

Happy Birthday ABLE Act: Spread the Word!

By Michael Morris, Executive Director, National Disability Institute

Each December 19th, the Stephen Beck Jr., Achieving a Better Life Experience Act (ABLE) will celebrate a birthday. In its most basic sense, this long sought after piece of legislation, now law, allows millions of Americans with disabilities nationwide the ability to save money for their future while not jeopardizing their eligibility for vitally important federally-funded supports such as Social Security and Medicaid. For millions of future eligible individuals with disabilities, ABLE has positive features, such as income growing tax-free from investments when funds are disbursed from an individual account.

With over 16 state ABLE programs open, more than 1 million eligible individuals with a disability can choose an ABLE program to begin to save and set goals related to education, employment and community living, as well as experiencing improved health, wellness and independence.

The rules by Treasury, and guidance issued by other federal agencies, take a common sense approach to meet Congressional intent to have states offer a program that minimizes complex procedures and red tape, and encourages states to move forward with an ABLE program that places few barriers to opening an account and does not slow down disbursements for qualified disability expenses.

The power and potential of ABLE is transformative. For the past 30 years, individuals with disabilities have settled for a life sentence of poverty in order to receive a monthly Supplemental Security Income (SSI) payment and access to healthcare through Medicaid. The life of poverty results from a resource limit of \$2,000 that precludes saving and diminishes interest in income production from meaningful work. An ABLE account becomes a down payment on freedom and independence. For a family who has a new baby with developmental disabilities, there is the opportunity, with minimal red tape, to set up an account and save for future goals related to education, employment, housing and accessible transportation, among others.

The Social Security Administration (SSA) and the Centers for Medicare & Medicaid Services (CMS) have published guidance that further clarifies that an ABLE account with funds invested and income gains is not an asset or resource that will be counted to disqualify an ABLE account beneficiary from continued receipt of means tested federal benefits, such as SSI and Medicaid.

For a working-age adult, expectations are expanded and new dreams take shape about going back to school, starting a business, owning a home or purchasing technology that levels the playing field for equal opportunity and meaningful participation in the social and economic mainstream.

Due to the fact that ABLE account beneficiaries are also the owners of the account, beneficiaries will need to learn more about money management, budgeting and making informed financial decisions about investment choices. In some cases, the beneficiary may

need a circle of support to seek contributions to the account, select investment choices and manage disbursements.

Through June 2019, almost 46,00 accounts have been opened, and more than \$259.8 million has been contributed to begin to grow those accounts through a choice of investment options. Given the enthusiasm that has surrounded the implementation of this new law, we are excited to witness what we believe will be a significant number of new enrollees in this fifth year of ABLE Act implementation. Once beneficiaries are enrolled in their ABLE programs, we will be able to construct a much more detailed idea concerning the behavior of these accounts, including investment choices, savings goals and disbursements that significantly assist the beneficiary in maintaining and improving their health, independence and quality of life.

As you consider opening an ABLE account in 2020, help spread the word about the benefits of the ABLE program and support others to begin to design personal pathways that change their world embraced by inclusive communities. The promise of ABLE will be realized. Begin to dream. Be enabled. Be empowered. Set savings goals. Enlist support of family and friends. Be ready for a more self-determined and self-directed future. Be ready to make your first contribution to a down payment on freedom.

For more information, watch the video: [ABLE Accounts: 10 Things You Should Know](#).

Visit the [ABLE National Resource Center](#) for information on the ABLE Act and ABLE accounts.