



HELPING CLIENTS SAVE WITH
OREGON ABLE



OREGON ABLE
SAVINGS PLAN
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TODAY'S AGENDA

- Helping Clients Save with ABLE
- How do ABLE Accounts Work?
- What's it like to have an account?
- Details of Managing an Account
- How to Open an Account





EMPOWERING PEOPLE WITH DISABILITIES

Treasurer Tobias Read



**OREGON
STATE
TREASURY**



HOW DO ABLE ACCOUNTS WORK?



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WHY DOES ABLE EXIST?



- There is a **\$2,000 limit** to the amount a person with a disability can save before losing vital state and federal benefits such as **Medicaid** and **SSI** benefits.
- Money saved in ABLE does **NOT** count against this asset/resource limit.

ABLE IS BOTH STATE AND FEDERAL LAW

- **The Stephen Beck, Jr. Achieving a Better Life Experience (ABLE) Act**
 - Passed by Congress on December 19, 2014
- **SB 777: Oregon's ABLE Act – Senator Sara Gelser**
 - Passed by Oregon Legislature on July 9, 2015
- **Oregon ABLE launched Dec. 2016**



ABLE WAS DESIGNED FOR SELF-EMPOWERMENT



- **Beneficiary is the legal account owner**
- **Authorized Legal Representatives can help manage the account**
 - Parent of minor
 - Guardian/Conservator
 - Power of Attorney
- **Account owner decides:**
 - What counts as an eligible expense
 - Don't need advance permission or to turn in receipts
 - If they're eligible
- **IRS enforces the ABLE Act**

WHO QUALIFIES FOR ABLE?

- 1. Age of Onset:** Disability started before the age of 26
- 2. Severity of Disability:** Meet disability requirements for SSI or SSDI

Not sure if someone qualifies?

- They can get a “disability certification” signed by a physician
 - Keep a copy in their files



WHAT CAN YOU USE ABLE TO SAVE FOR?

Expenses help improve health, independence, and/or quality of life of the person with a disability:

- Education
- Housing***
- Basic Living Expenses
- Transportation
- Employment Training & Support
- Assistive Technology
- Personal Support Services
- Health, Prevention & Wellness
- Financial Management
- Legal Fees
- Funeral & Burial
- **And more**

HOUSING EXPENSES AND SSI

- **IF you receive SSI**, housing expenses should be spent within the same calendar month as withdrawn.
- Otherwise your SSI benefits could be reduced next month.
- Money for all other qualified expenses can be withdrawn and held for months without affecting benefits.



ACCOUNT LIMITS

- One account per person
- \$15,000 limit on annual contributions
 - Contributions can come from any source
- \$400,000 limit on all assets
- \$100,000 limit before **SSI benefits** are affected



ABLE TO WORK



- If the ABLE beneficiary is employed, they can save more than the annual limit
- Can save additional \$12,140 or the total of their wages, whichever is LESS
- Only the beneficiary can contribute more through ABLE to Work, not parents.
- Any wages added to ABLE aren't protected from income limits, just resource limits

529 ROLLOVERS INTO ABLE



- Rollovers from a 529 college savings plan into ABLE are now allowed:
 - Oregon's 529 is the Oregon College Savings Plan
 - Oregon does not charge fees for rollovers
- Does count against annual contribution limit
- ABLE beneficiary must be the same as the 529 beneficiary or a family member

