



NATIONAL RESOURCE CENTER
ACHIEVING A BETTER LIFE EXPERIENCE ACT



Securing the Future for Students and Young Adults with Disabilities with an ABLE Account

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

Today's Agenda

- Youth Transition Services
- ABLE Savings and Investment Accounts
- Service Provider Role
- ABLE NRC Resources



Transition Planning

- Transition planning in special education programs generally refers to taking steps to move on from school-based programs to adult services. The Individuals with Disabilities Education Act (IDEA) requires that school districts address transition planning and services in the Individualized Education Program (IEP) for students, beginning no later than age 16.
- Transition planning is required to focus on postsecondary education, training, competitive integrated or other employment and may also focus on independent living and community participation.



Transition Service Plans May Include

- The Individualized Education Program (secondary schools),
- An Individual Plan for Employment (commonly used by vocational rehabilitation providers),
- Individual Work Plan (Used by Employment Networks and American Job Centers) and
- 504 Plan (used in school to identify accommodations).



How Can a Student and Young Adult with a Disability Be Supported When They Transition?

- A seamless transition depends upon knowing what exists and how to access it. Successful outcomes include a coordinated connection to programs and services that support education and training, employment and adult living.
- Building relationships, collaborating with other agencies/providers and including the family and the student or young adult can bridge connections.
- Funding is often a challenge and “wait lists” may exist. Including information about an ABLE savings and investment account in the service plans can help.



Why Should Service Providers Include ABLE Information?

- An ABLE account can eliminate barriers by funding services and supports:
 - not covered by other programs like transportation and access to additional support services.
 - delayed by public benefit program funding gaps or waiting lists.



ACHIEVING A BETTER LIFE EXPERIENCE (ABLE)



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ABLE Legislation and Financial Independence

The Achieving a Better Life Experience (ABLE) Act was signed into law on December 19, 2014.

The ABLE Act has allowed states to create tax-advantaged ABLE accounts for eligible individuals with disabilities.

This allows people with disabilities the opportunity to save above the \$2,000 resource limit while maintaining eligibility for needs-based benefits.



ABLE Savings Towards Independence

Millions of individuals with disabilities depend on a variety of public benefits for income, health care, food and housing assistance. ABLE savings does not affect eligibility for federally-funded, means-tested benefits.

- An ABLE account is a safe place to save money that can be used to support education, employment and enhance health, independence and quality of life;
- ABLE offers the opportunity for a young adult to learn money management and self-determination skills while making informed choices that will benefit them throughout their life*.

[*A Transition Guide to Postsecondary Education and Employment for Students and Youth with Disabilities. Revised August 2020. \(PDF\) \(transitionta.org\)](#)



What Is an ABLE Account?

A person with a qualifying disability that began prior to age 26* may open a 529A (ABLE) account in their own name at any age.

An ABLE account makes it possible to:

- Save and invest money from family, friends, employment, benefits, income tax refunds and other sources;
- Use funds to pay for a wide range of qualified disability expenses and
- Save and invest money while maintaining eligibility for federally-funded, needs-based benefits.

**Starting January 1, 2026, ABLE age eligibility will go up to prior to age 46.*



Who Is ABLE Eligible?

An ABLE savings and/or investment account is owned by a person who has a Social Security number or tax filing I.D. and has a disability or blindness; that began *before age 26*, **AND** :

- Receives Supplemental Security Income (SSI) and/or Social Security Disability Insurance (SSDI) benefits **OR**
- Does not receive SSI or SSDI, but self-certifies that they have a written and signed [disability certification](#) from a doctor.

ABLE Decision Guide: [Am I ABLE Eligible?](#)



Who can Open an ABLER Account?

- One ABLER account can be *opened at any age* by or for a person who has a disability, as defined on slide 11. In this order, it may be opened by:
 - The individual (with capacity) who has a disability,
 - Individual selected by the eligible individual,
 - Agent under a power of attorney, conservator or legal guardian,
 - A spouse, parent, sibling or grandparent,
 - A representative payee (individual or organization).

ABLER Decision Guide: [Selecting and Opening an ABLER Account](#)



Why are ABLE Accounts Important?

(Slide 1 of 3)

There are extra costs when living with a disability

- Households containing a working age adult with a disability require, on average, 29% more income (or an additional \$18,322 a year at the median household income) to obtain the same standard of living as a comparable household without a member with a disability;
- An ABLE account can help cover many of these extra expenses.

Source: Morris, McGarity, & Goodman published work:

[The Extra Costs Associated With Living With a Disability in the United States](#)



Why are ABLÉ Accounts Important?

(Slide 2 of 3)

Up to \$100,000 saved in an ABLÉ account is disregarded as a resource and will **NOT** affect Supplemental Security Income (SSI).

