Please stand by for real-time captions. >> Hello, everyone. I think it is time to get started. I would like to thank you all for joining us today for our webinar. We will go ahead and begin.

Today's presentation we will be presenting on qualified disability expense fundamentals. The presentation is being brought to by the ABLE National Resource Center where we accelerate the design and availability of the ABLE Accounts for individuals with disabilities and their families. We bring together the investment in support of the countries resources for the largest disability organizations. You can reach us at www.ablenrc.org. >> Just covering logistics as we get started. The next few slides will provide you with information to access the webinar. In terms of listening to the webinar the audio is broadcast through your computer. Please make sure your speakers are turned on or your headphones are plugged in. You can control the audio broadcast using the audio broadcast panel. If you close the panel you can reopen it by going to the communicate menu at the top of the screen and choosing join audio broadcast. If you do not have sound kept - - capabilities on the computer and you prefer to listen by phone you can do so at the number listed on the screen. You do not need to enter an attendee ID number.

We do have captioning for today. The real-time captioning is found in our lower right-hand quarter in the media viewer panel. If you want to make it larger you can minimize the other panels like the chat, Q&A or the participant panel.

Submitting question. If you have questions throw out the discussion, we encourage you to submit those as they come up. We will be opening things up for questions at the end. Please use the Q&A box to submit those questions. That is on the right-hand side. If you are listening by phone and not logged into the webinar you may also want to ask questions. We encourage you. You can email them to the colleague Lori at

lschaller@ndi-inc.org the webinar is recorded in all materials will be placed on the ABLE website. We have information available for download. The PowerPoint and one of our fact sheet and roadmap guides. If you need a technical assistant at any time during the training or you have technical assistance difficulties, you can use the chat box to send a message to the host or you can email us at amilioto@ndi-inc.org they will help you out. Thank you, Al.

Our facilitators and presenters. My name is Miranda Kennedy. I am a co-director of the ABLE National Resource Center. I am happy to share with you the facilitator. We also have Marlene Ulisky and Jim Sheldon. Let me take a moment to tell you about them. We will be accessing the expertise for the training. Marlene is a retired Social Security administrator after a 35+ year career. She developed expertise in developing relationships with partners across Florida to educate them on the disability programs administered by SSA. After leaving SSA she was certified as a community partner work incentive counselor through Virginia Commonwealth University. She worked with the Florida office of Vocational Rehabilitation as a consultant to establish the Partnership Plus program under the Ticket To Work legislation. She was rehired by Social Security to conduct training and to assist them with managing critical integrity workloads including OIG investigations and medical and work continuing disability reviews. At NDI, the National Disability Institute and with the ABLE National Resource Center she is part of the team and works on various projects across the country. She is a disability benefits expert with the ABLE National Resource Center and provide support to providers and beneficiaries when complex SSA or other disability related issues arise. She's a disability consultant for the state of Florida or for private individuals. She is a graduate of Robert Morris University in her hometown of Pittsburgh, Pennsylvania.

Let me tell you about Jim Sheldon who is a 1978 graduate of the University of Buffalo Law school. He's the supervising attorney of the disability law unit at Neighborhood Legal Services in Buffalo, New York. Some of the projects he supervised include a statewide assistive technology advocacy project, a national assistive technology technical assistance and training project. Four projects related to Social Security and SSI work incentives counseling and six different protection and advocacy projects and two Healthcare Services projects. During the last 30 years he has focused on work involving funding of assistive technology and Social Security and SSI work incentives. Overseeing benefits and counseling projects. He worked extensively with special education and Medicaid and Medicare and vocational rehabilitation and employment discrimination. He has handled individual cases including litigation administered of hearing and provided training and technical assistance to attorneys and advocates both within New York State and nationwide. He has written extensively on most of these topics including authoring or co-authoring more than 50 newsletter articles and 25 policy briefs.

Those are our presenters today. They are not alone. We are making it a dynamic presentation. Because we also have with us our 2018 ABLE advisory team. We have Larry Angeli who is the parent of a - - and ABLE account holder and he is through the MiABLE account program. We have Edward Mitchell who has his ABLE Account through the Tennessee savings program. And Katie Oliver whose an able account owner and has her through Ohio stable account program. They will be weighing in on their qualified expenses they have as well. We will be hearing their voices through today's training.

What will he be covering today? Our agenda is I will be providing a review of our ABLE roadmap. We will be diving into an overview of qualified disability expenses and having a discussion around what happens if the ABLE Account disbursements are used for nonqualified purposes. And do a review of qualified disability expense examples and strategies to consider when deciding whether to use ABLE funds for items or services. We will get into the question. If you have questions, submit them. You have a lot of resources here to respond to them.

With that, let's do a review of the ABLE roadmap to enrollment and independence. As we go into this I want to say that our last webinar on November 29, 2018 was an ABLE program spotlight which featured the ABLE now and ABLE programs. It is on our website along with all of our other webinars. We covered a lot of territory in our past webinars. We provide the archives as a resource to you. Whether you are thinking about signing up for an ABLE Account or you have one and need more guidance. So I want to say as part of the webinar based upon the valuable feedback we received, and considering the fact we have a lot of webinars archived on ABLE basics, we decided to move forward to begin providing more content rich webinars in specific areas as part of the offerings at the ABLE Account - - ABLE National Resource Center. We will focus on a deep dive into giving you guidance. This month our focus is on qualified disability expenses. Before we get to that, and this gets to the point of the slide in front of us. I want to share the roadmap with you. The roadmap to enrollment and the roadmap to independence. These are the two roadmaps. The roadmap to enrollment takes you from the pathway of being ABLE eligible to enrollment as you ask questions such as what is ABLE? Who is eligible? What can funds be used for? That is our focus today. How to manage the account? How do I enroll? If this is your first webinar you may want to also check out the roadmap to enrollment in case this is more advanced for you today.

