

# RI's ABLE

Member of The National ABLE Alliance

**ABLE:** Achieving a Better Life Experience Act of 2014  
*The National ABLE Alliance is a partnership of States dedicated to providing those living with disabilities with an ABLE investment product that offers multiple financial options at low cost.*



# About ABLE

Giving those with disabilities the ability to save.

# What is ABLE?

ABLE helps individuals with disabilities and their families to:

- save for many daily, disability-related expenses on a *tax-free* basis
- preserve their ability to benefit from supplemental security income (SSI), Medicaid, and other federal programs.



# Eligibility

Who ABLE was designed to help.

# Who's eligible?

Individuals who are eligible for ABLE must certify that:

- they have a physical or mental disability that can be expected to last for at least a year or can cause death

Or

- they are blind

Or

- their disability is included on the Social Security Administration's List of Compassionate Allowances Conditions

And

- such blindness or disability occurred before age 26.

*(Proof of eligibility is not required to open an account. However, you should maintain a record of your diagnosis, benefits verification letter or other relevant documents in the event that you are required to prove eligibility at a later time.)*

# Qualified Disability Expenses.

A Qualified Disability Expense is ANY expense that is incurred as a result of living with a disability and is intended to improve quality of life. Qualified expenses include, but are not limited to:

- Education
- Health and wellness
- Housing
- Transportation
- Legal fees
- Financial management
- Employment training and support
- Assistive technology
- Personal support services
- Oversight and monitoring
- Funeral and burial expenses

*(When savings are used for non-qualified expenses, the earnings portion of the withdrawal will be treated as income, so it will be taxed at the account owner's tax rate, and will be subject to a 10% federal tax penalty and applicable state taxes.)*

# Special tax advantages.

- ABLE savings may grow and be withdrawn tax-free, **provided that savings are used for qualified, disability-related expenses.**<sup>1</sup>
- Earnings may compound federally tax-deferred, maximizing the return on your investment.
- Contributions up to the \$15,000 annual limit can be transferred from a 529 account to an ABLE account owned by a 'member of the family'<sup>2</sup> without federal tax penalties on earnings.

<sup>1</sup> Earnings on non-qualified withdrawals may be subject to federal income tax and a 10% federal penalty tax, as well as applicable state and local income taxes.

<sup>2</sup> The definition of Member of the Family as defined by the 529 statute.

# No impact on current benefits.

- Balances of \$100,000 or less are excluded from your SSI resource limit.
- Only the amount OVER \$100,000 is counted against your limit, along with assets held in non-ABLE accounts.
- If your account causes you to exceed the SSI resource limit, then your SSI benefits will be suspended until the account balance no longer exceeds your resource limit.<sup>2</sup>
- You'll continue to be eligible for Medicaid, regardless of your account balance.<sup>3</sup>

<sup>2</sup> Please see the Plan Disclosure Documents for complete details on SSI suspension and any requirements on when you use the funds, to prevent suspension of benefits.

<sup>3</sup> Upon the death of the account owner, the state Medicaid agency shall be a creditor for the total medical assistance paid under the State's Medicaid program on behalf of the account owner after the establishment of the account, upon filing of a claim for payment by such state.

# User-friendly.

- Open an account online with as little as \$25.
- Eligible individuals can open the account for themselves, or an authorized individual can open an account on their behalf.
- Access your account 24/7 from a PC, tablet, or mobile device.
- Access by phone or online.

# Contribute more, pay less.

## High maximums

Contribute up to \$15,000 per year. Lifetime contribution limit: \$395,000.

## Low fees

The annualized investment costs on assets per investment option range from 0.34% to 0.38%, depending on which investment option(s) you select.

Each Account is charged an account maintenance fee of \$15 each quarter. This fee can be discounted by \$3.75 if you select email delivery for statements and confirmations. This fee can be discounted by an additional \$1.25 if the account owner or authorized individual is a Rhode Island resident.

