

AN EXTRAORDINARY LIFE

Children and adults with special needs touch others' lives in remarkable ways. The joy and happiness—and sometimes the challenges—they bring to the people involved in their lives can be extraordinary.

Yet the day-to-day care and devotion required by someone with special needs can often be all-consuming. As a parent or caregiver, you may struggle with feeling overwhelmed and find it difficult to think beyond "one day at a time."

Still, like others who care for dependents with special needs, you have one hope for the future: that your loved one lives a long, productive and happy life. Ensuring future financial security and quality of life, however, requires more than hopes and dreams alone. It requires special planning for your future and the lifetime of your loved one with special needs.

Planning for the long term is more critical today than it has ever been. Thanks to advances in medical technology, the average life expectancy for many individuals with disabilities now comes close to—or even matches—that of the overall population. Parents and other caregivers cannot assume they will outlive their child or dependent with special needs.

For the family of a person with special needs, this makes financial planning a necessity. A well-designed and executed special-needs plan can have a profound impact on your loved one's quality of life and can help turn your dreams for his or her future into reality. A comprehensive plan can also help you avoid some common mistakes and oversights that could jeopardize the lifetime support of your loved one with special needs.



LEAN ON A TEAM OF PROFESSIONALS

With so much at stake, it's vital to work with professionals who understand the complexities of planning for a person with special needs. In fact, getting advice from someone without this expertise may do more harm than good.

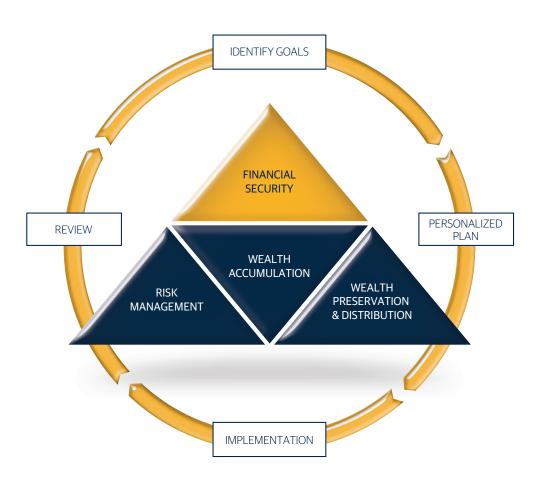
That's why it's so important to seek help from a team of advisors who are experts in special-needs planning. In our experience, the most valuable teams include an attorney, a financial professional and a social services professional, as each brings specific areas of expertise to the table that are needed to develop a comprehensive special-needs plan.

Your Northwestern Mutual financial professional can help you build your team of experts and coordinate their efforts on your behalf. With their guidance, you'll be empowered to make informed decisions, take appropriate actions and help provide the highest possible quality of life for those who depend on you.

HOW YOU'LL GET THERE

THE NORTHWESTERN MUTUAL PLANNING PROCESS

To help you create a lifetime of financial security for your family—including your loved one with special needs—your Northwestern Mutual financial professional will lead you through our four-step planning process.



WE'LL WORK WITH YOU TO:

1. IDENTIFY YOUR GOALS.

First, we'll make sure we understand what's important to you and your loved ones, where you are today and where you want to be in the future.

2. DEVELOP YOUR PERSONALIZED PLAN.

We'll analyze your financial situation and develop recommendations that can help you and your family achieve financial security.

3. IMPLEMENT YOUR STRATEGIES.

We'll bring your financial plan to life with quality products and solutions.

4. REVIEW YOUR PLAN.

Throughout life, even small changes can impact your financial plan. We'll help you adjust your plan as needed to stay on track.



1. IDENTIFY YOUR GOALS.

When caring for an individual with special needs, it can be difficult to look beyond the moment. Have you thought about what you want life to be like for your loved one with special needs 5, 10, 20 or 30 years from now?

- What opportunities or life experiences do you want him or her to have?
- Where will he or she live?
- What are your hopes for his or her education?
- Whom do you want to provide care if your loved one with special needs survives you?

While the idea of planning for the long term may feel overwhelming, take the time to visualize the future for your loved one with special needs. By setting specific goals for him or her, you'll be laying the groundwork for a plan to achieve them.

DOCUMENT YOUR GOALS IN A LETTER OF INTENT

Once you've established goals for your loved one with special needs, document your wishes in a letter of intent. The letter details your loved one's family and medical history, daily needs, likes and dislikes, hobbies, religion and values, along with your specific wishes and expectations for his or her future. While a letter of intent is not a legally binding document, it will serve as a blueprint for future caregivers and help to ensure that your loved one continues to receive the kind of care you expect should something happen to you. A blank letter of intent is included in the back pocket of this brochure.