The next roadmap we have is once you establish your account. The first roadmap gets you to the point where you set it up. The next one is where you established the account and this is the Roadmap to Independence which will take you several steps further on the pathway. It covers areas like setting financial goals. Building a circle of support. Making smart financial decisions, monitoring the ABLE Account and celebrating independence. With each step and each of these roadmaps you will see a short video which will provide you with valuable information.

You can also visit the ABLE National Resource Center and download the fact sheet and roadmap and share them with internetworks. We have gotten a lot of great feedback from able account holders that have told us a ABLE Account has given them the hope that their needs will be met in the future we have seen similar feedback from parents who have peace of mind knowing that ABLE is an option in their financial planning for the future. Last we want you to know that we at the ABLE National Resource Center hear you and we have Spanish-language versions of various ABLE resource documents including the fact she and roadmap that is available for you for download for later.

What is the ABLE National Resource Center? We are a collaborative who shares the goal of accelerating the design and availability of ABLE Accounts for the benefit of individuals. We bring together the support of the largest national disability organizations and the map shown gives you a visual of the over 40 states across the country who have ABLE programs. Currently it is 40 states. Next week it will be 41 states plus D.C. It gives you information on ABLE programs that are up and running with more rolling out soon.

Many of you know that eligible individuals can open an ABLE Account in any state which does not have a state residency requirement. With over 40 states up and running and most not having a residency requirement I think at last count it was 25 or more that did not have limitations. That is a big job comparing options. So the ABLE National Resource Center has tools to compare options such as fees or if there is a minimum initial deposit or whether there is a debit card. It is one of the great resources on the website. We are updating the information regularly. As new states come on board or for estate you may already be in May of information they update check the tool out. Make sure you are signed up for the listserv as well.

With that, I am going to hand the ball over to Jim Sheldon to do that deep dive into the qualified disability expenses and distributions.

Thank you, Maranda. Welcome to everyone. I see we are approaching 300 participants. Good afternoon or good late morning I suppose two people on the West Coast and beyond. What I will talk about is ABLE Account distributions. Marlene and I will go back and forth. Let me go into this what you might call introductory slides and

the notion is when you have money in an ABLE Account, a distribution is when you take money out of it to pay for qualified disability expenses or QDEs which you will see throughout. QDEs and I will not read all this but they are expenses for items in the broadest sense to improve your health, independence, and quality of life. We have a fairly long list of representative QDEs. What they say in the regulations is it includes but is not necessarily limited to these things. We will talk about several throughout. Education, housing, transportation, employment training and support, assistive technology. At times you may refer to that as a tea. Personal support services. Help prevention and wellness and financial management, administrative services, legal fees, expenses for oversight and monitoring and burial expenses. When you look at the regulations in particular, qualified disability expenses that terminology is to be broadly understood and should not be limited to expenses for which there is a medical necessity. I think we will have examples of that as we go along. Or expenses that provide no benefits to others. It is a corollary of some of the expenses that are available. That someone may happen to benefit if someone gets an item like a vehicle. Some form of transportation. Before I move on I want to make some general comments. Those of us that have been doing SSI advocacy for a number of years, Marlene at the Social Security administration and myself at a not-for-profit advocacy agency. One of the frustrations of these recipients and by no means they are not the only ones that benefit. But one of the frustrations of SSI recipients is this $2000 a countable resource limitation. It has been stuck at that amount since 1989. There has never been a good way for SSI recipients to save up for some of the things we will be talking about today. There has been no way for family and friends to give the SSI money in the form of cash that they can use to enhance their life. The able account finally after 2014 and with them rolling out 2016 is a workaround that $2000 role. If you look - - by the way, today's topic is covered in a document that I think may be going online very soon if it hasn't. If you look back at the list that starts with education. The third bullet is the list. Beyond that list, the IRS has offered very little guidance. There is no list of items either in the law, section 529a or in the proposed regulations that let you know what is included under transportation. What is included under education. We will give you some practical guidance based on our interpretation of things, but there is no specific list that has been offered by the IRS. I want to talk a few minutes about some of that limited guidance. The proposed regulations were published in June 2015. Importantly in this is fairly rare for proposed regulations, the IRS has said we can rely on those regulations. This is until final regulations are issued. It has been 3 1/2 years and we don't really have any information on when they will become final. It has been made very clear in guidance that those regulations that will be broadly construed. What it says is the term qualified disability expenses should be construed to permit the inclusion of basic living expenses and should not be limited to items for which there is medical necessity. He goes on to give an example of a smart phone to be used to help with communications for a person with autism. Clearly that is disability related. When you look at the list of items, the categories. Education, housing, transportation, there is no disability related term in front of them. The only guidance that we have on housing comes from SSI's policy which has been revised three times since 2016 but continues to include this broad definition of housing which we will get into in a few minutes. It includes things like rent, taxes, garbage and sewer charges. Clearly those things are going to be expenses whether someone has a disability or not. We will be talking about how you can look beyond this as we go through. >>

