



HAWAI'I ABLE
SAVINGS PROGRAM

NAMES TO KNOW

Hawai'i ABLÉ Savings Plan



ABLE for All Savings Plan



Oregon State Treasury



Sumday



True Link



WHY DOES ABLE EXIST?



- There is a **\$2,000 limit** to the amount a person with a disability can save before losing vital state and federal benefits such as **Medicaid and SSI** benefits.
- Money saved in ABLE does **NOT** count against any asset/resource limit.
 - This includes SSI, Medicaid, SSDI, SNAP, HUD assistance, Medicare, FAFSA, etc.

ABLE WAS DESIGNED FOR SELF-EMPOWERMENT

- **Beneficiary is the legal account owner**
- **Program is built with a presumption of competence**
 - It's most empowering when you can manage your own account
- **Account owner decides:**
 - If they're eligible
 - What counts as an eligible expense
 - Don't need advance permission or to turn in receipts
- **IRS enforces the ABLE Act**



WHO CAN MANAGE AN ABLE ACCOUNT? BEFORE 12/1



- **You can manage your own ABLE account even if you have a Rep Payee**
- **What if someone needs help?**
 - Think about what kind of help is needed. Can supported decision-making be used?
- **Authorized Legal Representatives can manage the account**
 - Parent of minor
 - Guardian/Conservator
 - Limited Power of Attorney
- **Power of Attorney is the least restrictive**
 - Can be an individual or an organization
 - Can be removed when no longer needed

WHO CAN MANAGE AN ABLE ACCOUNT? AFTER 12/1



- **You confirm there is no one higher on this hierarchy that can or should manage the ABLE account:**
 - Person with a disability
 - Power of attorney
 - Conservator/legal guardian
 - Spouse
 - Parent
 - Sibling
 - Grandparent
 - Rep payee (can be individual or organization)
- Hierarchy order is key
- No documentation must be turned in to ABLE

WHO QUALIFIES FOR ABLE?

1. **Severity of Disability:** Meet disability requirements for SSI or SSDI
2. **Age of Onset:** Disability started before the age of 26
 - ABLE Age Adjustment Act would raise this to 46

Not sure if you qualify?

- You can get a “disability certification” signed by a physician
 - Keep a copy in your files



WHAT CAN YOU USE ABLE TO SAVE FOR?

Expenses help improve health, independence, and/or quality of life of the person with a disability:

- Education
- Housing
- Basic Living Expenses
- Transportation
- Employment Training & Support
- Assistive Technology
- Personal Support Services
- Health, Prevention & Wellness
- Financial Management
- Legal Fees
- Funeral & Burial
- **And more**

ACCOUNT LIMITS

- One account per person
- \$15,000 limit on annual contributions
 - \$16,000 limit in 2022
 - Contributions can come from any source
- \$100,000 limit before **SSI benefits** are affected
 - All other benefits continue
- \$400,000 limit on all assets



INVESTMENT OPTIONS

Cash Option



- Similar to savings account
- Guaranteed not to lose money
- 0.3% annual fee
- Interest rate

Conservative



■ Stocks ■ Bonds

- Seeks to provide current income and some growth
- Small amount of risk and limited appreciation potential
- Designed for a shorter investment period.
- 0.3% annual fee

Moderate



■ Stocks ■ Bonds

- Seeks to provide a combination of growth and current income
- Medium level of risk for a pursuit of investment return
- Designed for a medium or uncertain time horizon
- 0.35% annual fee

Aggressive



■ Stocks ■ Bonds

- Seeks to provide the potential to grow
- Higher level of risk and potential for return (or loss)
- Designed for a longer investment period (10 years or more).
- 0.35% annual fee

CONTRIBUTIONS

- Money can come from anywhere:
 - Paycheck, gift, leftover SSI, back pay, inheritance, settlement, etc.
- Takes 3-7 business days for transfers
- Must deposit at least \$10 each time
- Can set up automatic monthly transfers
- Payroll deduction
- Gifting
 - Online gifting platform
 - Paper form and check



ABLE TO WORK CONTRIBUTIONS



- To qualify: the ABLE beneficiary is employed and does not have a retirement plan
- Can save additional \$14,680 or the total of your wages, whichever is LESS
 - \$14,820 in 2022
- Only the person with a disability can contribute more through ABLE to Work
- Any wages added to ABLE are not protected from income limits, just resource limits

