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Free Webinar: Topics in SSI—ABLE Accounts and Supplemental Security Income

Webinar Transcript

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Trinh Phan:

Hi, welcome to the webinar today. We're going to get started in just about a minute.

Okay, let's get started. Good morning, good afternoon. Thank you for joining us for Topics in SSI. I'm Trinh Phan from Justice and Aging. Today we are joined by presenters Miranda Kennedy, MPP Director ABLE National Resource Center, Laurie Schaller, Manager, Financial Empowerment, National Disability Institute, and Pshon Barrett Esquire, ADA Group LLC, Attorneys for Disabled Americans, ABLE Account Owner and ABLE NRC Ambassador who will be presenting on ABLE accounts and supplemental security income. ABLE accounts provide many benefits for SSI beneficiaries who qualify. They're especially important because they're one of the few options for people to save money above SSI restricted \$2,000 resource limit. And right now is a particularly good time for SSI advocates and beneficiaries to learn more about ABLE Accounts as there is an exciting update that will take effect in a few years, which will allow more SSI beneficiaries to open an ABLE account.

We are thankful to today's presenters for sharing information and resources to help us all better understand ABLE accounts. So, before we begin, just a few logistics for the webinar. If you have any problems getting onto the webinar, you can send an email to trainings@justiceinaging.org. This webinar will be recorded. The recording will be available in a few days on Justice in Aging's website. You'll be able to find the recording and other materials by searching our resource library at [justiceinaging.org/resource-library](https://www.justiceinaging.org/resource-library). There will be some time for questions. Everyone is on mute, so if you would like to ask a question, please type it into the questions box during the webinar. We will try to address questions at the end. That covers our logistics and now I'll pass it over to our presenters. Miranda.

Miranda Kennedy: Wonderful, thank you so much Trinh. It's fantastic to be here with all of you. We're excited to be able to talk about ABLÉ account and supplemental security income. We have a lot of information to share with you. I am so happy to be joined by my colleague Laurie Schaller, who is an expert on benefits as well as a deep level expert on ABLÉ and all subject matter expertise related to that. Again, my name is Miranda Kennedy, I'm the director of the ABLÉ National Resource Center, and later in the presentation you're going to hear from one of our ABLÉ ambassadors who is an ABLÉ account owner, Pshon Barrett. So, we're looking forward to being here with you. We have a lot to cover. I do want to give everyone this tip. Alex is going to be sharing the PDF as well as a handout on today's presentation that you can take away with you.

So, our hope is that a lot of the content, the kinds of questions that you might have about ABLÉ accounts and SSI that we will answer a lot of that or at least touch on it in today's presentation and provide a lot of resources for you. So the presentation we have here, you're going to see a lot of hyperlinks, where you can do a deeper dive into areas where you have questions or want to learn more. So just be aware, lots of great information and hyperlinks and resources throughout the presentation, as well as some really good resources at the end of the presentation. And we have lots of ways that you can reach us as well with other questions that we may not get to. But we hope to cover a lot of ground and we're going to go ahead and get started.

So, for those of you who are not familiar with us, today's presentation is being brought to you by the ABLÉ National Resource Center and we are the leading comprehensive source of objective independent information about federal and state- related ABLÉ programs and activities, including guidance on tax advantaged ABLÉ savings accounts, which we're going to tell you a lot more about here soon. It really is our mission to help educate, promote and support the positive impact that ABLÉ can make on the lives of millions of Americans with disabilities in their families. We have a wealth of resources at our website at ABLEnrc.org.

I want to note that The ABLÉ National Resource Center, we don't open, manage or provide any kind of oversight on individual able accounts or ABLÉ programs. We really are providing objective independent information, best practices, great resources, but that oversight and management of able accounts and programs where you'll be opening able accounts, that's done through the state ABLÉ plans and the National Association of State Treasurers, their ABLÉ committee with whom we partner. And there are 49 ABLÉ plans from which to choose. We'll tell you more about that soon. But I just want to make sure you are aware of that distinction. So, we're not oversight, we don't sell or manage any of those programs. But when I mentioned that I should also share that ABLÉ National Resource Center was opened as soon as the ABLÉ Act passed and the first ABLÉ programs in the country were opened. And we really have done a lot of pioneering work in this area and have a great deal of subject matter expertise.

And we are the foremost authority on topics that are related to the achieving a better life experience or ABLE Act. ABLE accounts, ABLE programs, ABLE related policy developments as well as comprehensive integration of ABLE and financial capability strategies for people with disabilities into the public service delivery system. So, with that, let's talk about supplemental security income first and then we'll talk more about ABLE accounts. So, the Social Security Administration pays a monthly supplemental security income SSI payment to children and adults with limited income and resources who are disabled, blind or age 65 or older. The federal benefit rate right now is \$914 per month for an individual and for couples where both individuals are disabled, that amount is \$1,371 per month.

Some states also pay a state supplement payment, and in many states when SSI is received SSA makes a Medicaid and the supplemental nutrition assistance benefits determination as well. So we just wanted to lay that groundwork around SSI. You may have heard it before covering the SSI topics here in this series, but we wanted to lay that as the foundation and then start talking about ABLE accounts. And I'm going to for that, hand over to Laurie to talk a little bit more about what is accountable income for SSI and start leading us into the discussion around ABLE accounts with that. So Laurie, what is the accountable income for SSI?

Laurie Schaller:

So, any earned income, money earned from work, for example, in addition to unearned income, money received from friends or relatives and they term that to be in-kind support and maintenance and that is in-kind support and maintenance or ISM or other sources such as unemployment benefits or Veterans Administration benefits and sometimes it even includes SSDI benefits. In-kind free or reduced cost for food or shelter, not SNAP or food distribution center items. Deeming counting a portion of parents spouse sponsor income as being available to an SSI recipient. So accountable income may reduce or eliminate a SSI payment month by month. And we have more information on that in our decision guide. Understanding ABLE accounts, special needs trust and pooled trusts.

