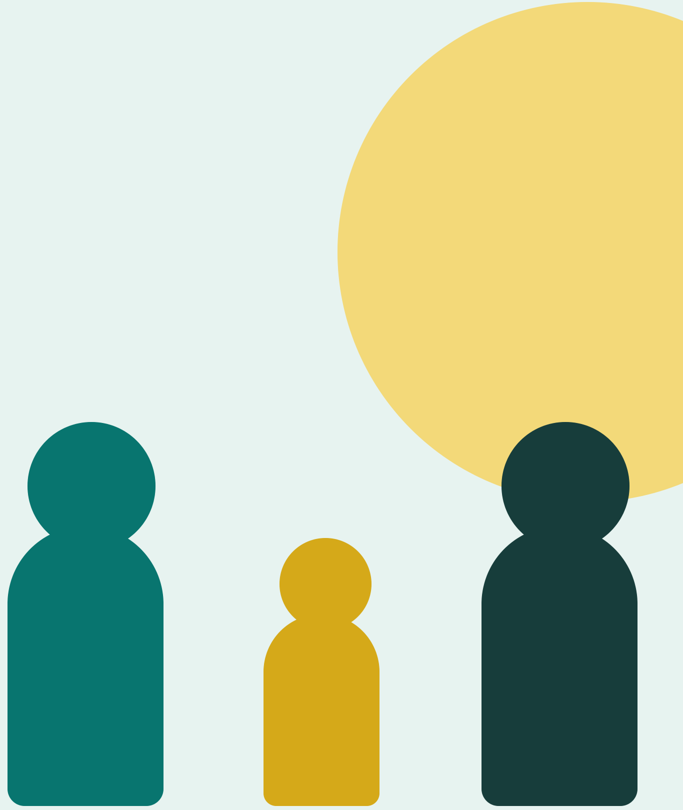
INSURANCEVILLA

PLANNING FOR A CHILD WITH A DISABILITY

Protect the life you're building around your child.

Caring is part of every day. Planning helps make sure the support, opportunities and security you want for your child can continue—for today, and for the years ahead.

✓ Plain-language guidance • Canadian families • No-obligation first conversation



> "The goal isn't to predict every need. It's to create a plan that can adapt with your family."

A coordinated plan can connect benefits, savings, insurance and estate documents.

A BETTER STARTING POINT

Important opportunities can be missed when every program is considered on its own.

Canada’s disability-related supports can overlap. Eligibility for one measure may unlock another, while family income, the dependant’s age and existing claims can affect the result. The right first step is a coordinated review—not a rushed product decision.

FOUR AREAS TO REVIEW

Support for today. Security for tomorrow.

See CRA disability resources →

START HERE

Disability Tax Credit

The DTC can reduce income tax and can also open the door to other federal programs. Eligibility is based on the effects of an impairment—not simply a diagnosis.

Official information →

ONGOING SUPPORT

Child Disability Benefit

A tax-free monthly benefit may be available when a child under 18 qualifies for the DTC and the family is eligible for the Canada Child Benefit.

Official information →

BUILD THE FUTURE

Registered Disability Savings Plan

An RDSP is designed for long-term financial security and may attract federal grants and bonds, depending on eligibility and family income.

Official information →

AT TAX TIME

Caregiver & medical expense credits

Families may be able to claim eligible medical expenses and caregiver amounts. The rules interact, so careful records and professional advice matter.

Official information →

Program rules and amounts change. Links above lead to current Government of Canada information.

YOUR FAMILY’S PLANNING PATH

From scattered details to one coordinated strategy.

A focused conversation can help identify what is already working, where gaps may exist and which professionals should be involved.

✓ Map current benefits, tax measures and savings

✓ Review life and disability insurance around the caregivers

✓ Coordinate beneficiary designations with the Will and any trust

✓ Build a clear action list for your legal and tax advisors

01 **Understand**
Your child’s needs, current supports and long-term vision.

02 **Coordinate**
Tax, RDSP, insurance and estate-planning conversations.

