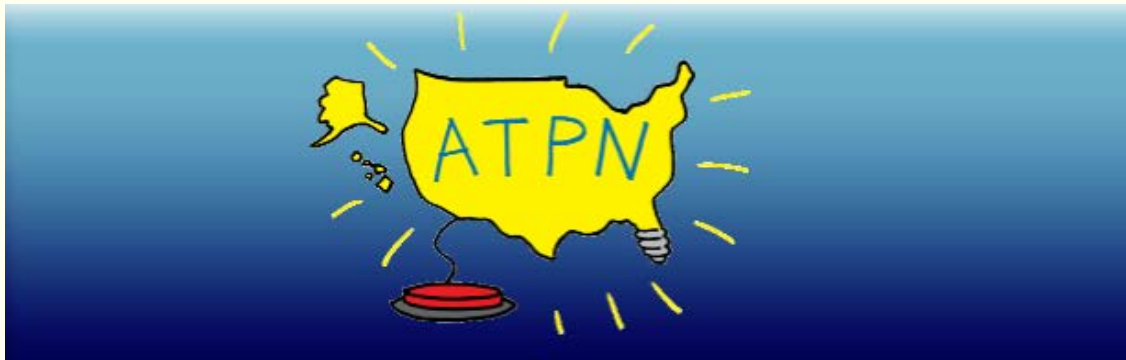


June 2015: The ABLE Act for Funding AT

[View this email in your browser](#)



AT Program News serves the state Assistive Technology Act Programs, the Alternative Financing Programs, and their community partners

In This Edition...

- [The Best Thing Since the ADA? --An interview with Susan Tachau](#)
- [AT Purchase Strategies Using ABLE Accounts](#)
- [ABLE Act Resource Roundup](#)
- [Free Budgeting Tool from PATF: Cents and Sensibility](#)
- [ABLE Accounts vs. Special Needs Trusts](#)
- [Generation Tech: The Inspiration of Shalin Shah](#)
- [Shalin's App: Voice!](#)



Quick Links

(all links open in a new window)

[About](#)

[Join Our Mailing List](#)

[Find Us on Facebook](#)

[Email the Editor](#)

The Best Thing Since the ADA?

The ABLE Act is commonly referred to as just a 529 plan for disability expenses. So why does Susan Tachau say it may be the best thing since the ADA?

Last December, President Obama signed into law the Achieving a Better Life Experience (ABLE) Act, legislation culminating the longtime advocacy efforts of the National Down Syndrome Society and other disability organizations.



The ABLE Act was sought as a way for individuals and

Generation Tech! The Inspiration of Shalin Shah

Shalin Shah, 15, considers how he became a developer of assistive technology

families to save money for disability-related expenses, much the same way that families save for college. Incorporated into the Internal Revenue's 529 plan for education, the Act allows tax-advantaged savings up to a state's 529 plan limit. To the lay person, however, this may look a tad underwhelming; the feds have simply allowed another helpful savings option for those who have something to save.

Susan Tachau disagrees, "No, this is big."

Tachau is executive director of the [Pennsylvania Assistive Technology Foundation](#) and mother of an adult son with cerebral palsy. "For someone on SSI and Medicaid, this means for the first time there's a ladder a person can climb out of poverty. I actually think it's the most exciting legislation since the ADA."

The ABLE Act's potential, she explains, rests with how it builds off the 529 model in a critical way. In addition to tax-advantaged savings, the Act allows individuals on SSI, Medicaid, and other public benefits to retain those benefits while saving beyond the \$2,000 asset limit set by the Social Security Administration. ABLE account holders may save as much as \$100,000 while retaining SSI payments. Beyond \$100,000, ABLE account holders will retain their Medicaid and SSI eligibility, but SSI payments are suspended.