Next. So, there's a difference between income and resources. And some people refer to this also as an asset. So, resources for SSI purposes are things that the person owns such as liquid resources, such as cash, bank accounts, stocks and bonds. And then there are non-liquid resources that cannot be converted to cash within 20 days. And examples are a person is allowed for example, to own one vehicle or one home that they live in. SSI has resource limits for an individual or a child that's \$2,000. For a couple where there are two parents in the household that SSI resource limit is \$3,000. And eligibility is determined the first of each month. So Social Security Administration will take a look at the income through the entire month and the resources of a child under age 18 may be higher because they could include the parents' resources as well.

So, it may be a little bit more for example, than \$3,000. But just to keep in mind that Social Security Administration is monitoring resources and income each month for an SSI recipient. Next slide. Examples of resources not counted household goods and personal effects, medical devices and adaptive equipment, the home in which the beneficiary lives, one vehicle that is used for transportation. And ABLE account savings up to and including \$100,000. And some trusts are protected as accountable resource for SSI and, or Medicaid. Also, alone or financial aid to attend college is not accountable resource for SSI. An income tax refund is not accountable resource for up to 12 months from when the person receives that tax refund. Although, SSI recipients may not ordinarily have a trust, there may be a time when someone receives a small inheritance or a personal injury settlement and they may want to set up a special needs or pool trust or income trust in some states so that they can remain eligible for SSI payments.

And as we'll talk about later, a trust which is not counted as a resource may contribute to an ABLE account because it is defined as a person by the IRS. Next slide. So National Disability Institute has a research department and a report was prepared back in 2022 and it outlined the extra costs for households that have a person who has a disability. Households containing an adult who has a disability require on average 28% more income, or an additional \$17,750 a year at the medium household income level to obtain the same standard of living as a comparable household without a member who has a disability. An ABLE account can help cover many of these extra expenses. And like I said, that report is posted at the National Disability Institute website and the link is here on this slide. Miranda.

Miranda Kennedy:

Thank you Laurie. So, let's talk about ABLE Accounts and I see some questions are already rolling in. I hope we'll answer many of those as we dive into this next section and talk about ABLE Accounts and what is an ABLE account. So an able account, what it is, it's a 529 tax advantaged account, where a person with a disability that began before age 26 can open that 529 A or ABLE account in their own name and accrue assets in their own name. We're going to talk more about that. Many of you might know 529 college savings accounts. 529 A is the next line of code in the IRS and that's where Able accounts reside.

Where we have that asterisk on this slide next to age 26, that is the exciting news that Trinh was mentioning at the top of the hour. Currently, we estimate there's about 8 million people who are eligible for ABLE accounts because they acquired their disability before the age of 26 and they have an able eligible disability. What will happen in on January 1st, 2026 because the ABLE Age Adjustment Act passed at the end of December, that ABLE age of eligibility is going to increase to before age 46, which will make 6 million more people with disabilities including a million veterans eligible to open an ABLE account.

So, what enable account does is it makes it possible to save and invest money directly deposited into ABLE from family, friends, employment benefits, income

tax refunds and other sources. They can save their own money or money from these other sources. Importantly, ABLE investment growth is not taxable and is not countable income. ABLE funds can be used to pay for a wide range of qualified disability expenses. And we'll talk about what those are. It's really quite broad. And very importantly for those individuals who are on benefits such as SSI, an ABLE account and the funds in that ABLE account won't count against you in terms of eligibility. So, you can maintain eligibility for federally funded needs-based benefits if you have funds in your ABLE account. We're going to talk about that quite a bit more here. But I do want to say that really the opportunity and the fact that it's expanding is significant.

ABLE accounts, one of the questions that came in was, "When did the ABLE Act pass?" It was December 19th, 2014. It was very bipartisan when ABLE account legislation passed. The first ABLE accounts in the country weren't opened until the summer of 2016 and many other states have opened ABLE accounts since then including very recently. So, it is continuing to evolve. Hopefully you've been hearing about it but now it's really starting to hit more of a critical mass and so many more people will now be eligible as well. So, let's talk a little bit more about who exactly is ABLE eligible, what is able eligibility? So, I'm for this, I'm actually going to hand it over to Laurie to dive into this topic and share a little bit more information around what this means, including some resources that we have on this. Laurie.

Laurie Schaller:

Thank you, Miranda. So, who is ABLE eligible? A tax advantage ABLE savings and, or investment account is owned by the person who has a social security number or tax filing ID number and has a disability or blindness that began before they turned age 26. And they either receive Supplemental Security Income or SSI and or Social Security Disability Insurance, SSDI benefits or they self-certify that they have on hand a written and signed disability certification from a doctor and we have that certification at our website and the link is posted here on this slide. So this is important to know. Many people have had a disability that began before age 26 and when they apply for disability benefits with Social Security Administration, they may not be determined eligible until years after age 26. So in that case, that person can go to their doctor, ask them to sign the disability certification indicating the nature of the person's disability and the fact that that began before age 26.

Then they just hold that should the ABLE plan or the IRS request a copy. And I just wanted to clarify who the IRS states to be an appropriate doctor. So that's a physician, medical doctor of osteopathy, a doctor of dental surgery or dental medicine, a doctor of podiatrist medicine, a doctor of optometry or a chiropractor licensed to practice as such in the state in which they perform and they have provided that diagnosis. So please note that it does not include a licensed psychologist, clinical therapist or a certified vocational rehabilitation counselor or a social worker. But we understand that many people who have a disability have a primary doctor that they could go to and ask them to sign that

disability certification. If we could go to the next slide, Miranda, we'll talk about who can Open Enable account.