03 **Protect**
The people, funding and instructions your plan depends on.

04 **Review**
Update the plan as your child, family and programs change.

WHEN PARENTS CAN NO LONGER PROVIDE THE CARE

Plan the inheritance—and the people around it.

Your compiled article raises the question many families carry quietly: **“How will my child be supported when we are gone?”** The answer is not one account or one insurance policy. It is a coordinated legal, financial and human plan.

> **Ontario focus:** ODSP policy recognizes absolute discretionary or “Henson” trusts, but the wording and administration matter. Other provinces and territories may treat trusts and disability benefits differently.

01

Draft both parents’ Wills carefully

Do not rely on standard clauses. The Will should coordinate the inheritance, trustee powers, alternate decision-makers and the family’s wider estate plan.

02

Choose the trustee for the job

The trustee may need to manage money, understand benefit rules, keep records and make sensitive discretionary decisions for many years. Name capable backups.

03

Name guardians for minor children

Discuss the appointment with an estates lawyer and with the people being considered. Caregiving and money management do not always need to be assigned to the same person.

04

Consider a discretionary trust

In Ontario, a properly drafted Henson trust may allow assets to be held without a capital limit under ODSP asset rules because the beneficiary cannot compel payments.

05

Direct insurance to the right destination

Insurance can provide reliable funding, but naming the child directly may undermine the intended benefit protection. Coordinate policy beneficiaries with the Will and trust.

06

Write a letter of intent

Record routines, relationships, communication, health information, values and hopes. It is not a substitute for legal documents, but it helps future caregivers understand the person—not only the finances.

Ontario ODSP: funds held in trust → **Ontario ODSP eligibility and assets →**

WHY INSURANCE MATTERS

Government programs are part of the plan—not the whole plan.

Insurance can help create dependable funding if a parent or caregiver dies or becomes unable to work. The amount, ownership and beneficiary structure should be coordinated with legal and tax advice so it supports—not disrupts—the family's broader plan.

COMMON QUESTIONS

Start with the questions families ask most.

Every family is different. These answers are general and a professional should review your specific circumstances.

Does a diagnosis automatically qualify my child for the DTC?

No. CRA eligibility focuses on how a severe and prolonged impairment affects everyday functioning, and a medical practitioner must certify the relevant information.

Can a parent use an unused disability amount?

In some circumstances, an unused disability amount may be transferred to a supporting family member. A tax professional can help determine whether the conditions are met.

Is an RDSP only for wealthy families?

No. Depending on family income, a beneficiary may qualify for a Canada Disability Savings Bond even without personal contributions, while grants may match eligible contributions.

Should I leave an inheritance directly to my child?

Not without individualized legal advice. A direct inheritance can affect means-tested disability benefits. In Ontario, a properly drafted absolute discretionary or “Henson” trust may help preserve ODSP eligibility, but the Will, trustee powers and distributions must be structured and administered carefully.

What is a Henson trust?

It is a fully discretionary trust in which the beneficiary cannot demand payments or control the trust property. Ontario ODSP policy recognizes this type of trust without a capital limit for asset-testing purposes, but payments may still affect income support unless an exemption applies. Provincial treatment differs, so use a lawyer experienced in disability and estate planning.

Can life insurance fund the long-term plan?

Yes. Life insurance can create funding at a parent or caregiver’s death, including funding directed to a properly drafted trust. Ownership, insured lives, beneficiary wording, premiums and trustee responsibilities should be coordinated with the Will and reviewed by legal and tax professionals.

What should I prepare before an advisor conversation?

Bring a list of current benefits and insurance, the child’s DTC status, existing savings plans, your Will and trust arrangements, and the names of your legal and tax advisors.

YOUR INSURANCEVILLA ADVISOR

RPV

Rolando Puerto Villa

Life, Health & Insurance Agent
Well Guard Insurance Brokers

Let’s turn concern into a clear next step.

Book a no-obligation conversation to review the protection side of your family’s plan and identify the questions to take to your tax and legal professionals.

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