



# Understanding ABLE Accounts

Empowering Financial Independence



Paul V. Sherlock Center

On Disabilities / Rhode Island College



Joshua Hughes, Benefits Specialist, Paul V. Sherlock Center on Disabilities, RI College  
[jhughes@ric.edu](mailto:jhughes@ric.edu)

- How the ABLE account supports individuals with disabilities

Lauri Maloney, Director ABLE Savings Plan Advocacy and Growth, Ascensus  
[lauri.maloney@ascensus.com](mailto:lauri.maloney@ascensus.com)

- What is an ABLE account and how does it work

Jose Gamboa VP, ABLE Relationship Management, Ascensus  
[jose.gamboa@ascensus.com](mailto:jose.gamboa@ascensus.com)

- Step by step guidance on how to open an ABLE account

Vicki Ferrara, Coordinator, Paul V. Sherlock Center on Disabilities, RI College  
[vferrara@ric.edu](mailto:vferrara@ric.edu)

Lori Lamphere, Client Relationship Administrator, Ascensus

Rhode Island General Treasurer James Diossa

# The problem that ABLE solves

## Resource limits!

- People who receive SSI or Medicaid are often subject to resource limits
- Having too much in total saving will cause you to lose eligibility (possible overpayment!)
- If you are on these benefits and start working, it is much harder to stay below resource limits

## GOOD NEWS ...

- “You can work with benefits!”
- The ABLE account allows you to save above these limits
- A certified work incentives benefits specialist can help you understand how you can work with benefits!



# Work Incentive Information and Benefits Counseling

## Information Beneficiaries Need to Know

- Impact of earnings on SSI and/or SSDI  
Medicaid and/or Medicare  
SNAP, Housing, etc.
- Work Incentives (WI)
- Wage Reporting Options
- Avoiding/reducing overpayments

Resources at the  
[Sherlock Center's WI Webpage](#)

## Access Benefits Counseling

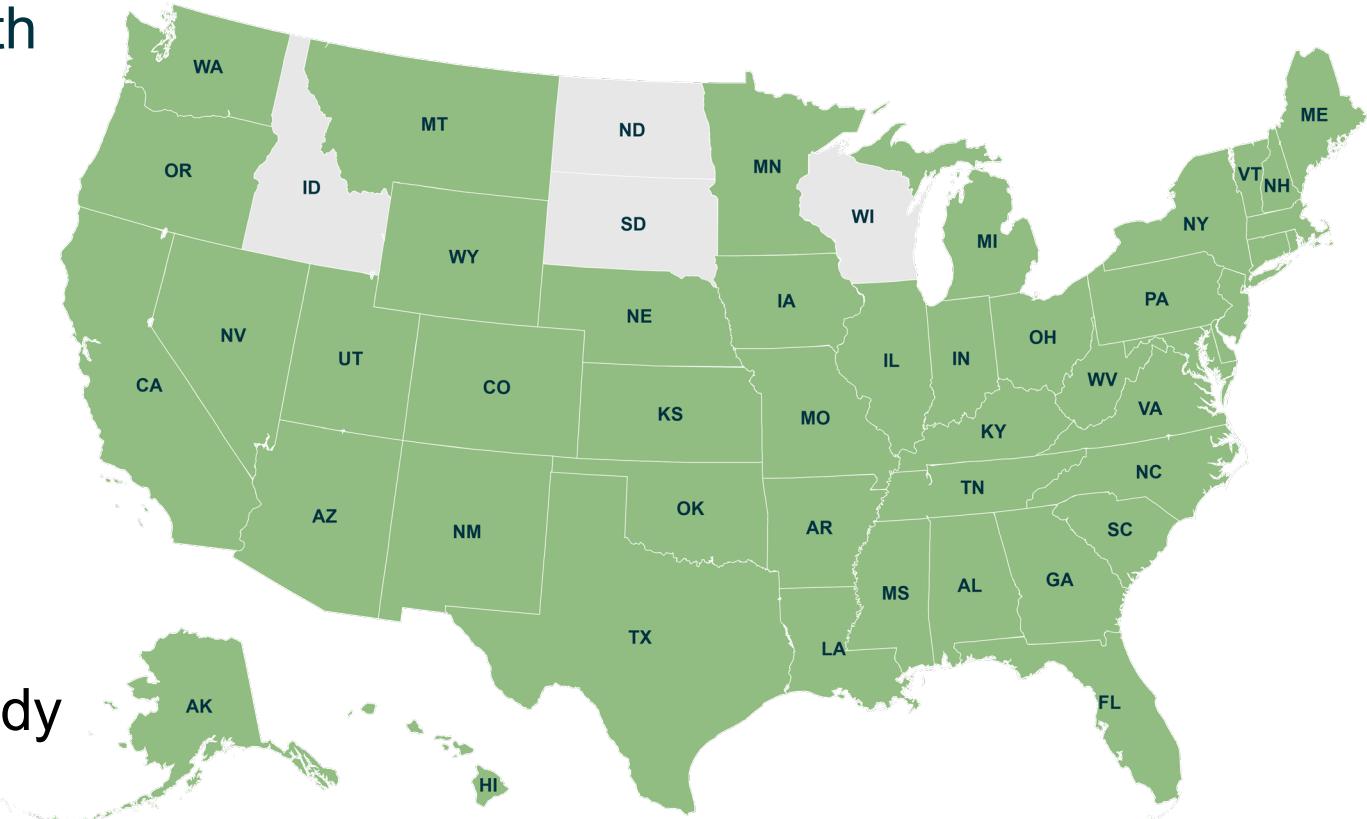
- Work Incentive Planning and Assistance
- Ticket to Work Helpline:  
1-866-968-7842 or 1-866-833-2967 (TTY/TDD)  
*Helpline referrals sent to RI WIPA Project*
- Other sources for Benefits Counseling:  
*ORS: Discuss with your VR counselor*  
*BHDDH-DDD: Submit EERF Form*