2. DEVELOP YOUR PERSONALIZED PLAN.

As your goals for the future become clear, the next step in the process is to develop a plan to bring your vision to life. How much money will you need? Where will it come from? While all families should have a written financial plan to help them achieve their goals and dreams, it is particularly critical when a family member has special needs.

Having a reliable financial plan is the best way to be sure there will be funds available well into the future for your loved one's medical care, education and long-term support, as well as necessities for yourself and/or another caregiver. A detailed financial plan will also help you avoid making mistakes that could deprive your loved one of essential government support and benefits. For example, you or another family member might not think twice about leaving money, life insurance proceeds or other assets directly to a dependent with special needs to help ensure his or her quality of life. In doing so, however, you may disqualify your loved one from some government programs.

That's just one example of the many issues that can arise when planning for a loved one with special needs. Don't try to navigate the complexities on your own. Your Northwestern Mutual financial professional, along with other experts in special-needs planning, will help you develop a financial plan that:

- Considers the estimated future cost of your loved one's care.
- Identifies financial resources that may be available to you.
- Establishes a special-needs trust to help you ensure your dependent receives the care you expect throughout his or her lifetime.
- Takes into consideration setting up a plan to fund education goals for your loved one with special needs.
- Helps you balance the sometimes competing goals of planning for your loved one with special needs with planning for your own financial security, including things such as your own retirement and education goals for other dependents.
- Recommends additional steps you should take—beyond financial considerations—as you plan for your family's future.

ESTIMATE THE COST OF CARE

Part of the challenge in providing a lifetime of support for a loved one with special needs is estimating how much money will be needed to create financial security for the rest of his or her life. It would be nearly impossible for you to accurately forecast what your loved one is going to need in terms of medical care or with the tasks of everyday living. Today, you're probably providing much of that care yourself—and for free. But at some point, your dependent with special needs may outlive you, and a paid caregiver may be needed to provide those services. When you prepare for that possibility, you can rest easier.

Your Northwestern Mutual team can work with you to develop an estimate of the average cost of care for someone with your loved one's condition, taking into consideration where you live and the level of care you currently provide. Working with social services professionals, we can help you develop a budget for day-to-day expenses, including health and personal care, educational experiences, transportation and other costs—and make sure those estimated costs are woven into your overall financial plan.

We'll also help identify funding sources that can cover those expenses—ranging from your existing resources to Social Security disability income (SSDI) or other programs—and identify any gaps or shortfalls that may exist.

IDENTIFY THE BENEFITS YOU'RE ENTITLED TO

One of the first and most important steps will be to make sure your loved one with special needs is getting the benefits he or she is entitled to. There are many different types of benefits that may be available. Access to these benefits—and the level of benefits available—is based on a person's individual situation, but could include:

- Disability income and survivor benefits from Social Security.
- Health care and custodial home care service benefits from Medicaid.
- Vocational services to help individuals become successfully employed.
- Public school services, such as therapies, tutoring and specialized support services.
- Veterans' benefits: Family members may be eligible for financial assistance, medical coverage and other services through the U.S. Department of Veterans Affairs.

Benefits such as these can be an essential part of your plan to ensure the quality of life for your loved one with special needs, but not all persons with special needs are eligible to receive them. If your loved one has assets of more than \$2,000 (or in some states more than \$1,000), he or she may be disqualified from receiving some government benefits. This can be an enormous loss since eligibility for critical services—such as supported employment and vocational rehabilitation services, group housing, transportation assistance and personal attendant care—could also be lost.

A special needs trust can help to ensure your loved one's eligibility.

"Optimism is the faith that leads to achievement. Nothing can be done without hope and confidence." - Helen Keller

ESTABLISH A SPECIAL-NEEDS TRUST

A special-needs trust will enable you and others to provide funds for the support of your loved one with special needs without jeopardizing his or her eligibility for government benefits.

A special-needs trust allows you and other family members to leave assets such as money, life insurance proceeds or property to the trust, rather than directly to the person with special needs. The trust can hold money earmarked to pay for amenities that government benefits don't provide, like entertainment, computers, travel and other extras. A trustee—whom you name—will then have authority to use funds from the trust to help care for your loved one with special needs. And as you establish the trust and name a trustee, make sure other members of the family are aware of the trust and understand the role it will play to help secure the entire family's financial future.