What if an ABLE Account distribution is spent for a nonqualified purpose. Why is this in your best interest? Why is it near the front? We are quite aware that some people in our audience, some people have contacted the National Resource Center are concerned about what happens given the limitations on guidance. If I spend the money on something and then it later turns out the IRS or perhaps the SSI program says that's not a qualified disability expense. The news I will give you is fairly decent. I'm going to talk about the IRS policy first and then I will talk about SSI policy. If you look at the first two bullets me read them to you and give you a practical example. If the distribution is spent for nonqualified purposes. I will pick the extreme example. It is spent on a family Christmas present. Clearly that is not for the person with a disability, not the account owner. Or if the total amount distributed during the years more than the qualified disability expenses for that year, the earnings portion of the distribution is included in the income for the year. I will go back to what that means in a second. Then the tax owed on the distribution, that is the earnings portion included is increased by 10 percent. Based on another one of the webinar presentations I listened to, I came up with what I think is a fairly straightforward example. Perhaps a little oversimplified. It goes like this. Let's say you have a person who put money into the ABLE Account for the last two years or so. They have made a total of $5000 worth of deposits. The balance is up to 5500 - - $5500. What does that mean? $500 represents the earnings on the account. That is about a 10 percent break. Let's assume the amount of the nonqualified distribution is $500. What part of that $500 represents earnings in the account? In the example I used about 10 percent. What is 10 percent of $500 X I'm sorry there is no visual. It will be about $50. That is $50 of additional, taxable income. Now probably most of the people listening in on this are either in the 10 percent tax bracket or the 15 percent tax bracket. Let me use the 10 percent tax bracket since it is easy to figure out. If you are in a 10 percent tax bracket and you have $50 of additional taxable income, what is your tax? Your extra tax? Five dollars. Then there is a 10 percent penalty on top of that. What is 10 percent of five dollars?

$.50. Again it is an overly simplified version. If you look at the regulations, you will get a headache trying to read through them. This is not a guarantee. I don't think the IRS has the resources to audit accounts, just to find these $500 mistakes were the tax difference is maybe five dollars for the year. You never know. You need to be aware of this. You need to try to use the account for things that will qualify. The second thing I want to talk about is the SSI policy. Let me start by saying SSI is going to be concerned about whether something counts as income for SSI purposes which might reduce the payment, or whether it counts as a resource against that $2000 limit. The first piece of good news is even if the distribution is for a nonqualified expense, it still does not count as income. That is right out of the SSI policy. I have read and reread that policy so many times and I think Marlene has two. No income penalty. What about on the resource side? There are two examples where what you take out could be a countable resource while it goes on spend. The first clear example is if it's in the housing category. Let's say someone is a homeowner and they took out money to pay taxes which could be considerable. The way the SSI policy works is that money has to be spent in the same month. If you don't spend it in the same month, and that money is still in your possession as of the first of the next month, it counts toward your resources. Is there a way around that? We will be talking as we go along about the possible strategies like having a debit card where you only use it as expenses come up. Or if it was a monthly rental or mortgage payment having that money automatically deducted from your bank account - - I'm sorry you're ABLE Account it - - assuming it allows you to do that. One more example and then I will turn it over to Marlene. If you take money out for any other qualified disability expense other than housing, and that money is still in your possession as of the first of the next month or for several months, no penalty - - it doesn't count as an SSI resource unless you had a change of mind and now the money is sitting there. In that case it will count as a resource. Put it back in the ABLE Account that is allowed. Unless there are questions, I will shoot it to Marlene.

We will wait for the questions until the end although we will welcome them when we get to the Q&A.