# What is ABLE?

*Gives those with disabilities the ability to save*

- **Tax-free account** that people with disabilities and their families can open to save and invest their money for expenses related to living with a disability
- **49 ABLE programs available across the country\***
- **Over 223,000 people** have already saved more than \$2.87 billion\*\*



\*Source: ABLE National Resource Center

\*\*Data source: ISS Market Intelligence – October 2025

█ In-state ABLE program  
█ No in-state ABLE program

# Why save with ABLE?

*ABLE accounts protect benefits and so much more*

**RI'sABLE**  
Member of The National ABLE Alliance

- ***Help to save while preserving benefits***, such as SSI, SSDI, Medicaid, HUD and others
  - SSI benefits preserved up to \$100,000 ABLE account balance\*
  - No Medicaid asset cap
  - No impact on HUD, SNAP and other benefits
- ***Benefit from tax-free earnings and withdrawals*** for Qualified Disability Expenses
- ***Alternative or add-on*** to a special needs trust



*\*When combined savings exceeds \$100,000, SSI cash benefits will be suspended, but their Medicaid benefit will continue. Cash benefits will be automatically reinstated when the balance drops below \$100,000 again.*

# Who can own an account?

*Two key eligibility criteria must be met*

A person is eligible to own an ABLE account if:

**Their disability was present before the age of 46**



**One of the following is true:**

- They are *eligible for Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI)* because of blindness or disability
- They have a *medically determinable physical or mental impairment with marked, severe functional limitation* that has lasted, or is expected to last, at least *12 continuous months* or to result in death
- They have *identified their condition on the Social Security Administration's List of Compassionate Allowances Conditions*

# How much can be saved in an ABLE account?

## *ABLE accounts offer financial independence*

- \$20,000 can be contributed each year
- Contributions can come from any source
- If you are receiving SSI benefits, the total ABLE balance limit is \$100,000.
- If you are not receiving SSI benefits, the total ABLE balance limits range from \$235,000 - \$596,925 and are set by each state.

Account owners that earn income by working **full or part-time** can contribute beyond the annual \$20,000 limit!



