

**Integrated transition planning** for youth with disabilities creates a path to living a full, meaningful, and connected life as a community member. It means planning for what will change as your child becomes an adult. We know that every child is different, so every idea might not be right for your family. This fact sheet focuses on financial planning including public benefits, long-term care needs, legal tools and health care.

Financial planning is a key part of transition for every youth, even if your family has limited income or assets. It does not all have to be done at once, and the plan may change over time. But, starting this process allows your family to feel secure about your adult child's financial future.

### **Planning for Public Benefits**

Public programs, like Medicaid and Supplemental Security Income (SSI) are widely used to cover the costs of care for children and adults with disabilities. These programs, including the Children's Long-Term Support Program (CLTS) and adult long-term care programs like Family Care or IRIS require that the person is **Medicaid-eligible**. These programs are also "means-tested" so the person must have limited income and assets.

#### **Who Can Help?**

Most counties have Disability Benefit Specialists at their [Aging and Disability Resource Center](#) (ADRC) who answer questions and assist with public benefit applications and appeals.

#### **Tip for Families**

##### **Letter of Intent: A Tool to Let Others Know your Wishes After You Are Gone**

Financial planners recommend that families write a letter of intent. It's not a legal document—it is a practical way to communicate with the people in your child's life like caregivers, guardians, siblings and trustees. You can include your child's likes, dislikes, their abilities and interests. Most importantly, write your wishes and desires for them after you pass away. It's also suggested to add a reminder to your calendar to review this letter regularly. Learn More [Guide to Writing a Letter of Intent](#)

### **Employment and Eligibility for Public Programs**

Work Incentives Benefits Specialists advise your family and your youth who has a job or wants to work in the future how they can earn money and keep needed benefits. There are ways for families to get work incentives benefits counseling through the program that your youth is enrolled in:

- Division of Vocational Rehabilitation (DVR), the service can be added to the Individual Plan for Employment (IPE).
- Children's Long-Term Support, Family Care or IRIS, the service can be added to the Long-Term Care service plan.
- DVR and Long-Term Care are not an option, the [Work Incentives Planning and Assistance \(WIPA\)](#) program provides services at no-cost to people who have a job or are looking for work.

**Learn More:** Benefits and Work Training: [training.eri-wi.org/widhs-cie](https://training.eri-wi.org/widhs-cie)

Before Age 18 - Benefits and Working: [beforeage18.org/benefits-and-working](https://beforeage18.org/benefits-and-working)

## Financial Tools to Keep Eligibility

Special Needs Trusts (SNTs) and Achieving a Better Life Experience (ABLE) accounts are tools used to maintain a person's eligibility for public programs if a Medicaid or SSI recipient has income over the allowable level, assets over \$2,000, or is expected to receive money through an inheritance.

### Achieving a Better Life Experience (ABLE)

- ABLE accounts are special savings accounts that give people with disabilities and their families a way to save for future expenses without affecting their eligibility for SSI, Medicaid or other means-tested programs.
- Family and friends can deposit up to \$18,000 per year, adjusted annually. A total of \$100,000 can be deposited before SSI benefits are impacted. ABLE account funds can only be used for qualifying expenses like a person's living, working, transportation, direct support, healthcare, or other needs.
- Wisconsin does not currently have its own ABLE Program, however, recent legislation may establish one. Until that time, ABLE programs in other states that allow consumers from out-of-state to open accounts are an alternative for Wisconsin residents. See the Family Voices [ABLE Account fact sheet](#) and [ABLE National Resource Center](#) ([ablenrc.org](http://ablenrc.org))

### Special Needs Trusts (SNTs)

SNTs can be created for a youth or adult with disabilities. Assets in the trust are not counted toward Medicaid or other means-tested programs. Families can set up individual SNTs by working with attorneys or financial planners who specialize in creating first-party or third-party trusts.

