Utilizing Life Insurance within a Financial Plan for Your Loved One

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When it comes to your finances, what do you worry about most?
Keep in Mind

- It’s never too soon to start planning.
- You don’t have to do everything at once.
- You’re not alone.
Today’s Agenda

1. Assemble your team

2. Develop a special needs plan
   • Special Needs Trusts
   • Life Insurance Options

3. Don’t forget to plan for yourself

Let’s get started!
Building Your Team

Financial Professional

Government Benefits Specialist

Attorney (experienced in special needs)
Developing Your Special Needs Plan

Understand where you are and where you want to go

You:
• What are your savings and spending habits?
• What are your short-, medium- and long-term financial goals?
• What do you want for your future?

Your Loved Ones:
• What do you envision for your loved one’s life?
• Where will they live?
• Who will provide day-to-day care?
• What social activities do you want them to be a part of?
Third-Party Special Needs Trusts

• These trusts help pay for supplemental needs that can enrich the life of your loved one.

• Anyone except your loved one with special needs can contribute.

• Government benefits generally should not be affected.
Third-Party Special Needs Trusts

1. Hire an estate planning or elder law attorney to draft your trust.
2. Consider having a corporate trustee.
3. Life insurance can fund a special needs trust.
4. A trust can be set up so the remaining assets pass to family members if the primary beneficiary passes away.
Choosing the Insurance That’s Right for You

What are your needs?  
What are your goals?  
What’s your budget?
Choosing the Insurance That’s Right for You

There are two main types of life insurance: term and permanent.

Many people purchase both.
Term Life Insurance

- Coverage only for a specific period of time
- If you stop payments or your policy expires and is not renewed, your coverage ends
- It’s like renting an apartment
- Most affordable type of insurance
Permanent Life Insurance

- More like owning a home
- Coverage for life
- Higher premium payments
- Builds cash value
- Survivorship Option
- Long-term Care Accelerated Benefit Option
How Life Insurance Can Help You Achieve Financial Security

Source: Insurance Barometer Study, 2017 LIMRA
Don’t forget to plan for yourself, too!
Planning for Your Financial Future

Planning for your loved one with special needs is critical ... but it’s only part of your financial plan.

- What do you want for your own future?
- Do you have a long-term care plan for yourself?

Find a financial professional to help you:

- Identify your goals.
- Set priorities.
- Create and execute a customized plan.
- Keep your plan aligned with your changing life.
Choosing a Financial Professional

- Work with someone you trust.
- Choose someone who is experienced in planning for special needs.
- Make sure your financial professional will work with you over time as your needs change.
- Select a company that has a strong history and maintains the highest financial strength ratings in the industry.
RECAP

**ASSEMBLE YOUR TEAM**
financial professional, government benefit specialist and attorney

**DEVELOP A SPECIAL NEEDS PLAN**
- Understand your current situation.
- Decide what you want for the future.
- Get the benefits your loved one is eligible for.
- Estimate future cost of care.
- Establish a special needs trust.
- Understand the type of life insurance you purchased.

**DON’T FORGET TO PLAN FOR YOURSELF**
- Be sure a financial professional has your best interest in mind
Any Questions?

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Thank You