# What is the benefit for working account owners?

*Ability to contribute above the \$20,000 annual limit*

- If you are not contributing to a workplace retirement plan**, you can contribute additional dollars (equal to or lower than the following):

- Account Owner's annual gross wages, or
- U.S. Department of Health and Human Services **Poverty Guidelines amount for a one-person household** in the Account Owner's state of residence - \$15,650\*

- If you are contributing to a workplace retirement plan**, the additional contribution amount does not apply:

- A defined contribution plan
- An annuity contract
- An eligible deferred compensation plan

**Example = \$15,650**

2026 – based on 2025 Federal Poverty Level for a one-person household

	<u>Joe</u>	<u>Kim</u>	<u>Sue</u>
2026 earnings	\$25,000	\$4,000	\$20,000
Earnings compared to poverty level	Above	Below	Above
Saving for retirement through work	No	No	Yes
2026 additional contribution	\$15,650	\$4,000	\$0
2026 total contribution	\$35,650	\$24,000	\$20,000

*\*U.S. Department of Health and Human Services Poverty Guidelines change annually and can vary by state*

# What can ABLE savings be used for?

## *Qualified Disability Expenses*



Savings can be withdrawn tax-free\* for any expense that is incurred as a result of living with a disability and are intended to improve quality of life, health, and provide greater independence:

- Education
- Housing
- Transportation
- Employment training and job coaching
- Assistive technology
- Personal support services
- Healthcare, prevention and wellness
- Financial management and administrative services
- Legal fees
- Oversight and monitoring
- Funeral and burial expenses

# Who can open an ABLE account?

*It does not have to be the Account Owner*

- **Account Owner:** Individual with a disability (with capacity) who manages their own account
- **Account Owner who appoints a Power of Attorney:** Individual with capacity who appoints an Agent/Power of Attorney to assist with managing the account
- **Authorized Individual:** Others may be able to open and manage the ABLE account on behalf of the Account Owner in this priority order:
  - Power of Attorney
  - Guardian or Conservator
  - Spouse
  - Parent
  - Sibling
  - Grandparent
  - Representative Payee appointed by SSA
- No matter who opens the account, the eligible individual is the Account Owner, and they can only have one ABLE account nationwide





# How to Open an ABLE Account

Start saving for what matters most

## KEY STEPS TO OPENING AN ACCOUNT

### Step 1

Gather basic information for the Account Owner and/or Authorized Individual:

**Permanent address**

**Birthday**

**SSN\*, TIN\*, EIN\*, Driver's license, Military or State-Issued ID and email address**

**Account Owner's disability**

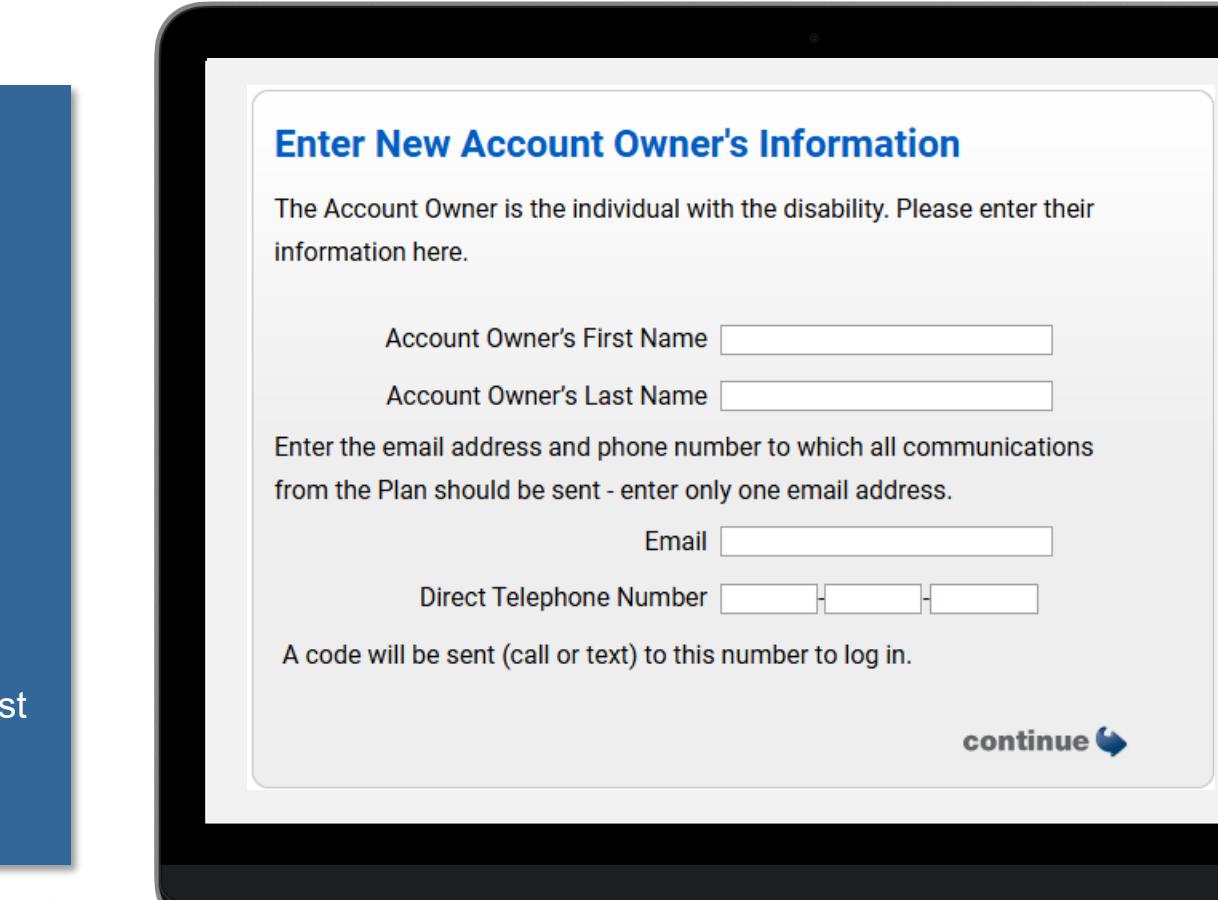
**Basis under which ABLE eligibility is declared:**

- ✓ SSDI (social Security Disability Insurance)
- ✓ SSI (Supplemental Security Income)
- ✓ Disability is identified on the Social Security Administrations list of Compassionate Allowances conditions
- ✓ Doctor diagnosed

\*SSN – Social Security Number (used to track an individual's earnings & contributions)

\*TIN – Taxpayer Identification Number (tracks taxpayers, ensuring compliance with tax regulations)

\*EIN – Employer Identification Number (assigned by IRS to businesses & tax-exempt organizations for tax identification purposes)



**Enter New Account Owner's Information**

The Account Owner is the individual with the disability. Please enter their information here.

Account Owner's First Name

Account Owner's Last Name

Enter the email address and phone number to which all communications from the Plan should be sent - enter only one email address.

Email

Direct Telephone Number  -  -

A code will be sent (call or text) to this number to log in.

**continue** 

## KEY STEPS TO OPENING AN ACCOUNT

### Step 2

Determine how you would like to use the ABLE Account and choose your investment options:

#### What disability expenses do I want to save for?

- ✓ Ongoing expenses that require easy access to funds on a regular basis.
- ✓ Saving for a rainy day?
- ✓ Larger, more expensive item that requires a long time to save?
- ✓ Funds for all the above?

