

The ABLE Case Summary Series

The ABLE Age Adjustment Act

ABLE Account Eligibility is Expanded, Effective January 1, 2026, to Include Persons with a Disability that Began Before Age 46 (Rather than Before Age 26)

Our 2018, six-part ABLE Case Summary Series explained the use of ABLE accounts to accumulate savings to purchase items or services called Qualified Disability Expenses (QDEs), without jeopardizing eligibility for means-tested benefits such as Supplemental Security Income (SSI), Medicaid, and a range of other federally funded benefits. Visit

[ABLE National Resource Center's ABLE Case Summary Series](#) to access the full series.

The 2018 articles will be updated in 2026. This new, seventh case summary explains how the ABLE Age Adjustment Act, effective January 1, 2026, will allow people whose disability began before age 46 to open an ABLE account.

Introduction

The Achieving a Better Life Experience (ABLE) Act of 2014 became a reality in 2016 as ABLE programs were started in some states. An ABLE account creates a means to save funds for a “designated beneficiary,” who is blind or disabled with an onset of disability before age 26 (or age 46 effective 1/1/26).¹ ABLE programs exist in 46 States and the District of Columbia, with 32 of those considered national programs accepting enrollees from all States.² The ABLE account owner can use account funds to purchase QDEs that will allow them to improve their health, independence, and quality of life.³

This article explains how the ABLE Age Adjustment Act will allow ABLE eligibility for persons who first experience disability before age 46. In addition to information shared in

[the ABLE Age Adjustment Act Fact Sheet](#), this case summary will describe:

- Some common categories of persons, with adult-onset disabilities, who will now be eligible for the ABLE program.

¹ See Internal Revenue Service (IRS) ABLE regulations, [26 CFR 1.529-0 – 1.529-8](#).

² See [ABLE National Resource Center](#) and its [US Map](#) showing states with ABLE accounts (click on a state for an overview of its ABLE program features).

³ For a representative list of Qualified Disability Expenses, see [ABLE National Resource Center's Frequently Asked Questions](#).

- Examples of disability-related needs and government benefit issues faced by this expanded group of ABLE candidates.
- Strategies you can use to reach those whose disabilities occurred before age 46.

Hypothetical cases are used to lay out some of these issues.

ABLE Age Adjustment Act to Make Millions More Eligible for ABLE Accounts

The federal ABLE Age Adjustment Act, section 124 of the Secure 2.0 legislation, became law on December 29, 2022. As of January 1, 2026, it will allow ABLE eligibility if the applicant's disability first occurred before age 46, rather than age 26.

Approximately 8 million persons, nationwide, were potentially eligible for an ABLE account under the original law, with an estimated 6 million more Americans potentially eligible under the new law. This increase will likely include about one million more Veterans with disabilities than were previously eligible.⁴ The [ABLE Today, ABLE National Data Website](#) reported that as of June 30, 2025, more than 214,000 ABLE accounts had been opened nationwide with combined accounts holding assets of more than \$2.68 billion, and with \$12,530 as the average account balance. Assuming effective public education efforts to explain expanded eligibility, those numbers should increase dramatically in the years to come.

The Medical Disability Criteria for ABLE Eligibility Will Not Change

In 2026, the disability itself will continue to be established in one of two ways (only the required age of the disability's onset will change in 2026):

- By showing that the applicant is currently eligible for Social Security or SSI benefits, based on a disability or blindness that began before age 46; or

⁴ See [A Conversation About ABLE Accounts With Jody Ellis, Director, ABLE National Resource Center](#) (April 15, 2024), an interview conducted by the Administration on Community Living.

- By certifying or having the person who opens the account for the beneficiary certify, under penalties of perjury, that the designated beneficiary has a medically determinable impairment “which results in marked and severe functional limitations” that has lasted or is expected to last for 12 consecutive months, or is likely to result in death, with the disability or blindness occurring before age 46.⁵ The applicant or person assisting them must obtain and retain a signed letter from a doctor certifying that the applicant meets this second test of disability.⁶

Persons Likely to Benefit from the ABLE Adjustment Act

ABLE candidates, between 2016 and 2025, when the ABLE Act required a disability that began before age 26, included persons whose disabilities occurred at birth and those whose disabilities first occurred or were first diagnosed at a later time during their elementary and secondary school years, or as young adults (potentially up to age 25). Many of these persons had severe “developmental disabilities,” such as an intellectual disability, autism, cerebral palsy, deafness or blindness first diagnosed early in life.

The New Potential ABLE Account Candidates, Starting 1/1/26

Childhood disabilities that did not meet the strict disability standard before age 26 but did over time become more severe.