UNDERSTANDING RELEVANT LEGAL TERMS

As you begin to plan for your future and the lifetime of your loved one with special needs, don't be shy about asking for clarification of any legal terms you may see or hear. Some of the most common include:

- Power of Attorney A legal document that authorizes someone else to act on your behalf.
- **Durable Power of Attorney** A general power of attorney that continues to be valid should you become incapacitated or incompetent.
- Durable Health Care Power of Attorney A special power of attorney in which you give another person authority to make health care decisions when you are unable to do so because of injury or illness.
- Living Will A document that provides instructions to physicians, health care providers, family members and courts as to what life-prolonging procedures you want if you become terminally ill or incapacitated.
- Will A legally binding document that provides instructions for the
 disposition of your property at death. It can be amended or revoked
 up to the time of death or until a loss of mental capacity. It is enforced
 through probate court and does not avoid probate. A will is also used to
 name a guardian, an individual legally appointed to manage the rights
 and/or property of a minor or person incapable of taking care of his or
 her affairs

• Trust – A three-party arrangement involving a grantor (the person who establishes the trust), a trustee (the person whom the grantor trusts to hold the property for the beneficiary) and the beneficiary (the person or persons who will benefit from the trust). A trust agreement is the document that creates a trust and establishes the provisions that control the trust's management.

Two additional tools are designed specifically for families with special needs:

- Letter of Intent A letter of intent documents your specific wishes and expectations for the future of your loved one with special needs. It details your loved one's family and medical history, daily needs, likes and dislikes, hobbies, religion and values, and it serves as a blueprint for future caregivers and helps to ensure that your loved one continues to receive the kind of care you expect should something happen to you.
- Special-Needs Trust A special-needs trust enables you and others to provide funds for the support of your loved one with special needs without jeopardizing his or her eligibility for government benefits.

CONSIDER SETTING UP A 529 ABLE PLAN

A new option for a dependent with special needs is a **529** ABLE (Achieving a Better Life Experience), or a 529A, plan. In December of 2014, Congress passed legislation allowing states to establish and maintain these accounts that can be used to pay qualified expenses of blind or disabled beneficiaries. Much like the 529 education accounts that you may be familiar with, a 529 ABLE account also offers tax-free growth and tax-free withdrawals as long as the money is used for qualified disability expenses. There are eligibility requirements, however. And while anyone may contribute to a person's 529 ABLE account, there are also limits to how much can be contributed each year, so a 529 ABLE plan may not be a good choice for everyone. Your financial professional can help you determine if a 529A plan is a good fit for your situation and goals.

BALANCE PRIORITIES

Your financial plan will also be designed to help you balance the sometimes competing goals of planning for your loved one with special needs and planning for your entire family's financial security. In fact, planning for all of your important goals—saving for a home, college and retirement and protecting your family in case something should happen to you—is the best way to ensure that your loved one with special needs will be cared for today and throughout his or her lifetime. With a comprehensive plan in place, you'll make it easier for others to step in, if needed, to care for your dependent with special needs.

Your Northwestern Mutual financial professional will work with you to identify and prioritize your goals and then develop a financial plan designed to help you achieve them.

BEYOND FINANCIAL MATTERS

A comprehensive financial plan should also include a review of your estate planning strategies and documents—with special consideration given to the impact they might have on your loved one with special needs.

- Have your legal documents, such as wills, trusts and powers of attorney, been worded and prepared to ensure they protect eligibility for important government programs?
- Will your financial assets, such as life insurance, annuities and pension/retirement programs, be transferred at your death in a way that does not jeopardize government program eligibility? Is there a chance the person with special needs will directly inherit any assets from other relatives?
- Have you coordinated planning with relatives to ensure any property to be transferred upon death is left to a special-needs trust and not directly to a loved one with disabilities?

Your Northwestern Mutual financial professional, along with estate planning experts on the team, can help to identify all relevant legal documents that should be drafted or reviewed as part of your overall financial plan.



3. IMPLEMENT YOUR STRATEGIES.

A comprehensive financial plan can provide the necessary direction to help you achieve your objectives. But for your plan to succeed, it has to be implemented. That's why the next step in creating financial security for a loved one with special needs is crucial: You have to put your plan into action.

- Apply for benefits your loved one with special needs may be entitled to. The social services professional or benefits specialist on your team will lead this process.
- Establish a special-needs trust by working with an attorney who has experience in the areas of disability law, tax law and estate planning. Your Northwestern Mutual financial professional can recommend to you—and work in coordination with—an attorney who can help you establish a trust. The sooner you get started, the better.
- Have all relevant legal documents drafted and executed to ensure your assets will be distributed according to your wishes and that the proper guardian is named for your dependent.
- Funding the special-needs trust may, for some families, require a reallocation of their current assets, while others may need additional assets to secure the level of financial security they wish for their child or dependent. If additional funding will be needed, parents and grandparents will often direct that life insurance proceeds to be left to the trust.
- Evaluate the benefits of a 529 ABLE plan for the future education of your loved one with special needs, and establish an account if appropriate.

