



## Fact Sheet: Senate Enrolled Act No. 11

### What is an ABLE account?

ABLE accounts, also known as Achieving a Better Life Experience accounts, offer certain individuals with disabilities<sup>1</sup> the opportunity to save money for qualified disability expenses without losing their eligibility for Medicaid and Social Security benefits. Accrued interest would receive tax advantages similar to that received by 529 accounts.

### What items or services can an ABLE account fund?

Senate Enrolled Act No. 11, signed into law on March 21<sup>st</sup>, 2016, allows people with ABLE accounts to pay for qualified disability expenses, including:

- Assistive technology
- Education
- Employment training and support
- Healthcare
- Housing
- Transportation

### How would ABLE accounts benefit people with disabilities?

Generally, recipients of Medicaid and Social Security cannot have more than \$2000 in countable assets.<sup>2</sup> This low limit serves as a barrier for people with disabilities who want to plan for the future. By allowing people to save for expenses, ABLE accounts foster greater independence and less reliance on government benefits.

### How is an ABLE account different from a trust?

ABLE accounts enable people to control their own money, allowing for increased personal responsibility and choice. The creation of an ABLE account is also expected to cost less than the creation of a pooled or special needs trust.<sup>3</sup>

**For further information, please contact Jessica Trimble, Director of Communication & Outreach, at 317-719-3944 or [info@ipas.in.gov](mailto:info@ipas.in.gov).**

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<sup>1</sup> Eligible ABLE account beneficiaries are individuals that became disabled prior to age 26 and have been determined disabled by either Social Security criteria or qualifying certification.

<sup>2</sup> 405 IAC 2-3-14.

<sup>3</sup> National Disability Institute, <http://www.realeconomicimpact.org/news/?id=460>.