Any amount of ABLÉ savings, up to the plan limit, will **NOT** affect eligibility for:

- Social Security and Disability Insurance (SSDI)
- Housing Assistance - Housing and Urban Development programs (HUD)
- Supplemental Nutrition and Assistance Program (SNAP)
- Free Application for Federal Student Aid (FAFSA)
- Medicare Parts A, B, C or D, Medicare Savings Programs and Extra Help
- Any type of Medicaid benefit including Medicaid waiver services

ABLE Decision Guide: [Understanding ABLÉ Account Savings and Public Benefits](#)



Why are ABLER Accounts Important?

(Slide 3 of 3)

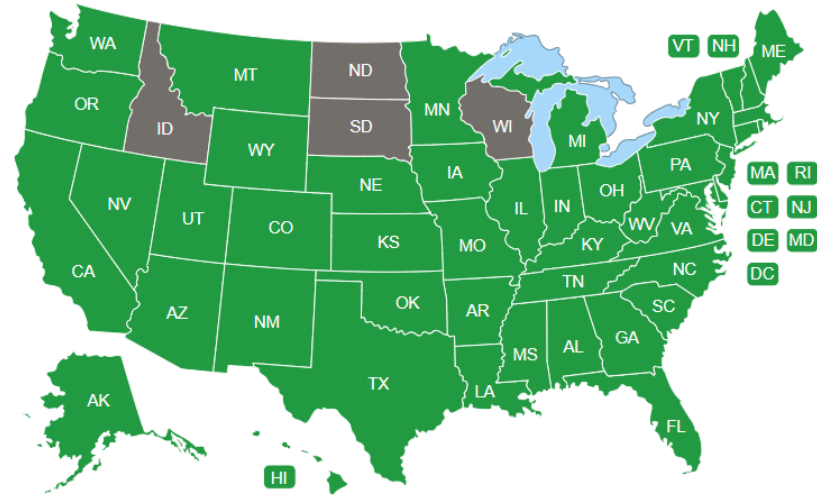
ABLE account tax advantages:

- Account balance can be invested through a variety of options offered by an ABLE plan;
- Investment growth is tax-free when used for qualified disability expenses;
- Funds may be withdrawn at any time from ABLE investment options without penalty; and
- Contributions directly deposited into ABLE from family, friends, a Special Needs or Pooled Trust or a 529 College Savings Plan rollover do not count as income by federally-funded means-tested benefit programs.



Who Offers ABLÉ Accounts?

- There are over 45 state ABLÉ plans that offer ABLÉ accounts from which to choose.
- If you are ABLÉ-eligible, you can open one ABLÉ account in any state that has an ABLÉ plan that accepts outside residents.
- [ABLÉ Program Comparison Tools](#)



How do You Open and Manage an ABLE account?

- Most ABLE accounts are opened online; you can contact specific ABLE plans for alternatives, like a paper application, if needed.
- Once the account is open, the account owner – the person with a disability – can choose to allow others to access various levels of information about the account and/or to take specified actions on the account.

ABLE Decision Guides: [Selecting and Opening an ABLE Account](#)
and [Managing Your ABLE Account](#)



How do You Fund an ABLE account?

An annual total of \$18,000 can be deposited into an ABLE account by the person with a disability or from:

- **Friends and Family**
- **Special Needs / Pooled Trust**
- **529 College Savings Account rollover**

In addition, an ABLE account owner, who resides in the continental U.S. and who works and does NOT participate in an employer sponsored retirement plan within that calendar year, may contribute up to an additional \$14,580 from their earnings into their ABLE account. It is higher for residents of Alaska: \$18,210 and Hawaii: \$16,770.

ABLE Decision Guide: [Finding Funds to Save in an ABLE Account](#)



Can a 529 College Savings Account Fund an ABLE Account?

- A family can roll over funds from a 529 qualified tuition plan to a 529A ABLE account, without tax impact, if the ABLE account owner is the designated beneficiary of the tuition account or is an eligible member of the family.
- These rollovers are subject to the annual contribution limit of \$18,000 from all ABLE deposit sources.
- ABLE qualified disability expenses allow for more expansive expenses than permitted by 529 qualified tuition plans.



What are Some Other Reasons to Save in an ABLE Account?

- An ABLE account promotes saving vs. “spending down” funds to become eligible for Supplemental Security Income (SSI) and Medicaid.
- It allows a third party or a special needs or pooled trust to contribute up to the annual contribution limit into the ABLE account for food, shelter or other expenses without a reduction in the SSI payment or loss of Medicaid.



Can a Trust Contribute to an ABLER Account?

- There are various types of self-funded or family funded special needs and pooled trusts that can supplement means-tested government benefits without affecting an individual's eligibility for benefits.
- A trust may be a great way to convey large amount of money, life insurance, real estate or other assets to benefit a beneficiary throughout their lifetime.
- Both an ABLER account and a trust can improve the quality of life of a student or young adult with a disability.