Thank you. I wanted to thank you for clarifying the tax on the earnings portion of money spent for a qualified disability expense. I am so glad you put in terms that were understandable because I want folks to understand how small the penalty may be. So something really is questionable, they should weigh everything and use their best judgment. On this next slide, I know Jim you talked a lot about distribution. I thought it would be important to talk about distributions on the prepaid debit card. For many of us it is easier to carry around than carrying cash. I know some of the state ABLE programs offer that as an option. Not all the states offer it. If you haven't signed up for an ABLE Account yet and a debit card as important as Miranda said earlier, there will be over 40 states plus the District of Columbia with ABLE Accounts up and running. You may want to use the comparison tool and find those which do offered that - - offer that if it's important. I want to go on to look at the distribution but before I did that, I want to give you some background about Social Security and the data exchange. As we know Social Security is a huge government organization. They have a variety of electronic computer sharing program - - programs in place. They have been in place for many years. They are in place with a lot of our partners. The partners could be at a local level or state level or federal level. You may be surprised to know this but there are exchanges in place with private entities. They can be entities like the large credit bureaus or with foreign government. Those are in place so they can administer some programs. And this provides Social Security to the state so they can administer programs. They would be programs that have to determine entitlement or eligibility to a federally funded benefit. That can be programs like Medicaid or Medicare savings programs. It could be some temporary assistance to needy families or other programs. With the ABLE Account Social Security has agreements in place so that Social Security receives distribution information when money is loaded onto the prepaid debit card. Social Security has policies in place. The policies are detailed in what they call the POMS, that is the policy operations manual system. It is an internal guy. You can have access to it. It is available online at Social Security.gov. If you search there you will find a program on the ABLE Account. Jim talked about SSI and about resources. And that particular section addresses the ABLE Account. Many of you know that SSI is a means tested benefit where they look at your income and they look at your resources like Jim was telling you about in determining whether they are eligible for the benefit. In most you get SSI and Medicaid comes along with that because Social Security makes that determination. If you receive other types of benefits like Social Security disability insurance benefits or disabled widows’ benefits or child benefits this information about money being loaded onto a prepaid debit card does not pertain to you. You are not receiving a means tested benefit. When we look at this were so security sees money loaded on that car, they consider the distribution as a qualified distribution and they will ask the SSI recipient. Some folks say the beneficiary to ask about the intended use of the fund and they will exclude the amount. Jim told you that money on that card or in that account doesn't account for income. The money on the card is considered a qualified disability expense for usage unless they determine otherwise. There's no explanation of what that means in the POMS so if funds are used reasonably and appropriately for qualified disability expenses, I would find it hard to say there's any issue with Social Security on that. If you look at the third bullet the policy goes further and says they may ask you to verify distribution and ask you about the intended use of the funds if you retain all or part of it following the month of receipt. It's how they could be counted as a resource if they are retained in months after that distribution was made. What's important here is that even if there would be an issue and we want to provide you with all the information we can so you understand distribution and the qualified disability expenses we are talking about, the money loaded onto the card is not counted as income. It would only be material in determining the amount of resources when combined with other resources when they exceed the SSI limit. We will dive into qualified disability expenses. On the screen you will see the 11 quality - - broad categories of expenses that we heard about on the previous slide. As Jim said the Treasury Department and IRS, and this is qualified disability expenses should be broadly construed. There is no further guidance except for one example of qualified disability expenses and that is for a cell phone but before we get into some of the specific examples that we will be going through, I wanted to tell you we will be going through each of the categories in that first column. We will be covering education, housing, transportation, employment, training, support, assistive technology and personal support services and health prevention and wellness. In addition, we will cover basic living expenses. That is in addition to the housing expenses we listed. That is big. Here at the ABLE National Resource Center we get so many questions about housing and basic living expenses. What we did was we spill it - - split basic living expenses into housing and we have two separate slides. We will be covering food separately toward the end of the webinar. If you have any questions about what may be a QDE or you are asking questions about whether you are thinking about purchasing something as a QDE wait until we get to the slide. If your question is not answered, put it in the chat box or email us and we will be happy to answer your question. You can send the emails to the info box, [info@ablenrc.org](mailto:info@ablenrc.org) or you can email my colleague [lschaller@ndi-inc.org](mailto:lschaller@ndi-inc.org). Both of those website addresses are available in this presentation. With that being said and knowing that all qualified disability expenses cannot fit into one neat, tidy box, we try to organize the webinar by category and discuss the expenses first which are clearly qualified disability expenses. Also, those that we could confidently say fall into that particular category. After that, we thought we could list some items which may fall into a gray area. We will talk about them and why we think they fall into a gray area. Last during each QBE slide, we will give you some tips on things related to that category or things you may wish to consider about how you can maximize use of the ABLE funds. Along with that, we have three of our ABLE 2018 advisors will be speaking today. You may want to ask them questions in the chat box if you are curious about something they have said. I think with that, I will turn it to you to get us started on understanding the qualified disability expenses and whether or not they have to be disability related. Just the other day, I heard something like a QDE referred to as qualified disability related expenses. I am turning back over to you, Jim.

Thank you, Marlene. I guess I will dive right into it. Basic living expenses is a qualified disability expense. I just want to reiterate, in the law itself, basic living expenses are not mentioned. They are mentioned in the proposed regulations. The IRS has made it clear in the commentary to those proposed regulations and in a separate policy release the same day or a day later that ABLE Account owners and programs can rely on those proposed regulations. I think we already said this. It bears repeating. Qualified disability expenses should be broadly construed. It permits the inclusion of basic living expenses and should not be limited to expenses for items for which there is a medical necessity or expenses which provide no benefits to others outside the benefit to the individual. I will repeat this as well. I said this earlier. When you look at those categories. I zero in on education, transportation, you don't see the word disability related in front in the list of QDEs. There is the example right in the proposed regulations of an autistic child who uses a smart phone as a means of communication or navigation. The beauty of smart phones, one of my good friends who is an attorney but is blind, has told me that smart phones have revolutionized the ability of people with disabilities to access their environment.

Smart phones are an interesting example. When you look at some of the traditional funding sources like Medicaid, they will say in their definition of what's called durable medical equipment, that they are not going to pay for items or qualify as durable medical equipment if they are useful to the general population in the absence of illness or injury. A smart phone fits into that category. Yet as used by the person with a disability, I think it fits into the category referred to as assistive technology. The elaboration on how to define assistive technology is included in the case summary. What I want to do is

I have a thought process of what my priority would be if I were saying which expenses to gravitate toward first. To supplement what a person's disability payments and other income. I want to try to connect the expense to one of the categories. Keeping in mind that in the regulations they say it is a representative list and includes but is not limited to but I will want to tag it into one of those categories if I can. Second, I want to see if I can connect it to the disability. I may sound like I am talking out of both sides of my mouth because I was suggesting you don't have to connect it in all cases. It will always be safest if you can connect it to the disability and get a letter of some sort from the doctor or other healthcare provider and keep it in your ABLE file. If it's not disability related, but if it's in one of those categories, I am going to want to be able to say that it is something that most of us would think of as a necessity of living. Basic living expenses. I see some things in the Q&A later about what may qualify. Only after I have gone through those, do I want to get to things where you can connect the dots to a category or to the disability. It doesn't have to be medically necessary in the conventional healthcare provider set. If it is connected to the disability, you have a leg up on having this qualify as a QDE.