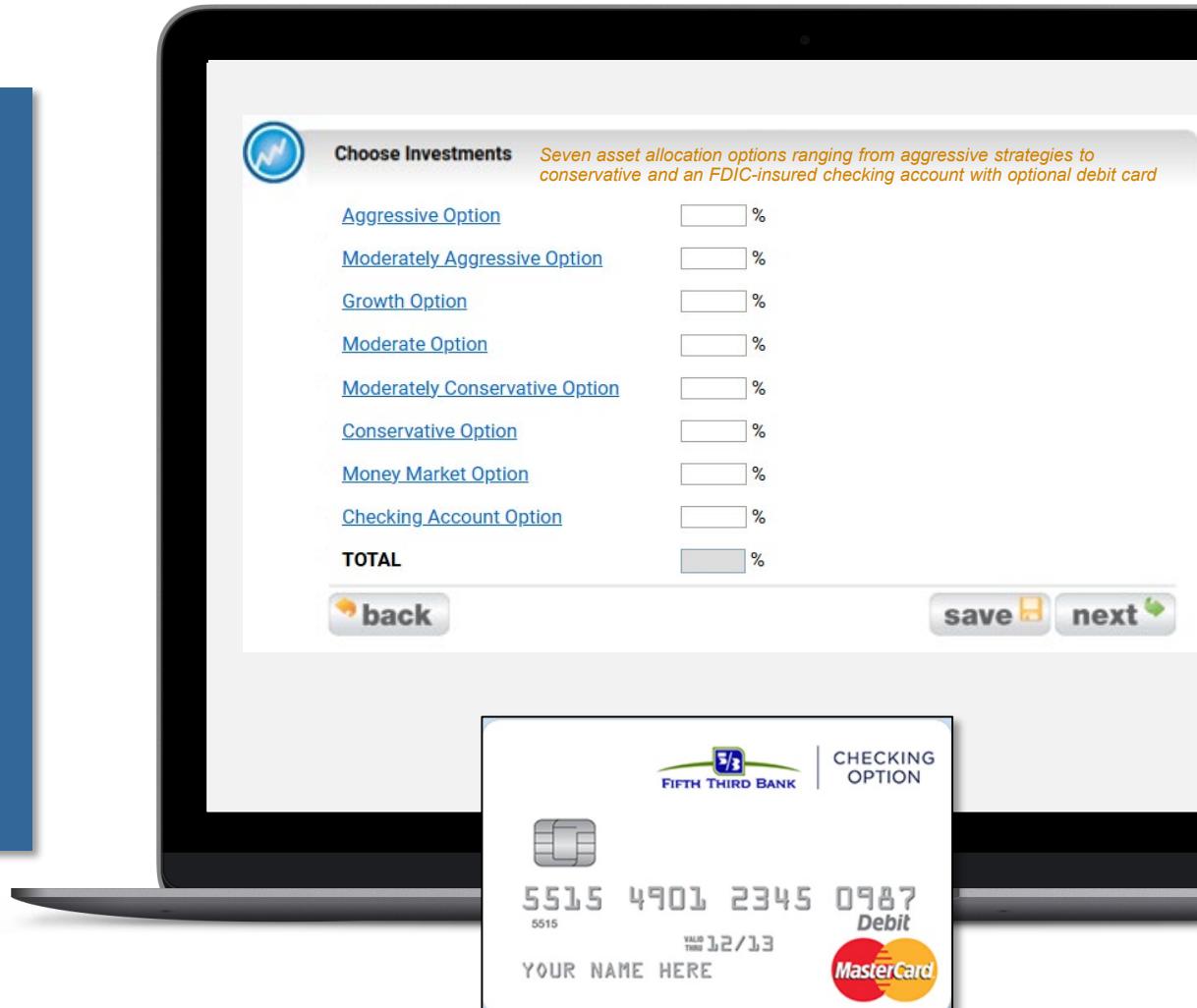
#### When will I need the money?

- ✓ Expenses need to pay within the next several months, 1-3 years, or longer?

#### What is my risk tolerance?

- ✓ How do changes in financial markets affect what I want to use my ABLE funds for?

Note: Don't forget to review the Plan Disclosure Booklet



### Step 3

#### Pick a Contribution Method:

##### How will money be contributed to the Account?

- ✓ Bank account—recurring contributions.\*
- ✓ Bank account—single contribution.
- ✓ Paycheck—payroll Direct Deposit.
- ✓ A check

Note: You can set up multiple contribution methods after the Account is established.



##### Annual contribution limit

For 2026, **\$20,000** can be contributed into an ABLE Account annually.

An **ABLE Account Owner with earned income** may be eligible to make additional contributions exceeding this limit.

**Balances of \$100,000 or less** are excluded from your SSI resource limit.

### Step 4

Choose a delivery method for plan documents:

#### Notify by email or mail?

- ✓ Quarterly statements and plan disclosure booklet updates
- ✓ Transactions & Profile Confirmations
- ✓ Tax Forms

Note: By establishing E-Delivery, the Account is eligible for a reduced Annual Account Maintenance Fee.



