



# RETIREMENT REPORT

Your Guide to a Richer Retirement

VOLUME 33 | NUMBER 4 | APRIL 2026 | \$5.00



## How to Make Your Money Last for Decades

Parents of children with disabilities must plan for retirement and years beyond

**> JOANNE DE SIMONE HAS TWO GROWN** sons with disabilities. Her older son, Benjamin, 27, is medically fragile and lives at home. Her younger son, Sebastian, 23, is on the autism spectrum and is in a non-degree inclusive college program out of state. Because of her sons' needs, De

**BY JACLYN  
GREENBERG**

Simone, 59, must carefully plan for her own retirement as well as for her children's futures.

"I've said to the support coordination agency we're working with that if my husband John, 61, and I drop dead tomorrow, you have to make sure Benjamin gets into [a good medical facility]," says De

Simone, who lives in West Orange, N.J., and is the author of the book *Fall and Recovery: Raising Children with Disabilities through Lessons Learned in Dance*.

To ensure both of her sons are well cared for, De Simone and her husband must plan for long-term financial support and identify who will oversee their needs once she and her husband are no longer able to do so. "I need to do more research, so I can figure out what isn't covered and what Benjamin's financial needs will be so I can divide the money accurately between the boys."

Nearly 1 million households in the United States have an adult with intellectual and developmental disabilities who is supported by an aging caregiver, according to Medicaid.gov.

"Financial planning [when you have a child with disabilities] is retire at roughly 60, hopefully live till 90 or beyond, pass away and then have another 30, 40 years or however long we need for our loved one with disabilities to have supports if they also have a long lifetime," says Nick Wallace, a financial adviser specializing in special needs planning with Northwestern Mutual. He got into the business because he saw the need in his family's planning for his brother, Aaron, 33, who is disabled and needs full-time care as a result of traumatic brain injury.

You don't have to have disabled children to need your money to last a very long time after your retirement. Healthier lifestyles and better medical care has made traditional financial planning irrelevant to extreme

## IN THIS ISSUE

### INVESTING

8 | Hybrid target date funds

### TAXES

10 | Gold and precious metals

### INFORMATION TO ACT ON

14 | Medicare trust fund running out ... Wealthy Boomers ... Coffee may ward off dementia ... Americans living longer

### COLLECTIBLES

20 | What's your collection really worth?

### POV

22 | How guys make and lose friends

longevity. The number of centenarians, people 100 years old or older, is expected to quadruple by the 2050s to more than 400,000. That's up from only about 2,300 in 1950.

People with long life expectancies can learn from the families who have long had to save and plan to care for disabled children. Beyond special programs and plans designed for people with disabilities, these families have also figured out how to structure their basic finances so that their money lasts for decades.

### Structure your accounts

Parents of disabled children often rely on government support, such as Medicaid and Social Security, to help cover basic cost-of-living expenses, such as food and housing. But having

money to pay for just the basics often isn't enough.

To qualify for that government support, an individual with a disability typically must have less than \$2,000 in their name.

Jason Miller, executive director of Plan NJ, a nonprofit that helps families plan for their disabled child's future, explains that a special needs trust allows individuals to continue receiving necessary life-saving benefits, while also supporting a robust quality of life.

"It ensures that funds remain available to provide a standard of living that includes not just essentials, but also personal enrichments like travel and recreation," says Miller.

Trusts, in general, can be put in place to protect

#### EDITOR

David Crook

#### SENIOR EDITOR

Elaine Silvestrini

#### ART DIRECTOR DESIGNER

Will Tims Eva Garis

#### CONTRIBUTING WRITERS

MP Dunleavy, Jaclyn Greenberg, James R. Hagerty, Martha McCully, David Rodeck, Bob Sipchen, Robert H. Yunich

#### EDITORIAL OFFICES

130 West 42nd Street, 7th Floor  
New York, NY 10036  
retire@kiplinger.com

facebook.com/KiplingerPersonalFinance

#### SENIOR VICE PRESIDENT, MAGAZINES, SUBSCRIPTIONS & EVENTS

Joel Griffiths

#### MANAGING DIRECTOR

Shaun Inglethorpe

#### VICE PRESIDENT, SALES

Steve Friedman  
steve.friedman@futurenet.com

#### EDITOR EMERITUS

Knight A. Kiplinger

#### SUBSCRIBER SERVICES

##### Online:

service.kiplinger.com

##### Email:

KRRservice@kiplinger.com

##### Write:

P.O. Box 37234,  
Boone IA 50037-0234.

#### REPRINT SERVICE

Adcetera

Telephone: 713-522-8006  
Kiplinger@adcetera.com

#### KIPLINGER RETIREMENT REPORT

(ISSN# 1075-6671) is published monthly; \$59.95 for one year; \$114.90 for two years; \$169.85 for three years. Visit us at www.kiplinger.com.

Copyright © 2026 by Future US LLC  
130 West 42nd Street, 7th Floor,  
New York, NY 10036  
Periodicals postage paid in New York, NY,  
and additional mailing offices.

POSTMASTER: Send address changes  
to Kiplinger Retirement Report,  
P.O. Box 37234, Boone IA 50037-0234.

