



MD Community of Practice for Supporting Families Webinar Series

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## Webinar # 24 – August 18, 2021

### *ABLE to Save Month*

Hosted by the Developmental Disabilities Administration



Facilitated by Mary Anne Kane-Breschi

*Director of Family Supports*



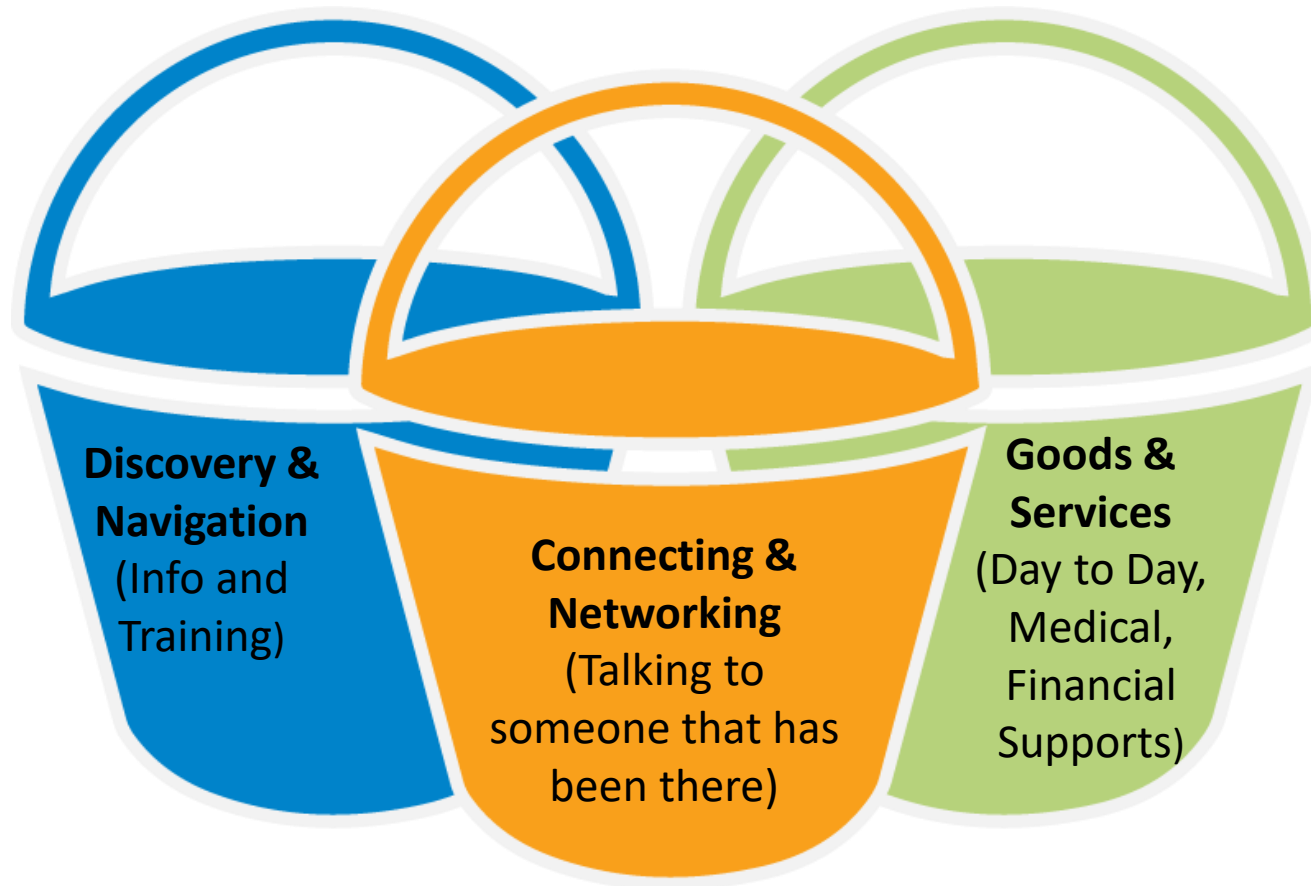
# CHARTING the LifeCourse



[lifecoursetools.com](http://lifecoursetools.com)



# Individual & Family Supports: The Three Buckets





# Special Guest

**Kelly Nelson, Maryland ABLE**

Outreach and Communications Manager

**Lily Nelson**

Self-Advocate and Maryland Account Holder

# What is ABLE to Save Month?

- August marks the nationally celebrated ABLE to Save Month.
- A campaign to create awareness about the Achieving a Better Life Experience (ABLE) Act.
- Month long activities to learn more about ABLE hosted by the ABLE National Resource Center.  
[www.ablenrc.org](http://www.ablenrc.org)
- Invitation to participate in sharing information about ABLE accounts.  
#ABLEtoSave







Achieving A Better Life Experience



# What is Maryland ABLE?

Maryland ABLE accounts are a way for people with disabilities and their families to save money without jeopardizing state or federal benefits, such as SSI, Medicaid, waiver services, etc.



