



**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.







## Historic Perspective

- Signed into law by President Obama in 2014
- Part of the [Internal Revenue Code](#): ABLE accounts = IRC § 529A
- Maryland ABLE Act (HB431) signed into Maryland law by Governor Hogan on April 12, 2016
- Operated by Maryland 529 (previously College Savings Plans of Maryland)



# Eligibility Criteria

To be eligible for an ABLÉ 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 “disability certification” from a licensed physician stating that you meet the Social Security-level of disability



## Account Management

- **One** person with a disability = **One** ABLE account
- ABLE account = **Owned & Operated** by the person with a disability. Can be operated by an Authorized Legal Representative (legal guardian or power of attorney) but the person with a disability is always the designated beneficiary



# Key Features of an ABLE Account

- Easy enrollment.
- Contributions up to \$15,000 per calendar year.
- 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, AND no taxes on the withdrawals if the funds are used for Qualified Disability Expenses (QDEs).
- Rollovers are possible to another state ABLE plan if the person chooses.
- Easily accessible funds.





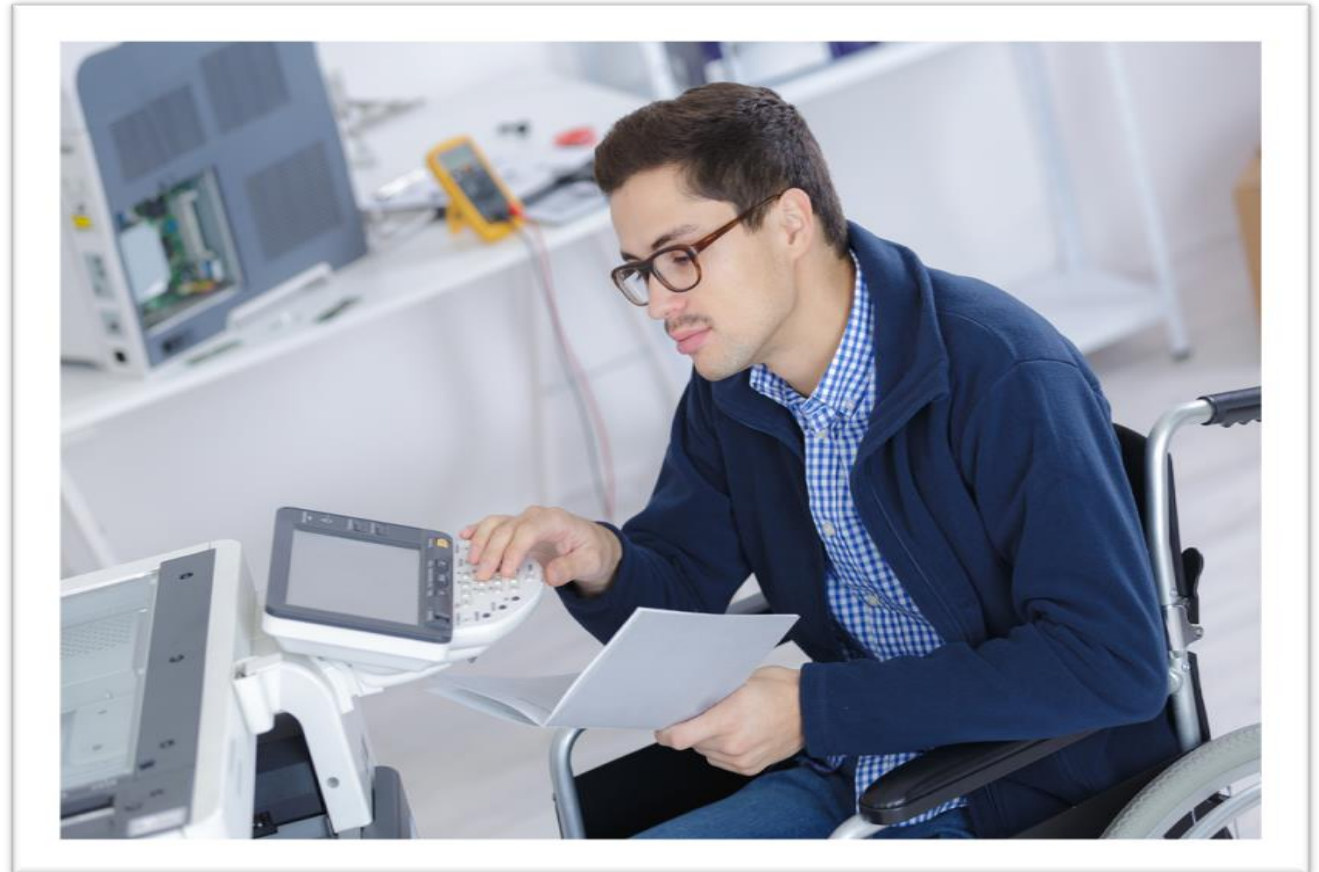
# ABLE Financial Planning Act



- Rollovers can now be made from 529 college savings plans to ABLE accounts.
- Are initiated by the 529 college savings account holder.
- Permitted when the beneficiary of the ABLE account is the same beneficiary or a member of the family of the beneficiary (as defined by Section 529 of the Internal Revenue Code) .
- Maximum rollover amount is currently \$15,000 LESS the contributions made to the ABLE account for the current tax year.

