

4 WAYS FINANCIAL ADVISORS CAN HELP MILLIONS OF SPECIAL NEEDS CAREGIVERS



New research has confirmed a tremendous opportunity for financial services professionals who want to expand their book of business by helping a chronically underserved audience—households and families with special needs.

Nearly 60 million Americans have a disability, yet few financial services professionals are prepared to provide products and plans that meet their unique needs. Most are not working with a financial advisor, but would value one who specializes in families like theirs.

In a study conducted by Greenwald & Associates on behalf of The American College of Financial Services' MassMutual Center for Special Needs to better understand the day-to-day and long-term financial challenges faced by caregivers of children and young adults with special needs, four distinct areas of opportunity were identified:

- RETIREMENT PLANNING AND RETIREMENT INCOME
- LIFE INSURANCE
- ESTATE PLANNING
- GENERAL FINANCIAL PLANNING

Financial advisors and insurance executives who can support families with special needs in these four areas can make a positive impact on their emotional and financial situations while also growing revenue potential through specialization.

RETIREMENT PLANNING AND RETIREMENT INCOME

1/3 OF SPECIAL NEEDS CAREGIVERS are doing nothing to save for retirement.



14% of whom earn more than \$100,000 annually.

70% OF THOSE WHO ARE SAVING FOR RETIREMENT,

are concerned they'll have to abandon their plan in favor of prioritizing care for their loved one.

"There's no way I can retire...those aren't the cards I was dealt,"

is a common yet misinformed perspective of special needs caregivers. Address these concerns by teaching clients how, with proper planning, a well-funded retirement is entirely possible. Explain the options for families that can't afford the cost of whole life insurance coverage. A good plan balances the needs of the special needs caregiver with long-term and future care needs of their dependents. Start by addressing fundamental components including:

- SPECIAL NEEDS TRUSTS (SNTs)
- BENEFICIARY DESIGNATIONS
- LONG-TERM CARE INSURANCE POLICIES

If the unique issues faced by special needs households fall outside your area of expertise, the Chartered Special Needs Consultant® (ChSNC®) designation is the only credential on the market designed to equip advisors with the specialized skills needed to help caregivers build a competent and successful plan.

LIFE INSURANCE

87% OF CAREGIVERS are concerned about how their relative with special needs will be cared for after they pass, but:

ONLY 52% have the guarantee of a life insurance policy

AND

OVER HALF of those people only have term life insurance.

Educate clients about why they need life insurance coverage. Explain the benefits of a whole life insurance policy and how a non-expiring death benefit can protect a relative with special needs even after the caregiver is gone. Financial assistance for healthcare and lifestyle activities is a continuous need—assistance that doesn't terminate just because the caregiver has passed on. If they outlive their caregiver, relatives with special needs still require:



ESTATE PLANNING

54% OF SPECIAL NEEDS CAREGIVERS expect to outlive their dependents.

BUT AN OVERWHELMING 2/3 do not have a special needs trust or even know what one is.

MANY SPECIAL NEEDS HOUSEHOLDS don't have adequate plans in place to ensure the continuation of financial support for their special needs relative.

Special needs trusts (SNTs) are an integral component in planning for the future care of an individual with special needs. Financial advisors and estate planners can become a client's trusted advocate by educating clients about the benefits and affordability of SNTs as well as options for implementation.

A specialized credential, like the Chartered Special Needs Consultant® (ChSNC®), teaches advisors when a SNT recommendation is ideal so you can confidently engage in a legal techniques conversation at the right time.

GENERAL FINANCIAL PLANNING

Digest for a moment these staggering statistics.



JUST OVER 20% OF SPECIAL NEEDS CAREGIVERS have a formal financial plan.

63% of those who do admit to not working with a financial services professional, even though

43% of them would like to.

84% OF THOSE WHO ARE INTERESTED IN WORKING WITH A PROFESSIONAL would prefer to work one who has specialized training like the Chartered Special Needs Consultant® (ChSNC®).

The survey delivers a clear message to advisors—special needs caregivers want and need expert help. Differentiate and stand out among peers with the only designation that signals you understand the complexities of Special Needs Families and can be trusted to manage their intricate financial needs. Increase your knowledge and confidence of specialized strategies, investment vehicles, and intricacies of this segment, as well as the opportunities they represent, by earning your Chartered Special Needs Consultant® (ChSNC®).