So, we are seeing some questions coming in, "How old does a person need to be in order to open an ABLE account?" So, an infant who is born with a disability, the parents or guardian can open that ABLE account in that child's name at any age for that child. A person can be age 20, 30, 50 and we're meeting many people who are in their 70s, 80s who need to access Medicaid maybe the first time in their lives even though they've had a disability and they're opening an ABLE account so they can deposit extra resources into their ABLE account so that they may be determined eligible for Medicaid, for example.

One ABLE account may be opened for one individual and there's an order of priority and either by that individual who has capacity, who has the disability, an individual selected by the eligible individual, an agent under power of attorney, a conservator or legal guardian, a spouse, parent, sibling or grandparent or a representative payee and that can either be an individual or an organization. Then this information is listed in our ABLE decision guide, Selecting and Opening an ABLE Account. And if someone has capacity under the law, they may remove or replace someone with power of attorney on their account and they can select someone else to help them manage their ABLE account. And the Social Security Administration has posted information for representative payees in their POMS regarding the nature that the representative payees still is responsible for any benefits that are deposited into that ABLE account and to report annually to Social Security Administration.

Next slide. So some more information on what social security policy is on ABLE accounts. So section 529 A accounts, ABLE accounts, fall under the jurisdiction of the Internal Revenue Service. Eligibility is shown on slide 12 and SSA does not determine eligibility for an ABLE account. The Social Security Administration applicant when they apply for benefits based on disability must meet non-medical technical rules before Social Security Administration determines medical eligibility. And this may affect the disability onset date they establish for benefit payments.

ABLE plans report that an ABLE account has been opened and they inform Social Security Administration and the IRS. And I understand that Social Security Administration in some of their monthly benefit letters to SSI beneficiaries indicate the fact that there is an ABLE account and the ABLE account balance. So know that Social Security Administration is looking to see, is that ABLE account balance up to or less than \$100,000. And they look at that monthly. SSA representative payee policy is the same for ABLE accounts and for all financial accounts we're titling of the ABLE Account and Social Security Administration, the IRS and federal guidance on ABLE are all listed on our website under federal guidance.

So we welcome you to take a look there. And when Social Security Administration discovers conserve funds held by the representative payee and in an improperly titled account, they will generally require the payee to correct the title. So correct titling of an ABLÉ account means that it's titled in the person's name who has the disability, and the representative payee is listed to help that person manage funds in that ABLÉ account. But they only can control the SSI and, or SSDI benefits that are deposited into enable account. If the payee is unable or unwilling, Social Security Administration will reassess the payee's suitability to serve. And when there is a change of representative payee, the rep payee may wish to work with Social Security Administration to request that funds remain in the ABLÉ account rather than needing to go back to Social Security Administration and then ruled into a new ABLÉ account. So there is a way to negotiate through that change of a representative payee. Miranda, let's move forward and speak to why save an ABLÉ account.

Miranda Kennedy: Thank you Laurie. Yes, let's talk about why would you save an ABLÉ account. Well, we want to talk about, and I saw there were some questions about this, so we can talk about this. So ABLÉ savings up to and including a hundred thousand dollars are disregarded as a resource for supplemental security income SSI benefits. And some folks have some questions around that. So I do want to say that we'll cover this information, I want to answer a few of those questions too. You should also note that a person can have any amount of ABLÉ savings and it will not affect Social Security and disability insurance, SSDI, housing assistance through Housing and Urban Development Programs, HUD, Supplemental Nutrition and Assistance Program, SNAP, your Free Application for Federal Student Aid, FASFA, Medicare parts A, B, C or D, Medicare Savings Programs and extra help or any type of Medicaid benefit including Medicaid waiver services.

We have an excellent able decision guide. I hope you all will explore, because I know some of your more in-depth questions will be answered in this decision guide. And these resources have been developed for you and we keep them up to date. So that ABLÉ decision guide is understanding ABLÉ account savings and public benefits. I do want to also mention that in terms of that piece about saving over a hundred thousand dollars in an ABLÉ account, how that counts towards the resource limit,. If the amount over \$100,000 exceeds resources, SSI is suspended, but it's not terminated. It's only suspended until the amount in the ABLÉ account that is over \$100,000 falls back under the resource limit through qualified disability expenses and making some of those purchases. And although the SSI is suspended at that time, Medicaid is not suspended. So that's very important and you should all know that.

However, if non-ABLE resources are exceeded, SSI is suspended as is Medicaid if 12 months elapse. We are meeting with people who are approaching the \$100,000 SSI ABLÉ savings limit and people do need to plan for spending funds down on qualified disability expenses to maintain eligibility for SSI if that's what they want to do when the ABLÉ balance exceeds a hundred thousand dollars and when combined with other accountable resources that exceed that \$2,000

limit. So I'm hoping there were a number of questions that were coming through on that, I wanted to touch base on that. Excellent questions by the way. So let's go ahead and talk about ABLE account tax advantages, because there were some questions you all had about this too. So you should know that the account balance can be invested through one or more options offered by an ABLE program if you choose an investment option in addition to our instead of a savings option. The interest on the growth in an ABLE account is tax-free and it's not counted as income and it's not taxed when it's used for qualified disability expenses, which we're going to talk more about.

I do want to say, it's not on this slide that you should know the money that goes into the ABLE account that's post-tax money that goes into the ABLE account. It's just that the interest, the growth in the account is tax-free. So you should know that. So contributions again in terms of those tax advantages. We talked about this before, but contributions that are deposited directly into an ABLE account from family, friends, a special needs or pooled trust or rolled over from the 529 college savings plan do not count as income by federally funded needs-tested benefits programs. We have some more information about this in the ABLE decision guide, which is hyperlinked right there. Managing an able account. I do want to say special needs trusts and pool trusts are not something that are only open to those who are wealthy and SSI recipient may receive a small inheritance or personal injury settlement, For instance.