Tachau's excitement, however, has less to do with the height of the ABLE savings ceiling than with what ABLE accounts may purchase. Expenses eligible for funding through ABLE accounts are broad and include home modifications, tuition, transportation and assistive technology. "For a lot of people these amount to life-changing opportunities--the capacity to live in the community, pursue education, and get to a job." Adapted vehicles are a particular need that she stresses. After all, most states have funding resources available to consumers for adaptations: Vocational Rehabilitation, Home and Community Based Waivers, and even Make-a-Wish will pay for the adaptations but not the van itself. "The problem is getting that chassis. But now with an



In the 9th grade, my World History teacher showed the class a documentary about North Korea. This documentary, *Inside Undercover in North Korea* by National Geographic, changed my life. What particularly inspired me was a part about a doctor named Sanduk Ruit who had traveled there and performed surgery on thousands of people with cataracts to help them regain their sight. Although I am not an award winning surgeon whose small-incision cataract surgery could help thousands, I inspired to do something.

Fortunately I had figured out early on that I was passionate about technology. When I turned 12, I discovered programming. I became obsessed. I would look up and read tutorials that I found on the internet. Every time my parents stopped by the Borders book store, I would run over to the programming section and grab a book to read as much as I could before my parents called me to leave.

ABLE account if you are on SSI and you save a little bit, you're going to be able to buy an adaptive vehicle [especially if you work with your state's Alternative Financing Program]. It's going to be a safe way to save without a lot of paperwork. And that's the beauty of it."

Indeed, until the ABLE Act, the only broadly-available option for saving assets beyond \$2,000 has been Special Needs Trusts. "But those require a lawyer. Plus there are fees." It's why most people with disabilities don't have Trusts, she observes. In addition, and unlike most Special Needs Trusts, ABLE accounts provide an opportunity for consumer control. ABLE accounts may be established by someone on behalf of a beneficiary, but also directly by a beneficiary. "I have a Special Needs Trust for my son, but he doesn't have anything to do with it," Tachau reflects. "His ABLE account, however, will be his to manage. And he's excited to get started."

An ABLE account may collect funds from the account holder as well as gifts from others, up to \$14,000 each year. Tachau imagines this flexibility will allow saving in a variety of ways. "There's finally a way to gift someone on SSI money, even annually! And there's also no limit on the number of contributors to a single ABLE account. So at PATF, we even see potential for crowd-sourced funding through social media [i.e. Indiegogo]. That's the sort of opportunity that people with disabilities haven't been able to take advantage of [because of the \$2,000 asset limit]. Now ABLE could open that door."

Dampening ABLE's potential for broad reach, Tachau acknowledges, are two downsides. The first is the age limitation on eligibility. To open an ABLE account, an individual must have experienced onset of their disability before age 26. ("That was a big concession.") The second is the disability criteria for eligibility. ABLE account beneficiaries must meet the same disability standard as required for SSI and SSDI (although they do not have to be recipients of these programs to qualify). Still, Tachau notes, there are an estimated 5.8 million people in the United States eligible to open an ABLE account.

"And that's a lot of impact."

Next Steps Toward ABLE Act Implementation:

Somewhere in the midst of my obsession, I learned how to make websites through HTML. For the first couple months, I played around with the code. Then I built my first real project, Middle School Notes, which was a site where I would put my notes online so students could learn and study for tests without having to carry their backpacks back and forth from school. The following summer I interned at a company called MakeSchool in San Francisco where I learned to build iPhone games. I built a few games and published them on the app store.

But the following summer, determined to help the blind community, I used what I knew about making iPhone apps, to build a smartphone application called [Voice](#). Voice is an app that allows users to take a picture and then hear the words that are on the image read out loud. Voice assists people with vision impairments to read newspapers, magazines, books, medicine labels, expiration dates, and much more. To build it, I learned computer vision, a subfield in the field of computer science, to build some of the features such

ABLE implementation on the state level will be guided by federal regulations (yet to be released) as well as passage of each state's own enabling legislation. Some of these bills will be better than others. If your program is engaged with influencing your state's ABLE Act legislation here are Susan's tips for what to work toward:

- *Incorporate language that allows applicants to be referred for consumer counseling with a disability services agency. ABLE account holders should know what is an eligible and non-eligible expense and also be sure they're not saving for goods and services that public resources may provide them (such as adaptations to a vehicle or a vehicle conversion).*
- *Require no or low fees for opening and retaining an ABLE account. Some states are charging fees only if ABLE account funds are used for non-eligible expenses.*
- *Be sure to adopt the federal (Internal Revenue Code Section 529A) language for what qualifies as an ABLE Act expense ("It's good!"):*

"[...] any expenses related to the eligible individual's blindness or disability which are made for the benefit of an eligible individual who is the designated beneficiary, including the following expenses: education, housing, transportation, employment training and support, assistive technology and personal support services, health, prevention and wellness, financial management and administrative services, legal fees, expenses for oversight and monitoring, funeral and burial expenses, and other expenses, which are approved by the Secretary under regulations [...]"

