

Top 10 Questions From March's Webinar ABLE Program Spotlight: Making The Most Of Your Able Account With The National Able Alliance

1. I was born with a disability that is listed under SSDI but am able to work. I have never received any state or federal benefits. Can I open an ABLE account?

Perhaps. A person can request a disability certification signed by a licensed physician, a M.D. or a D.O., stating that the individual's disability meets the "marked and severe" functional limitations standard stated in the ABLE statute and that the disability occurred prior to their 26th birthday. If you meet both requirements, you are eligible to open an ABLE account. The [Road Map to Enrollment](#) walks people through the eligibility and online enrollment process that averages ten minutes.

2. When my family goes on vacation, can I take money from my account for my expenses?

Expenses would need to be Qualified Disability Expenses (QDE). If a person has costs during the vacation that are associated with a disability it would be acceptable. For example, the cost for ADA compliant lodging, or an aide for health needs, special transportation due to your disability, or if the vacation is designed specifically for people who have a disability, those costs would qualify as QDEs. There is an [archived webinar on Qualified Disability Expenses](#) that goes into more detail.

3. What's the difference between an ABLE account and a Special Needs Trust? Can a Trust (which was set up by a parent) be used to fund an ABLE account?

A Special Needs Trust is managed by an administrator who determines what expenses will be paid directly, as defined by the trust. Although trusts may pay for the purchase of a home, they are prohibited from paying for ongoing housing expenses. Funds from a Special Needs Trust (SNT) may be deposited directly into an ABLE account. The ABLE funds can pay for Qualified Disability Expenses including housing expenses such as property taxes, maintenance, utilities and mortgage or rent. The archived webinar, [ABLE Accounts and Special Needs Trusts](#), reviews how a SNT and an ABLE account work together to support individuals with disabilities.

4. What are Qualified Disability Expenses and how are distributions made to the account holder without the checking/debit option?

Qualified Disability Expenses (QDEs) fall into broad categories and must relate to the designated individual's blindness or disability, must be for the benefit of that person, and must relate to maintaining or enhancing his or her health, independence or quality of life. They may include expenses for items for which there is a no medical necessity or expenses that may provide benefits to others in addition to the benefit to the eligible individual. They may include: education, housing, transportation, employment training and support,

assistive technology, personal support services, health care expenses, financial management, and basic living expenses. There is room for expanding the list with documentation. For example, a youth's Individual Education Plan could outline the need for the person to learn socialization skills when dining in the community; in that case, restaurant meals for the ABLE account owner would be a QDE. A physician could indicate that a vacation at a health facility is indicated. It is recommended that written documentation that supports an expense for an ABLE account owner be held on file with corresponding receipts for the calendar year. Annual files need to be kept for three additional years in the event of an audit.

QDE's can be paid for with funds withdrawn from ABLE. It is easier to track transactions when the purchases are made with a debit card or a check from the ABLE savings account. You may find the [Case Summaries](#) helpful in further clarifying how disability and public benefits interface with ABLE:

5. Where should the yearly contributions be reported on the SSA Annual Representative Payee Report?

You can find information about the Representative Payee program and required accounting on the Social Security website at [when people need help managing their money](#). As a best practice, it is recommended that SSI recipients continue to pay for their housing and food expenses from their SSI. Extra SSI can then be saved within ABLE.

6. I put my money into multiple investment options because I am both saving for long term and short term expenses. Am I paying more asset based fees by putting my money into multiple investment options? What are differences and similarities between ABLE account and a Money Market account?

There are fees associated with using an ABLE savings and/or investment option. The fees are different for each type of account. The investment accounts could potentially grow over time or could lose value based upon stock exchange performance. The [webinar on investments](#) may help you better understand investment options.

7. Are investment options and fees the same for all 16 states?

Fees across the National ABLE Alliance are quite different. The [ABLE NRC website](#) offers a [tool](#) for comparing state plan fees, investment options, checking and debit, tax deductions and credits and other unique characteristics.

8. How can I transfer money from my regular bank account to able account?

ABLE accounts have routing and account numbers just as checking accounts do. Contributions from another checking account may be electronically transferred directly into an ABLE account. The webinar [Strategies for Funding an ABLE Account](#) can help to expand options for contributions made directly into an ABLE account:

9. Can both parents manage the account?

Yes, multiple people can be identified to help with managing an ABLE account. If the account owner is an adult with capacity, he or she can complete Power of Attorney (POA)

forms to grant both parents access to the account. Once you have selected the state ABLE plan, contract the state plan directly during the process of opening the account online. Forms will be provided for naming account managers and beneficiaries too. See [How Do I Enroll](#) for more information.

10. What happens to the balance of funds in an ABLE account if the account holder were to pass away? Is there a recovery program through their specific state when the individual receives SSI and Medicaid Waiver services?

It is important to remember that outstanding qualified disability expenses and expenses for funeral and burial expenses can be paid for from an ABLE account. The state of residence may choose to impose Medicaid pay back for any Medicaid expenses since inception of the ABLE account but the amount will be reduced by any premiums paid in a Medicaid buy in program in that state. Some states have waived the Medicaid pay back provision for their residents. Those states to date are California, Kansas, Illinois, Maryland, Pennsylvania and Oregon.

A beneficiary can be named for any remaining funds in an ABLE account. Please see the [guidance from the Center for Medicare and Medicaid Services \(CMS\)](#).