

Illinois ABLE



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Disability Savings Crisis

Eligibility for federal means-tested benefits—SSI, SNAP, Medicaid—require individuals meet a resource test that limits eligibility to individuals to report more than \$2,000 in cash savings, retirement funds and other items of significant value.

Due to these restrictions, persons with disability or blindness often are forced into poverty or unorthodox banking processes.

Estimates point to roughly half of persons with disability being under or unbanked.

ABLE

In December, 2014, Congress passed the Achieving a Better Life Experience Act.

The law was more than a decade in development and allowed states to set up 529-like savings programs for persons with disability or blindness.

Illinois passed its state version of the ABLE bill in the spring session of 2015, and the Governor signed it into law that summer.

What Does ABLE Do?

ABLE is a tax-advantaged savings program for persons with blindness or disability.

Like Bright Start and Bright Directions, the Treasurer's Office is the administrator of the Illinois ABLE program.

Eligible beneficiaries for the program are people who are entitled to benefits based on blindness or disability under Title II or XVI of the Social Security Act or have a "disability certification" filed with the US Treasury Secretary, and disabled before the age of 26.

What Can ABLE Be Used On?

Approved expenses include:

- Education,
- Housing,
- Transportation,
- Employment training and support,
- Assistive technology,
- Personal support services,
- General health services,
- Prevention and wellness services,
- Financial management and administrative services,
- Legal fees,
- Expenses for oversight and monitoring,
- Funeral and burial expenses.

ABLE's Effect on Federal Benefits

ABLE assets will receive favorable treatment when determining eligibility for most federal means-tested benefits.

For SSI, payments will be suspended if the beneficiary's account balance exceeds \$100,000. SSI eligibility will not be terminated.

For housing, the SSA will treat housing expenses as resources only if distributed in one month and held until the following month.

Challenges

While ABLE has a number of similarities with 529 College Savings plans, a number of differences present unique issues for states:

- ABLE accounts will be lower dollar, higher transaction compared to College Savings,
- The smaller population for people with blindness or disability create a smaller pool size,
- Unlike College Savings, ABLE accounts have a wide variety of investment date ranges.

National ABLE Alliance

The National ABLE Alliance is a partnership created to reduce pricing and increase program options.

15 entities make up the National ABLE Alliance, representing over one quarter of the US disability community.

Residents from both inside and outside of the National ABLE Alliance states will be able to sign up for Alliance member accounts.

NAA Members

State	Population
Alaska	738,432
Arizona	6,828,065
Colorado	5,540,545
Illinois	12,859,995
Indiana	6,633,053
Iowa	3,123,899
Kansas	2,911,641
Minnesota	5,489,594
Montana	1,032,949
New Jersey	8,938,175
Nevada	2,890,845
North Carolina	10,042,802
Pennsylvania	12,802,503
Rhode Island	1,056,298
Washington D.C.	681,170
TOTAL	81,569,966

Alliance Vendor

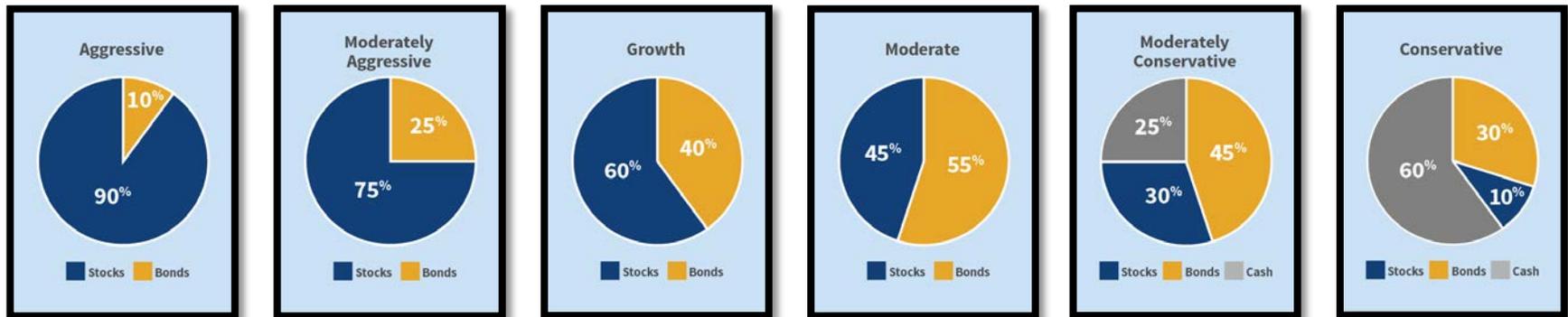
In August 2016 the Alliance selected Ascensus to provide complete ABLE programing services.

Services include:

- Easy to understand investment services,
- An FDIC insured banking option,
- Robust recordkeeping services,
- A third party vetted call center, and,
- And custom marketing materials.

Investment Options

Illinois ABLE offers six, passively managed investment options.



The underlying funds have been chosen by price and long-term performance.

Low Fees

- .34% to .38% annual asset fees,
- \$15/quarter account maintenance fee (\$3.75/quarter discount for e-delivery),
- Open an account with as little as \$25,
- Banking option has no asset based fees (Only account maintenance fee).

Investment Option	Annual Asset-Based Fees		
	Underlying Investment Fee	Program Management Fee	Total Annual Asset-Based Fee
Aggressive Option	0.05%	0.32%	0.37%
Moderately Aggressive Option	0.05%	0.32%	0.37%
Growth Option	0.06%	0.32%	0.38%
Moderate Option	0.06%	0.32%	0.38%
Moderately Conservative Option	0.04%	0.32%	0.36%
Conservative Option	0.02%	0.32%	0.34%
Checking Option*	N/A	N/A	N/A

Banking Option

Fifth/Third Bank offers an interest-bearing checking account option with a debit card that is:

- FDIC insured up to the maximum amount permitted by law,
- Access cash at an ATM for qualified purposes, including over 43,000+ fee-free ATMs,
- Has check writing capabilities, including guideline checks for the visually impaired,
- Overdraft protection,
- Allows for money to be moved to and from the checking account and remain sheltered in the ABLÉ plan,
- No card issuance fees

Fee Free ATM Coverage



Contact

For more information about the Illinois ABLE visit:

www.Illinoisable.com

For more information about the National ABLE Alliance visit:

www.savewithable.com

For additional questions, you may also call:

1-888-609-8683, or e-mail:

il.clientservice@savewithable.com