



## Frequently Asked Questions

### What does ABLE mean?

ABLE stands for “Achieving a Better Life Experience” and refers to savings and investment accounts that give people with disabilities and their families greater financial independence while preserving benefits. A high-quality, low-cost IL ABLE account can be opened by an eligible individual, or Authorized Individual, at any time, no matter what state you live in. IL ABLE Account Owners can save and invest their private funds without losing, or losing access to, federal means-tested benefits, such as SSI, SSDI and Medicaid.

### Who is eligible to own an IL ABLE account?

A person with a disability is eligible to own an ABLE account if 1) the disability was present before the age of 26, and 2) the person is entitled to receive SSI or SSDI benefits or has a similarly severe disability certified in writing by a licensed physician. A person with a disability can open an IL ABLE account or an Authorized Individual can open it on the person’s behalf by providing authorizing documentation.

### Will I lose SSI, SSDI or Medicaid if I have an IL ABLE account?

No. You will not lose, or lose eligibility for, federal benefits including SSI, SSDI, Medicaid and HUD. If you are an SSI recipient, you can save up to \$100,000 in your IL ABLE account and still receive your monthly SSI benefits. At \$100,000 SSI benefits are temporarily suspended until the account balance falls below \$100,000, and benefits resume. Account Owners will not have to reapply for SSI benefits. Even if the ABLE account exceeds \$100,000, beneficiaries will not lose Medicaid benefits.

### What are the financial benefits of owning and contributing to an IL ABLE account?

Earnings and withdrawals on IL ABLE accounts are tax-free if they are used for qualified disability-related expenses. Eligible Illinois taxpayers can contribute to any IL ABLE account and take a state tax income tax deduction - up to \$10,000 if filing as an individual or \$20,000 if filing jointly. Consult with a tax advisor to discuss your specific situation.

### What is a qualified disability-related expense?

A qualified disability expense is any expense related to the individual’s disability. The U.S. Treasury has indicated that the list of qualified disability expenses is not exhaustive and includes the following: • Education • Housing • Transportation • Employment training and support • Assistive technology • Personal support services • Health, Prevention and Wellness • Financial Management • Administrative services • Legal fees • Expenses for oversight and Monitoring • Funeral and burial expenses.

### How much can I contribute to an IL ABLE account?

The annual contribution limit, in total, to an ABLE account is \$15,000. This amount includes all contributions from Account Owners, family members, friends and other third parties. Anyone can contribute to an IL ABLE account, as long as total contributions do not exceed the \$15,000 per year. If an Account Owner is working, he or she can contribute an additional amount based on what the IRS allows.

## Can I work if I have an IL ABLE account?

Working Account Owners who do not already participate in an employer-sponsored retirement plan can contribute an additional amount above the annual \$15,000 contribution limit, equal to gross wages for the year or the poverty guidelines amount, whichever is lower. An IL ABLE account gives Account Owners incentive to work because earnings can be contributed, with limitations, to the account without worry about exceeding the asset requirement of federal means-tested benefits programs.

## What about Medicaid recovery, also known as the “Medicaid claw back”?

Under Illinois state law, the Illinois Department of Health and Family Services (the Illinois Medicaid agency) is not permitted to recover certain benefits from an IL ABLE account upon the death of the Account Owner. However, federal law gives the Illinois state Medicaid agency authority to recover other kinds of benefits upon the death of an IL ABLE Account Owner after funeral, burial and outstanding disability expenses are paid. The specific Account Owners from whose estates state Medicaid agencies have the authority to seek recovery after death are those Account Owners who received Medicaid at the age of 55 or older, or who received coverage for certain Long-Term Services and Supports (LTSS) and were subject to Post Eligibility Treatment of Income rules (PETI). Check with your benefits specialist about your specific circumstances.

## Can I roll over a 529 College Savings account into an ABLE account?

Yes. A roll over from 529 College Savings into an ABLE account can be made for the same beneficiary or for a member of the family of the 529 College Savings account beneficiary. For more information, consult the IL ABLE Plan Disclosure Statement at [illinoisABLE.com](http://illinoisABLE.com).

## Do I have to live in Illinois to open an IL ABLE account?

No. Any qualified individual may open an IL ABLE account no matter what state he or she lives in. However, before enrolling in any other state’s ABLE plan you should consider your state’s plan first in case there are tax or other advantages to opening an account in your state. For example, Illinois taxpayers can contribute to any IL ABLE account and take a state tax income tax deduction – up to \$10,000 if filing as an individual or \$20,000 if filing jointly. Consult with a tax advisor to discuss your specific situation. Remember, you may only own one (1) ABLE account no matter what state’s ABLE plan you are enrolled in.

## Can I have a Special Needs Trust (SNT) and an IL ABLE account?

Yes. An Account Owner can have an IL ABLE account AND be the beneficiary of a Special Needs Trust.

## Where do I go to open an IL ABLE account?

Visit our ADA compliant website [illinoisABLE.com](http://illinoisABLE.com) or call IL ABLE at 888-609-8683. The IL ABLE Call Center is available 8am – 5pm, Monday through Friday CT and provides support for non-English speakers as well as deaf and hard-of-hearing callers.

## For detailed information, please read the Plan Disclosure Documents available at [illinoisABLE.com](http://illinoisABLE.com).

The Illinois Achieving a Better Life Experience (IL ABLE) plan is sponsored by the State of Illinois and administered by the Office of the Illinois State Treasurer. IL ABLE is designed 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 for IL ABLE.

Accounts in IL ABLE are not guaranteed or insured by the State of Illinois, the state administrator, the Trust, IL ABLE or the Program Manager. IL ABLE offers investment options across the risk spectrum from Conservative to Aggressive. Except for the checking account option, investments in the IL ABLE plan are not insured by the FDIC. The Checking Option offers FDIC insurance up to \$250,000, subject to certain restrictions. Interests in IL ABLE are municipal securities and the value of your account will vary with market conditions and the performance of the investment options you choose. Account owners assume all investment risks as well as responsibility for any federal and state tax consequences. Participation in the IL ABLE plan does not guarantee that contributions and the investment return on contributions, if any, will be adequate to cover future expenses or that an Account Owner is eligible to participate in the IL ABLE Plan.

Before investing in any ABLE plan, you should consider whether the state in which you reside or pay taxes offers an ABLE plan that provides its taxpayers with favorable state tax or other benefits that are only available through investment in the home state’s ABLE plan. 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.

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