# Why do people open ABLE accounts?

- Saving up to \$100,000 in an ABLE account before impacting SSI cash benefits.
- Saving without jeopardizing state or federal means-tested benefits such as Medicaid, SSI, waiver services, food, or housing assistance.
- No federal or state taxes on the earnings while the funds are in the ABLE account, AND no taxes on the withdrawals if the funds are used for Qualified Disability Expenses (QDEs).
- Access to a Maryland State income tax deduction up to \$2,500 per contributor per beneficiary for Maryland residents contributing to an ABLE account.
- Easy online enrollment and account management.
- Easy access to funds







# Who can open an ABLE account?

To be eligible for an ABLE account, you must:

**(1) Have developed a disability prior to the age of 26**

You do not need to have been formally diagnosed with the disability, but must be able to show documentation that you had the disability

**(2) Meet the Social Security definition of disability**

You can show this by:

Showing you have been found eligible for Supplemental Security Income (SSI) or Social Security disability benefits (SSDI)

**OR**

Providing a “disability certification” from a licensed physician stating that you meet the Social Security-level of disability

# Who owns the ABLE account?



- ABLE account is **Owned & Operated** by the person with a disability.
- If the ABLE account holder needs help managing his or her account, Authorized Legal Representative (ALR) can be appointed, but the person with a disability is always the owner and designated beneficiary.
- If the ABLE account owner is a child, a parent or legal guardian can serve as the ALR. If the account holder is over the age of 18, the account owner must give permission to serve as the ALR. The ALR will need to be legal guardian or have power of attorney.
- One ABLE account per beneficiary.

# How much can I contribute to my ABLE account?



- \$25 initial deposit when you open the account.
- \$10 minimum contribution.
- \$15,000 standard annual contribution limit.
- \$12,760 in ABLE to Work contributions for beneficiaries who qualify in 2021.
- \$100,000 ABLE account balance before SSI cash benefits may be suspended.
- \$500,000 account balance after which contributions will not longer be accepted.

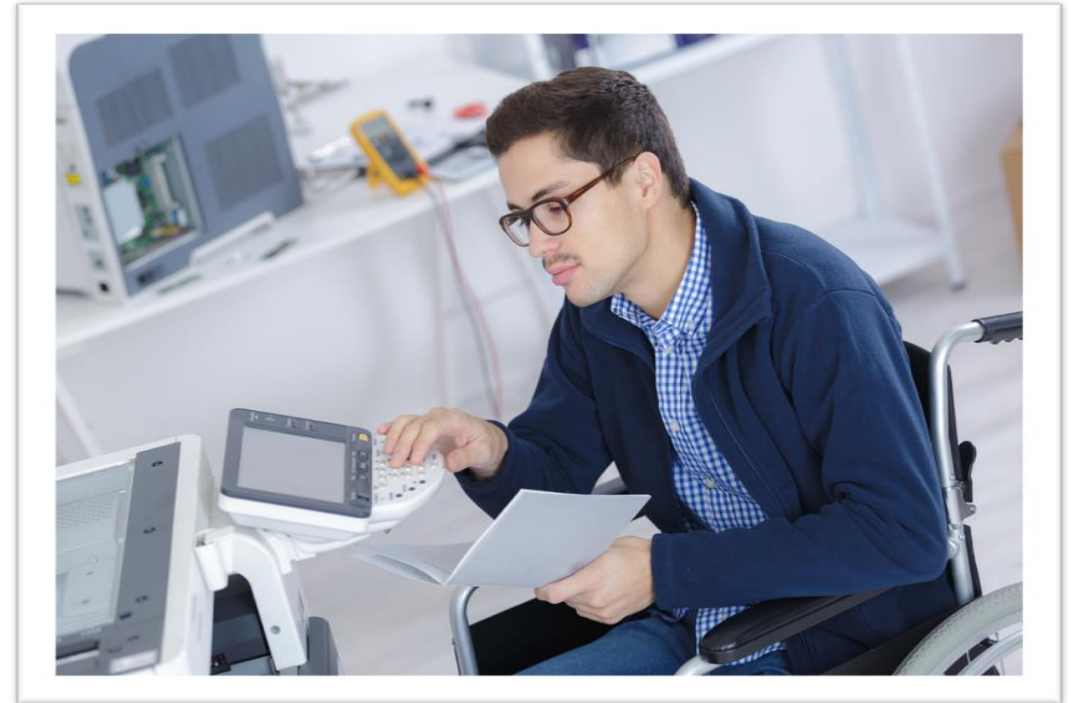
Contributions can be made via check, automatic deposit, or by electronic funds transfer (“EFT”).