I know my stepmother did. She was receiving SSI, she received a personal injury settlement from an accident. ABLE accounts didn't exist at that time, so she had to spend through those funds fast and wasn't able to really benefit from them the way you can with an ABLE account. But keeping in mind when you're in that situation, you have someone in that situation, an SSI recipient, and they come into those types of resources, those can be placed in an ABLE account up to the annual limit, yearly limit. For 2022, it's \$17,000, we'll talk more about that. And any excess funds can be placed in a special needs trust or a pooled trust. So that's how you can use these together. So with that, I would like to hand it over to Laurie to talk about or additional reasons to save an enable account. Laurie?

Laurie Schaller:

Thank you, Miranda. So looking at the questions in the Q and A, it's interesting, people are mentioning spend downs. So having an ABLE account and a place to deposit extra money at the end of each month is great. That can eliminate the need to spend down funds. And for the SSI beneficiary, should that ABLE account balance get to \$100,000, that is when hopefully that ABLE account owner and their circle of support helping them to make decisions about their ABLE account, they have a goal in mind of what to spend those monies down on and to help that person to retain eligibility for their SSI payments each month.

ABLE deposits can reduce countable resources allowing for SSI and Medicaid eligibility and there is no look back for contributions made to enable account for Medicaid eligibility. So that's an important piece for those SSI recipients who may be advanced in age and they need to now qualify for Medicaid, they can

deposit up to \$17,000 into their ABLÉ account this calendar year. And it also provides a tool to save to purchase assets, provide for emergencies or supplement other support services that that person may need. Miranda?

Miranda Kennedy: Thank you, Laurie. I was on mute there for a second. I am so happy to be able to share with everyone, introduce everyone to Pshon Barrett. We're going to be hearing from her. I want to introduce Pshon. She is a board member for the Mississippi Bar Lawyers and Judges Assistance Committee as well as Industries for the Blind and Counsel of the Blind and a national board member for the American Association of Visually Impaired Attorneys. As someone who's blind, Pshon understands the many extra costs that are related to living with a disability and she opened an ABLÉ account to save her disability related expenses. And she'll tell you more about that here in a moment. She has an added perspective as well as an assistant US attorney handling cases under the Americans with Disabilities Act and she was there for the signing of the ADA as well.

So she has a wonderful perspective on this from a lot of different angles and I'm going to open it up and ask Pshon to join me. If you can come onto video, Pshon and unmute your line. And I have a few questions for Pshon who has been working with us at the ABLÉ National Resource Center. We have a number of ABLÉ account owners and family members who work with us in an advisory capacity. They share their stories and they also promote ABLÉ accounts to others because they really understand the benefits. Hi Pshon, it's great to have you here.

Pshon Barrett: Hi, glad to be here. Thank you for inviting me.

Miranda Kennedy: Well, I wanted to first off, I'm just going to open it up. I shared a little bit about you, but I want to hear and have you share from your own voice. Can you tell us a little bit about yourself, anything I might not have shared here and why you opened your ABLÉ account and how you're using it?

Pshon Barrett: Well, I've been blind from birth, and worked as an assistant US attorney for over 35 years. And after that I retired from the federal government and took a job as a senior associate with a small law firm representing clients under the Americans with Disabilities Act. So as soon as my state opened up their April program, which was in June of 2019, I opened an ABLÉ account and has been great because my state is one of the states that allows the contribution to be state tax deductible. So everything I put into my ABLÉ account is state tax deductible, which means I get a nice refund at the end of the year, so that I can put it back into my ABLÉ account. And then I've been basically funding the account with the income from work and retirement and I have been able to purchase some adaptive technology, a machine that allows me to put a book or a page down on it and has a camera that goes over the top and it flashes and takes a picture of the printed material and it reads it aloud.

So I've been able to purchase one of those for myself. Braille devices, a lot of things that talk, which is what I need. And also expenses like utilities, you can use ABLE accounts to pay for utilities and also unreimbursed medical expenses and transportation, which is a huge issue for people who are blind. So I look forward to continuing to fund the account as much as I can while I'm working and beyond that time as well in order to save for major disability expenses.

Miranda Kennedy: And I think it's a great example too because people can certainly be on benefits or not on benefits. You might qualify for an ABLE account even if you're not on benefits as Pshon isn't. So my next question Pshon for you, is we've heard a lot today about SSI and ABLE accounts and seniors in particular who receive SSI, which is a needs-based benefit and we learned how they can find funds to contribute into the account. But why would someone even need an ABLE account after all, many SSI recipients receive other need-based benefits including Medicaid or Medicaid waiver services and some they also have Medicare.

Pshon Barrett: If your resource limit is \$2,000, that's not a lot of money. You can't save for emergencies or there may be other monthly expenses that you need. It's very easy to put someone over that limit. So the emergency funds are a great way to use an ABLE account. Also, Medicare and Medicaid, although they provide a lot of supports, a lot of things are not covered.

Miranda Kennedy: Yes.

Pshon Barrett: Such as some attended care. If a person needs that, a job coach, if they're still working and other kinds of medical expenses. All physicians do not take Medicare or Medicaid. And so the funds would be needed for those expenses. And also with an ABLE account family members and friends can contribute. It's growing more and more difficult to find affordable housing, especially in a safe area. So that's one way that a person can use the funds in the ABLE account, is to provide upgraded housing. And of course, it would also cover any expenses that you would have to make the home accessible, provide ramps and widen doorways and some of those kinds of expenses that most government programs just do not pay for.

Miranda Kennedy: Right. And of course, importantly it can supplement those types of resources without a reduction of the SSI payment. Right?

Pshon Barrett: Right, exactly.

Miranda Kennedy: And there's so many other things, higher quality of food to meet dietary and medical needs and any number of other things we might all be thinking about. But my next question for you, Pshon, it's my last question, but even though you don't receive SSI and needs-based benefits, can you comment upon why other seniors like yourself would need or use an ABLE account?

