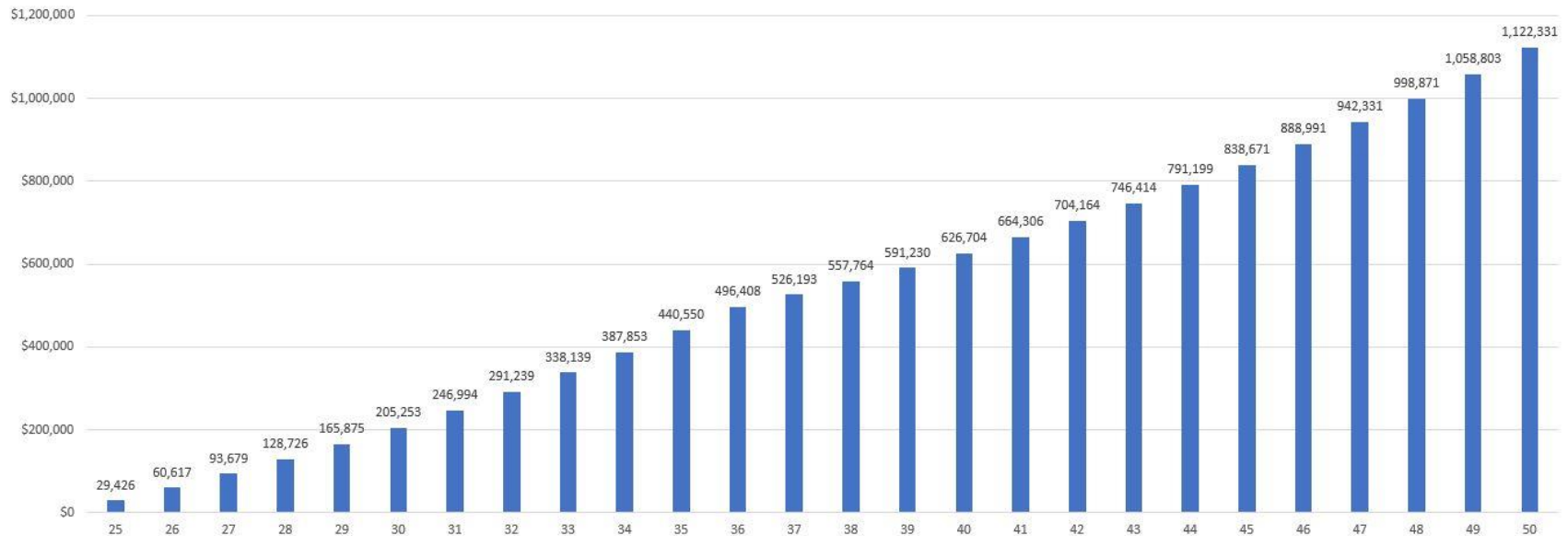


Example

- John invests \$15,000 into an ABLER account for 16 years for his disabled son or daughter.
- At age 40, John's child could have an income of roughly \$20,000 per year.

\$27,760 Investment into an ABLER Account

Growth of \$27,760 @ 6% Growth for 25 years



Example

- Jill worked and put \$27,760 into her ABLER account until age **36**.
- At age 50, Jill can spend roughly \$60k every year and still leave her heirs \$1 million dollars.
- Or at age 50, Jill can spend \$70k every year and live off that until she is over 80 years old.

Titling/Beneficiaries

1

When possible, assets should be titled in the trust's name not the beneficiary's name.

2

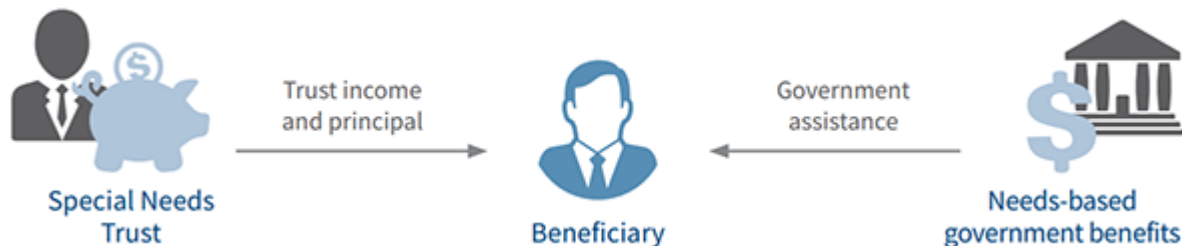
The trust should be the beneficiary of Life Insurance, Retirement accounts and Transfer on Death accounts.

3

Gifts should go to the trust not the beneficiary.

Summary

- Special Needs Planning is part of the Financial Planning Process
- Know that Government programs are available ssa.gov is a good resource
- Proper use of Trusts can protect assets and other family beneficiaries
- Proper titling is important
- Reach out to professionals for help due to how complex situations can be





Visit the new
milestones.org
your go-to guide
for practical
evidence-based
information

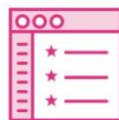
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