# ABLE To Work Act

**Eligibility:** If the beneficiary or his/her employer does not contribute to the beneficiary's retirement plan, including a defined contribution plan (e.g. 401 (k), 403 (b), or 457(b) retirement plan) within the taxable year.

**Contributions:** Allows contributions above the \$15,000 annual contribution. Limits additional contributions equal to the beneficiary's **gross income** for the current year up to **\$12,760** for 2021.\*

- **Unemployment Benefits:** Unemployment benefits **can** be deposited as a Standard or ABLE to Work contribution.
- Unemployment benefits are **NOT** counted towards the beneficiary's gross income for the current year.



*\*This is equal to the Federal Poverty Level for a one-person household as determined for the calendar year preceding the tax year in which contributions are made.*

# Who can contribute to the ABLÉ account?



- Yourself
- Family
- Friends
- *Earned income*
- *Unemployment funds*
- *Economics Stimulus Payment*
- *Small inheritances*
- *Small settlements*
- *Rollover money from a 529 College Savings Plan*





## Maryland ABLE Tax Incentives

Maryland State Income taxpayers can claim up to a **\$2,500 income tax deduction** per contributor, per ABLE account.

Joint filers can claim up to **\$5,000**.

\* Remember, a deduction reduces your total taxable income by the percentage of your highest federal income tax. It is NOT a dollar-for-dollar credit.

# Qualified Disability Expenses

Documentation to Support Expenses Must Be Maintained



Health, prevention, and wellness



Housing (rent & mortgage)



Education



Employment training and support



Transportation



Basic living expenses



Assistive technology and personal support services



Financial management and administrative services



Legal fees



Expenses for oversight and monitoring



Funeral and burial expenses

# How do I access the money in the ABLE account?



- Link an existing bank account to your ABLE account
- Log in and make contributions or withdrawals online
- Deposit or request paper checks\*
- Prepaid Card option\*

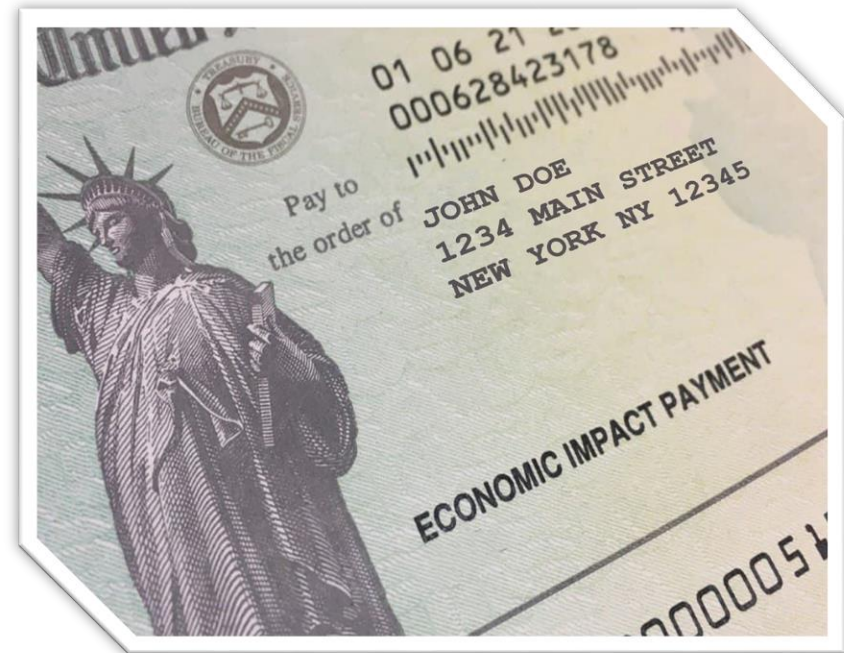
\* Fees apply

# How does an ABLE account help with the Economic Stimulus Payment?

**If some or all of the Economic Stimulus Payment is put into an ABLE Account:**

- The ABLE account provides flexibility to take more time to decide how the person wants to use the money.
- After 12 months, whatever is left of the Economic Stimulus Payment will count towards the \$2,000 SSI asset limit if it remains in a regular account.
- If it is deposited in an ABLE account, it won't count toward the \$2,000 asset limit unless your ABLE account balance exceeds \$100,000.

