

Special considerations for beneficiary designations



Naming a loved one with special needs as a beneficiary could have an unintended impact on their eligibility for government benefits

After starting his new job, John was asked to name a beneficiary when he enrolled for his employee benefits insurance coverage. He and his wife, Mary, are proud parents of Sam, who has Down syndrome. Each month, Sam receives Supplemental Security Income (SSI) payments to help with his caregiving, occupational therapy and other related expenses.

John and Mary are concerned that naming Sam as a beneficiary could possibly jeopardize his eligibility for key means-tested government benefits, such as:



SSI



Medicaid



Housing assistance



**Supplemental
Nutrition
Assistance Program (SNAP)**

John and Mary are unsure how to properly protect the financial future of their son because many government benefits have strict asset and income limits.

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1-800-636-0324 Special needs and
caregivers plan for the future they envision.



Creating a plan to help protect Sam's future

John and Mary worked with a legal advisor to create a well-drafted special needs trust and named it as the beneficiary instead of Sam. The special needs trust is designed to receive the proceeds from John's employee benefits (or other assets) without compromising Sam's eligibility for government benefits. The funds in the trust can be used to help create the life John and Mary envision for Sam — even after they're gone.

John and Mary also began taking other steps to protect Sam's future, including:



Routinely reviewing all beneficiary designations and other estate planning documents.



Explaining to grandparents and other relatives, the potential downsides of well-intended gifts.



Speaking to their legal advisor to ensure other assets won't interfere with Sam's benefit eligibility.

Provided as an example only. Actual results may vary.

Taking the first steps

Like most parents, there are no limits to what John and Mary will do to protect their child's future.

Creating a plan for your loved one's future starts with meeting a specially trained financial advisor to learn the next best steps you should take today.

You can also start by visiting the Voya Cares website at voya-cares.com to learn more.

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