- *Allow disbursements to be made flexibly throughout the year, and avoid mimicking the 529 education strategy that may allow disbursements with each college semester only ("People need to be able to purchase what they are saving for as soon as they've reached their goal!")*

Review the status of [ABLE Act legislation by state](#)

as the spotting of text from the image. Computer vision essentially makes the smartphone's camera act as a human eye, so it can recognize the words in the picture, and see if there is a document underneath the camera.

After launching the application I found out that there is a 63% unemployment rate for people who are blind people in the United States (<https://nfb.org/blindness-statistics>). So I decided I wanted to keep my application free forever. After all, my goal is not to profit from people who cannot afford apps like these; it is, if anything, to help them out the most. I want to use modern day technology such as OCR and iPhones to help individuals with vision impairments be more independent.

My current mission is to continue spreading the word about Voice and bring it to as many vision-impaired individuals as possible. To spread the word about Voice, I am contacting many different institutes and organizations such as the Braille Institute, The Hatlen Center For the Blind, Blindness Support Services Inc., etc. Even

AT Purchase Strategies Using ABLE Accounts

Michael's Van

Michael uses a wheelchair and wants to purchase an adapted vehicle to go to his volunteer activities, ball games, and out to dinner with



friends. Michael's Home and Community-Based Waiver will pay for the adaptations to the vehicle, but not for the vehicle itself.

- Michael establishes an ABLE account and asks family and friends to contribute (up to a maximum of \$14,000/ yr.) With his ABLE account he can maintain his SSI and Medicaid benefits even though his assets will grow beyond the \$2,000 limit set by the Social Security Administration.
- In two years Micheal is fortunate to have \$10,000 and can take out a loan for the remaining \$12,000 for a used vehicle.
- Michael's loan amount is \$186/mo. for 6 years.
- Michael continues to save gifts to his ABLE account to keep up with vehicle repairs.

Ben's Van

Ben has a part-time job and also receives Supplemental Security Income (SSI). He uses a wheelchair and relies on ParaTransit to get to his job. Ben is often frustrated because the transit service is routinely late arriving at his house and then the driver may take him on a circuitous route to his work place. Ben wants to purchase his own an adapted van; he knows the Office of Vocational Rehabilitation will pay for the van's adaptations because he is working.

- Ben sets up an ABLE account where he can save up to \$100,000 tax free and still receive SSI and Medicaid. Ben uses the account to save toward his van with his own income in addition to gifts from others.
- Like Michael (above), Ben saves for a portion of the

though I don't have more assistive technology apps, I plan on continuing to improve Voice through the feedback I receive from users with vision impairments so that I can make Voice useful to them.

Although I can't travel to North Korea to operate on and cure cataracts patients, I hope that through Voice I can make a difference in the blind community, just like my hero Sanduk Ruit.

[Visit Shalin's \(super slick!\) Voice app web page](#)

Know a student who is passionate about assistive technology? [Email AT Program News](#)

Shalin's Voice

*Free iOS App
Reads Text on Images!*



[Voice -- Take a Picture and Have it Spoken](#) is available free from the iTunes App Store. Developer Shalin Shah may be just 15 years old, but prepare to be seriously

van and then applies for a loan for the rest. After purchase he continues to save money in his ABLE account for when his vehicle needs repairs (or other eligible needs).

Laura's Transition Program

Laura wants to participate in a financial education program designed for young adults transitioning to adulthood. A component of the program is to establish a matched-savings account to fund education or assistive technology.

