Government Benefits

Supplemental Security Income (SSI) benefits are payable to adults or children who are blind or disabled. SSI supplements a person's income up to a certain level, which varies from state to state.

In the case of disabled children under age 18, the parent's income and assets are considered when deciding if the child qualifies for SSI benefits.

Beginning at age 18, SSI benefits are determined based upon the disabled person's income and assets. As a result, a child who was not eligible for SSI before age 18 may become eligible at age 18. To qualify for SSI benefits, the disabled person cannot have "countable resources" (assets) in excess of $2,000 or "countable income" in excess of the maximum Federal benefit rate.

In addition, financial resources may be available through state and community programs. Consult with the appropriate federal, state, county and/or local agencies for assistance.

Other Financial Considerations

A special needs trust with no assets is worthless in providing for your child's future care and well being. These are some sources that you can consider for funding a special needs trust:

- **Savings:** Based on your estimate of your child's future financial needs, begin a regular savings program.
- **Investments and Retirement Plans:** You may want to name a special needs trust as the beneficiary of an investment program and/or retirement plan.
- **Life Insurance:** Many special needs trusts are funded, at least in part, by life insurance. Why? Because life insurance is the only alternative that can produce a stated amount of money exactly when needed...at your death. Life insurance death benefits are generally paid free of income tax and, if ownership is properly structured, can be removed from your estate for estate tax purposes. Another advantage of funding a special needs trust with life insurance is that the rest of your estate can then be preserved for other family members.