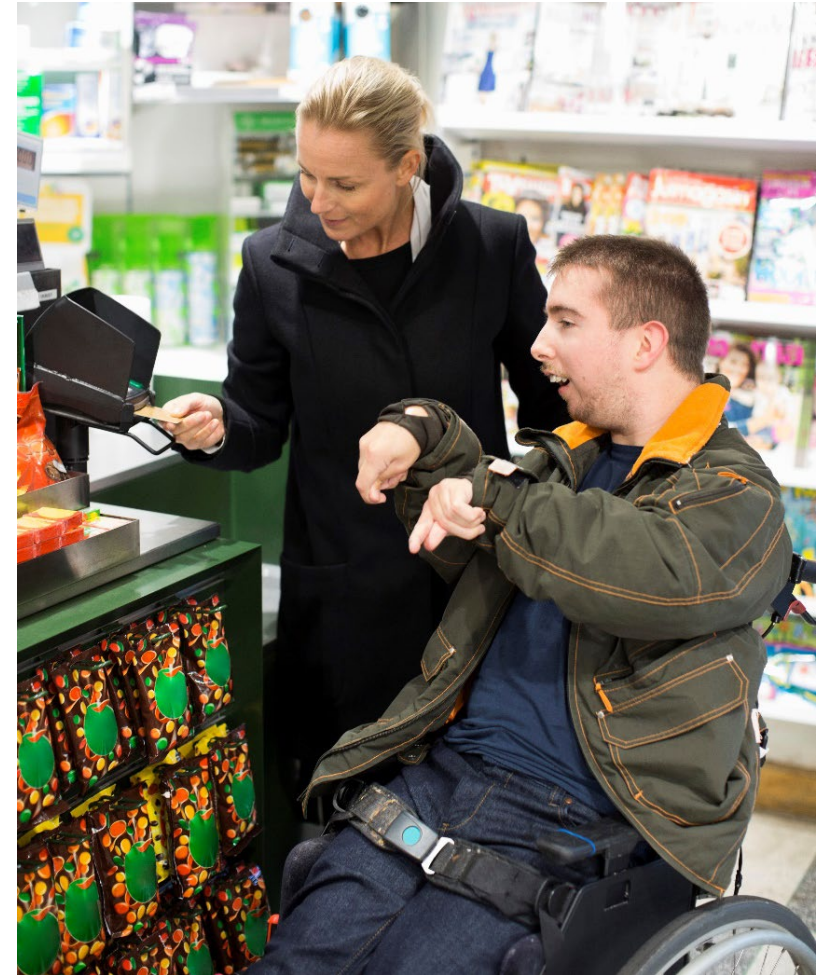
529 ROLLOVERS INTO ABLE

- Rollovers from a 529 college savings plan into ABLE are now allowed:
 - Oregon's 529 is the Oregon College Savings Plan
 - Oregon does not charge fees for rollovers
- Does count against annual contribution limit
- ABLE beneficiary must be the same as the 529 beneficiary or a family member



WITHDRAWALS

- You can make an online banking transfer to your checking or savings account
- Takes 3-5 business days to make a withdrawal from the Cash Option
- Takes 5-7 business days to make a withdrawal from an investment option
- You can have ABLE mail a check for \$2.50 per check
- Can also get faster access by using the ABLE Prepaid Card



ABLE PREPAID CARD



- Works similar to a reloadable gift card
- Sign up in online portal, load money onto card, shop for eligible expenses
- No credit check, no transaction fees
- Does not work at ATMs
- Includes a record of where card was used
- Option to set limits to customize the card
- \$1.25 monthly fee

WHAT ARE THE FEES?

