



As a parent of a child with a disability, you carry not only the daily responsibilities of caregiving but also the lifelong commitment to ensuring your child is safe, supported, and financially secure—long after you're gone.

That's why life insurance isn't just a financial tool—it's a piece of peace of mind.

Whether you're just starting your planning journey or revisiting your coverage, understanding your options is essential. Below are the key types of life insurance—**Group, Term, and Permanent**—with their advantages and drawbacks, especially as they relate to long-term planning for your child's future needs.

1. Group Life Insurance

What it is:

Coverage offered through your employer, usually at no or low cost, and often equal to 1–3 times your annual salary.

Pros:

- ✓ Easy and inexpensive (often free)
- ✓ No medical exam required
- ✓ Quick way to get some coverage in place
- ✓ Good supplement to a broader insurance plan

Cons:

- ✗ Typically ends when you leave your job
- ✗ Often not enough to fund long-term care or special needs trusts
- ✗ Limited options for customization or increasing coverage
- ✗ Not a substitute for a personal, portable policy

Why it matters:

Group life can be a helpful starting point, especially if you haven't yet secured individual coverage. But relying on it alone is risky—it may not follow you if you change jobs or retire, and the benefit is often too small to meaningfully support your child's long-term care needs. Think of it as a foundation, not the full plan.

2. Term Life Insurance

What it is:

A straightforward policy that provides a death benefit if you pass away during a specified time frame (e.g., 20 or 30 years).

Pros:

- ✓ Very affordable for large coverage amounts
- ✓ Simple to understand—pay a premium, get a benefit
- ✓ Ideal for covering high-expense years (e.g., mortgage, caregiving)
- ✓ Can be converted to permanent coverage in many cases

Cons:

- ✗ Expires after the term unless renewed or converted
- ✗ No savings or cash value component
- ✗ Premiums rise steeply with age or renewal

Why it matters:

Term life is a practical and affordable way to protect your family during critical years—especially when your child is still at home, dependent on your income, or your expenses are high. It can create a financial bridge to fund daily living, pay off debt, or contribute to a **Special Needs Trust**. It's also a smart step if you're not yet ready to invest in permanent insurance but want strong coverage in place.

3. Permanent Life Insurance

(Includes Whole Life, Universal Life, and Variable Life)

What it is:

Lifelong coverage that includes a savings or investment component, which grows tax-deferred over time.

Pros:

- ✓ Guaranteed death benefit as long as premiums are paid
- ✓ Builds cash value you can use during your lifetime
- ✓ Can fund a **Special Needs Trust** to protect benefits like SSI or Medicaid
- ✓ Valuable for long-term estate and legacy planning

Cons:

- ✗ Much higher premiums than term insurance

- ✘ Complexity—more moving parts, fees, and assumptions
- ✘ Early surrender can trigger fees or reduce value

Choosing the right type of life insurance isn't just about numbers—it's about **protecting your child's future in a way that aligns with your values and your reality**. As a parent of a child with a disability, you're planning not just for school years or college—but for an entire lifetime of support. Life insurance can be the cornerstone of that plan, providing the financial foundation for a **Special Needs Trust**, ensuring continuity of care, and offering peace of mind that your child will be safe, secure, and supported even when you're no longer here.

Start with what you can afford, review your coverage regularly, and work with a trusted advisor who understands the unique financial planning needs of special needs families. The steps you take today can offer lasting security for tomorrow.