OREGON ABLE PREPAID CARD



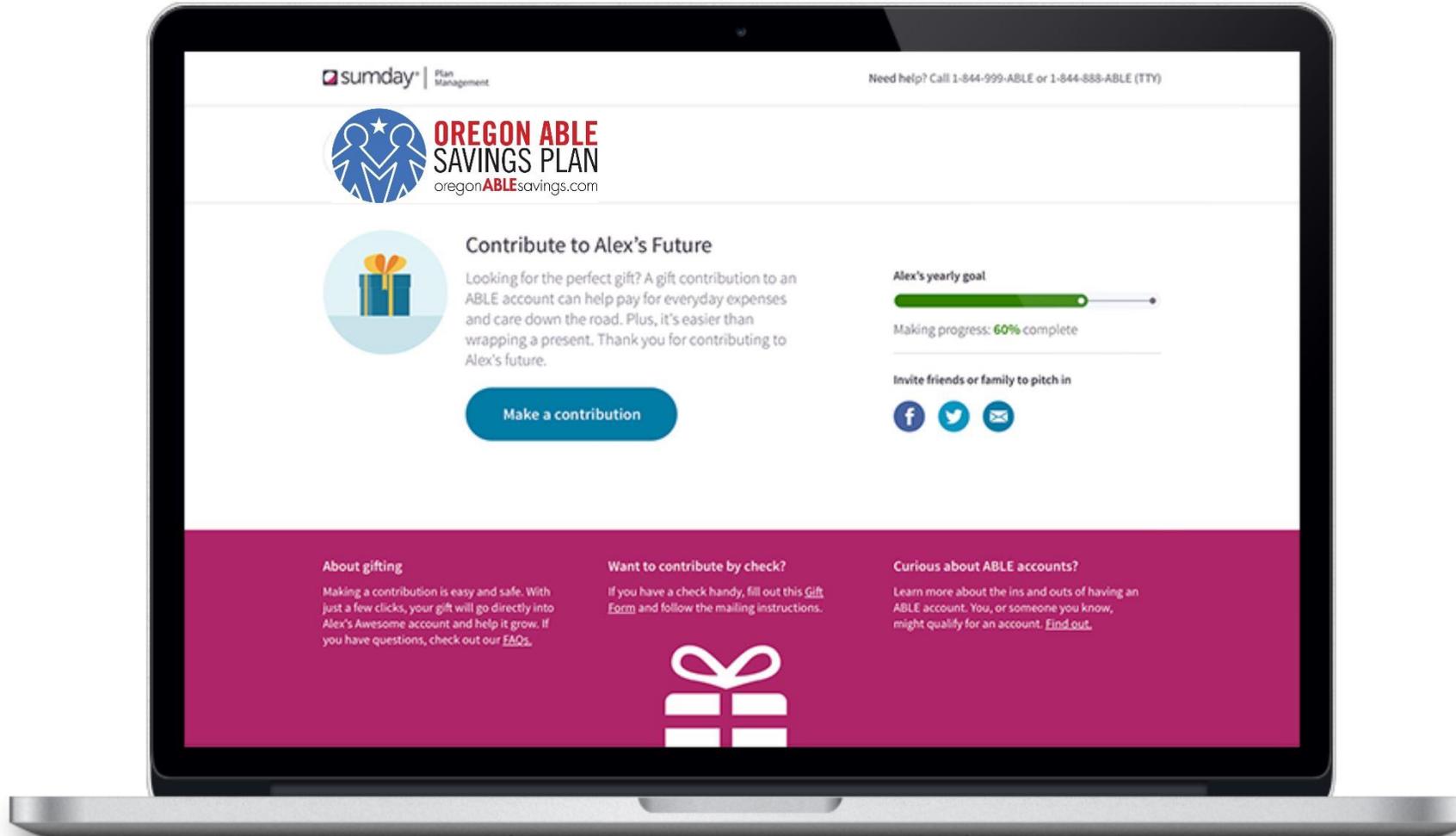
- It's like having an ABLE account in your pocket.
- No credit check, no transaction fees
- Works similar to a reloadable gift card
- Sign up in online portal, load money onto card, shop for eligible expenses
- Includes a record of where card was used
- \$1.25 monthly fee

Unwrap your Gifting Page

Whether it's for a birthday or a special occasion, friends and family can help a beneficiary's future by making a contribution through a Gifting Page. Customize your page and share it with your friends and family.



Get started





WHAT SHOULD YOU KNOW ABOUT
OPENING AN ACCOUNT?



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WHAT IF BENEFITS AREN'T A CONCERN?