Qualified disability expenses for education or employment training and support. This list of examples, this is not the IRS list. This is not SSI's list. This is the Jim and Maranda list. I would include an example of education or employment and training and support tuition. Tutoring costs and books and fees laptop computer tools or uniforms not provided by an employer but required. So far you didn't hear me say disability related. Yet some of the examples I would give; costs associated with self-employment, etc. In the larger article I provide some examples of a specialized enrichment program for a young person with a disability. An example of a therapeutic course writing program. Any number of summer camps that specialize in serving kids with disabilities. If you have that connection all the better. But again when I look at this category and I think of the college student, basic tuition, extra tutoring, I believe those are appropriate expenses out of an ABLE Account. It is certainly not a frill. What about related transportation? I would say yes. I want to really make sure that those listening and understand that you should only go to the ABLE Account after you exhaust other sources of funding where you will not have to pay the money back or you are not depleting those precious ABLE resources.

For example, the special-education program. The summer enrichment program for a 12-year-old. If it's truly a program to help the kid keep up with progress in his or her special education program, you can get that out of a school district. Sometimes it presents a little bit of a fight. The horseback riding program, there is probably not going to be a Special Ed program that pays for that. Sometimes there is other funding available. You don't have to tap into the ABLE program if other funding is available. You will want to exhaust other potential resources first so you save those precious ABLE funds to pay for things that can't be otherwise funded. Look at the special-education program. Look at the Vocational Rehabilitation agency. Investigate what an American job center may provide or an employment that could - - network under the Ticket To Work program. I would say for the most part employment networks won't fund the items I talked about where they are often most helpful is in providing specific employment services to get a person ready for competitive employment. Maybe help with resume writing and so forth. You can investigate something called a plan to achieve self-support. I believe in the larger article there are the resources. I think we will hear from Larry.

I am going to go ahead. We do have a question for Larry. This is Maranda. People are probably wondering who the handsome gentleman is whose picture is on the slide. That would be Larry Angeli. Larry is the parent of Anthony. We have a question for him to weigh in on that. So like many parents listening today you began saving for your son Anthony's future in a 529 college savings account many years ago. At this point in time, you mentioned you are unsure about whether or not college will be part of Anthony's future. Can you tell us what you learned about rolling over a 529 college savings account into a 529A ABLE Account. Can you give us tips and strategies you and your family have learned along the way?

Sure. Thank you. Hopefully everyone can hear me okay. My name is Larry Angeli. As Miranda mentioned in our particular experience we began saving for our son’s college education before the ABLE Act came around. We began saving in a traditional 529 plan. As the ABLE Accounts came online, we saw an opportunity to leverage the funds that we had begun saving in the 529 into an ABLE Account and perhaps as many of you know now the law does provide for the ability to move funds from a 529 you may have saved and into a 529A. Specifically the role permits money to be rolled over without any nonqualified distribution penalty. So technically you can move it from a 529 into an ABLE Account. In our particular experience, that change was made in 2017. It took a while for that to move through the system for the various providers to understand that ability and provide the ability for parents to roll those funds over. In our particular experience in early July 2018, we began to look at how to move that money from our sons 529 which was established in the state of Massachusetts and move it into the Michigan ABLE program. Hopefully all of you listening will have an easier experience now. I can tell you early on we had challenges. The 529 company having the right forms to be able to roll the money over. My first advice would be to contact your ABLE Account state and ask what forms would be necessary from either their plan or the plan the money is being rolled out from to be able to initiate the funds. In my case the forms that were needed were from the 529 plan. I could get the process rolling. Some other key things to look out for with regard to the forms is that they ensure the request for the funds being done on a qualified distribution basis so again you don't have any tax implications for that money coming out. It is not seen as a taxable distribution. The second point is that you make sure that you stipulate it is a rollover payment. In other words, you are not using it for college expenses but you are rolling it over into another qualified plan. And then the third point would be that you include the full information about where the money is going both the company and the state plan and you make sure you have the right address. That is a small thing but in my case there was a mix-up on what address the money had to be sent to. A lot of the money continues to travel by check instead of electronic distribution. The 529 provider will physically cut a check and mail it to the ABLE Account. You want to make sure you have all of the address is correct. Another point is to make sure that you consider how much money you plan to have coming from other sources. The total amount that can be added to an ABLE Account in any given year's only $15,000. You want to be sure that if you are going to roll money over from a 529 plan, that you consider what other monies may be going into that account that year either money from relatives or other deposits you plan to make and make sure that you roll the money over and you are thinking through the total amount. You cannot go over $50,000.

- - You cannot go over $15,000. Keep track of all of your paperwork. Make copies of all the correspondences. That is it. It took a while but we did it. We were able to move the money over and it has been a tremendous value to our family to have that ability to be able to use those funds for qualified disability expenses. In our case we use the time around the holidays to plan for our son. This planning your particular we had the ability to look into it and think about what kind of needs he will have coming up in 2019. We can think about how we might leverage these funds in these various categories. To be able to help with his quality of life and to drive towards his independence. Again we think in year-long blocks. We have already come up with a list of 10 to 15 I would say areas of expense that we plan to leverage the funds for in 2019.

I think that is all I have to say. I hope everyone has a great holiday and a fantastic and blessed 2019. If I can help anyone out there in the area feel free to reach out to me. Either on 15 - - Facebook. You can find my information out there.

Thank you so much for giving that breakdown and experience. This is very helpful. We all like to hear from account holders. Marlene I will hand it back to you to take us forward.

