



NATIONAL RESOURCE CENTER
ACHIEVING A BETTER LIFE EXPERIENCE ACT



Opening an ABLE Account: Key Decisions for Success

Thursday, August 8, 2019

2:00 pm – 3:00 pm ET

The ABLE National Resource Center is funded through a grant from Prudential.

The ABLE National Resource Center

The ABLE National Resource Center (ABLE NRC) is the leading, comprehensive source of objective, independent information about federal- and state-related ABLE programs and activities, including guidance on tax-advantaged ABLE savings accounts.

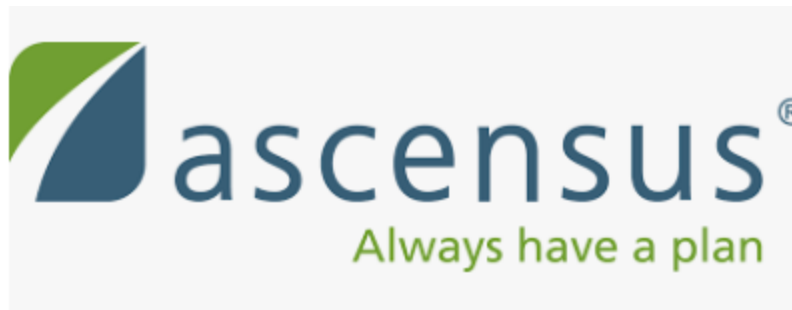
Our mission is to educate, promote and support the positive impact ABLE can make on the lives of millions of Americans with disabilities and their families.

Our pioneering work in this area and subject matter expertise makes us the foremost authority on topics related to the Achieving a Better Life Experience (ABLE) Act, ABLE accounts, state ABLE programs, ABLE-related policy developments, and comprehensive integration of ABLE and financial capability strategies for people with disabilities into public service delivery systems.

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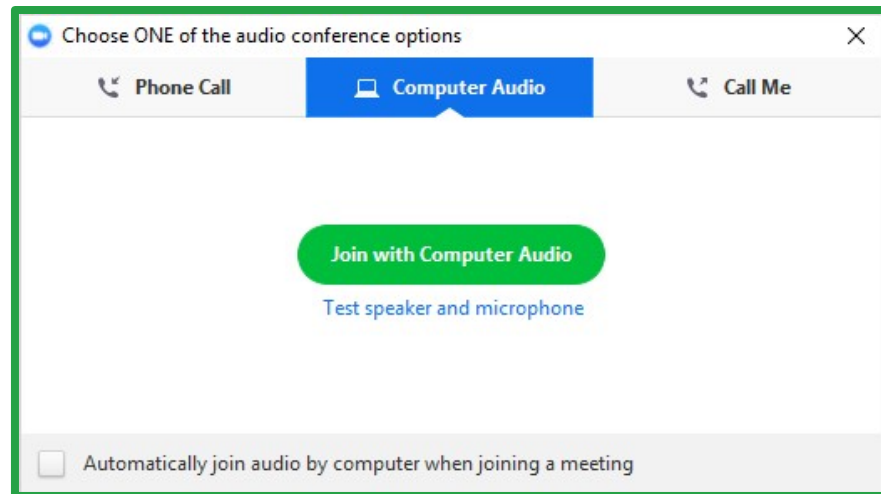
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
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Submitting Questions

- **Please use the Q&A** box to submit any questions you have during the webinar. We will try to answer all questions.
- Please explore the ABLÉ National Resource Center website for answers to all of your questions and for additional information within our archived webinars, resources and newsletters:

www.ablenrc.org

Technical Assistance

- If you experience any technical difficulties during the webinar, please use the chat box to send a message to the NDI Host, or you may email: amilioto@ablenrc.org.

Please note: This webinar is being recorded and the materials will be placed on the ABLE National Resource Center website, along with all of our other ABLE webinars, at ablenrc.org/webinars.

Facilitator and Presenters

Facilitator

- Miranda Kennedy, Director, ABLE National Resource Center

Presenters

- Marlene Ulisky, Manager Financial Empowerment, National Disability Institute
- 2019 ABLE NRC Ambassadors/ ABLE Account Owners and Family Members
 - Taylor Carty, Student and Working-Age ABLE Account Owner
 - Denise Gehringer, Parent of an ABLE Account Owner



Agenda

- What is #ABLEtoSave Month?
- ABLE Account Eligibility
- Choosing an ABLE Program and Opening an Account
- Savings and investing options
- Best practices, next steps and resources
- Questions



What is #ABLEtoSave Month?