- **You can build a nest egg now for the future**
- **Tax-free growth on investments**
 - Growth is tax free as long as it is used for a qualified expense
- **State tax deduction**
 - Beneficiary under the age of 21 (\$4,865 for joint filers and \$2,435 for single filers)



SPECIAL NEEDS TRUSTS

| Special Needs Trusts | ABLE Account |
|---|---|
| Trustee manages the account, approves expenses | Person with a disability manages the account |
| Limits on what can be purchased | Can be used for anything that improves a person with a disability's health, independence or quality of life |
| No limits on contributions or total funds | Limits on annual contributions and lifetime total |
| Can be expensive to open and maintain | Low annual fee and asset-based fee |
| Medicaid repayment or claw back does not apply for 3 rd Party Trusts | Medicaid repayment or claw back applies |
| Protects funds from counting toward benefits' asset limits | Protects funds from counting toward benefits' asset limits |
| One person can have both accounts | |

DEATH OF AN ACCOUNT OWNER

1. Family provides death certificate
2. Qualified withdrawals can be used to pay:
 - Outstanding Qualified Disability Expenses
 - Cover funeral and burial expenses
3. The remaining funds are transferred to the estate of the beneficiary
4. Medicaid may try to reclaim some of the funds

WHAT HAPPENS WHEN A MINOR HITS 18?

- When a minor turns 18, they legally own everything in the account, and must decide who manages it.
 1. Minor can now manage the account
 2. Current Authorized Legal Representative can continue to manage the account (This was likely a parent.)
 3. A new Authorized Legal Representative can manage the account
- ALRs will need Power of Attorney, guardianship or conservatorship
- Beneficiary can't give Power of Attorney authorization until they turn 18
- Within 90 days of the 18th birthday: Families must make this decision, return forms.
 - If not, withdrawal and automatic monthly deposits will be frozen.

WHAT ARE THE FEES?

- \$35 Annual Fee
- 0.30% to 0.37% Annual Asset-Based Fee

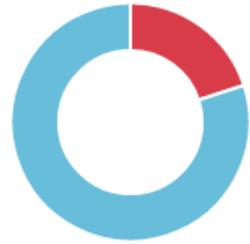
| Transaction | Fee |
|---------------------------------------|-------------------------|
| Rollovers (Transfers out of the Plan) | \$50 |
| ACH Fail / Returned Checks | \$25 |
| Paper Statement Delivery Fee | \$10 per year |
| Paper check disbursement | \$2.50 per disbursement |
| Overnight delivery | \$15 |
| Outgoing wires | \$15 |
| Re-issue of disbursement checks | \$15 |



Cash Option

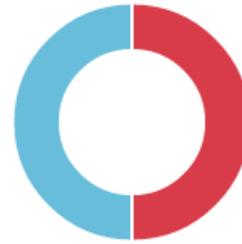


Conservative



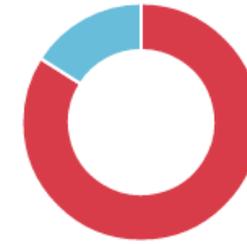
■ Stocks ■ Bonds

Moderate



■ Stocks ■ Bonds

Aggressive



■ Stocks ■ Bonds



Underlying Investment Holdings

% Allocation of Investment Option

| Fund Name | Ticker | ABLE Conservative | ABLE Moderate | ABLE Aggressive |
|--|--------|-------------------|---------------|-----------------|
| Vanguard Total Stock Market Index Fund | VTSAX | 10% | 24% | 40% |
| Vanguard Total International Stock Index Fund | VTSNX | 10% | 24% | 40% |
| Vanguard Short-Term Bond Index Fund | VBITX | 25% | 0% | 0% |
| Vanguard Total Bond Market Index Fund | VBTLX | 36% | 40% | 13% |
| Vanguard Total International Bond Index Fund | VTIFX | 9% | 10% | 3% |
| Vanguard Short-Term Inflation Protected Index Fund | VTSPX | 10% | 0% | 0% |
| DFA Global Real Estate Securities Fund | DFGEX | 0% | 2% | 4% |

100%

100%

100%

INVESTING BASICS

- Can choose:
 - Just the cash option
 - One investment option
 - OR one investment option and the cash option
- Can change your investments twice a year
- Families should consider their risk tolerance and what they're saving for.