4. REVIEW YOUR PLAN.

Just as financial markets, laws and regulations will undoubtedly change over time, so, too, will the needs of your family. This means your financial plan should always be considered a work in progress. That's why the last step in creating financial security for a loved one with special needs is to keep your plan current—to make sure you review and update your plan regularly.

By monitoring your plan at least annually, you can ensure it continues to help you progress toward your goals and reflects any changes in the level of care needed, funding provided, eligibility requirements or any other changes in your objectives or circumstances.

- Periodically check with relatives to make sure they do not give (or name as direct beneficiary) significant assets to a loved one with special needs. The dependent should not have more than a total of \$2,000 of assets in his or her name.
- Keep all assets held in a special-needs trust—separate from your loved one's personal assets and income streams.
- Create a list of important information that your beneficiaries, trustees, executors and/or named guardians may need. Include the location of important records, legal documents, safety deposit boxes, investments and other accounts, insurance policies, employer or government benefits and the names of any advisors. Your Northwestern Mutual financial professional can provide you with a complimentary copy of "A Guide for the Future," a booklet designed specifically for keeping such information organized and in one place.
- Regularly check special-needs trusts to make certain they are adequately funded.
- Meet with your expert team of professionals at least once a year to monitor how your plan is performing relative to your objectives.

PLANNING IN PARTNERSHIP FOR A SECURE FUTURE

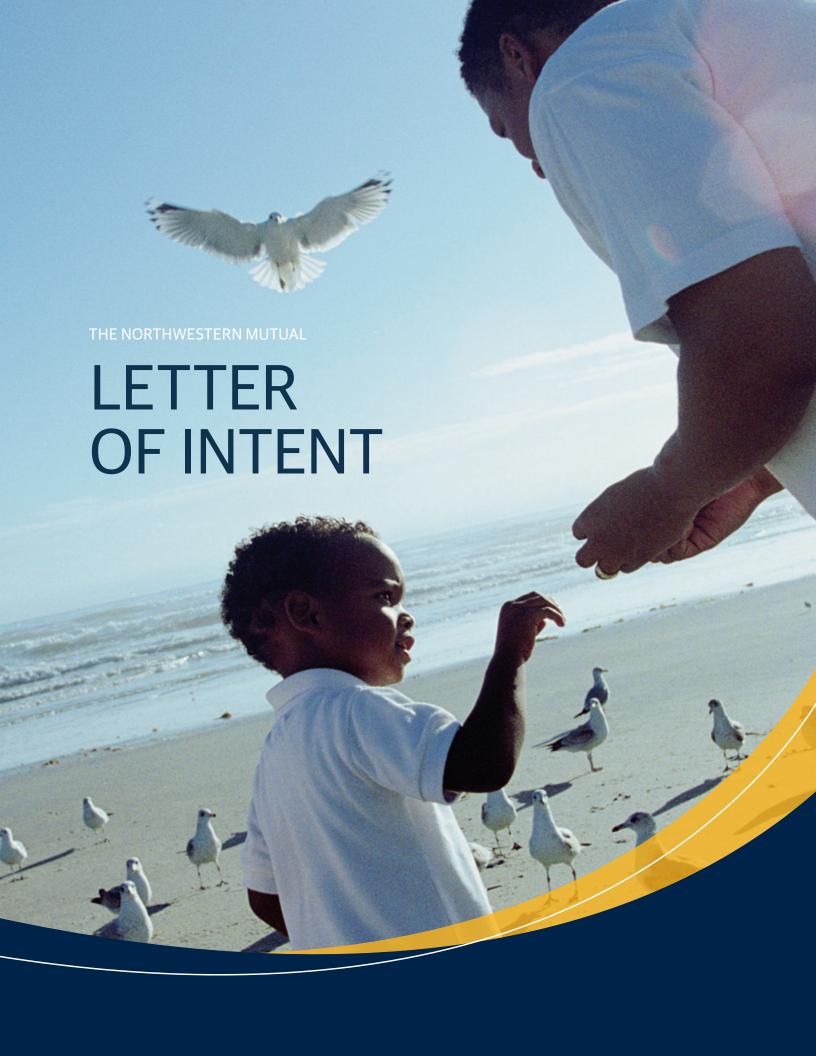
A family's love alone will not protect the future of a person with special needs. Early planning can give you the comfort of knowing you have done all you can to provide the support and resources necessary for a comfortable life. And while there may be many details and unknowns as you prepare for the future, remember that you don't have to forge ahead alone

Your Northwestern Mutual financial professional stands ready to help you navigate the complexities of special-needs planning and can recommend attorneys and social service professionals you may want to consider as you build your team of expert partners. Through their combined advice, guidance and support over time, you'll be able to create a greater level of financial security for your family and the best possible quality of life for those who depend on you.