- Laura establishes an ABLE account to use with the 9 month program. Laura's ABLE account is consumer directed and has very low or no fees (unlike a Special Needs Trust).
- Each month Laura deposits \$20 and the program contributes \$40.
- At the end of 9 months, Laura has \$540 she can use for text books, supplies, or AT needs.

Oscar's iPad

Oscar, a "self-advocate," is enrolled in the Consolidated Waiver (a Medicaid waiver for individuals who have an intellectual disability). Oscar wants an iPad and some apps to help him with his finances and to remember appointments.

- Oscar establishes an ABLE account so that he can save without jeopardizing his SSI.
- ABLE account managers in his state talk with him about eligible expenses and work with an agency (referred to by the Treasury Department) to know what can be paid for by a government benefit and what he should use his ABLE account to purchase.
- Oscar learns from the disability services agency that the Consolidated Waiver will pay for the apps, but he will need to purchase the iPad himself.
- Oscar will use the money he saves in the ABLE account to purchase his iPad. His service coordinator helps him obtain the apps he needs via the waiver.

Holly's Home Modifications

impressed! The app is currently boasting 4-stars among 23 ratings.

Voice is not only effective for individuals with print disabilities; for the sighted, its interface is also simple, slick and rather gorgeous (like an Apple product!)



Voice boasts:

- Comparable optical character recognition (OCR) results to other expensive paid services.
- Smaller install size than most other services.
- Full compatibility with Voice Over.

Key features include:

- Book mode – reads multiple pictures or pages smoothly one after another.
- Auto capture of photos without any user interaction.

Holly is the parent of a daughter who has multiple disabilities including cerebral palsy. It's clear her daughter will need life-long supports, including modifications for the home.

- Holly sets up an ABLE account with her daughter as the beneficiary so she can save money for the care and home modifications her daughter will need.
- The ABLE account, unlike a Special Needs Trust, allows all family members, their daughter, and others to contribute (up to \$14,000/ yr.)
- The ABLE account can grow to \$100,000 without jeopardizing her daughter's SSI and earnings grow tax free. Should the account exceed \$100,000, her daughter's SSI payments will be suspended but she will retain her Medicaid.
- Throughout her daughter's life, funds are withdrawn from the ABLE account for a variety of eligible expenses without penalty or tax liability.
- Should her daughter pass away, funds remaining in her daughter's ABLE account may be used for outstanding qualified expenses, including burial. Holly is aware, however, that beyond these expenses, remaining ABLE account funds may then be collected by the state for reimbursement of Medicaid expenditures.

Nathan's Hearing Aids

Nathan has Down Syndrome and lives in his own apartment in a small town. He also has a significant hearing loss and needs hearing aids. Because Nathan's household income is below 250% of the federal poverty level, he is eligible for the Audient hearing aid program. Audient provides dual digital hearing aids for \$1,400, including: (1) a fitting, (2) three adjustments, (3) ear mold(s), (4) fully digital hearing aid(s), and (5) a one year manufacturer's warranty

- Nathan opens an ABLE account to save money and receive gifts while maintaining his SSI and Medicaid.
- Once Nathan has \$1,400, he applies directly to Audient to receive dual digital hearing aids.
- Nathan continues to save in his ABLE account beyond the hearing aid purchase for other qualified needs and wants. ABLE accounts have low or no

- Precise document area boundaries detection for better recognition.
- Three reading speeds,

"This wonderful app has powerful features that are essential to helping us who are blind achieve good OCR results. Until now, such features were only found in paid apps. This developer's continuing passion toward helping our community and doing so for free is highly appreciated and commendable."
--Portable AT Guy

ABLE Accounts vs. Special Needs Trusts

ABLE accounts and Special Needs Trusts are two ways to save while retaining public benefits. What makes them different?