Pshon Barrett: Well, for one thing, I mentioned this earlier, transportation is a huge obstacle for many people with disabilities and a huge cost. So a person can save an enable account to provide transportation cost. It may be cost of public transportation, it may be purchasing a vehicle so that someone else can drive it. It may be modifying a vehicle if a person is in a wheelchair and needs the modifications to the vehicle to be able to drive, like hand controls.

Miranda Kennedy: Right.

Pshon Barrett: Also, work-related expenses that are not provided by an employer, especially if someone is self-employed or maybe they work from home. And the ABLE account can help with those kinds of expenses. Just so many things to enhance quality of life. Medicaid and Medicare are wonderful, but sometimes they pay for the lowest cost kind of equipment or say, you need a special kind of cushion in your chair that Medicare will not pay for that, but a person because of their disability may need some additional support. Also, seniors who are receiving SSI can spend April funds for other kinds of expenses like some household expenses such as utilities, financial advice and family members can contribute as well. And it's a great opportunity for family members to help loved ones who really need additional equipment and those kinds of things without putting that person over the resource limit.

Miranda Kennedy: Right. No, those are excellent examples to give. We've talked about a lot here and we could go on. I'll add just one more before handing it over to Laurie, Pshon because we also know that for those employed seniors who are still working or those who are not yet seniors, but they're receiving SSI, it's acceptable and we talked about that you can pay for impairment-related work expenses, IRWEs or blind work expenses out of the ABLE account and claim them through SSA. So it's just so flexible. Right, Pshon?

Pshon Barrett: Very much.

Miranda Kennedy: Well thank you for hopping on and joining us and speaking and sharing your story as well as some of the perspective you have in doing this work and being one of our ambassadors. We really appreciate it, Pshon. And with that, I'm actually going to hand things over to Laurie who's going to keep diving into answering so many of the great questions you all have coming into the Q and A. So Laurie, I'll hand it over to you to talk about some of the best practices.

Laurie Schaller: Thank you very much, Miranda. Thank you --

Miranda Kennedy: And Laurie, you're a little bit low. I wonder if you can get the mic a little closer. Volume wise.

Laurie Schaller: Okay, thank you very much.

Miranda Kennedy: Okay, thank you. That's good.

Laurie Schaller:

So I want to share with people to make sure we all understand. A person who receives SSI, that SSI payment is so little, it makes it really tough for a person to afford all of their housing expenses and food and have any money left over the end of the month for anything. And often it isn't enough for their rent. So with an ABLE account family and friends or that trust can deposit money directly into that ABLE account that then the person can use those funds to help pay for the extra costs for their rent or their utilities or property taxes without their SSI being reduced. That's a huge benefit for SSI beneficiaries who are eligible for an ABLE account. So now let me move on to best practices for an ABLE account. So it's important that people monitor the balance within their ABLE account monthly, and keep in mind that the Social Security Administration disregards the first \$100,000 in that ABLE account for SSI beneficiaries.

If that person who's getting SSI now works, becomes eligible for SSDI, they can save in that ABLE account up to the ABLE account balance for that plan because now they're not held back by that SSI resource limit. If the ABLE account should go higher than \$100,000, and the ABLE account owner receives SSI, when Social Security Administration looks at other accountable resources, if that exceeds that SSI resource limit, let's say it goes over \$2,000, whether a loan or with other resources, the SSI payment is suspended until that person spends down some of that \$100,000 within their ABLE account or from their checking or savings account, for example, to bring that limit down lower and then their SSI will start again the next month.

Medicaid though, continues uninterrupted even if the SSI payment is suspended for a couple of months, if non-ABLE resources alone are over the resource limit, so let's say the person has a checking and a savings account and cash in their hand, that alone SSI payments are suspended. And if that continues for 12 months, then the SSI payments are terminated and a new application is necessary. And Medicaid that is tied to that person receiving SSI would also terminate. Okay, next slide.

An ABLE account owner is not required to file income taxes simply because they have an ABLE account, but a person may want to file income taxes to capture stimulus payments that were handed out during COVID, to capture child tax credits, to claim savers credit for that able account owner who's working and depositing some of their employment income into their ABLE account and to qualify maybe for earned income tax credit and to protect themselves from tax fraud. So a person may file if they didn't realize this for 2022, they can do an amended return for 2021, 2020 and 2019 and that needs to be done before April 18th. And I wanted to share one other important piece. I'm meeting many people who receive disability benefits. They found employment in the community or maybe in a workshop program or an alcove, whatever. And for some reason they're under the impression that they shouldn't be filing income taxes.

It's important that when we work we file income taxes, particularly for that person who receives SSI so that they qualify for enough quarters of coverage that the Social Security Administration and the IRS know about that someday they may qualify for SSDI or retirement and Medicare. So those people can go back and file taxes for those missed years at any time Social Security Administration will correct back to 2019 now. So now's the time to file all those taxes. You can go to a free tax preparation site and have those done. So contributions into an ABLE account, let's talk a little bit about that. Who can deposit money into an ABLE account? Anyone can contribute up to \$17,000 when combined from all sources of deposits into that ABLE account this calendar year.

The ABLE account owner can put money in there from earned income, employment insurance, stimulus payments, tax refunds, and then their family and friends, their special needs or pooled trust or if the family has a 529 college savings account and the family could see now maybe the person isn't going to make use of those funds, up to \$17,000 can be rolled into the ABLE account but it can't from all these sources, it can't go more than \$17,000. And we have more information on this in our decision guide ready and able to work and save. And then next slide, for ABLE account owners who work, and they do not have contributions made to a retirement account in this calendar year, they can deposit up to an additional \$13,590 into their able account from their employment earnings if they live in the US, Continental US. And then for those who live in Alaska or Hawaii, more is allowed because the federal poverty level is higher there because everything costs so much more in Alaska and Hawaii.

