



**Knights of
Columbus®**

Family and Future: Planning for Loved Ones with Special Needs

The ARC of New Jersey • May 22, 2025

Our Presenter

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Special Needs Planning

The Knights of Columbus, its representatives, and its agents do not give legal or tax advice.

All families who have a Special Needs child or are concerned about Special Needs Planning need to have competent legal and tax advice. Before implementing a plan, you should consult with an attorney who specializes in Special Needs Planning or Elder Law. You should also consult with a CPA or accountant who is knowledgeable about Special Needs Planning.

Father McGivney and His Mission

Because of the Knights of Columbus' unique Mission and Vision set forth at its founding in 1882 by Fr. McGivney, we are in a position to help Catholic families who have children with Special Needs ensure quality of life for their children rather than just life-time care. And, yes, there is a difference.

It takes a special organization to serve these Catholic families properly.



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Special Needs Statistics

- Average life span for someone with Down Syndrome is nearly 60 years in 2021.¹
- 54 million Americans deal with the expenses associated with special needs children and adults.²
- 20% of Americans between ages 16 and 64 suffer from some form of a disability.²

¹[Down Syndrome Life Expectancy Is Higher, But Not For Everyone \(nationwidechildrens.org\)](https://nationwidechildrens.org/articles/down-syndrome-life-expectancy-is-higher-but-not-for-everyone/2021/07), July 21, 2021

²[Statistics: Reasons For Special Needs Financial Life Plans | M & L Special Needs Planning](#), August 10, 2021

The Special Needs and The Knights of Columbus



Government Programs

- Supplemental Security Income
- Medicaid
- ABLE Accounts



Supplemental Security Income (SSI)

- In order to qualify for SSI, the child will need to have a disability that meets the federal statutory definition, and meet the income resource test, in addition to other criteria.
- If a child has limited income and assets, he or she will likely be eligible for SSI benefits upon reaching age 18. For lower-income families, children under age 18 may also be eligible. ***SSI benefits generally are denied to any applicant whose resources exceed \$2,000.***
- If the child is eligible for SSI, he or she will likely be eligible for Medicaid.
- Your attorney or local Social Security Office can assist with this process. Rules can vary by state.

Medicaid

- Medicaid is a federal program administered by the individual states that provides health coverage or nursing home coverage to certain categories of low –asset people, including children, pregnant women, parents of eligible children, people with disabilities, and elderly individuals needing nursing home care.
- Although states must follow the federal framework, eligibility rules differ from state to state.
- Your attorney or local Medicaid office can assist you with Medicaid eligibility issues.

ABLE Account

- The federal Achieving a Better Life Experience (ABLE) Act authorized states to establish tax-advantaged savings programs so individuals with disabilities can save and invest money without jeopardizing eligibility for public benefits..
- Contribution limits, eligibility and tax benefits can vary by state.
- Your accountant or attorney can help you determine whether or not an ABLE account is right for your individual situation.

[What are ABLE Accounts? - ABLE National Resource Center \(ablenrc.org\)](https://www.ablenrc.org/), January, 2022

Things for Your Family to Consider

- The Will – Basic planning tool for distributing estate assets and naming a guardian
- Guardianship – Critical component to make sure your child's interests are protected
- Special Needs Trusts – A means to provide financial protection for your special needs child, but take care not to jeopardize potential government benefits like SSI and Medicaid
- Working with a Special Needs Attorney – Select a knowledgeable attorney who is familiar with federal benefits and your state government benefits, taking into account your family's unique circumstances

Special Needs Trust (SNT)

- Special Needs Trusts are very specialized documents, often with state-specific requirements.
- A child, spouse or parent with disabilities often has unique and long-term needs that are not provided for by Medicaid and other government benefit programs, such as Supplemental Income (SSI). The SNT operates to help meet those needs
- Special Needs Trusts should be drafted by attorneys with expertise in special needs law.
- In appropriate circumstances, insurance can be used to fund a SNT to provide for your child after you are gone.

Special Needs Trust (SNT)

- Third-Party Special Needs Trust (Most Common)
- First-Party Special Needs Trust D4(a)
- Pooled Special Needs Trust D4(a)
- You should consult with an attorney who specializes in Special Needs Planning or Elder Law for further explanation

Planning Pitfalls to Avoid

- Not possessing a will
- Leaving assets directly to the person with a disability
- Poorly worded trust documents
- Disinheritance
- Unchanged beneficiaries for IRAs, 401(k) plans, life insurance, etc.
- Unchanged contingent beneficiaries
- Beneficiary language such as “children of the insured”
- An experienced Special Needs Attorney can guide you through these pitfalls

Intake Meeting

- What is your vision of the future?
- What is your child's vision of the future?
- Who will provide the support and care?

Subsequent Meetings

- Review and confirm information from Intake Meeting.
- Clarify your view of your child's future.
- Clarify your child's view of their future.
- Recommend insurance strategies for your child and your family to work in conjunction with a special needs plan created by an attorney and/or accountant.



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Questions?

Book a complimentary consultation with a local agent...

Please contact:

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