- This could include disabilities known to get worse over time, like type 1 diabetes (potentially leading to blindness or severe vision loss) or childhood onset arthritis.
- This could include persons with a new, secondary disability first occurring after age 26 that in combination with the original condition meets the ABLE disability criteria. For example, persons who first experienced a disability as a child may, as adults, experience mental health problems that, in combination with the original disability, lead to meeting the stricter disability criteria.

Persons who first experience a disability after age 26.

This includes persons with a severe diagnosis or condition that intensifies over time, or occurs later in life, such as:

- Disabilities that result, for example, from a motor vehicle accident, an on-the-job injury, or an injury that occurs within the person’s home or apartment.
- Multiple sclerosis (MS), traumatic brain injury (TBI), spinal cord injuries

⁵ “Marked and severe limitations” means the disability standard for children under 18 claiming SSI based on disability, “but without regard to age or whether the individual engages in substantial gainful activity,” through work and earnings. [26 CFR 1.529 A-2\(e\)\(2\)](#).

⁶ See [ABLE National Resource Center’s 10 Things You Should Know About ABLE Accounts #2](#) (includes link to a sample doctor certification letter).

- Post-traumatic stress disorder (PTSD), schizophrenia and other mental health conditions
- Lupus
- Adult-onset hearing and/or vision loss
- A range of service-connected disabilities among Veterans

In some cases, the disability occurred before age 26 but did not worsen to the point of meeting ABLE's disability criteria until the person's late 20s, 30s or early 40s.

Case Examples: Adults Who Are Disabled Before Age 46

The Case of Tiana, Age 28 who lives with her parents.

She was diagnosed with a learning disability as a child and received special education services during her public-school years. At age 18, she applied for SSI, was denied, and did not appeal. Between ages 18 and 26, she worked several part-time jobs, each ending for reasons associated with her learning disability (e.g., short term memory problems, difficulty following written instructions). During these years, Tiana experienced depression and anxiety, constantly fearing she was one mistake away from getting fired.

At age 27, Tiana had a mental health crisis that required follow-up mental health counseling. In February 2025, at 28, she applied for SSI and was approved in August. She will receive monthly SSI payments at the SSI Federal Benefit Rate (FBR)⁷ and a retroactive payment of about \$6,000 for March through August. She will also qualify for Medicaid as her state provides automatic Medicaid to SSI recipients.

Tiana and her mother meet with an SSI specialist at a local Center for Independent Living (CIL) and explain that: Tiana hopes to return to part-time work, initially with job coaching assistance funded through her state's vocational rehabilitation (VR) agency; Tiana wants to keep some of the retroactive SSI award to save toward a car purchase in the next year; and her parents want to help Tiana pay for rent when she moves out of their home. They want to know if any of these plans will jeopardize SSI eligibility or the monthly payment amount, or if Medicaid eligibility will be affected.

⁷ The SSI FBR, \$967 per month in 2025, can be adjusted upwards each year based on cost-of-living increases.

The CIL advocate explains that:

- Tiana can keep the retroactive SSI for up to nine months before it starts counting toward SSI's \$2,000 resource limit.⁸
- Under the new ABLE age criteria, allowing for eligibility if a disability occurs before age 46, Tiana can open an ABLE account in January 2026. She can then put any part of her SSI retroactive award into the account. Later, she could use money held in the ABLE account toward the purchase of a car, since transportation costs are a QDE.⁹
- If working, \$85 plus half of her gross pay will be ignored by SSI each month, with the remaining "countable earnings" used to reduce her monthly SSI payment.¹⁰ With more money each month in combined SSI and earnings, she could deposit some of the extra money into her ABLE account.
- Her parents could take money they planned to contribute toward Tiana's rent and put it into her ABLE account each month. The ABLE account can then pay all or part of her rent as a QDE, and her SSI payment would not be reduced as the SSI program does not count as income rent payments made through an ABLE account. By contrast, if the parents just paid the landlord directly each month Tiana's SSI could be reduced significantly.
- If Tiana, her parents, another family member or friends wish to directly deposit funds in the ABLE account, they can do so if combined contributions do not exceed \$19,000 during calendar year 2025. Visit [ABLE Account Contribution Limits - ABLE National Resource Center](#) for the current year's contribution limit.
- So long as SSI continues, even if reduced due to wages, automatic Medicaid will continue.

The advocate refers Tiana to an agency that can provide free benefits counseling when she is about to start working.

The Case of Marcus, Age 37 who lives alone.

He served eight years in the US Army and was injured in 2023, at age 35, during a training exercise. He suffered a traumatic brain injury (TBI) which affects his memory and ability to concentrate, a partial hearing loss and a loss of mobility due to a left leg injury. He was honorably discharged in August 2023 and has not worked since then.

⁸ See [POMS SI 01130.600 B.1](#) (allowing retroactive SSI payments to be excluded, and not counted toward the SSI \$2,000 resource limit for up to nine months, starting with the month after the retroactive benefits are received).