And we have more information on this at the ABLE to Work Act link here in this slide. So this means that a person can have \$17,000 deposited in their ABLE account plus, at least an additional \$13,590 from their employment earnings, which could total \$30,590 or even more for the person who lives in Alaska or Hawaii. And we have a decision guide that talks about ABLE accounts and working people with disabilities and provides more information there. Next slide. ABLE and SSI work support. So an ABLE account owner may be an optional source of funds for a plan for achieving self-support. So that's called a PASS plan. So a PASS plan can help a person to afford maybe that car that they need to be able to get to their college program and to their internship into their job. And because the person is paying for those expenses, that reduces that person's accountable earned income and they may receive more SSI.

And then an ABLE account can also be used to pay for impairment-related work supports or IRWEs and then also blind work expenses. So benefits advisor can meet with a person and tell them maybe what monies they want to use to pay for these different expenses. So they're making best use of the Social Security Administration work supports and best use of their ABLE account. Next slide. SSA policy on ABLE accounts continue. There is no change in how Social Security Administration and means tested benefit programs count any income due to the beneficiary when deposited into an ABLE account. Income contributed by others

into the ABLE account is considered a completed gift and is not counted by means-tested benefit programs up to that calendar year limit, which is \$17,000 for this year. So this is important. If that person is now receiving retirement benefits, maybe a pension that is still all accountable income even though they may be depositing that money directly into their ABLE account. So it does not reduce countable income, but it reduces countable resources. Okay, next slide.

Okay. A special needs allowance may be deposited into an ABLE account owner's ABLE account when the beneficiary is agreeable and if it is in their best interest. The rules concerning all types of financial accounts are contained in POMS and direct deposit to enable account is acceptable under the POMS guidance. And we have a link to that particular POMS. That's the policy manual for Social Security Administration. And let me talk about one more thing here. So that special needs allowance, so special needs trusts for example, are taxed at a different rate. So it might be beneficiary for a person who has a trusted deposit \$17,000 from their trust into their ABLE account in a calendar year. And then I have a note here. "Special needs allowance may be deposited into an ABLE account owner's ABLE account when the beneficiary is agreeable like we said. And the rules concerning all types of financial accounts are included in this POMS.

And keep in mind whether the timing of the ABLE account holds and rules matter or whether the account owner has sufficient savings to cover disbursements, particularly for recurring monthly expenses, that direct deposit of benefit payments count towards the annual contribution limit." So let me clarify all this. So, there's a \$17,000 contribution limit to an ABLE account. So a best practice is to when the person receives their SSI payment to have it deposited into a checking or savings account, pay all those monthly bills from that account. If there's extra money left over the end of the month, that money can then be deposited into ABLE. And that see is leaving room in that ABLE should you want to add more money into ABLE to help pay for housing expenses or purchasing a home or purchasing a brand-new accessible vehicle. The person can do that.

And if someone in the family should pass away and they want to offer inheritance to the ABLE account owner, if that person had all their benefits deposited in the ABLE account and then they spent all of those benefits from their ABLE account on qualified disability expenses, there's no room this calendar year to add that inheritance. And that inheritance then could make a person not eligible for SSI and maybe they need to deposit that into a special needs trust then. So, if you have questions as these things come up, feel free to contact us at info@ABLEnc.org. So a special needs allowance may... Oh, we covered this already. Next slide. Sorry. What is Medicaid payback? Okay, we see lots of questions in the Q and A about this. So, upon the death of the ABLE account owner, Medicaid can choose to file a claim from Medicaid expenses that were paid for since the person opened their ABLE account.

If the ABLÉ account owner did not receive Medicaid, there's no Medicaid payback. If Medicaid buy-in premiums were paid when that person was working and they were eligible for Medicaid buy-in, those are deducted and not considered due to Medicaid. But before Medicaid can even ask for payback funds in that ABLÉ account can be used to repay any outstanding qualified disability expenses. So that could mean finish paying for the house that the person was in the process of purchasing, finish paying for their car payments, pay for out-of-pocket medical expenses that occurred prior to the person's death. And then if that state ABLÉ plan policy is that Medicaid can request payback, that will take place then.

And another qualified disability expense is funeral and burial for that ABLÉ account owner. So we know that that easily could cost more than \$10,000. So that first would be paid from that ABLÉ account before Medicaid could request payback. And some ABLÉ plans have waived Medicaid payback for their state's residents. Any remaining balance is then distributed to the successor designated by that ABLÉ account owner or if there is no one named, it would go into the ABLÉ account owner's estate. So either a person can name a beneficiary with the ABLÉ plan or within their last will and testament they can name a beneficiary for any remaining funds in their ABLÉ account. Miranda, would you like to cover what purchases can be made or paid for using an ABLÉ account?

Miranda Kennedy:

I would. Thank you Laurie, and thank you for covering that. Boy, we did have a lot of questions, especially around that last slide, so we're trying to weave in answers to your questions going through this information as well. They're great questions that are coming in. So let's talk a little bit about qualified disability expenses. And this kind of alludes back to the discussion around the fact that it costs more money when you have a disability. Your cost of life, whether you're on benefits, needs tested benefits or not, you require more income, more resources in order to pay for the things that you need. So you're not on par with someone who doesn't have a disability or a family that doesn't have a family member with a disability. If you'll remember that slide Laurie covered where you need 28% more income coming in on average from the research that we've done at NDI, our parent organization, National Disability Institute.

So, keep that in mind when you're thinking about these qualified disability expenses. And we've talked about if you were on SSI or SSDI and your disability started before age 26, you were automatically considered eligible for an ABLÉ account and you can also self-certify if you're not on those benefits and get that doctor's certification and keep that on hand. And you can be any age, as long as you acquired that disability before 26 and keeping in mind in three years that age is going to go up. So, I want to mention that because when we're thinking about qualified disability expenses, that's why this is here. This account is here to help pay for those things and augment and support those things go above and beyond what might be covered by services or for those individuals who have transitioned off of SSI or SSDI or maybe they've never been on those

benefits but they still have those expenses and it impacts their finances and their financial wellbeing.