Jim I think you are finished with the slide? Is that right? Okay. I think we learned a lot. Thank you so much to Larry for the information. We focused a lot on education. I don't think we focused enough about unemployment - - employment. I was looking at the chat box for the last few slides. I was listening and trying to look at some questions. Although this is a webinar on qualified disability expenses I want to throw something else out there. I think there's a lot of misinformation out there. I will take two minutes to take something that is not related to QDE but it is related to ABLE. I want to say that Social Security has been very responsive issuing the policies surrounding ABLE and the policy follows the strict letter of the law. As Jim said earlier, ABLE Accounts our way to say without it affecting means tested public benefits. An ABLE Account allow someone who receives supplemental security income benefits are Medicaid benefits to save over the resource limit without it affecting benefit. It's not a way to shield income. I am seeing questions in the chat box and it seems like every webinar they come in. They think they can be working or receive some sort of unearned income say from child-support or a Veterans Administration benefit and they can just immediately deposit that into ABLE or have the employer deposited and it doesn't count. That is not true. It is not a way to shield income. Working or unearned income affects SSI the same way it always has. There is no change there. It is really important. Sometimes it's difficult before you understand the concept that there is a difference as Jim said earlier. Income and resources. ABLE does not shield income. You can save as much as you can in an ABLE Account edit is a great tool for saving, but you cannot shield income in an ABLE Account. It still counts the same way as it always has. With that, and I apologize for going off on a tangent but it seems important because it shows up all the time. [Indiscernible] for qualified expenses for transportation. At the ABLE National Resource Center, we haven't received the kind of questions around transportation. Nonetheless, it is very important and a very crucial category. I am seeing some questions come in. I think we will address all of those on the slide. Any number of things can fall under the transportation category. It can include some which may not be disability related. If it's not disability related - - if his disability related it could be the cost for a vehicle modification. Maybe someone needs a lift or special foot control to allow someone with a specific disability to drive the vehicle. What if you ask whether or not the purchase of a vehicle or the rent or lease of a vehicle or a down payment or monthly payment for a vehicle is a qualified disability expense? I saw some questions in the chat box asking that those questions - - those questions are similar was. If that vehicle allows the individual to meet the day-to-day means whether it's for employment or for school or education or transportation for medical care or for the activities of daily living like going to a grocery store or perhaps seeing a doctor or dentist or visiting a friend or any number of things like that. It is a qualified expense. I think Jim if he would chime in, I think there are associated costs with operating a vehicle would also qualify as a disability expense. Would you just - - would you agree with that?

>> I would say the upkeep, putting gas in it, insurance. If the vehicle itself is justified and I think it is you could not drive it if you did not put gasoline in it. I think the challenge is and you are probably going to get into this, does that mean you can use it for just about anything and justify the gas into it? I think you have to be careful. Maybe you may want to address that.

I agree with what you are saying. You have to be reasonable and cautious. You can't take total gas costs out of an ABLE Account as a qualified disability expense but you have to be reasonable. If there is a gray area use other funds to pay for that versus using an ABLE Account even something like mass transit. Transportation services there or an UBER or a taxi. That may be qualified it depends on other factors. If it allows an individual to meet their daily needs it should meet the qualified disability expense criteria. Then on the other hand, for the discussion we have what if you would use a limousine or small bus to take you and your spouse or significant other out on the town for a night of gambling and having fun? Is that a qualified disability expense? I'm not trying to make a judgment but it doesn't appear reasonable to use funds. If you look at the damn point of the regulation. I have a hard time showing that it helps to maintain the quality of life. I think you have to be reasonable.

Miranda I will talk - - turn it over to for a moment. And talk to Edward one of our esteemed ABLE advisors. And before you jump in I want to thank Edward publicly for all you have done and for his powerful testimony on the hill. Thank you, Edward.

Thank you, Edward. All of our ABLE advisors are [Indiscernible]. Thank you for referencing that. We have another one of our ABLE advisors who works at the resource center. This topic is near and dear to you being in rural Tennessee, you see accessible transportation in your community especially since one of your jobs is serving as an independent living specialist. To give individuals a little background on how Vocational Rehabilitation services can fill in some gaps so that the funds can be retained for other disability expenses can you tell us about how VR helped you personally after your accident with modifications to a vehicle you purchased yourself and second, will you be using the funds to purchase another vehicle?

Thank you so much for that introduction. You want to use all the resources available. I have not been disabled on my life. My injury occurred in 2003. I was the victim of a hit and run accident which left me paralyzed. I started early while trying to find out options in order to pay for college. Basically through the help of my counselor I was able to pay to go to a private historically black college in Jackson, Tennessee. It allowed me to access funds in order to pay for assistive technology such as a custom computer. It paid for a copier, scanner for my dorm room and a voice recorder also under Vocational Rehabilitation allowed me to cover the cost of my textbooks as well as needing nursing care even though I was under and jik and the program would pay for nursing care while I was living on the dormitories. I can only speak for myself, my VR counselor and I established a timeline of goals and benchmarks that I needed to achieve. I was able to justify my career in order to move to the next step of vehicle modification. That driver evaluator came from Florida between the years of 2004 and 2007 and certified me in order to drive with his recommendation. Having cleared that hurdle, we were then able to approach the next Vocational Rehabilitation in order to get them to pay for the modification of the wheelchair accessible vehicle. In essence, a lot of people get it misconstrued. Vocational Rehabilitation does not pay for the vehicle but they pay for the modification. At that time, in 2007 and 2008 I paid for the cost and Vocational Rehabilitation paid for the driver evaluator and the wheelchair ramp and the special hand controls I use a system which is all electronic. And proceeding now where I am at is due to the numerous recalls in the short manufacturing lifespan. I am in the process of trying to purchase another wheelchair accessible vehicle and getting a second approval for modification. The great news as of this December was I was approved and my case was reopened. It took me saving numerous receipts and documentations of why I needed to get another vehicle and the total cost I put into the vehicle of maintaining it was near $35,000-$40,000. That allowed them to open up my case and actually we are in the process of moving to that vehicle modification portion of VR. I will be using the funds I accumulated in my ABLE program to help me purchase my next wheelchair accessible vehicle. The cost of many vines are only going up. A minivan cost right now near $48,000-$50,000. I will be using my ABLE Account to offset some of the cost. Along with that I applied for different grants out there. It takes time to apply and follow the rules and regulations. So you don't have to drain your whole ABLE Account when there are grants and other funds out there to help. Investigate programs at your local centers for independent living. Spend the 15 or 20 minutes a night searching different types of programs. If your mother or father works for a certain corporation. You just have to be diligent and keep your fingers crossed because you never know what is out there.