#ABLEtoSave Month

- #ABLEtoSave month is a nationwide awareness campaign taking place in August.
- The goal is to provide information about Achieving a Better Life Experience (ABLE) accounts, so that individuals with disabilities and their families become knowledgeable and comfortable enough to open an ABLE account through the state program of their choice.
- This year, we promoted our #ABLEtoSave Video Contest in the month of July as part of the national campaign. Our winners will be announced at the end of the month. We will hear their ABLE goals and the top three will receive cash prizes in their ABLE accounts to help them achieve their ABLE goal!

#ABLEtoSave Month (continued)

- Weekly webinars held every Thursday in August from 2:00-3:00pm ET will provide ABLER information and resources to target audiences, which include eligible individuals who receive benefits along with those who do not receive benefits, family members and their supporters.
- We are spreading the word via Twitter and Facebook to maximize the nationwide reach of this campaign.



Weekly #ABLEtoSave Webinars

The webinars will help to increase your understanding of ABLE accounts.

Register early!

- August 15: ABLE Best Practices and Action Steps for Family Members and Supporters (Circle of Support) ([REGISTER](#))
- August 22: ABLE Best Practices for Working-Age Adults ([REGISTER](#))
- August 29: Celebrating All the Ways You Are ABLE: Announcing Winners from the #ABLEtoSave Video Contest and Next Steps! ([REGISTER](#))

ABLE Account Eligibility



Who is Eligible to Open an ABLER Account?

- An ABLER account is a Section 529A tax-free savings account owned by a person who has a qualifying disability that began before the age of 26. In order to qualify, an individual must:
 - Receive Supplemental Security Income (SSI) and/or Social Security Disability Insurance (SSDI) benefits,

or
 - Not receive SSI or SSDI benefits, but have a disability certification from a licensed physician (MD or DO) that indicates a qualifying physical/mental disability or blindness that results in marked and severe functional limitations which has lasted, or can be expected to last, for at least 12 continuous months or results in death.
 - If you do not have a disability certification, you can request one from your physician.



Why Save in an ABLER Account? *(Slide 1 of 3)*

- Millions of individuals with disabilities and their families depend on a variety of public benefits for income, health care, food and housing assistance. You can maintain eligibility for SSI, Medicaid, SNAP and other federally funded public benefits while saving and accepting contributions to your ABLER account.
- There is a resource limit of \$2,000 for most means-tested benefits. The first \$100,000 in an ABLER account is disregarded by the SSI program. Other means-tested benefits programs do not count ABLER savings as a resource.
- The SSDI program is not a means-tested benefit program.

Why Save in an ABLE Account? *(Slide 2 of 3)*

- Contributions which are not due to the ABLE account holder are not counted as income.
- The funds in an ABLE account supplement, but are not meant to replace benefits provided by private insurance, Medicaid, SSI, the beneficiary's employment and other sources.
- There are ABLE account tax advantages:
 - The account income grows tax free.
 - You may qualify for tax credits for saving.
- Saving in an ABLE account can provide for a more secure future.



Why Save in an ABLER Account? *(Slide 3 of 3)*

- Saving in an ABLER account can complement a Special Needs Trust (SNT).
 - ABLER NRC and the Special Needs Alliance (SNT attorneys) worked in partnership to develop an **ABLE account, SNT, and Pooled Trust Comparison Chart** that can be found here:
<http://ablenrc.org/sites/default/files/docs/events/ABLEAccountSpecialNeedsandPooledTrustComparisonChartFINAL.pdf>
 - An archive of the presentation on ABLER accounts and SNTs is located here:
<http://ablenrc.org/events/able-accounts-and-special-needs-trusts>



Roadmap to ABLE

The Road Map to Enrollment

1. What Is ABLE?
2. Who Is Eligible?
3. How Can Funds Be Used?
4. How Do I Manage My Account?
5. How Do I Enroll?



Choosing an ABLÉ Program and Opening an ABLÉ Account: Key Decisions for Success



Opening the Account

- An individual may have only one ABLE account.
- The ABLE Account is owned by the person with a disability and is opened in the name of the individual who has the qualifying disability.
- An ABLE account may only be opened by the individual with a disability. If he or she lacks capacity, an agent who has power of attorney, a parent (if the individual is under age 18), or a legal guardian may open the account.
- Once the state ABLE program is selected, **open the account through the State program website.**

Opening the Account *(Continued)*

- The ABLE account may be opened in **any state** so long as the individual meets a residence requirement, if there is one.
- Online enrollment takes less than 10 minutes.
- If you later find another ABLE program better suited to your needs, you may rollover the funds in your account to a new state account if they have an ABLE program—most states do. There may be a fee.
- If you relocate, you are not required to rollover or move your account to a new state, but you can if you choose to do so.