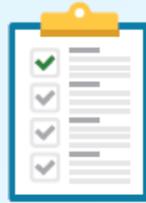
HOW TO SIGN UP

- Open an account online. Do NOT go to a bank.
- If an Authorized Legal Representative has guardianship or power of attorney, they'll need to scan in copies of that paperwork.
- A traditional checking or savings account must be connected to the ABLE account.
- Initial deposit of \$25



Sign Up for Oregon ABLÉ Savings Plan at Home

Follow these steps and you'll be ready to go in less than 10 minutes.



1 Get Ready!

Make sure you have the following handy:

- A computer, laptop OR tablet
- Beneficiary personal info (like SSN, DOB, address — the usual)
- Known qualifying disability
- A bank login or bank account information for you or the beneficiary



2 Go Online

Visit <http://oregonablesavings.com/> on your laptop, computer or mobile device and click, tap or select the "Open An Account" button in the upper right-hand corner of the screen.



5 You're In!

Now that we've got the basics, you can go back into your account to manage your plan, edit information and keep tabs on things at any time from your computer, tablet or phone.



4 Fund Your Account

Choose how to allocate money in your account then enter your banking info to securely connect your bank so you can schedule contributions and/or add money whenever you want.



3 Complete Info

Follow the prompts to complete the forms with required info about the beneficiary and yourself (if you are not the beneficiary), including proof of eligibility, if and where necessary.

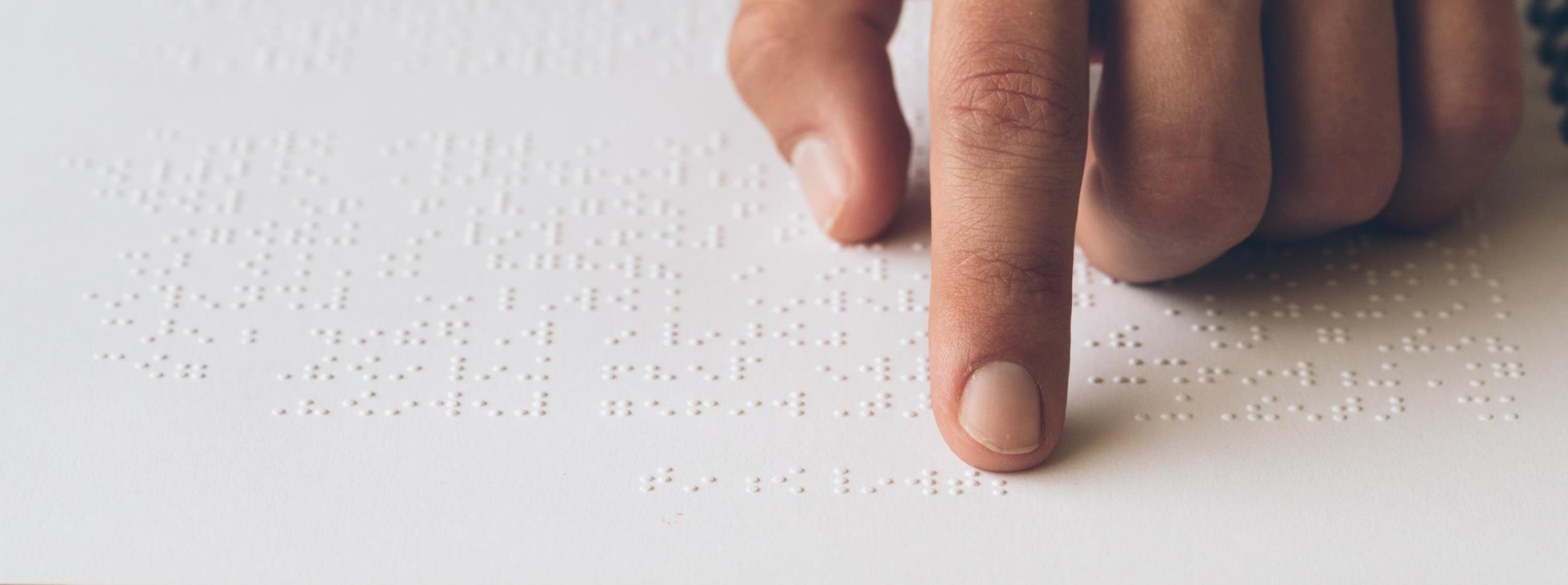


QUESTIONS?



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