## KEY STEPS TO OPENING AN ACCOUNT

### Step 5

**Security:** At Ascensus we are committed to the security of your ABLE account. We apply a multitude of security measures and continuously monitor our systems to protect your account against fraudulent activity.

#### Set up your individual:

- ✓ Username
- ✓ Password
- ✓ Security questions
- ✓ Security Image
- ✓ Multi-factor authentication



**Create Username and Password**

This username and password must be used to access the Account.

Username   
(Must be 6-25 characters)

Password   
(Your password must be at least 8 characters long and contain at least 3 of the 4 following criteria: upper case, lower case, numeric, or special characters such as !, @, #, \$, % etc.)

Retype Password

**Security Questions**

If you forget your password, you will be asked to answer one of these questions to reset your password. Please enter a unique answer for each of the 3 security questions. The answers must be alphanumeric and at least 2 characters long.

Question

Answer

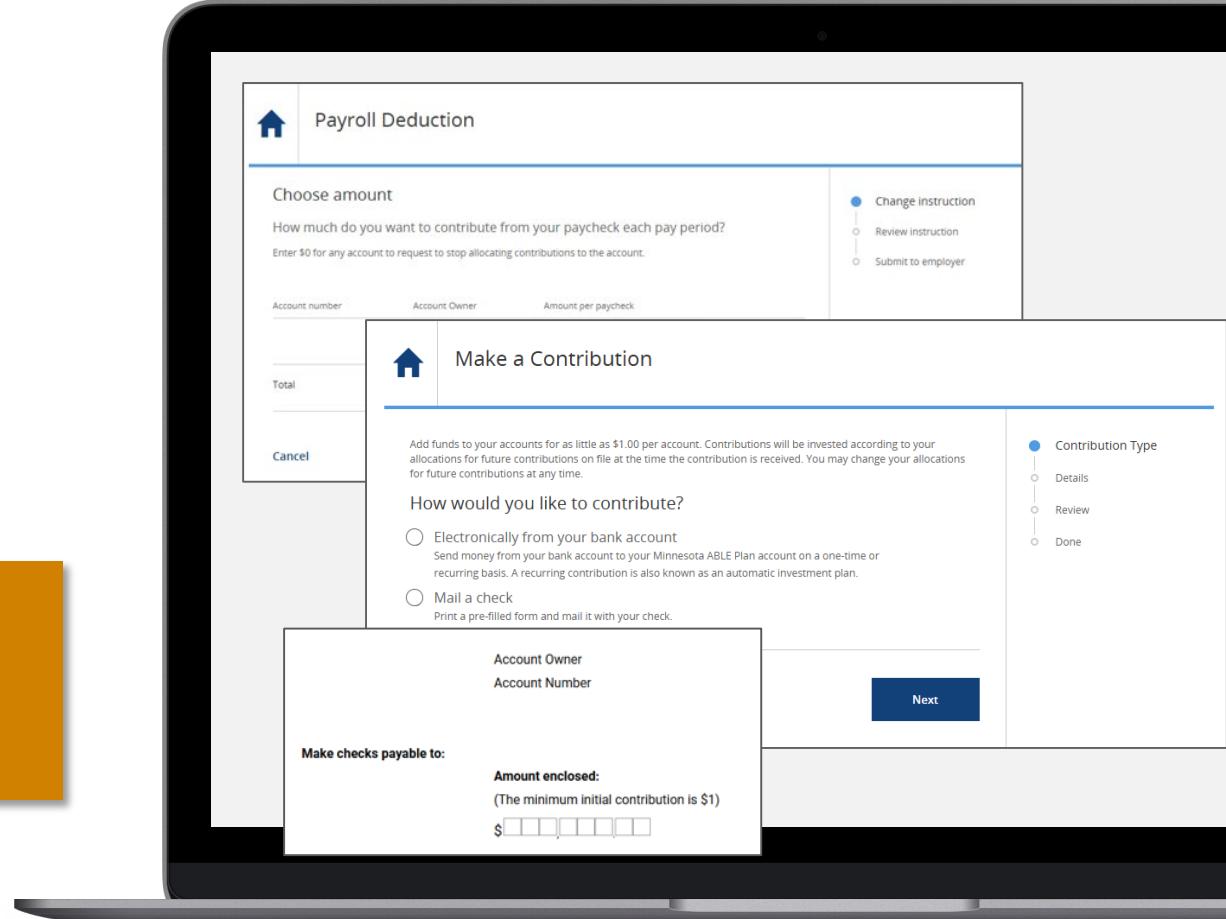
### Step 6

Complete the account:

- Verify and submit your information
- Review and acknowledge Terms and Conditions
- Deposit or contribute funds into the Account

**CONGRATULATIONS**

Your account has been established



# What to expect as a saver

## *Tips for ongoing account management*

- Keep records and receipts
  - Diagnosis and benefits verification
  - Withdrawals and qualified expenses
- When savings are used for non-qualified expenses, the earnings portion of the withdrawal will be treated as income, so it will be taxed at the account owner's tax rate and will be subject to a 10% federal tax penalty and applicable state taxes
- Federal requirement allows only two investment allocation changes per year
- If eligibility changes, please contact your ABLE Account Plan



# Where can I find more info?

*ABLE resources are easy to find*



- ABLE Today: [www.abletoday.org](http://www.abletoday.org)
- ABLE National Resource Center: [www.ablenrc.org](http://www.ablenrc.org)
- Social Security Administration on ABLE accounts:  
<https://secure.ssa.gov/poms.nsf/lnx/0501130740>
- Internal Revenue Service (IRS) on ABLE Accounts: <https://www.irs.gov/newsroom/able-savings-accounts-and-other-tax-benefits-for-persons-with-disabilities>
- Compassionate Allowances: <https://www.ssa.gov/compassionateallowances/>

# Sherlock Center Resources

- [Sherlock Center's Work Incentive Information Sessions](#)
  - Webinar topics include SSI, SSDI, Youth on benefits, etc.