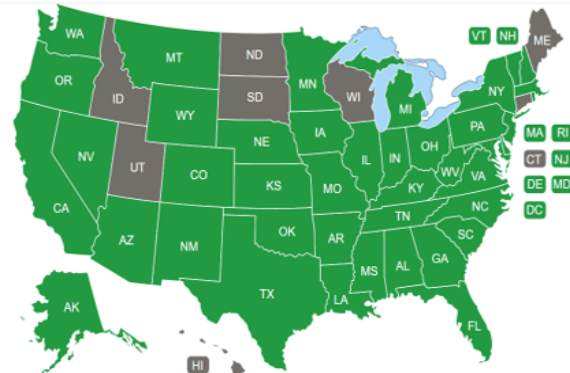


ABLE Programs

- You can find state program details by clicking on a particular state from the map or from the listing of states at: <http://www.ablenrc.org/state-review>
- You may also use the “Tool that compares state programs” link to see programs which offer a debit card, and/or State income tax deductions or credits.
- Once you have selected the state plan of your choice, click on the program website to be directed to the state ABLE program enrollment page to open the account.
- The following information is entered for the individual and for the individual assisting them:
 - Name, address and other contact information
 - Date of birth and Social Security number
 - Bank account Information
- You will choose how you want your money saved or invested.

Choose the ABLE program that's right for you!

Click on one of these states to get their program details. You can also use our [tool that compares state programs](#)



Checklist of Things to Consider *(Slide 1 of 3)*

Opening an ABLE Account – first things to consider:

- ✓ Is there an ABLE program in my home State? Always check this first and be sure to take into consideration your home state's program when reviewing your options.
 - ✓ Is there an ABLE State-level income tax deduction in your state for contributions made into an individual's ABLE account? This will not matter if your states does not collect state level income taxes!
 - ✓ Is there a “Medicaid Payback” provision and if so, has it been waived or is it even important to you?
 - ✓ **IMPORTANT:** The above two provisions only apply to individuals residing in that state in most cases.*
- ✓ If looking at an ABLE program that is not in your home State, does the state offer enrollment to out of state residents?



Checklist of Things to Consider *(Slide 2 of 3)*

For both in-home state and out-of-home state ABLE programs consider:

- ✓ Is there a fee to enroll and is it different for in state and out of state residents?
- ✓ What is the State account limit or the most I can save in the account?
- ✓ Is there a checking account option available?
- ✓ Is there a debit card and is there an added cost for this or using it?
- ✓ What is the state plan limit? They vary from \$100,000 to \$529,000!



Checklist of Things to Consider *(Slide 3 of 3)*

For both in-home state and out-of-home state ABLE programs consider:

Maintaining and Using an ABLE Account:

- ✓ Is there a “hold” policy for deposits or processing time for withdrawals and if so, is this important to me?
- ✓ Are there any restrictions on how often you can withdraw money or are there any fees for withdrawals?
- ✓ How can I make a withdrawal (Debit card? Checking account? Third party check?)? Are there fees? Examples may include annual maintenance, withdrawal fees, paper statement fees, checking account fees, debit card fees, or any other fees such as rollover fees or a termination fee.)

Note: If you want to change to a different ABLE program for any reason, you can make changes such as rolling over to another ABLE program.



Knowledge is Power

- Learn the ABLE account rules for your program and ask questions before you enroll! Compare state ABLE programs, along with costs and options, to find the program best suited to help you enhance your savings opportunities while still meeting your goals.
- Review the State program “Disclosure Document” to learn about cost and learn the rules of the program. This information can be found on each State program’s website and is also located in our ABLE NRC State Comparison Tool.
- Your situation, needs and goals are unique. Create a Circle of Support and talk with people you trust to gather information and ask questions. Do not be afraid to ask for help when needed but be cautious with trusting those you do not know well.

Meet ABLE Account Owner Jacob Gehringer's mom, Denise, and hear Jacob's ABLE story

Jacob's ABLE Goals:

- On-the-job supports, as needed
- A bike with adaptations for transportation (**Achieved!**)
- His own home with a yard for his dog Miller

Jacob is now employed at Little Leaf Learning Center as an Office Assistant. He works 15 hours per week. His first paycheck was deposited into his ABLE account.

“As a parent, I want to make sure that the resources are available for Jacob to live as independently as possible. When the time comes when his siblings will be his primary support, we want to make preparations so their lives will not be burdened financially.” - Denise



Savings and Investing Options



Understanding Savings and Investment Choices

ABLE accounts allow eligible individuals with disabilities the opportunity to build assets through savings and investments. When you open an ABLE account you will have choices to make:

- **Savings account:** Some ABLE savings accounts are FDIC insured and you cannot lose by saving money in them. Some offer limited interest that does not count as income for public benefits programs or towards income taxes. Funds in savings accounts have the least opportunity to grow by earning a low rate of return compared to an investment account.
- **Investment account:** Funds in an investment account have various degrees of risk of losing money but also offer greater opportunities to grow by earning a higher rate of return as compared to the ABLE savings account option. Funds in investment accounts are put into stocks and bonds and may offer a guaranteed portion. Examples may include a money market option or options with conservative, moderate or aggressive growth or income which vary in risk.
- All ABLE programs have options which vary in risk but some may not have FDIC insured savings options.