This is what this is about, this is what this is here to help with. So keep in mind, ABLE funds can be used to pay for items or services that relate to the beneficiary's blindness or disability as we heard many examples from Pshon and also from Laurie that are for the benefit of that beneficiary. They can benefit other individuals as well, other members of the family, but they have to benefit that beneficiary, they can't just benefit others the funds. And they have to, and this is so broad, they have to relate to maintaining or improving that ABLE account owner's health, independence or quality of life. Also, and very importantly, they increase a sense of agency. That account and those funds are in that person's name. They don't have to ask permission from someone else to access those funds. They can get support from someone else in doing so if they choose.

But it does increase a sense of agency and self-determination, being able to get those funds contributed into the account, decide how to use those in a meaningful way, not having to spin down. So keeping all of that in mind, qualified disability expenses should be very broadly understood and they're not limited too expenses for which there's a medical necessity. They have to just improve the quality of life. They can help with the medical necessity, but they can go beyond that. Also, they should not be considered as limited to expenses that provide no benefits to others in addition to the benefit to the beneficiary. So if someone purchase a vehicle, they need an accessible vehicle, other people can ride in that vehicle or drive that vehicle. If it's a parent of a young child who needs an accessible vehicle, they can drive that without them dropping them off.

If it's used to purchase or make a payment on a down payment on a home, perhaps an accessible home, others can certainly live in that home. So these are just some examples. But this next slide really shows us each of the categories under which expenses can fall. So, education expenses to help assist with tuition or rooming or laptops, equipment, things you need. Basic living expenses including food and shelter. Of course, for SSI, you want to use those resources and that payment first, but if you're living in an area with a higher cost of living or need to live in a safer area that costs more higher quality of food, you can augment that with your ABLE account funds. Housing expenses as we've talked about, rent, mortgage payments, down payments on homes, making those homes accessible. Transportation, that doesn't have to just be purchasing an accessible vehicle, it could be used for purchasing an accessible bike or Lyft or Uber transportation.

Employment training and support. We've heard from many people who've said, "Gosh, you know it's great that I've got these job coaches supporting me or my family member, but I could use more support from that." You can use your ABLE account funds to pay for that or other related items. Assistive technology and

personal support services, health services including prevention and wellness, health club memberships, anything along those lines. Laurie had talked about legal fees and expenses for oversight and monitoring and financial management, as well as funeral and burial expenses that would come out of that account. And if you have more questions about this, we encourage you to check out that ABLE decision guide determining whether something is a qualified disability expense. We do also want to mention in terms of emergency preparedness, many people are experiencing the effects of climate change and many people with disabilities and certainly, where there's experiencing disability at the intersection of race and ethnicity where you might be living in an area that's more impacted.

This could certainly be very important to think about. Qualified disability expenses could include so many flexible things such as personal protective equipment, delivery charges for food, prescriptions and groceries in a time of emergency or during recover from an emergency. Housing expenses for primary residences as well as expenses to stay in a hotel, to shelter in place in a high risk situation. Are any of those other healthcare costs such as deductibles or co-pays or other charges are for private personal care or tenant services? And we've had this resource here for you too. National Disability Institute, our parent organization has the Financial Resilience Center as well as financial resilient resources for people with disabilities.

Encourage you to check that out as well. We want to share this quick case study with you as well about Maria who is 68 years old and has received SSI payments since she was a child. Although she's ABLE eligible, she didn't know where she would find funds to save in the account. We get this question all the time. "How do I find funds to save in the account?" And she met with the case manager who reviewed that ABLE decision guide finding the funds to save an an ABLE account with her. And I just want to share that this would include, for example, a parent, they deposit funds into their child's ABLE account and use the ABLE funds to purchase a vehicle or home.

Parents can deposit funds into an ABLE account to supplement SSI rent payments without impacting SSI through in-kind support and maintenance. But in terms of the case study for Maria, we want to keep in mind that those finding the funds, we've talked about filing your taxes, earned income tax credits, other tax credits and refunds at the state or federal level can go into those ABLE account to fund that account. If people in your family and your group circle of support know that you have something that you're saving for, they can contribute to your ABLE account and not jeopardize your benefits.

So all of those kinds of resources and strategies are going to be found within that decision guide along with so many of our other decision guides that we have. We want to talk here about the SSI policy on ABLE account distributions. Distributions from the ABLE account are never counted as income. The rule applies whether the expense is a QDE or a non QDE or if it is housing or housing

related. Distributions for food and shelter paid from an ABLE account are not counted as in-kind support and maintenance by supplemental security and income benefits programs because the account owner is owned by the person with a disability.

We also have information on the SSA policy on ABLE accounts and Laurie, I'm wondering too because I know we had talked about some of this earlier and I'm keeping an eye on the time. Those distributions into an ABLE prepaid debit card is considered a qualified disability expense. So there's flexibility with those debit cards that many ABLE accounts come with. And repayment of an overpayment of SSA and SSI benefits is considered a qualified disability expense. So that's pretty significant. Keep that in mind because many people do experience that overpayment situation. ABLE Account funds can go towards that, as well as the purchase of assets with ABLE funds that are subject to the usual SSI asset counting rules. One example being a person is limited to one vehicle or one home they reside in. A second vehicle or home purchase with ABLE funds may be a qualified disability expense, but would not be excluded as a resource and may mean ineligibility for SSI.

