THE NAUTILUS GROUP®

Providing for an Individual with Special Needs



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Providing for a loved one with special needs requires thoughtful planning, but it doesn't have to be overwhelming. The goal is to ensure sufficient income and resources are in place to support a high quality of life, both now and in the future.

It will be important to consider the sources of income as well as estimate possible expenses of the individual with special needs. Sources of income may include the proceeds of a legal settlement, salary/wages, or government benefits. Expenses may include food and housing, transportation, recreational activities, education, medical expenses, therapy, specialized care, etc.

Depending upon the circumstances, many of the basic expenses such as food, housing, and certain medical expenses may be provided by government benefit programs such as Supplemental Security Income (SSI) and/or Medicaid. These programs often can help provide the primary financial support for the individual whose disabilities prevent them from achieving self-sufficiency.

In addition to considering all of the sources of income and expenses, there will be a number of additional factors to consider before you can identify the lifetime need of the individual. These factors include:

- An estimate of the number of years of care the individual will require;
- The anticipated rate of inflation during the individual's lifetime;
- The estimated after-tax rate of return on available assets; and
- The income and assets that will be available for the individual's care.

Special needs analysis

An analysis has been prepared projecting the amount of assets you would need today in order to fund the future expenses of your beneficiary with special needs, based on the following assumptions:

- The number of years needed to provide care is 20.
- Annual expenses are estimated as $137,000.
- Average 5% return on investment.
- Average 3% rate of inflation.
- Monthly sources of income (SSI, etc.) of $792 ($9,504 annually).

Sample

Based on these assumptions, the current amount needed to fund the care of your beneficiary with special needs for 20 years would be $2,296,534.

- Your beneficiary currently has $440,080 available to help fund their care needs.

The gap between the current assets and the amount needed to fund the care for your beneficiary with special needs for 20 years would be $1,856,454.

Amount Needed	Amount of Available Assets/Income	Gap Amount
$2,296,534	$440,080	$1,856,454



Sample

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