FUTURE  
PLC

Kiplinger is part of Future plc, an international media group and leading digital publisher. Visit our corporate website at futureplc.com.

loved ones, explains Casey Hayden, a wealth and investment adviser in Plymouth, Minn. This holds true regardless of whether you have a child with a disability. For example, parents and grandparents can use trusts during retirement to help with tax minimization, provide them with cash flow and organize monetary gifts, among other things.

“They also give the person who is setting up the trust the ability to pass [money] along from generation to generation without question,” says Hayden.

While trusts are useful in certain situations, such as when you have a large estate, they can also complicate access and unnecessarily tie up assets, explains Hayden. “If most assets are in a retirement plan, bank account, and a residence, there are other [ways] to protect [those assets], outside of a trust. Simplicity and keeping everything in one spot make decisions and deviation, if needed, easy.”

## Ways to save

Funding a special needs trust can be difficult, but investing in other types of assets can help. For example, adviser Nick Wallace’s mother, Carolyn, 69, who lives in Richmond, Ky., established a plan with a range of supports for her disabled son, Aaron.

“We set up a special needs trust, along with life insurance and investment strategies, that are designed to provide our son with the best care and the most supportive housing situation, as determined by his guardian and his medical team after we have passed or have become unable to skillfully manage his care,” says Carolyn.

“We [want to make sure] his treatment plan will be on target for not only meeting his needs but also providing him the best opportunity for achieving/sustaining his peak wellness,” she says.

Parents and grandparents can consider various types of life insurance, including term, permanent, and

---

## FROM THE EDITOR

**AMONG MY PLEASURES AND WOES** as editor of the *Retirement Report* are the letters I receive from readers.

Any note is a note worth reading, and I’d prefer, of course, if every letter was written to tell me what a great job I’m doing. But that’s not the case. Most are critical. While most of those are thoughtful and reasonable, some letters are neither, and a few, very few thankfully, are downright rude.

I try to answer every reader letter. I confess I’m less inclined to engage with the rudest or least reasonable writers.

But I enjoy responding, sometimes at considerable length, to those who make a good case, even if I think they are wrong. I sometimes end up in lengthy email conversations with some readers as we swap back and forth our points of view and arguments.

One area that’s generated a lot of reader response has been our ongoing coverage of problems surrounding Medicare, Medicare Advantage and health care in general.

A reader in Minnesota took issue with a story in our March Information to Act On section: “Medicare Advantage works, and works quite well. Not always, and there will be abusers, but your readers couldn’t know that from the article as written.”

Another reader, a soon-to-retire medical professional,

on our December cover story about federal cutbacks on medical research: “People need to have a better understanding as to how we are all affected by the loss of medical grants, layoffs of related personnel and these recent overreaching budget cuts.”

Finally, there was this note from a reader most disturbed by my July letter in which I wrote about my late mother and her dependence on Medicaid, which was then about to be severely cut by Congress: “I’ve had about all I can stand from your biased perspectives ... Your latest bias on Medicaid ignores the data so that you can push a one-sided point of view.” Needless to say, I wrote a lengthy, data-laden response.

This small sample is two negatives to one positive. That’s a bit generous. The actual count is probably closer to four to one. But that doesn’t really bother me. Readers, like too many parents or bosses, are often far quicker to criticize than to praise. *C’est la vie.*

See you next month.



**David Crook**

Write to me at [retire@kiplinger.com](mailto:retire@kiplinger.com).

Please put “To the editor” in the subject line.

second-to-die policies. Each family needs to determine which tools work best for their own situation.

As people age, they sometimes shift their investments to accounts with lower risk. But it may make sense to invest some financial assets more aggressively, Nick Wallace explains. “We invest some of the money with the child’s time horizon as opposed to all of it with the parent’s time horizon.”

And everyone who is near or in retirement, whether they have a child with a disability or not, needs to understand their cash flow needs. Hayden says to tailor your investment strategy to your cash flow needs rather than working around market trends.

One woman, who asked to be identified only by her initials, A.G., because she wants to keep her finances private, is the trustee for her older brother, who has a behavioral disability. “He has trouble keeping relationships, has trouble keeping jobs and is very prone to going into debt,” says A.G.

A.G.’s father set aside money before he passed, so A.G.’s brother would have supplemental income. A.G. manages those assets. She set up a monthly amount to be

distributed to her brother, similar to a salary. The remaining funds are invested, so the principal is protected.

“The whole thing is based on trust, trusting that your trustee will find the way to preserve the principal [and] still provide the maintenance. Of course, if [my brother] had... some catastrophe where he needed a larger sum, I could, of course, raid the corpus of the trust to pay for that,” says A.G.

Parents and grandparents should review all available resources to understand their options and identify additional ways to save on current and future expenses. For example, Katie Kastberg, 56, of Lakeville, Minn., has two children, and she and her husband Randy are both retired. Their son, Keaton, 26, has autism, is non-verbal, lives with his parents and attends a day program three days a week.