SSI Student Earned Income Exclusion

- The Social Security Administration (SSA) encourages students to work. The [Student Earned Income Exclusion \(SEIE\)](#) is a work support that helps Supplemental Security Income (SSI) recipients who work and regularly attend school to keep more of their SSI benefits while continuing their Medicaid eligibility.
- Saving extra earnings and SSI in an ABLE account can allow students to save for their future goals rather than needing to spend down.



What Can you Save for and Purchase with an ABLER account?

- **ABLE funds may be used to pay for items or services that:**
 - Relate to the beneficiary's blindness or disability
 - Are for the benefit of the ABLER account owner
 - Relate to maintaining or improving their health, independence or quality of life
- **Qualified disability expenses (QDEs) are broadly defined and are not limited to:**
 - Expenses for which there is a medical necessity or
 - Expenses that provide no benefits to others in addition to the benefit to the beneficiary



What are ABLE Qualified Disability Expenses?

- Education;
- Basic living expenses including food and shelter;
- Housing including utilities, rent, modification, purchase, property taxes;
- Transportation;
- Employment training and support;
- Assistive technology;
- Personal support services;
- Health care expenses;
- Legal fees and financial management; and
- Funeral and burial expenses.

ABLE Decision Guide: [Determining Whether Something is a QDE](#)



ROLE OF THE SERVICE PROVIDER



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What Is the Role of a Service Provider? (Slide 1 of 2)

- Engage families early and introduce ABLE accounts as a bridge to support greater independence! Eighty-four percent of parents who have a student or young adult with an IEP attend parent-teacher conferences and may not be aware of ABLE accounts. Include ABLE account information into service plans to support future goals.
- Seek training and development opportunities to learn more about ABLE accounts and how a student and young adult can open, save and use an ABLE account to maximize their savings and meet their goals.



What Is the Role of a Service Provider? (Slide 2 of 2)

- Use the Decision Guide “[Finding the Funds to Save in an ABLÉ Account](#)” to explore ABLÉ account savings opportunities for eligible students and young adults.
- Support students and young adults with disabilities through **coordinated** interagency collaboration across programs to enhance outcomes. Identify missing resources and explore how an ABLÉ account can fill the gap in services or supports now and through their life, including retirement. Sharing this information can help to improve transition outcomes and maximize success.*

*[A Transition Guide: To Post Secondary Education and Employment for Students and Youth with Disabilities](#)



Next Steps

- **Suggest** that the student or young adult form a circle of support to learn the skills they need with their ABLE account. Many of the skills are the same skills they will use throughout their lifetime and will support extraordinary expenses and achievement of life goals.



ABLE RESOURCES



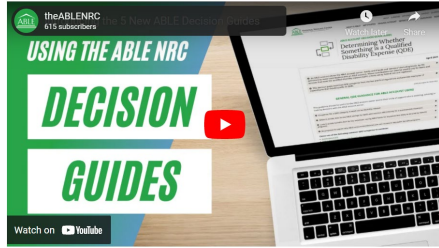
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ABLE Success



ABLE NRC Ambassadors are ABLE account owners and family members who share their success stories to encourage others to open an ABLE account, too.

ABLE Decision Guide Series



ABLE Decision Guide Series

- A series of step-by-step guides on key ABLE topics that provide multiple pathways to outcomes.
- Guides help increase ABLE understanding and assist in effective decision making.

ABLE Decision Guides:

- [Am I ABLE Eligible?](#)
- [Selecting and Opening an ABLE Account](#)
- [Understanding ABLE Account Savings and Public Benefits](#)
- [Managing an ABLE Account](#)
- [Finding Funds to Save in an ABLE Account](#)
- [Determining Whether Something Is a Qualified Disability Expense](#)
- [ABLE Accounts and Working People with Disabilities](#)
- [Ready and ABLE to Work and Save](#)
- [Understanding ABLE Accounts, Special Needs Trusts and Pooled Trusts](#)



ABLE National Resource Center Website

Visit ABLE NRC's website at www.ABLENrc.org

- [ABLE Plan Comparison Tools](#)
- [ABLE FAQs](#)
- [#ABLEtoSave Podcasts](#)
- [ABLE Webinars](#)
- [AchievABLE Newsletter](#)
- [Service Provider Toolkit, Employer Toolkit, and Outreach to Communities of Color Toolkit](#)



Help Spread the Word!

Please share information about ABLE accounts among your friends, family and community groups!

- Ask us questions at: ABLEnrc.org/Contact
- To receive up-to-date information on ABLE, please subscribe to our [AchievABLE](#) newsletter.
- Connect with us on social media – [Facebook](#), [Instagram](#), Tik Tok and X/Twitter – [@TheABLENRC](#).



THANK YOU!



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