Thank you so much, Edward, for sharing your experience with us. We appreciate that. I will hand it back over to Marlene.

Thank you. Thank you, Edward. Thank you for your valuable input and all the information you have provided that will help other ABLE Account owners navigate ABLE and understand some of the strategies available to maximize the use of the account. On this particular slide I will go through the strategies because we are running short on time. We want to be sure we cover housing and food expenses which are important. The strategies here as Edward talked about, investigate the services for modifications to vehicles and investigate any other service whether it is transit or a face based [Indiscernible] or waiver services to see if that is something that you can use and also investigate some of the Social Security work support like the plan to achieve self-support and impairment related work expense. I would get a little more into those but in the interest of time we need to move on to the other slide so we can have our other ABLE advisor. On the next slide, I wanted to say to summarize that Jim wrote a brief on qualified disability expenses. It is posted to the ABLE National Resource Center website. He pointed out that the ABLE Act really doesn't give a definition of assistive technology. It's suggested the federal assistive technology act definition be used and he had said that in the brief. I encourage you to go and read over the summary. It really has great information in it. We published about for so far and he has two more in the works. They are really a good resource. Anyway with that in mind there is a couple of examples on your screen. A manual and power wheelchair and screen readers and it could also include things like hearing aids and other types of communication devices and computers as Edward talked about. It could be personal support services provided to an individual both within homes and outside of their homes. For discussion I wanted to jump to the second bullet. The modified game controller. I want to turn it back to you, Maranda. There is something interesting and unique that Katie has to say. I am turning it back to you, Miranda.

Thank you, Marley. So our able advisor Katie is here. We know that every individual with a disability has unique needs. Because of your disability, you needed something really unique. A special modified videogame controller for playing games with your husband Brandon and online friends. You tell us it's something you enjoy and it increases your quality of life. Can you tell us why you cannot play without this device and how it helps you?

Sure. My disability is cerebral palsy. That means that my motor capabilities are somewhat limited. I have been playing video games my entire life. The types of video games I have been able to play without modifications has been limited. I normally do a turn base game not action oriented that doesn't require a lot of quick reaction because I'm not great at that. Since being able to open my ABLE Account I learned about a nonprofit organization called Able Gamers. It helps people with disabilities either create or find solutions that will help them have greater abilities to gain and so I have been in touch with them but haven't heard back yet. I have heard from them saying that I am in line but they deal with people on a first-come, first-served basis. That's fine. I am hoping they will be able to give me solutions that will help me play more action oriented games. Even though I am able to watch my husband and my friends play I really would like to play them myself. Even though it may not sound like a traditional ABLE Account expense, I believe from what I've heard in talking with Miranda and the folks at NRC they believe this would be a qualified expense because it is something I need as a result of my limited mobility caused by my disability.

Thank you, Katie for sharing your experience with us. And what you are using - - one of the things you are using your ABLE funds for. In addition to purchasing that house.

Thank you, Miranda. I will not go through all of the strategies on your screen. In the interest of time, I really want to get to housing and food. There are so many questions that come in. All the slides are available. You can download them and access them at our website. You can go to some of these links later on to see what the resources say. In this next slide, - - I'm sorry Jim. I almost took your slide from you.

I will try to quickly move through these. One of the things I want to urge is when I start reading the SSI policy I was really taken aback. If you pay for rent or other housing costs out of the ABLE Account, no effect on the SSI because it is not considered income. Whereas if your parents help you out with housing costs, that would be costs that would be considered SSI income and the payment would be reduced by up to one third and that would be about a $250 reduction. Let’s move to the next slide. Qualified disability expenses for health, prevention, and wellness. The thing I want to emphasize here is traditional medical cost to the extent they are not covered that is a no-brainer. Look at that under discussion. Alternative modalities such as massage therapy, chiropractic, biofeedback. Only some are paying for these things. They are certainly not available through any program that I'm aware of possibly with the exception of chiropractor and certainly not gym membership. These are things that are finding their way to some degree into private insurance. To the extent that these things are not covered, again going back to the priority strategy, always try to get a healthcare provider to give you a letter recommending it. So if you are ever audited, there is almost no question that it is a disability related expense. Onto the next slide as we march forward looking at the time. This one is on expenses for food as a qualified disability expense. Certainly as you read the regulation and its reference to basic living expenses, I guess food is a basic living expense. I would strongly urge people, make sure you take advantage of supplemental nutrition assistance program funds, the food stamp program. I would probably only go to food out of the ABLE Account if you can't get the food covered through food stamps, through your basic income from SSI or other sources. I would be disinclined to try to cover restaurant expenses out of the ABLE Account. We won't - - don't want to sound stingy but there are so many expenses that can qualify, we suggest using the ABLE Account for those. Use your other funds for things like restaurant expenses.