When Keaton was born, Randy, 57, a disabled veteran who worked in finance, set aside money for college and their son’s wedding. When Keaton received his diagnosis, they moved all of Keaton’s savings to a special needs trust. Keaton and his parents have life insurance policies, which they’ve made smaller as they’ve

## TIPS TO MANAGE RETIREMENT AND CARE FOR A DISABLED CHILD

- **Prioritize your retirement funds.** Financial planning for your disabled child is important, but you have to put on your own oxygen mask first.
  - **Review your investment strategy.** Consider investing in more aggressive funds, since your money has to last. Work closely with a financial adviser before making any big decisions.
  - **Set up and fund a special needs trust.** A special needs trust may help provide a disabled child with assets while maintaining eligibility for government assistance. Funds set aside for the child to inherit should be in the name of the special needs trust (not in the name of the child with disabilities).
  - **Consider long-term care insurance.** Whether you have a disabled child or not, your retirement savings can be drained quickly by an unexpected medical emergency.
  - **Create a team of support.** Think about who will help carry out your requests once you’re gone, whether it’s a same-age sibling, one of your children or a paid consultant. Consider organizing a group of people who are familiar with your disabled child, so you all have peace of mind.
  - **Research before relocating.** Learn how government benefits vary from state to state.
  - **Regularly review.** Consistently monitor your plan, especially when there is a significant change, such as a birth or death in the family or a change in the tax laws.
  - **Use your resources.** Planners and some nonprofits, such as The Arc (<https://futureplanning.thearc.org>), can offer programs to help parents of children with disabilities manage their finances.
- Note:** Everyone’s situation is different. Consult a financial planner before making any significant financial decisions.
- J.G.

aged because their other assets have grown.

Because of Randy's veteran status, his son receives a monthly stipend from the Veterans Administration which is set aside and will eventually transfer to a special needs trust. Since Keaton is disabled, he will also be able to receive any remaining military retirement funds after both of his parents are gone. They also have benefits for Randy and Keaton's end-of-life costs.

Another option is to purchase long-term care insurance. "Chronic conditions can have a devastating impact on a family's financial well-being," says Frederick M. Misilo Jr., an attorney in Massachusetts. "Medical science is keeping us alive, but with [an] increased need for support in everyday activities of daily living."

"We want to make sure that the half a million or a million dollars we put aside, intending to give to our child to support them for the rest of their life, isn't eaten up by six years in a nursing home," says Earl Pedersen Jr., a special needs financial adviser in Branchburg, N.J. The youngest of Pedersen's four children is now 35 years old, has a developmental disability, and lives with his parents.

### Finding the right manager

Aging parents of a child with disabilities often worry about who will manage their children's accounts when a parent is no longer around. "You work all your life to get these benefits arranged for your child, get them situated and then, if you don't have the point people involved in maintaining those benefits, you could very quickly lose those [them]," says Miller, the executive director of the nonprofit, Plan NJ, that helps families plan for their disabled children's futures.

De Simone listed her and her husband's siblings to take over the finances for their son. But their siblings are older than De Simone and her husband, so they need to find younger caregivers to help as well.

"You have to have backup to your backup," says De Simone. "I'm watching the next generation of the family to determine who we can add to the will so that if people are dying off, I don't have to worry about it."

Same-age siblings of a disabled child may be next in line to help out. But that can put unnecessary pressure on them. "A lot of times, parents don't want to burden their other child with the responsibility of taking care of their sibling and just want them to be a sibling," says

Miller. "In that case, then you have to look outside of that family unit. And then there are professional organizations that can do this."

The more people supporting the individual the better, says Misilo. A trust advisory committee, or a group of people familiar with the child with disabilities, can relieve a sibling of that burden and loop in a group of people familiar with the disabled child. This group should be established before the parents pass, to get to know one another before they have to take action.

Including neutral parties in the process benefits all families, whether they have a disabled child or not. "When everything is centralized and a team is in place, loved ones aren't forced to dig through files, guess at intentions or coordinate strangers in the middle of a

crisis," says Hayden. "They can do what matters most: show up, support one another and simply be family."

### Location matters

Government assistance may be available for adults with disabilities, but the rules are complicated and can vary significantly depending on the state. That's something to consider before moving to another state.

If you're considering moving, it might not make sense, even if the cost of living in the new location is less, explains Pedersen, the special needs financial adviser in Branchburg, NJ. "You have to take into account the difference in benefits and services that are going to be available to your child outside of a state [for example] like New Jersey, which has very good services," he says.

"There are states like California, New York, and a handful of others that have extremely robust government benefit systems, and then there are states like Florida [and] Texas... that do not," says Wallace. "And that can impact how much needs to be saved."

Pedersen recommends reviewing plans with a financial adviser at least once a year, if not more often, especially when there is a significant change in the family, like the birth of a new baby, a death, a change in a beneficiary designation or a tax law change.

"Without constant monitoring and updating, your plan can really become obsolete," says Pedersen. "You can fall off the path you're on [that's] taking you from where you are today to where you want to go in 5, 10, 15, 25 years." ■

**Aging parents of a child with disabilities often worry about who will manage their children's accounts when a parent is no longer around.**