# ABLE To Work Act

- ABLE account beneficiaries who are employed may qualify to contribute above the \$15,000 annual contribution limit 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).
- Limits ADDITIONAL contributions equal to the current years' gross income up to \$12,060 for 2018.\*



*\*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*



# Qualified Disability Expenses



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

# Medicaid Recovery – What To Know

As of June 1, 2018

- Unless required by Federal law, Maryland State Medicaid may not seek payment from a Maryland ABLE account.
- Maryland ABLE accounts will only be subject to ***Federal*** Medicaid recovery efforts if the beneficiary's estate is subject to recovery under the statute\*.

\*Consistent with the section 1917(b) of the Social Security Act

Dep't of Health and Human Services, Centers for Medicaid and Medicare Services,  
[Letter to State Medicaid Directors](#), September 7, 2017.





# Plan Features



## Maryland Account Features

- **\$25** minimum deposit to establish account.
- Contributions can be made via check, automatic deposit, or by electronic funds transfer (“EFT”).
- Accepts contributions over the lifetime of the account up to \$350,000.
- Maryland accepts national enrollment.



# New Account Features

Maryland ABLE is pleased to announce additional new account features that will improve user experience by expanding options for accountholders.

## Our new features include:

- Maryland ABLE Prepaid Card
- Online Gifting



# Access ABLE Funds with Ease

Maryland ABLE's Prepaid MasterCard provides immediate access to ABLE account money for qualified disability expenses (QDEs).

- You decide how much \$\$\$ to transfer to your card
- Use the Prepaid Card wherever MasterCard is accepted

\* Please note that there is \$1.25 monthly fee to maintain card activation. This fee is deducted directly from the Prepaid Card.