**MEDICAID UPDATE:** The 12-month grace period applies to Medicaid as well. The stimulus payments are not counted as income when determining eligibility for medical coverage. Any amount remaining after 12 months will be counted as an asset at that time, but not before.



# What are the Savings/Investment Options?

Cash Option - FDIC-insured banking product similar to a savings account

Investment Option - 3 Investment choices:

- Conservative
- Moderate
- Aggressive

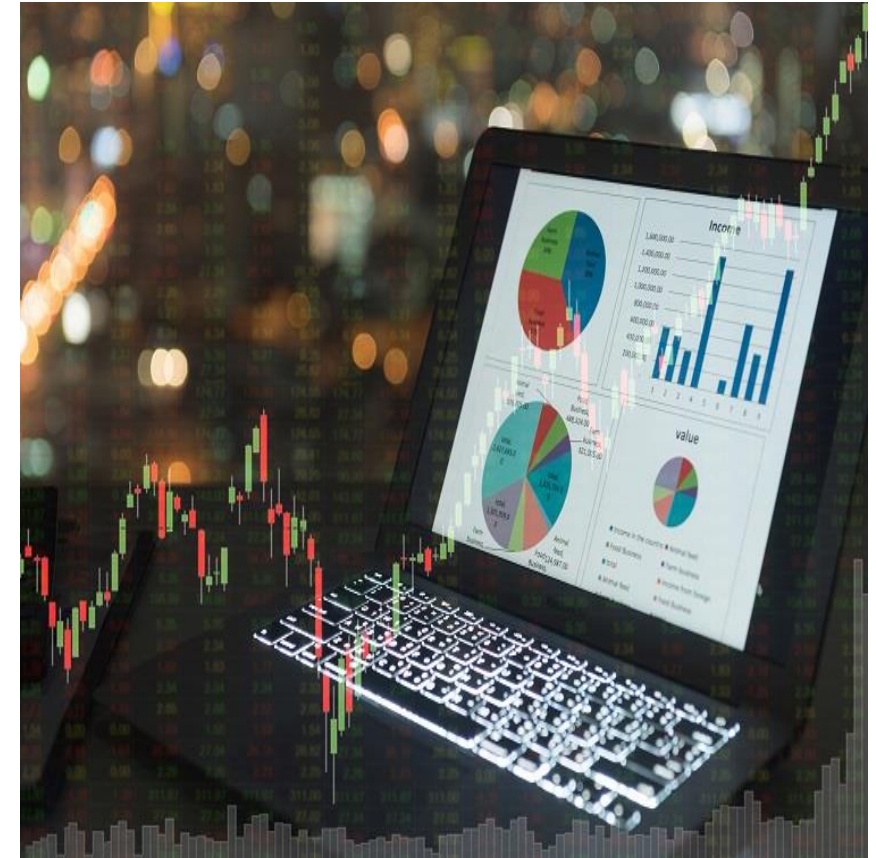
Account owners are allowed to change their investment options up to twice a year

Account owners can choose:

- 100% Cash option
- 100% In one of the investment options

**OR**

- A % in the cash and a % in one of the investment options







## Account Fees

- \$35 annual Account Maintenance Fee
  - Withdrawn quarterly from the ABLE Account
  - Annual fee is pro-rated based on when the account is opened
- Asset based fees on investment options
  - Vary based on investment option (See Disclosure Statement)

# Features of a Maryland ABLE Account

## Online Gifting Page

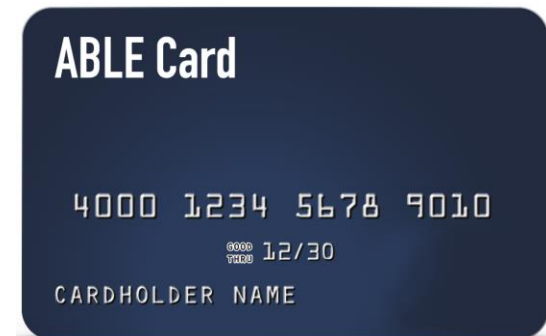
- Customize your page with a yearly gifting limit
- Share your link to invite friends and family
- Easy and convenient to use!