- \$35 Annual Fee
- 0.30% to 0.35% Annual Asset-Based Fee

Transaction	Fee
Rollovers (Transfers out of the Plan)	\$50
ACH Fail / Returned Checks	\$25
Paper Statement Delivery Fee	\$10 per year
Paper check disbursement	\$2.50 per disbursement
Overnight delivery	\$15
Outgoing wires	\$15
Re-issue of disbursement checks	\$15



FEDERAL TAX BENEFITS



- **Tax-free growth on investments**
 - Growth is tax free as long as it is used for a qualified expense
- **Saver's Credit**
 - Up to \$2,000 of contributions may qualify
 - Designed for low to moderate income workers

DEATH OF AN ACCOUNT OWNER

1. Family provides death certificate
2. Qualified withdrawals can be used to pay:
 - Outstanding Qualified Disability Expenses
 - Cover funeral and burial expenses
3. The remaining funds are transferred to the estate of the beneficiary
4. Medicaid may try to reclaim some of the funds

HOW TO SIGN UP

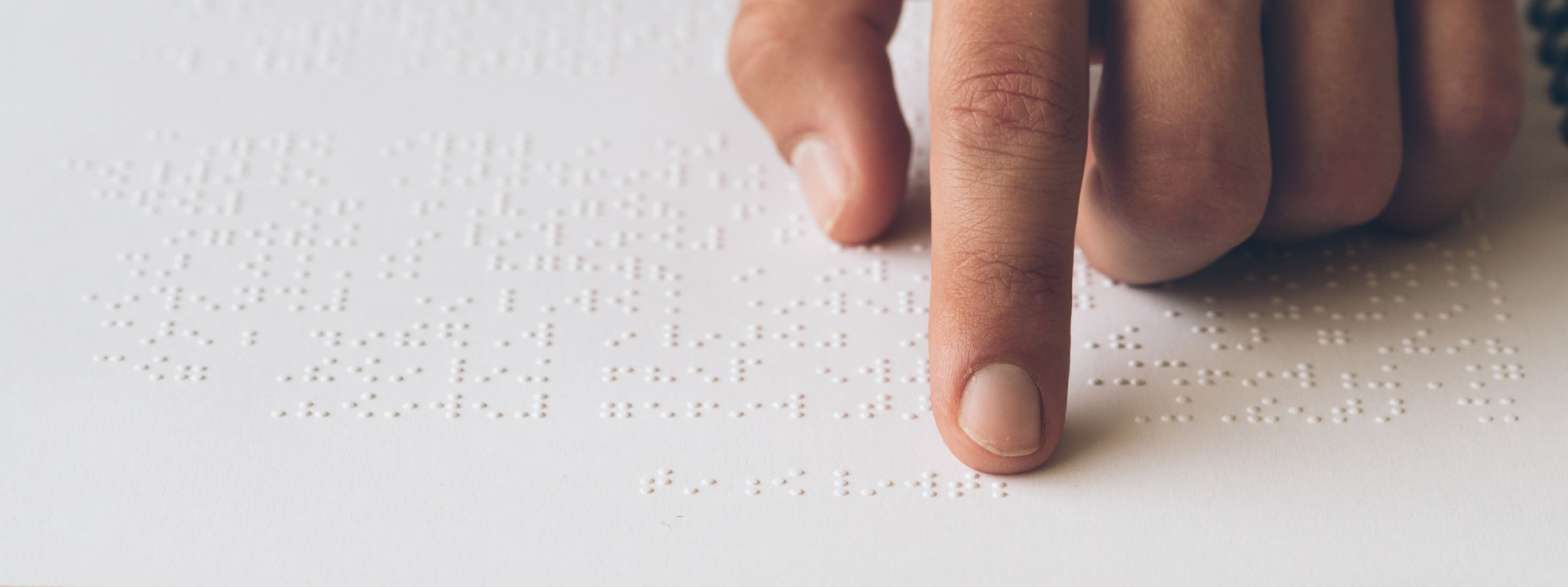


- Open an account online. Do NOT go to a bank.
 - <https://www.hawaiiablesavings.com/>
- If an Authorized Legal Representative has guardianship or power of attorney, they'll need to scan in copies of that paperwork.
 - No longer required on 12/1
- A traditional checking or savings account must be connected to the ABLE account.
- Initial deposit of \$25



HAWAI'I ABLE
SAVINGS PROGRAM

QUESTIONS?



HAWAI'I ABLE
SAVINGS PROGRAM

DAINTRY BARTOLDUS

(808) 586-8166

DAINTRY.BARTOLDUS@DOH.HAWAII.GOV