



Provided by Michael J Sousou, a SPECIAL CARE PLANNER Coastal Financial Strategies, courtesy of Massachusetts Mutual Life Insurance Company (MassMutual). Local sales agencies are not subsidiaries of MassMutual or its affiliated companies.

What to Tell Loved Ones about Your Family's Financial Strategy

Having a financial strategy or a life care plan in place can relieve a great deal of stress and help make the future seem less unpredictable for an individual or family with special needs. But one wrong move by a well-meaning friend or relative can undo all your effort. If you've created a financial strategy, protect it. Have a conversation with friends and family, or draft a letter you can send to them. Here are some things you may want to tell them.

We've created a strategy

Just knowing that you have a strategy may provide some immediate relief to those who understand your challenges and have been worrying about you. Let them know that you've been working with financial and legal professionals who are skilled in serving people with special needs. You might have separate conversations with individuals at a family reunion or holiday gathering. You might call a family meeting at your home one evening. Or you might put it all in a letter. Communicate with those who have an active relationship with you, who will have a future role in caring for the person with special needs, and who are most likely to provide personal or financial support to you. They're the most likely, however unintentionally, to undo your careful work if they aren't well informed.

We've established a special needs trust

A special needs trust (SNT) helps ensure that the beneficiary – your family member with special needs – will not be financially dependent on a future caregiver or guardian. Also, assets owned by the trust do not affect eligibility for government benefits currently received or needed in the future. You may already have selected a friend or family member to be trustee of the SNT. Tell others whom you've chosen and why. List the responsibilities the person will handle and what skills he or she brings to the job. Some family members may feel slighted that you didn't turn to them for help, but upon learning the level of responsibility the job entails, may be relieved the task was given to someone else. You may also want to let them know how a trust will be funded – for example, with a settlement from a lawsuit, assets on hand, proceeds from a life insurance policy or assets bequeathed through a will.

If you want to help financially, here's how

Let others know you don't expect them to provide financial support, but if they do, you'd like them to do it in a way that supports your strategy. If they've named your family member as a

beneficiary to any asset, advise them to change the beneficiary to the person's trust. Some gifts of money (such as significant amounts for birthdays, graduations, or annual gifts made as part of the giver's tax-reduction strategy) might be best given to the trust, while smaller or more frequent cash contributions could be given to the family. Ask that they check with you to determine the best way to bequeath money, give monetary gifts, or provide financial assistance.

We've chosen a guardian

Use the same tactic suggested for revealing your choice for trustee: put the emphasis on the job responsibilities and how the person you've chosen fits the role. You may also want to mention that you named a guardian to prevent the court having to assign one, which is what often occurs when families don't plan ahead.

We're maintaining a letter of intent

A letter of intent¹ is a document, updated regularly, detailing your loved one's personal, medical, educational and social life - everything a person who'll provide care, temporarily or permanently, will need to know. Letting others know you've created this resource for future caregivers will help them see you're taking precautions and planning ahead. Show it to them and let them know where it's kept.

We could use a hand sometimes

When you are first faced with health or developmental challenges, family and friends may gather around to provide help and encouragement. But after some time, they may begin to drift back to their own busy lives. Occasionally, it would be good to have them back, to spend a day or even a couple of hours providing care so you can have respite. Figure out who wants to be in your support network, what they want to do to help, and how often they can pitch in. Let future caregivers, guardians, or trustees experience your day-to-day struggles and joys. It will make for an easy transition when they assume those future roles.

Thanks for letting us share

Let your family and friends know you appreciate them and are grateful that you can share this information. Having a financial strategy and life care plan empowers you, gives you some control when life makes you feel you have none. Telling others builds your network, gives you someone to hold onto when you need it.

¹A free Letter of Intent template is available upon request at www.massmutual.com

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⁽¹⁾ *The Special Care Planner, a title used by MassMutual financial professionals, who have received advanced training and information in estate and tax planning concepts, special needs trusts, government programs, and the emotional dynamics of working with people with disabilities and other special needs and their families. The certificate program was offered by The American College in Bryn Mawr, PA, exclusively for MassMutual financial professionals. Additionally, a designation of Chartered Special Needs Consultant (ChSNC™), which evolved from the certificate program, is now offered through the*

American College for financial professionals. MassMutual financial professionals who have completed the certificate program, or received the ChSNC designation can use the Special Care Planner title.

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