- [Sherlock Center's Work Incentive Mailing List](#)
  - Receive newsletters, webinar announcements, topical information
- [SSA Mailing List](#)
- [Sherlock Center WI Page](#)
  - Resources, short informational videos, etc.





# Questions and answers



# Thank you!



For more information about RI's ABLE (the "Member Plan"), call (888) 609-8915, or visit [ri.savewithable.com](http://ri.savewithable.com) to obtain the Plan Disclosure Booklet, which include investment objectives, risks, charges, expenses, and other important information about the Member Plan. Please read and consider the Plan Disclosure Booklet carefully before investing.

Before investing in any ABLE program, you should consider whether your home state offers an ABLE program that provides its taxpayers with favorable state tax or other benefits that are only available through investment in the home state's ABLE program. You also should consult your financial, tax, or other adviser to learn more about how state-based benefits (or any limitations) would apply to your specific circumstances. You also may wish to directly contact your home state's ABLE program, or any other ABLE program, to learn more about those plans' features, benefits and limitations. Keep in mind that state-based benefits should be one of many appropriately weighted factors to be considered when making an investment decision.

The Member Plan is sponsored by the state of Rhode Island and administered by the Executive Office of Health and Human Services (EOHHS) and the State Investment Commission. The Member Plan is intended to be a qualified ABLE plan offered through the National ABLE Alliance. Ascensus College Savings Recordkeeping Services, LLC, the Program Manager, and its affiliates, have overall responsibility for the day-to-day operations, including investment advisory, recordkeeping and administrative services. The Member Plan's Investment Options are allocations to mutual funds, ETFs, banking products and/or other investments. Except for the Checking Option, investments in the Member Plan are not insured by the FDIC. Interests in the Member Plan are municipal securities and the value of your Account will vary with market conditions.

Investment returns will vary depending upon the performance of the Investment Options you choose. You could lose all or a portion of your money by investing in the Member Plan depending on market conditions. Account Owners assume all investment risks as well as responsibility for any federal and state tax consequences.

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