⁹ The total value of assets held in an ABLE account, up to \$100,000, will not count toward the SSI program's \$2,000 resource limit. [POMS SI 01130.740 C.3.](#)

¹⁰See SSA's [Understanding Supplemental Security Income \(SSI\) -- 2025 Edition.](#)

In January 2025, at age 37, he applied for VA service-connected disability benefits and separately applied for Social Security Disability Insurance (SSDI) and SSI. The SSDI and SSI applications were approved in July 2025, with SSDI retroactive to January 2024 and SSI retroactive to February 2025.¹¹ The VA disability application is still pending.

Marcus talks to a benefits counselor, employed by his state's vocational rehabilitation (VR) agency, in September 2025, telling her: he gets \$720 in monthly SSDI and \$267 in SSI payments, with Medicaid automatic in his state for those who get SSI; and will soon start a vocational assessment through his state VR agency. He seeks the benefits counselor's input on what will happen to his SSDI, SSI and VA benefits (if approved) when he starts working. He also asks about his eligibility for an ABLER account.

The benefits counselor explains that Marcus will be eligible for an ABLER account as early as January 2026 when new criteria will allow ABLER eligibility for disabilities that occur before age 46. She explains that Marcus, his family members and others can contribute money directly into his ABLER account. She explains that the ABLER account would be a good place to deposit most of his retroactive SSI and SSDI awards because the assets held in the ABLER account will not be counted by toward SSI's \$2,000 resource limit so long as the assets in the account do not exceed \$100,000.¹² She provides Marcus with written information about the SSDI and SSI work incentives and ABLER accounts, provides links to additional online information and agrees to a follow-up meeting once Marcus has reviewed the materials. She agrees to provide Marcus with a referral to a person who can address his VA-related questions.

Note: Marcus will meet ABLER disability criteria if he applies in January 2026 or later, as his receipt of SSDI and SSI payments are sufficient to establish proof of a disability.

The Case of Leila, Age 47 who lives alone.

In March 2022, at age 44, she fell on ice-covered stairs at a friend's apartment complex and experienced lower body paralysis. She was approved for SSDI and started getting monthly payments in October 2022. In late 2024, Leila enrolls with her state's VR program and is being evaluated for the assistive technology she will need to return to her work as an accountant, at least on a part-time basis.

¹¹ For SSDI purposes, Marcus was found disabled effective August 2023 and, after a 5-month waiting period, his retroactive SSDI payments start in January 2024.

¹² [POMS SI 001130.740 C.3](#). The benefits counselor should also explain that SSI policy allows for a 9-month exclusion of the SSI and SSDI retroactive awards before the begins to count toward his SSI \$2,000 resource limit. [POMS SI 01130.600 B.1](#)

In March 2025, Leila meets with a benefits counselor employed by a federally funded Work Incentives Planning and Assistance (WIPA) program in her state.¹³ In her meeting with the benefits counselor, Leila shares that she has not worked since the 2022 accident and is working with the VR program on a plan to return to accounting work. She also shares that she receives SSDI payments of \$1,500 per month; has both Medicare and Medicaid coverage; and she sued the owners of the apartment building where she fell and received a net settlement, after lawyer's fees, of \$175,000 which has been put into a Special Needs Trust (SNT).

Leila asks the benefits counselor how working will affect her benefits. The benefits counselor provides some quick answers, explaining that complete details will depend on how much she earns and other factors:

- At a minimum, she could start working at any pay level and get both paychecks and SSDI for nine trial work months and a 3-month grace period.¹⁴ This extra money could provide a source of contributions to the ABLE account.
- Right now, Leila gets Medicaid through a spend down or share of cost program, requiring Leila to pay the first \$200 in medical costs before Medicaid starts paying costs not covered by Medicare. When she starts working, she can then move to her state's Medicaid Buy-In (MBI) for Worker's with Disabilities program, which would allow Leila to stay on Medicaid with earnings in the \$45,000 to \$50,000 range (or more if earnings lead to a suspension of SSDI).¹⁵
- The trust would never affect her eligibility for SSDI, as SSDI is not a means-tested benefit. Also, if the SNT was properly drafted, it would not affect her Medicaid eligibility.
- Leila would be eligible for an ABLE account on January 1, 2026. At that point, her receipt of SSDI dating back to age 44 would meet the new criteria for a disability that first occurred before age 46. The SNT could then directly deposit money in Leila's ABLE account up to the 2026 limit.
- The benefits counselor cautions Leila to first consider other benefit programs to pay for things she needs – e.g., Medicaid and/or Medicare for a new power wheelchair, the employer or state VR agency to fund on-the-job assistive technology – before using funds in the SNT or ABLE account for those items. The strategy is to use the SNT and ABLE account only after exhausting other resources.
- The ABLE account will not affect Medicaid eligibility or future MBI eligibility as federal Medicaid policy requires that ABLE assets and distributions for QDEs will not count as

¹³ Every state has one or more WIPA programs, funded by Social Security to provide free benefits counseling to SSDI and SSI disability beneficiaries who are working or plan to work in the future. See [Social Security's WIPA Page](#) for information on how to find a WIPA program near you. Benefits counselors may also be funded in your state through other sources.