## Prepaid Card Option

- Quick and convenient access to ABLE account money
- Use online or in stores to pay for QDEs
- Decide how much to load on card
- Upload receipts for easy record keeping
- Customize spending and alert features
- Monthly fee of \$1.25 to use Prepaid card option

## Payroll Deduction

- Available for beneficiary and ALR only
- Download the payroll deduction form
- Review the payroll deduction guide for instructions





# Enrollment

A close-up photograph of a person's hand with fingers resting on a document with Braille characters. The background is slightly blurred, focusing on the hand and the tactile nature of the text.

**To Enroll and Manage Your Account  
Visit Our Website**

**[www.marylandable.org](http://www.marylandable.org)**

**Via this site, you can also access our:**

- **Program Disclosure Booklet;**
- **Frequently Asked Questions; and**
- **Forms.**

# Open An Account

Before you open an account, meet our plan manager



Sumday Administration, LLC is our plan manager. We collaborated with them to give you a secure online way to open and manage your Maryland ABLE account. Their intuitive online platform makes it easy to add or withdraw money, and keep an eye on your ABLE account. Sumday, a BNY Mellon company, is affiliated with one of the world's largest financial institutions, The Bank of New York Mellon.

*By clicking below you will be leaving [www.marylandable.org](http://www.marylandable.org) and linking to [www.sumday.com](http://www.sumday.com).  
Please note the different Terms of Use and Privacy Statement.*

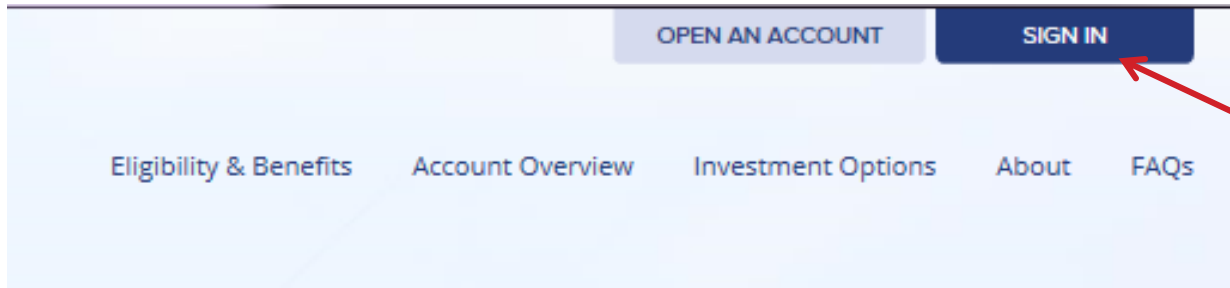
LETS GO

# What You'll Need

- Beneficiary Social Security Number (and SSN or EIN if Authorized Legal Representative)
- If you're an ALR, you will need a copy of your paperwork to upload electronically
- Bank account information to link to your ABLE account



# Manage Your Account



- Manage your account information
- Change investment options
- Make contributions into your ABLER account AND make transfers out of your ABLER account

## Questions?

Maryland ABLER offers many ways to get in touch:



- Live Chat @ [marylandable.org](https://marylandable.org)
- Online Request
- Customer Support:

1-855-5MD-ABLE (1-855-563-2253)

# Maryland ABLE

## Important Numbers to Keep in Mind

- **\$25** minimum deposit to open an account
- **\$10** minimum deposit after account is open
- **\$35** annual account maintenance fee
  - Additional asset-based fees on investment options
- **\$1.25** monthly fee if the Prepaid Card option is selected
- **\$15,000** annual contribution limit (plus ABLE to Work)
- **\$100,000** can be contributed before SSI cash benefits are impacted
- **\$500,000 lifetime account limit** after which contributions are not accepted
- **\$2,500** State income deduction per contributor, per ABLE account, for Maryland State Taxpayers



# Contact Us

[www.marylandABLE.org](http://www.marylandABLE.org)

Customer Support - 1-855-5MD-ABLE  
(855-563-2253)

[questions@marylandable.org](mailto:questions@marylandable.org)



Facebook.com/MarylandABLE



@MarylandABLE





# Questions?



Thank You!

Please join us on *September 8th at Noon*  
for our next webinar:

## *Transition*



**Kathleen Walker, DDA**

*Acting Statewide Career and  
Employment Services Coordinator*





## Contact Info

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