Take the time to look beyond today and prepare for your family's future



29-4937 (1205) (REV 0915)



LETTER OF INTENT

The Letter of Intent is a personal roadmap that enables you to gather relevant information in one place and make clear your wishes and expectations to family members and others who will assume responsibility for your loved one's care when you no longer are able to do so. It is not a legal document, but it is an important one for letting your intentions and desires be known. This is a living document that should be reviewed and updated annually.

This outline is intended to serve as a general guide; customize this based on the needs of your loved one and your family. As well, consider supplementing this with a video, copies of individualized education plans (IEP), a Medicaid waiver application or other documents that would help someone who will be caring for your dependent.

Date completed	Last update		
Name of dependent	Nickname	Social Security #	
Date and place of birth			
Parent #'s name	Paernt	#2's name	
Emergency contactNAME	ADDRESS	CITY/STATE/ZIP	PHONE NUMBER
MEDICAL INFORMATIC	N AND BACKGROUND		
Diagnosis and medical history _			
Physicians' names, specialities,	phone numbers		
Primary Physician Name		Phone #	
Name	Specialty	Phone #	
Name	Specialty	Phone #	
Name	Specialty	Phone #	
Name	Specialty	Phone #	
Name	Specialty	Phone #	
Name	Specialty	Phone #	
Name	Specialty	Phone #	

IAME/STORAGE LOCATION/PHARMACY	DOSAGE/WHEN & HOW TO ADMINISTER	PURPOSE/PRESCRIBER
		<u> </u>
ASSISTIVE/MOBILITY DEVICE	DATE AND PLACE OF PURCHASE	MAINTENANCE INFORMATION
avioral triggers, challenges and intervent	ions	
ront thoranics (PT OT speech atc.)		

Other relevant personal history _____

MEDICAL INSURANCE

PROVIDER	POLICY NO.	GROUP NO.	PLAN PARTICIPANT NAME	TYPE/LEVEL OF COVERAGE

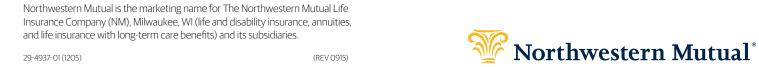
DAILY LIVING

SKILLS AND ABILITIES			
LEVEL OF ASSISTANCE	NO ASSISTANCE	SOME ASSISTANCE - DESCRIBE	DEPENDENT - DESCRIBE
Bathing			
Dressing			
Toileting			
Sleep Routines			
Travel			
Cooking			
Housekeeping			
Bill Paying/Money Management			
Other limitations/comments			
NUTRITIONAL PROFILE			
Food allergies/restrictions			
Favorite foods			
Size of food portions			
Eating or swallowing problems _			
Outcome if restricted foods are o	consumed		

SLEEP HABITS Bed time _____ Wake time _____ Favorite routines for going to sleep and/or waking up _____ **ACTIVITIES** Education_ Work_ Exercise___ Other interests Social/recreational/religious activities _____ Favorite things (places to visit, activities, people, pets) Dislikes Current daily schedule - please attach **VALUES AND GOALS** Your hopes and dreams for your child or dependent ______ Are there any specific traditions, beliefs or core values you would like to have carried on or reinforced? Where and how would you like your child or dependent to live in the future? If your child or dependent could no longer live with you, would he or she be better off living in a group environment or independently?_____ Is there a transitional/vocational plan for when your dependent graduates from high school? Does he or she plan to attend college? What professional career, if any, would he or she like to pursue?

IMPORTANT NAMES AND CONTACT INFORMATION

	NAME	ADDRESS	PHONE NUMBER
Legal guardian*			
Executor of will			
Trustee			
Co-trustee			
Advocate			
Financial Professional			
Vocational expert			
Attorney			
Government benefits contact			
Caseworker			
School or work contact			
Current care providers			
Therapist Type:			
Therapist Type:			
Therapist Type:			
Aides			
Other helpers			
Social service organizations			



^{*}If the dependent is a child and will not be considered legally competent as an adult, the parent or caretaker must apply for guardianship once the child reaches age 18 in order to remain the legal guardian.