What is Achieving a Better Life Experience?

- Federal ABLE 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 ABLE Plan
- Administered by the Ohio Treasurer’s Office
- Launched June 1, 2016
- First and most-used ABLE 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
- 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 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 $12,140 more in wages ($15,000 + wages up to an additional $12,140) = $27,140
- Lifetime balance limit of $468,000
- 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

www.stableaccount.com
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
- Monthly Maintenance Fees:
  1. Ohio Residents = $2.50/mo ($30 Annually)
  2. All other states = $3.50/mo ($42 Annually)
- Asset-Based Fees:
  1. Ohio Residents = Between 0.19% and 0.33%
  2. All other states = Between 0.45% and 0.59%

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
- Toll-Free Phone Number: 1-800-439-1653
- Find us on Facebook and on Twitter @stableaccount

www.stableaccount.com