

ABLE Accounts

What Wisconsin Families Need to Know

What are ABLE Accounts?

Achieve a Better Life Experience (ABLE) Accounts are special savings accounts for people with disabilities. The accounts provide a way for families to save for needed future expenses (living, working, health-related needs) while maintaining eligibility for public programs.

Assets in an ABLE account and funds taken out from the account for qualifying expenses will be disregarded or receive special treatment when determining a person's eligibility for federal means-tested benefits (for example, SSI or Medicaid).

Current federal law limits these accounts to individuals who have become disabled by age 26. However, national disability advocates are working for changes to the ABLE Act to increase the age of onset to age 46. ***Keep in mind that the account beneficiary (the family member with a disability) can be any age when the account is set up.*** One account is allowed per person and a maximum of \$15,000 per year can be saved in an ABLE account. Total savings in an ABLE account have a limit of \$100,000. *(These amounts will be adjusted annually.)*

Can I Go to a Local Bank and Open an ABLE Account?

No, ABLE accounts can only be opened by working with a state ABLE program. Changes to Wisconsin law eliminated the creation of a Wisconsin-based ABLE program, but provisions under the federal ABLE Act allow citizens of one state to open an account in another state (if that state allows for out-of-state residents).

Wisconsin residents can now open ABLE accounts through state sponsored ABLE programs in Over 20 states. To view a listing of state sponsored ABLE programs that are open to out-of-state residents go to the [ABLE National Resource Center](http://www.ablenrc.org) at www.ablenrc.org

What Can the Funds in an ABLE Account be Used For?

Funds need to be used for "qualified disability expenses." Disability expenses may include the costs for education, housing, transportation, employment training and support, assistive technology, personal support services, health care expenses, financial management and administrative services and other expenses which help improve health, independence, and/or quality of life. Under current IRS rules receipts or proof of what these funds are used for are not required.

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How to Compare ABLE Account Programs

The ABLE National Resource Center has created a list of questions (below) and a tool to help families compare ABLE programs. Go to www.ablenrc.org/state_compare/ to use this comparison tool.

1. Does this program offer enrollment to out of state residents?
2. Who is the program administrator?
3. Is there an initial minimum contribution requirement to open an ABLE account? If so, how much?
4. Is there an annual set fee to maintain the account? If so, how much?
5. Is there a required minimum contribution to your account? If so, what is the amount?
6. Are there fees or restrictions to the number of disbursement you are allowed? If so, what are they?
7. Can I roll over my ABLE account to another ABLE program? If so, what is the fee to do so?
8. Is there a “debit card/purchasing card” available with the program? If so, what is the added cost?
9. Who is the investment manager?
10. How many investment options are associated with the program?
11. Do those investment options vary in risk?
12. Is there a fee associated with the investment choices? If so, how much?
13. Are there other characteristics unique to your program?

How Can I Learn More about ABLE Programs and Changes to the ABLE Act?

The ABLE [National Resource Center](http://www.ablenrc.org) at www.ablenrc.org or 1.202.296.2040 provides background on the ABLE Act, updates on legislative changes and resources on state programs and can help answer questions about opening an ABLE account.

If you have questions or need help finding services, contact the following agencies:

- **Regional Centers for Children and Youth with Special Health Care Needs**, a network of five centers dedicated to supporting families who have children with special needs at dhs.wisconsin.gov/cyshcn/regionalcenters.htm
- **Well Badger Resource Center**, an information and referral hotline at 1-800-642-7837 or wellbadger.org