Advantages of an ABLE Account

- 1. **Inexpensive** to establish and maintain (low or no fees, no lawyer required)!
- 2. **Consumer control!** An ABLE account can be established and managed by either the beneficiary directly or by someone

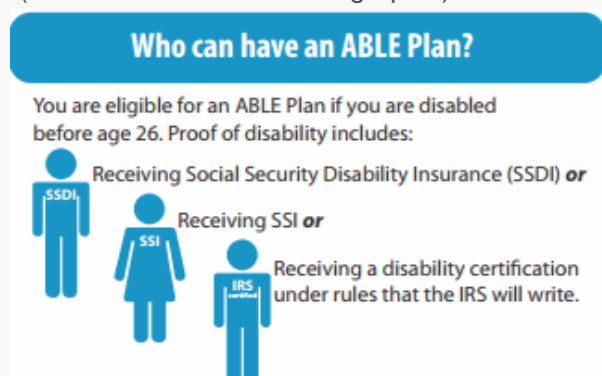
fees and are consumer directed to serve this purpose.

Thanks to Susan Tachau for helping envision these real-life scenarios

ABLE Act Resource Roundup

Quick ways to learn more

1. [ABLE Act Infographic](#) from Disability Rights Oregon (below is a detail from this graphic).



2. [ABLE Legislation by State](#). A chart kept current by The Arc. Find out what's happening in your state.
3. [ABLE Act Fact Sheet](#) from the National Down Syndrome Society.
4. [10 Things You Must Know About the ABLE Act](#). A 9 minute video from the National ABLE Resource Center.
5. [ABLE Account Planning: Six Next Steps for 2015](#). An 8 minute video from the National ABLE Resource Center.
6. [Understanding the ABLE Act](#). A free recorded webinar from the National ABLE Resource Center.

Free Budgeting Tool: Cents and Sensibility

Developed by the Pennsylvania AT Foundation in conjunction with Widener University

[Cents and Sensibility: A guide to money management for people with disabilities](#) (PDF) was created for residents of Pennsylvania, but is chock full of strategies and

on the beneficiary's behalf.

3. Earnings grow tax free! So long as distributions are used for qualified expenses (only 1st-Party Special Needs Trusts offer tax-free growth.)

4. Can accept third-party gifts as well as funds directly from the account holder. (Only 1st-Party Pooled Trusts allow this flexibility... but Pooled Trusts do not grow tax free).

5. Consumer counseling may be available (some states are establishing disability service agency relationships with their ABLE account management authority).

Advantages of Special Needs Trusts

1. No age restriction. The beneficiary does not have to have experienced onset of their disability before age 26. (1st-Party Trusts, however, must be established and funded before age 65).

2. No Medicaid Payback on Third-Party Trust Accounts! This means that if the Trust is established by a parent or guardian as a part of their estate, Medicaid cannot seek reimbursement for expenditures in the event

resources useful nationwide. *AT Program News* tripped across this resource highlighted in the *Strategy-A-Day 2014-15 School Year Calendar* published by the Virginia-based Loudoun County Public School's AT Team.

Budgeting, saving, borrowing, credit and credit scores, and even AT-purchase strategies are all explained. The booklet contains activities and steps for developing budget skills and knowledge, and includes a discussion of Individual Development Accounts (IDAs), Plans To Achieve Self Support (PASS), and Special Needs Trusts. (ABLE accounts will have to wait for the 3rd edition.)

The Difference Between Needs and Wants?

Here's a good rule about money: It is very important to make your **needs** come first. That's why it is important to know the difference between your



Meet Penny Pincher

Hi! I've got some good ideas that can help you understand the ideas in this booklet. Follow me as we go through the chapters together.



the beneficiary passes away. (ABLE accounts and 1st-Party Trusts ARE subject to Medicaid payback.)

3. **No limit on the total amount** that may be held in the Trust while maintaining SSI payments and Medicaid! (ABLE account holders can save up to \$100,000 and maintain their SSI payments).

4. **No limit on annual contributions!** ABLE accounts can collect up to \$14,000/year only. Special Needs Trusts have no limit. Indeed, 3rd-Party Trusts are often not funded until the death of the person who established the Trust on behalf of the beneficiary. And 1st-Party Trusts are often funded all at once by a windfall payment such as a lawsuit settlement.

Learn more about Special Needs Trusts vs. ABLE Accounts at this

[Tennessee Bar Association webpage](#)



This work is licensed under a [Creative Commons Attribution-NonCommercial 3.0 Unported License](#). Content may be reproduced for non-commercial uses!

Our mailing address is:

AT Program News
223 Huntley Road
Westford, VT 05494