The last thing I want to cover is the Medicaid payback provision in the next slide. This has to do with when the ABLE Account owner, the person with a disability dies. Under federal law, it allows the state of residence that was providing Medicaid services from the day an ABLE Account opened until the date of death, to seek payback from whatever remains in the ABLE Account subject to whatever outstanding qualified disability expenses are still there. The state has - - it is allowed to make this claim. It is not required to do so. Back to Marlene. >> Miranda do you want me to go over best practices? Do you want to just get to questions? What would you prefer?

Why don’t we talk through best practices. I want to give room for this. The other thing is we know you have given us a number of questions coming in. It folded some of those questions into answers in different sections if we don't have time we only have another eight minutes. What we will do is capture all the questions and provide those questions with responses with the archive that we post. Don't worry, your questions will be answered. You may want to tap into - - I provided the link in the chat. Go ahead and copy and paste it. If we don't get to your question today, we will post that next week with the archive. Marlene go ahead and cover best practices.

Some of the best practices are always, always maintain records and receipts for account distribution. It is important. I cannot encourage you enough on this first bullet. Although as Jim said earlier, it seems unlikely the IRS will audit an ABLE Account. There is always the possibility something like that could occur. I recalled my tax practitioner telling me - - he tells me this each and every year that when the IRS audits they generally focus on one particular area. However, if they have suspicions in other areas, they will expand the audit. I think it is important to maintain those receipts just in case they are needed at a later time. Also to make responsible decisions about qualified disability expenses and exercise good judgment. We have talked about that all along. As we said earlier, purchase items or services that are clearly qualified disability expenses. If you need to take the money from your ABLE Account, that those that are gray or something that may be subject to dispute try to use other funds if you have them available. We also recommend using ABLE funds for items or services that clearly fall within one of the QDE categories. Or those recommended by a healthcare provider or which most people would view as basic living expenses. Those will least likely be disputed. Investigate all potential no-cost options or funding sources before using ABLE funds for any services or supports. Drop this webinar we provide you with a lot of resources to explore. We talked a lot about the office of vocational rehabilitation. There are offices in each state in the country. We talked about Social Security work support like the plan to achieve self-support for impairment related work expenses. Go to the website at www.SSA.GOP. Try not to go into the offices because many have so much work and they are overwhelmed. If you can find information online it is easier that way. You can visit ssa.gov. Investigate the department [Indiscernible], your ticket to work legislation. Do your homework and explore all of your options. You can preserve more of the funds so they can continue to grow. They will continue to educate yourself and keep up-to-date with ABLE. Set up for a monthly newsletter. We encourage you to write in and ask you if you are unsure. I think today the webinar hopefully has provided you with a lot of answers to some of your questions. Hopefully you did get the answers that you needed. If not, write to us and we will be more than happy to help you. You can also contact the state ABLE organization and they are more than happy to assist you as well. With that, Miranda I will turn it back to you.

Miranda I think you are on mute.

I'm not hearing anything. What I will do is cover the resources quickly. We have a link to a variety of different resources. We have a link to the ABLE Act. If you would like to read that. It is heavy reading. If you have insomnia. The second is the IRS code. It's from the Code of Federal Regulations. It is the proposed regulations on the 529A ABLE Account. The third is the tax highlights for people with disabilities. The Social Security policy. I know several of you have asked about it. I have seen questions in the chat box asking where is the SSI policy. That is the direct link. If you are asking about information on the data exchanges at the very end it references the data exchange. It does not go into the details that I went into. It doesn't go into the detail because that is covered in other issuances. You just need a general idea of how that works and know it is there. That is referenced at the very end of that policy document. Lastly the link to our center is we have a variety of webinars available. You can access the newsletter and access Jim's outstanding case summary series. I love every time he comes out with a new one. It may be heavy reading for some folks but for me it provides accurate guidance. I encourage you to check it out. Miranda with that it is back to you.

Great. Thank you so much. In the last moment that we have here, I want to reference the case summary on qualified disability expenses, that is the most recent case summary. Jim took the charge and the lead on writing it up and researching. We have that posted with our materials from today's training. It is on the link. That will be the post where the archives will show up when the webinar is recorded and posted. That summary and the PowerPoint are already posted on that link. I provided that in the chat box. That is where you go to find some of the questions that were answered in the chat box - - asked in the chat box that we did not have time to get to today. We will get to that and we will post the questions and the responses on that link. Take that with you and thank you so much everyone for joining us here today for our presentation on qualified disability expenses. If you have questions in the meantime, you can always call us at the call center or send your email inquiries to the address on the screen where you will have access to Marlene, Lori, and Peggy. They will help assist you getting to the resources. Thank you. If you could take a moment to fill out the post training survey. We appreciate the feedback. We are trying to be responsive to your needs. Take a moment and let us know what you thought of the presentation. Also any thoughts or suggestions you may have for next year. With that, I will wrap up the webinar. Thank you to our ABLE advisors for joining us and to Larry and Katie and Edward and Marlene and Jim. Have a great day, everyone.

[Event Concluded]