¹⁴ See [Social Security's Trial Work Period](#), for an explanation of this work incentive.

¹⁵ The Medicaid spend down option exists in more than half the states. The Medicaid Buy-In exists in about 45 states, with state-by-state differences for income and resource limits.

resources or income when reviewing for ongoing Medicaid eligibility.¹⁶ The benefits counselor explains that he will provide a written analysis to describe these concepts to Leila and then meet again, by mid-November to discuss next steps to make sure her ABLÉ account is opened by early 2026. Hopefully, the SNT trustee agrees to deposit several thousand dollars into the ABLÉ account in early 2026.

The benefits counselor and Leila plan to meet every three to six months, for the next year or more, to see if the ABLÉ account has been opened, to review the status on her work plans and to determine how any changes may impact her benefits moving forward.

Note: The three case studies show how a person's individual facts will determine how an ABLÉ account will fit into their plans. In each case, there could be layers of issues that we do not have the luxury of exploring within this short article.

Getting the Word Out to Persons with Disabilities, Their Families, and Service Providers

The challenge now is to get the word out to the persons with disabilities most likely to benefit from the ABLÉ Age Adjustment Act changes, and to reach those persons and agencies most likely to have contact with this new group of potential ABLÉ account candidates. What follows are some ideas to accomplish this.

Identify New ABLÉ Account Candidates within a Caseload.

If your agency serves adults with disabilities, using a caseload approach, a system can be created to make staff alert to ABLÉ accounts and the expanded eligibility criteria effective January 1, 2026. Agencies that use independent contractors to serve individuals should include contractors in any communications directed to staff. Consider adding ABLÉ information within intake assessments, service plans and annual reviews. The [ABLÉ Information Flyer](#) can be shared in a printable or downloadable format.

Post Alerts to Websites and Social Media Accounts

While many people continue to look to agency websites as an information source, the reality is that many people rely heavily on social media, e.g., Facebook, Instagram, X (formerly Twitter) and other sources for information. A potential strategy might be to post a short piece of information on the social media account, with a link to a website for more detailed information.

¹⁶ See The Centers for Medicare and Medicaid Services' (CMS) Dear State Medicaid Director Letter: [SMD # 17-002, Implications of the ABLÉ Act for State Medicaid Programs \(Sept. 7, 2017\)](#).

Make an ABLE Eligibility Update a Part of Any Periodic Training Offered

The training could be in-person, or more likely through an online webinar, or within a short video posted on a website and/or social media account. If certain staff have continuing education unit (CEU) requirements to retain their professional status, a session about ABLE accounts and the new eligibility rules could be part of the curriculum during 2026. Consider using this link as part of your orientation for new staff and volunteers, [YouTube.com/@theABLENRC](https://www.youtube.com/@theABLENRC).

Use an Email or Social Media Alert Format, to Get the Word out to Many

Within certain disciplines, group email messages are still an accepted way to reach a large group with a common interest in a subject. Where social media alerts have replaced email, use that. Or better yet, use both approaches. Access the [ABLE Age Adjustment Act Social Media Toolkit](#) for sample content that can be used in emails or social media.

Reach Out to Individuals with Disabilities and Families through Support Groups

Many individuals and their families rely on a range of technology to get much of their information by word of mouth. These groups may vary based on the type of disability and where a person resides. For example, a person with a disability or their family member may get their latest information about a technological breakthrough or how it was funded through this loosely organized support group. In many cases, this might be the perfect place to post information about ABLE accounts and the revised eligibility criteria.

No Wrong Approaches for Getting the Word Out!

The ideas above represent things that have worked well at different times and for different audiences. If all those who read this article could now brainstorm on the topic, many additional and perhaps better ideas might emerge. Might you put the alert in a hard copy and online church bulletin, have it posted on a Community College bulletin board, or have it discussed during a public service radio program in the early hours on Sunday morning (people do listen to those!)? Yes, yes and yes.

Conclusion

This article has explained how the ABLE Age Adjustment Act has expanded eligibility to people who have a disability that began before age 46, starting in January 2026. Our three hypothetical cases explore the diverse ways adults may become disabled and the range of issues they face as they seek to maximize independence and quality of life moving forward. In each case, the ABLE account becomes a critical part of that plan.

Readers should regularly check the [ABLE National Resource Center website](#) for resources related to the ABLE Age Adjustment Act.

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By: James R. Sheldon, Esq.
Disability Policy Consultant
Volunteer Author