

## What is Achieving a Better Life Experience?

- Federal ABL Act of 2014 created savings and investment accounts for individuals with disabilities
- Accounts do not affect eligibility for benefits programs like SSI or Medicaid
- Hybrid of 529 college savings account + checking account + Special Needs Trust

## What is State Treasury Achieving a Better Life Experience?

- STABLE is Ohio's ABL Plan
- Administered by the Ohio Treasurer's Office
- Launched June 1, 2016
- First and most-used ABL Plan in the United States

## Benefits of STABLE Accounts

- Dramatically increases ability to save
  1. Before, individuals could only save around \$2,000 before risking loss of health care and other benefits
- Account owned by the individual with the disability
- Provides individuals with disabilities:
  1. Financial independence
  2. New investment opportunities
- Multiple tax benefits

## Eligibility Requirements

- Take the Eligibility Quiz at [stableaccount.com](http://stableaccount.com)
- Do not have to be receiving benefits to enroll
- Individuals with disabilities that occurred prior to age 26
- Plus one of the following:
  1. Eligible to receive SSI or SSDI due to disability; or
  2. Condition listed on Social Security Administration's "*List of Compassionate Allowances Conditions*"; or
  3. Self-certification

## What is Self-Certification?

- Need diagnosis of a physical or mental impairment that causes "marked and severe functional limitations"
  1. Such as conditions in the Social Security Administration's *Blue Book*
- Condition has lasted or is expected to last for at least 1 year
- Not required to send in written diagnosis, but must have on hand

## How to enroll in a STABLE Account

- Go to [stableaccount.com](http://stableaccount.com) and click "OPEN AN ACCOUNT"
- Free online enrollment - approx. 20 minutes
- \$50.00 minimum opening deposit
- Can be done by:
  1. Individual with disability (Beneficiary)
  2. Authorized Legal Representative (Parent, Guardian, Power of Attorney)

## Funding your Account

- Electronic funds transfer or check
- Annual contribution limits:
  1. If not employed, \$15,000 from all sources
  2. If employed, up to \$12,060 more in wages (\$15,000 + wages up to an additional \$12,060) = \$27,060
- Lifetime balance limit of \$462,000
- System automatically rejects excess contributions

## Creating an eGift event

- An eGift event sends out emails to friends and family
  1. Can be posted to Social Media
- Contributions deposit straight into STABLE Account
  1. Gifts are not taxed nor counted as income
- System tracks contributors for sending thank-you notes/replies

## Investment Options

- Four Vanguard mutual funds that range from conservative to aggressive
- One, default selected, principal-protected FDIC-Insured Option

## What to spend funds on

- Withdrawals must be used on “Qualified Disability Expenses”
- Anything that:
  1. Relates to your disability and
  2. Helps to maintain or improve your health, independence, or quality of life
- Examples:
  - Housing and Rent
  - Basic Living Expenses
  - Medical/Financial/Legal Bills
  - Education
  - Transportation
  - Assistive Technology

## Non-Qualified Expenditures

- Affects Benefits
  1. The amount of the expenditure may be considered a countable resource
- Tax Penalties
  1. Pay taxes plus 10% penalty on the earnings portion of the withdrawal

## How to spend from the account

- STABLE will not ask what you spend on, but benefits agencies and IRS can
- Withdrawals are free with no limits
- Transfer to personal checking or savings
- Pay with a Third-Party Check
- Transfer to STABLE Card

## The STABLE Card

- Loadable debit card
- Does not pull from account
- Online spending records and ability to upload receipts and notate expenses
- Protections – no overdraft, no cash access, limiting of merchants
- Text alerts to monitor spending and low balances

## SSI Considerations

- Balances over \$100,000 count as a resource – but SSI merely suspended, not terminated
  1. *(Your account balance will not affect Medicaid benefits, though, regardless of the amount)*
- If you hold on to the money from one calendar month to the next, then housing expenditures and non-qualified expenditures count as resources
- Beneficiary's own wages still count as income even if contributed to STABLE Account

## If Account Holder passes away

- Account will pass to the account holder's estate
- The estate administrator notifies STABLE and can take over account access
- No designated transfer upon death
- If the beneficiary does not have a will then account will go through normal probate process

## If Account Holder received Medicaid services

- Medicaid can ask for payback in some cases, but there are multiple protections
  1. Medicaid Payback is only from date the account was opened
  2. The estate can first:
    - Pay any outstanding bills for QDEs
    - Pay for funeral and burial expenses
    - Deduct Medicaid Buy-In premiums you paid
- Money in a STABLE Account is better protected from Medicaid payback than money in other bank accounts

## Account Cost

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>▪ Monthly Maintenance Fees:               <ol style="list-style-type: none"> <li>1. Ohio Residents = \$2.50/mo (\$30 Annually)</li> <li>2. All other states = \$3.50/mo (\$42 Annually)</li> </ol> </li> </ul> | <ul style="list-style-type: none"> <li>▪ Asset-Based Fees:               <ol style="list-style-type: none"> <li>1. Ohio Residents = Between 0.19% and 0.33%</li> <li>2. All other states = Between 0.45% and 0.59%</li> </ol> </li> </ul> |
|---|---|

## STABLE Account vs. Special Needs Trusts

- Complementary tools that can be used together:
  1. Trusts can be written or amended for distributions to STABLE Accounts
  2. Trusts can accept unlimited cash and non-cash assets
- Unique STABLE Account benefits:
  1. Broader spending power (i.e. housing and food)
  2. \$4,000 state tax deduction for STABLE contributions
  3. No federal or state income tax on earnings
  4. Can be established, administered and owned by an individual with a disability

## Customer Service

- Email address: [team@stableaccount.com](mailto:team@stableaccount.com)
- Toll-Free Phone Number: 1-800-439-1653
- Find us on Facebook and on Twitter @stableaccount