I know, at least one very sharp person in the Q and A had posed that question, I suspect others may have as well. It was quite a while back, but here's the answer to that question that you were asking about vehicles and homes and ABLE account funds towards that. So how do you open an ABLE account? We have here map of State ABLE Programs, this is on our website. There are over 45 state ABLE programs from which to choose. The state balance limits range from 235,000 to 550,000. And that's the balance limit. The amount, that's the maximum that you can have in that ABLE account. If you spin down from that account, you can save back up to that amount. Keeping in mind, the only thing that will be impacted by that if you go over a hundred thousand as we talked about before, is that SSI monthly payment, other benefits won't be impacted with saving up to that amount.

If you are ABLE eligible, you can open one ABLE account in any state that has an ABLE program that accepts outside residents, or in of course, your home state where there might be increased incentives to open an account through state level legislation that took place, such as what Pshon mentioned earlier. So it's pretty easy in terms of opening an ABLE account. You open them online, you can contact a specific ABLE plan for alternatives if needed. That map on our website as well as our comparison tools. And this decision guide on selecting and opening an ABLE account on our website will help you walk through or help those who want to open an ABLE account, walk through the steps to figuring out which account you might want to do more research on and open and how to move forward with opening that account. Once it's open, the account owner can choose to allow others or not, to access various levels of information about the account and, or to take specified actions on the account.

And finally, as we're wrapping up here, we want to let you know we're starting to reach that tipping point where more and more people are opening up ABLE accounts. The end of December we had 137,000, 145 accounts that were opened with 1.253 billion in assets under management and ABLE accounts. That's not the amount of money that's gone through ABLE Accounts and been used to pay for qualified disability expenses, that's the amount of money that happened to be in management under those account in those accounts. When we took that snapshot at end of December. Which meant at that time the average savings per ABLE account was \$9,136, which is \$7,000 \$136 more than that \$2,000 limit for means tested benefits program. So that's really significant. That's good rainy-day funds, that's good saving for things you need funds. Here again, we have the decision guide on finding the funds to save an an ABLE account.

And as we wrap up, I just want to mention, you've seen we've woven throughout the whole presentation our ABLE decision guide series. What they are is a series of step-by-step guides on key ABLE topics that provide multiple pathways to outcomes. Our ambassadors, our account owners and family members who've worked with us over the last five years have helped us identify what are the top topics to discuss here and we keep building them. The latest one came out just in January. But these guides, they're really meant to help increase ABLE understanding and assist and effective decision making. So many of the questions that you've all been asking and that are still in the Q and A, could be answered through these decision guides as well as other resources we have on our site, which is why we want you to lean into them.

We'll keep them updated for you if the amounts change, anything like that. But you saw us talk about, am I ABLE eligible, how to select and open an ABLE account, how to understand ABLE account savings and public benefits, how to manage an ABLE account, find those funds to save whether something's a QDE or not? And then for working folks with disabilities, some great resources. And there were many, many questions and I really encourage you to check out that Understanding ABLE accounts, special needs trusts and pooled trusts, how they can work together. You might choose one or the other, you could certainly have both.

That decision guide we developed in collaboration and partnership with the Special Needs Alliance, so keep that in mind, check out that great resource and there's a host of other resources on the ABLE National Resource Center website, including a service provider toolkit you'll want to check out. Podcasts, webinars, examples of best practices, FAQs and so forth. And do sign up for our newsletter. With that, I know we're coming up against the wire there Trinh, I'm going to hand it back to you and just say thank you so much everyone for allowing us to join you today and share some great information and resources.

Trinh Phan:

Yeah, I wanted to just thank all of our presenters today. We actually are at time. And so, there's a ton of questions and thank you for all the audience

engagement and your interest in the topic. I think we managed to... Presenters managed to weave in a fair number of the Q and As, but there are also lots of other questions as well. And like Miranda said, there's terrific resources from the ABLE National Resource Center and I think for SSI advocates and beneficiaries, especially because of the kind of the increase to the age to age 46 in 2026, there's going to be a learning curve for a lot of folks in kind of the SSI universe, and this is a really wonderful way for us to kind of start that process and continue that process of learning and helping our clients and ourselves. So are any last words from our presenters before we wrap up?

Miranda Kennedy: I'm sorry, Trinh, was that a question for me?

Trinh Phan: Yeah. Oh, I was just seeing if there are any last words from our presenters before.

Miranda Kennedy: Oh, of course. Last words. We think today we just really wanted to introduce this topic, continue to increase awareness. So many of you are aware of ABLE accounts, some of you have really delved into it and shared even in the Q and A, the benefit of these accounts that you're experiencing. We really want to make sure you just have the resources you need, the answers you need. We are constantly — who are in regular communication with, as well as the state ABLE programs and ABLE account owners and family members and service providers to really make sure those resources out there for you.

Check out those FAQs, check out those decision guides. If you're exploring our website and those resources and you're not finding the answers to the questions that you have, as Laurie mentioned, you can email us at info@ablenrc.org and just continue to join and learn and grow along with us as we help more people open up these accounts and benefit from them if it's going to be beneficial to them. And help them make the most of those accounts through best practices. That's what we're really here for. We want people to be benefiting from this opportunity that didn't exist before and that that can be very powerful. Thank you, Trinh.

Trinh Phan: Okay, great. Any last words from Pshon or Laurie?

Laurie Schaller: I just want to thank you so much and I invite people to submit your questions to ABEL NRC, because we learn a great deal from each of your questions that we can share with others. That is so important. Thank you again for the opportunity to present.

Trinh Phan: Okay, great. Pshon, I didn't know you were trying to unmute.

Pshon Barrett: Am I unmuted now?

Trinh Phan: Yes, you are.

Pshon Barrett: Okay. I don't really have anything to add, just to say thank you so much for allowing me to participate. I think it's a wonderful benefit for so many people.

Trinh Phan: Okay, great. Thank you to all of our presenters for this great information and thank you to everyone for attending today. We hope you found this helpful and hope to see you at future webinars. Have a great rest of the day.