Understanding Savings and Investment Choices

(Continued)

- Many individuals who are unfamiliar with investments are pleased to learn that many state programs offer risk-free options that they may be more familiar with and comfortable with such as FDIC insured savings accounts.
- If you have chosen not to open an ABLER account due to unfamiliarity with these choices, we recommend searching for a state program that provides FDIC insured options and other options you plan to use and opening your account now.
- Depending upon your goals, you may decide to diversify and split your savings among savings and/or investment choices.
- As you become more familiar with investment choices, you have the option to change your selection(s) up to two times per calendar year.



Checklist of Things to Consider - Savings and Investment Considerations

- ✓ Is there an FDIC insured savings option available?
- ✓ How many investment options are offered?
- ✓ Is an option offered limiting risk but offering growth or income?
- ✓ Should I consider diversifying my savings?
- ✓ What has been the history of the rate of return of the investment fund? Note: Some plans post their portfolio's investment performance on their state ABLE website.
- ✓ Does the State offer any unique or value added program element such as financial literacy information, a financial advisor, or features that can help track spending, available balance and management of the account?



Meet ABLE Account Owner Taylor Carty

Taylor's ABLE Goals:

- A house
- A comfortable retirement
- Emergencies, and
- Medical School Tuition



“I was ecstatic when I first learned about the ABLE Act and the financial freedom it offered. It was an immense relief knowing that I can save for medical school while not having to worry about losing my Medi-Cal coverage. Because of my ABLE account, I will have a better and more financially secure future.” - Taylor

Best Practices, Next Steps and Resources



Reach Out to a Circle of Support or Others

- Reach out to a “circle of support”, people who want to support you in building a better financial future and meeting your financial goals. Your circle of support may include family, friends, a supports coordinator, clergy, an employer, Financial Planner or others who can help you to open your ABLÉ account and make choices.
 - Visit: <http://www.ablenrc.org/step-2-building-circle-support> and [REGISTER](#) for next Thursday’s webinar.
- If you do not have a circle of support, consider asking a family member, friend or professional to help you. Know when to get help!
- Always be cautious when sharing financial information with individuals you do not know well or those you have only known for a short time.

Next Steps

- Open your account early through the state ABLE program of your choice. Visit their website (you can use our State Comparison Tool to find it) for state-specific information or to ask questions about their program.
 - Remember, you may move your ABLE account to another state plan in the future, if you want to. You aren't locked in.
- Your ABLE account grows tax free and does not affect most federally funded means tested benefits! Allow your account to grow and ***“Make TODAY Day 1 instead of opening an account ONE DAY!”***
- If you cannot decide on a savings and/or investment choice, you may want to consider choosing a safer FDIC savings option.
 - You can do your research, learn more and make appropriate changes up to twice per year.



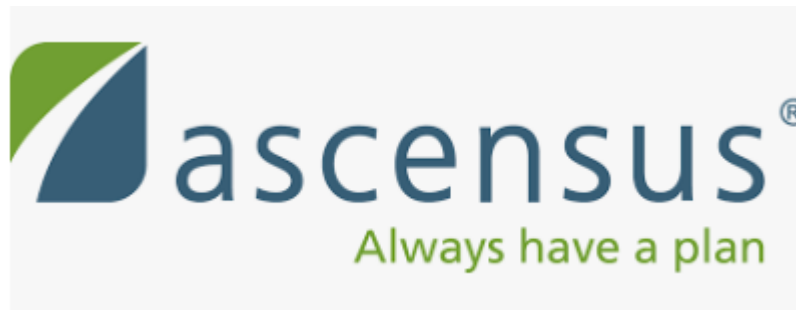
Resources

- [5 Things to Know About ABLE](#)
- Who is Eligible? <http://ablenrc.org/step-2-who-eligible>
- State ABLE Program Map: <http://www.ablenrc.org/state-review>
- [Choosing the Right ABLE Program](#)
- Tool that compares state programs: http://www.ablenrc.org/plan_search
- Building a Circle of Support: <http://ablenrc.org/step-2-building-circle-support>

Help Spread the Word!

- Help spread the word! Please share information about ABLE accounts with friends, family and community groups!
- To receive up-to-date information on ABLE, please subscribe to our [AchievABLE](#) newsletter.
- Connect with us on social media: [Facebook](#) and [Twitter](#).
- Participate in all of the #ABLEtoSave webinars and all of the [ABLE National Resource Center webinars](#) to stay informed.
- For answers to all of your questions, visit our Website: ablenrc.org

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