

THE WALL STREET JOURNAL.

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[WEALTH ADVISER](#)

Special Planning for Special-Needs Children

By
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July 22, 2014 9:35 a.m. ET



Murray has completed numerous Ironman triathlons, including the Ironman World Championship in Kona, where he is pictured competing here raising money for the charity he started Orphans with Down Syndrome. *Finisher Pix*

When adviser Brady Murray's wife gave birth to their second child seven years ago, the couple was overjoyed.

Then, 10 minutes after the delivery, Mr. Murray's feelings of elation turn to shock. The couple's doctor had just taken him aside and explained that their newborn son Nash mostly like had Down syndrome.

"I was reeling," says the president of MassMutual Intermountain West, which has 41 advisers managing roughly \$1 billion in assets in Salt Lake City, Utah.

Mr. Murray knew he had to break the news to his wife. After he spoke with her, though, many of his fears about raising a child with Down syndrome quickly abated.

"She was loving and accepting, and said she couldn't wait to build a life with Nash," he says.



In 2007, Murray was blessed with a son who has Down syndrome, Nash, pictured here with his father. Nash inspired him to found and become president of Racing for Orphans with Down Syndrome (RODS Racing), a nonprofit dedicated to helping orphaned children who have Down syndrome find loving homes. *Photo: Murray family*

Like so many families who have a child with special needs, the couple began the important process of adjusting their financial plan.

Caring for such children in the first few years of their lives can be quite expensive, Mr. Murray says. For example, families may need to make their home wheelchair-accessible and pay for various therapies. Children with Down syndrome often need costly heart surgery.

Mr. Murray, whose firm specializes in working with clients with disabled or special-needs children, typically will tell parents in these situations to allocate 8% to 12% of their household budgets to pay for their children's care.

In Mr. Murray's case, he decided to allocate about 20% of his family's household budget to Nash's development and care. "Being in the advisory profession, I always want to plan for the worst," he says.

Allocating money for immediate expenses is only part of the planning for these families, he says. After a child with special needs is born, the parents may need to sell their stocks and bonds or tap retirement accounts much earlier than anticipated. And they'll have to make their money last a lot longer.

"You're no longer planning for your life and your time horizon. You need to plan for your child's," Mr. Murray says.

Parents need to carefully watch their spending and possibly scale back their current lifestyle and future dreams. "Maybe you don't take a vacation to Europe every year but you take a domestic trip instead," he says.

But Mr. Murray also cautions financially pressured parents against taking on more risk in their portfolios to generate more income.

To ease their emotional and financial burdens, he recommends that in some cases parents should set up a special needs trust for their children. It would enable the child to use the property held in the trust for his or her benefit while at the same time allowing the child to receive Supplemental Security Income and Medicaid benefits. Without a trust, the child could lose those benefits.

In addition, parents need to reshape their vision of retirement, Mr. Murray notes.

Unlike his two other children, Nash won't "leave the nest" when he legally becomes an adult. As a result, Mr. Murray, who is now 35, pictures a retirement with both Nash and his wife--which drives him to save as much as he can.

Part of the planning for that future also means gradually educating his other children about how Nash will need their help later in life when Mr. Murray and his wife pass on or are no longer capable of caring for him.

"A major aspect of their future responsibility will be to help care for him," he says.

In the meantime, Mr. Murray is committed to giving back. He and his wife founded Racing for Orphans with Down Syndrome, a nonprofit dedicated to helping orphan children who have Down syndrome finding loving homes.

Mr. Murray has completed various Ironman triathlons including the Ironman World Championship in Kona, Hawaii, to help raise money for the cause. So far, the charity has taken in over \$300,000 in about two and a half years and has helped 13 children get adopted.

"I know as a father of a son with Down syndrome that the biggest blessing is not the child getting a family. It's the family that's going to get that child--they'll receive the biggest blessing," he says.

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CRN201608-184979