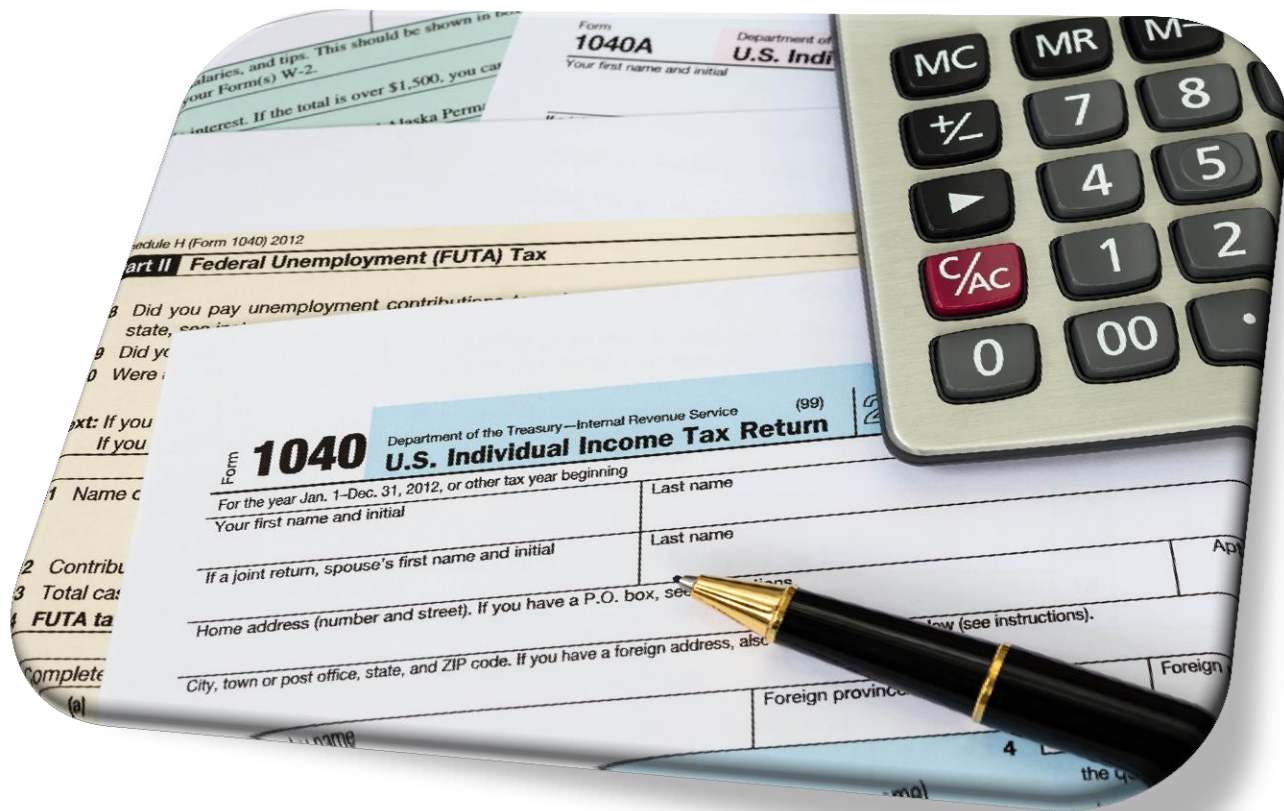




# Get Gifts Online from Family and Friends

- Customize your page
- Set a yearly gifting limit
- Go live and spread the word!





## 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.



## 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)



# Account Types

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







**Maryland****ABLE**

**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 attention on the hand and the Braille.

**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.

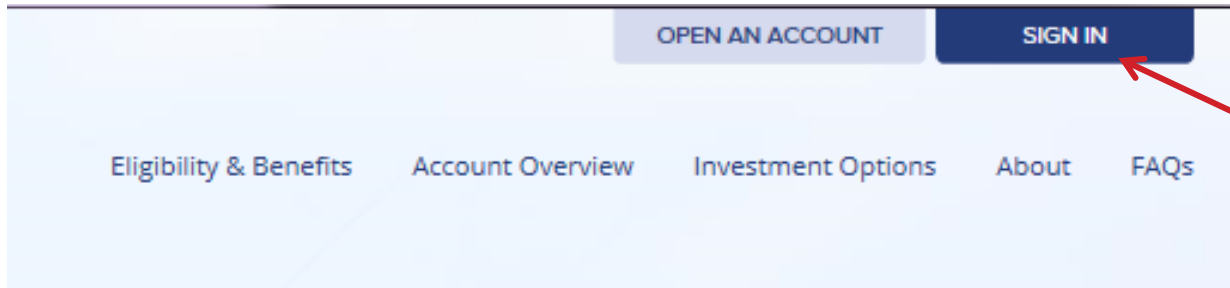
*By clicking below you will be leaving [www.marylandable.org](http://www.marylandable.org) and linking to [www.sumday.com](http://www.sumday.com).  
Please note the different Terms of Use and Privacy Statement.*

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)



# 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



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**Thank you!**