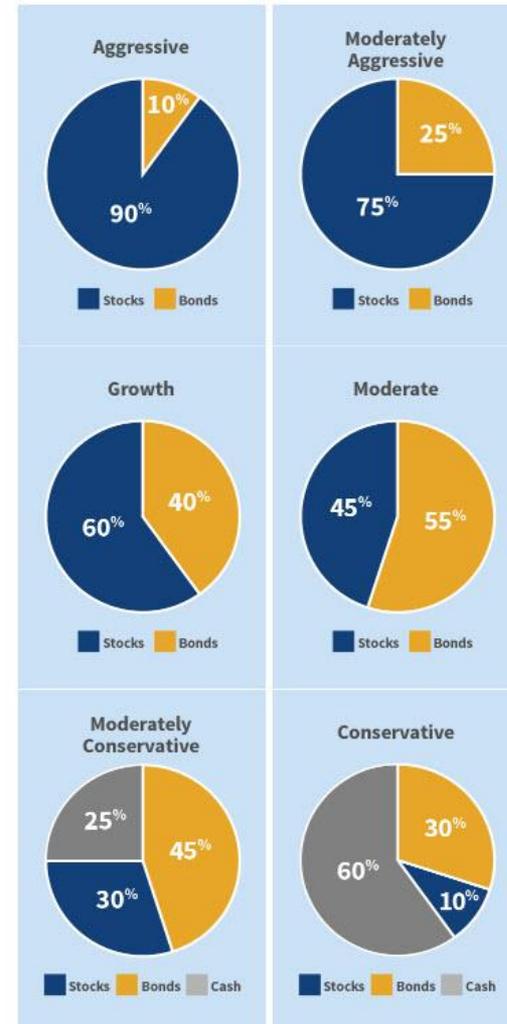


# Investment Options

Offering portfolios for every kind of investor.

# Investment options to fit your needs.

- RI's ABLÉ offers a range of investment options to match both your goals and comfort with risk.
- From aggressive options seeking higher returns to conservative investments that place capital preservation over growth, RI's ABLÉ has choices for every investor.



# Convenient Checking Account Option

- The Checking Option provides preservation of principal.
- Beneficiaries can either write checks or use a debit card to pay for Qualified Disability Expenses.
- Fifth Third ATM machines located throughout the country.
- FDIC Insured, subject to applicable limits.
- \$2.00 monthly fee that can be waived for average daily checking account balances over \$250 or enrolling in electronic statement delivery through 53.com.

# Frequently asked questions.

## **Do I have to prove eligibility?**

Not for RI's ABLE program. However, you should have a record of a doctor's signed diagnosis, a benefits verification letter from the Social Security Administration or other relevant documentation for account verification, as needed.

## **Do I have to prove that withdrawals are for qualified disability expenses?**

Not at the time of the withdrawal. Annually, RI's ABLE will report the total amount of your withdrawals to the IRS and the date and amount of each of your withdrawals to the Social Security Administration. In the event that either entity wants to verify the expenses, it's recommended that you keep detailed records.

# Frequently asked questions.

## **Can I have more than one RI's ABLE account?**

No. You're limited to one ABLE account, except in the case of a rollover from another qualified ABLE program. This extends beyond RI's ABLE to include accounts in other ABLE programs.

In the case of a rollover to an ABLE account for the same account owner, the account from which the funds are withdrawn must be closed within 60 days of the withdrawal.

## **Can friends and family make contributions into my account?**

Absolutely. Anyone can contribute directly to your RI's ABLE account. No matter who contributes, you, the account owner or authorized individual, retain control over the account. Keep in mind that contributions made *by you* are considered "income" for means-tested programs.

## **How often can I change my investments?**

Twice per calendar year. You can change your investment options for any NEW contributions at any time.



# Opening An Account

# It only takes a few minutes.

- **Visit** [ri.savewithable.com](http://ri.savewithable.com) to learn more about the Program, request an information kit or enroll online.
- **Call** (888)-609-8915 to speak with a Program representative Monday through Friday, 8:00am – 5:00pm ET.

**We're here to help.**

**Email us:** [ri.clientservice@savewithable.com](mailto:ri.clientservice@savewithable.com)

**Contact us by mail:**

RI's ABLE  
P.O. Box 219603  
Kansas City, MO 64121

**Overnight Delivery:**

RI's ABLE  
920 Main Street  
Suite 900  
Kansas City, MO 64105

# Important legal information.

- For more information about RI's ABLE (the "Member Plan"), call (888)-609-8915 or visit [ri.savewithable.com](http://ri.savewithable.com) to obtain Plan Disclosure Documents, which include investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing.
- Investors should consider before investing whether their home state offers any state tax or other benefits that are only available for investments in such state's qualified ABLE program. Investors should consult their legal, tax advisor and/or other advisor regarding their specific legal, investment or tax situation.
- The Member Plan is sponsored by the state of Rhode Island and administered by the Executive Office of Health and Human Services (EOHHS) and the State Investment Commission. The Member Plan is one of the qualified ABLE plans issued by the Ascensus ABLE Consortium Trust. 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. The Member Plan offers a series of investment options within the Ascensus ABLE Consortium Trust. The Member Plan is intended to operate as a qualified ABLE plan to be used only to save for Qualified Disability Expenses, pursuant to the Section 529A of the U.S. Internal Revenue Code, as amended.
- This material is provided for general and educational purposes only, and is not intended to provide legal, tax or investment advice, or for use to avoid penalties that may be imposed under federal or state tax laws. This material is not an offer to sell or a solicitation of an offer to buy any securities.
- Participation in the Member 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 Member Plan.