- **First party trusts** are funded with the assets of the person with disabilities. For example, funds from a settlement from an injury, lawsuit or inherited funds. These trusts have a "Medicaid Payback provision," meaning that when the person passes away, the state Medicaid program can be reimbursed for expenses they covered during that person's life.
- **Third-party or community trusts** are funded with assets owned by people other than the person with disabilities, such as a parent or a grandparent, and do not have a Medicaid Payback provision.
- **Pooled Trusts** are another option for families. A nonprofit organization that administers trusts on behalf of many participants combines or "pools" the assets of many beneficiaries for investment purposes. Management and setup fees are usually less expensive than individually organized trusts. Wisconsin has two options for setting up pooled SNTs, **Wispect** ([wispect.org](http://wispect.org)) and **Life Navigators** ([lif navigators.org/trust-program](http://lif navigators.org/trust-program)).

**Learn More:** Special Needs Alliance: [Special Needs Trust](#)

Wispect: [What is a Trust?](#)

## Planning for Long-Term Care Needs

Your financial planning needs to include the direct care needs of your youth now and in the future. Learn about public programs like Family Care or IRIS that can pay for the direct care and support needs of adults with disabilities. To qualify for Family Care or IRIS, the person must be covered by Medicaid. Supplemental Security Income (SSI) is a common way for a person with disabilities to gain Medicaid coverage.

**Learn More:** Family Care: [dhs.wisconsin.gov/familycare/index.htm](http://dhs.wisconsin.gov/familycare/index.htm)

IRIS: [dhs.wisconsin.gov/iris/index.htm](http://dhs.wisconsin.gov/iris/index.htm)

## Plan to Support Decision-Making

Your youth's financial plans should also include thought about their ability to manage their own finances and make financial decisions, like signing contracts. For a young adult who may need limited support to pay bills, manage a bank account, or debit or credit cards a [Supported Decision-Making Agreement](#) or [Power of Attorney for Finances](#) may be good tools to consider. Families may choose to petition for [Guardianship](#) for a person who is not able to make informed decisions. This is the most restrictive tool for your youth and your family must think carefully about its benefits.

Learn more: Family Voices of Wisconsin: [Supported Decision-Making Fact Sheet](#)  
WI-Board for People with Developmental Disabilities: [Supported Decision-Making Toolkit](#)

## Health Care and Medical Planning

Finding and keeping healthcare coverage may not be top-of-mind for financial planning. However, at age 18 a person may qualify for new health plans and different coverage options. Current federal law allows parents to keep their youth on their private/employer plan until age 26, and some may be able to keep a child beyond age 26 if their insurance plan has a "disabled adult dependent" policy. More information can be found at [Questions Parents Are Asking about the Age 26 Mandate and Disabled Adult Dependents](#).

### Who Can Help?

Health coverage navigators at [Covering Wisconsin](#) offer free assistance to find the best insurance plan for you and your family members.

Health coverage options may include:

- **Medicaid:** A young adult may qualify for Medicaid. If they qualify for Supplemental Security Income (SSI), they will be enrolled in Wisconsin Medicaid.
- **Medicaid Purchase Plan (MAPP):** For youth who are working or want to work, the Medicaid Purchase Plan (MAPP) is another way to access Medicaid coverage. See [MAPP Consumer Guide](#).
- **HealthCare.gov:** Affordable health plans are available for those who may not qualify for Medicaid, with many policy options and networks to choose from. The open enrollment period typically runs from November 1 – January 15 each year.

## Do I Need to Work with a Professional?

Some families find that meeting with a financial advisor and/or an attorney can be very helpful. If you feel you need the help of a professional, we recommend finding one who has experience and is knowledgeable about special needs planning. Some professionals may offer reduced fee consultations or assist your family in a limited way if cost is a barrier.

Learn More: [Academy of Special Needs Planners](#)  
Special Needs Alliance: [Special Needs Attorneys in Wisconsin - SNA \(specialneedsalliance.org\)](#)

**\*\*Note:** Many of the tools and resources included in this fact sheet do not require a professional and can be completed on your own.

## INFORMATION AND RESOURCES

[familyvoiceswi.org/resource-library](http://familyvoiceswi.org/resource-library)

[integratedtransition.waisman.wisc.edu/resources](http://integratedtransition.waisman.wisc.edu/resources)



Learn more about transition planning on the Family Voices website

[familyvoiceswi.org/resource-library](http://familyvoiceswi.org/resource-library)



Each family has a voice. Together, our voices will be heard.

[familyvoiceswi.org](http://familyvoiceswi.org)