

SI 01130.740 Achieving a Better Life Experience (ABLE) Accounts

Citations:

[Public Law 113-295](#) The Stephen Beck, Jr., Achieving a Better Life Experience Act (ABLE Act) – Enacted December 19, 2014-

A. What is an ABLE Account?

An Achieving a Better Life Experience (ABLE) account is a type of tax-advantaged savings account that an eligible individual can use to save funds ~~pay~~ for the qualified disability-related expenses ~~of the account's~~. The eligible individual is the owner and designated beneficiary, ~~who must be of the~~ ABLE account. An eligible individual may establish an ABLE account provided that the individual is blind or disabled by a condition that began before the individual's 26th birthday.

An ABLE program can be established ~~and maintained~~ by a State (or ~~a~~ State agency directly or ~~by contracting with a private company~~ (an instrumentality of ~~the~~ State). An eligible individual can open an ABLE account through the ABLE program in any State, if the State permits it.

~~An~~ Some States formed partnerships to improve access for eligible ~~individual can be~~ individuals to enroll in ABLE programs. You may see different types of arrangements between States administering ABLE programs.

- Some States have formed a consortium where the States have their own ABLE program, but join together to provide lower administrative costs and better investment options than they could on their own.
- Some States established their own ABLE program, but contracted with private companies to manage their ABLE program for them.
- Some States established their own ABLE program, but contracted with other States to manage their ABLE program for them.
- Some States do not operate their own ABLE program, but partnered with another State to offer the other State's ABLE program to their residents.

1. One ABLE account

A designated beneficiary ~~of only~~ is limited to one ABLE account, which ~~must be~~ administered by a qualified ABLE program administers. Except in the case of a rollover

or program-to-program transfer, if a designated beneficiary has an additional account, it generally will not be treated as an ABLÉ account, and will be subject to normal resource counting rules.

EXCEPTION: If an additional account is closed within 90 days from the account open date, the account will not be a countable resource for any period the additional account was open.

2. Medicaid reimbursement

Upon the death of the designated beneficiary, funds remaining in the ABLÉ account, after payment of anyall outstanding, qualified disability expenses, must be used to reimburse the State(s) for certain Medical Assistance (Medicaid) benefits that the designated beneficiary received, if the State(s) files(s) a claim for reimbursement.

B. Definition of ABLE terms

1. ABLE program

An ABLÉ program is the program established and maintained by a State (or agency or instrumentality thereof) through which eligible individuals can open ABLÉ accounts.

2. Contributions

A contribution is the payment of funds into an ABLÉ account. Contributions must be in cash and may be made in the form of cash or a check, money order, credit card, electronic transfer, or a similar method. Any person can contribute to an ABLÉ account. ("Person," as defined by the Internal Revenue Code, includes an individual, trust, estate, partnership, association, company, or corporation.) However, the total annual contributions that an ABLÉ account can receive from all sources is limited to the amount of the per-donee gift-tax exclusion in effect for a given calendar year. For 2018, that limit is \$15,000.

3. Designated beneficiary

The designated beneficiary is the eligible individual who established and owns the ABLÉ account and who was an eligible individual when the account was established or who succeeded the former designated beneficiary in that capacity.

To be an eligible individual, he or she must be:

- a. Be eligible for Supplemental Security Income (SSI) based on disability or blindness that began before age 26;

- b. Be entitled to disability insurance benefits (DIB), childhood disability benefits (CDB), or disabled widow's or widower's benefits (DWB) based on disability or blindness that began before age 26; or
- c. ~~someone who has certified,~~ Certify (or ~~whose agent under a power of attorney or, if none, a~~ parent or guardian ~~has certified,~~must certify) that ~~he or she~~the individual:
 - ~~o~~ has a medically determinable impairment meeting ~~certain~~ statutorily specified criteria; or,
 - o is blind; and,
 - o the disability or blindness occurred before age 26.

NOTE: ~~You may~~Do not draw an inference regarding disability under the Social Security Act from a disability certification.

2. Contributions

~~A contribution is the deposit of funds into an ABLÉ account. Any person can contribute to an ABLÉ account. ("Person," as defined by the Internal Revenue Code, includes an individual, trust, estate, partnership, association, company, or corporation.) However, the Internal Revenue Service (IRS) limits the total annual contributions that any ABLÉ account can receive from all sources to the amount of the per donee gift-tax exclusion in effect for a given calendar year. For 2016, that limit is \$14,000.~~

34. Distributions

A distribution is ~~the withdrawal or issuance of funds~~any payment from an ABLÉ account. ~~(A program-to-program transfer is not a distribution.)~~ The designated beneficiary or ~~the~~ person with signature authority determines when ~~he or she makes distributions.~~a distribution is made. Distributions ~~are~~(other than rollovers and returns of contributions) may be made only to or for the benefit of the designated beneficiary.

45. Member of the family

A member of the designated beneficiary's family means a sibling whether by blood or adoption, and includes a brother, sister, stepbrother, stepsister, half-brother, and half-sister.

6. Person with signature authority

A person with signature authority can establish and ~~control~~administer an ABLE account for a designated beneficiary who is a minor child or is otherwise incapable of managing the account. Signature authority is not the equivalent of ownership. The person with signature authority must be the designated beneficiary's ~~parent, legal guardian, or agent acting under power of attorney;~~ or if none, a parent or legal guardian of the designated beneficiary. For SSI purposes, ~~we~~ always consider the designated beneficiary to be the owner of ~~an~~the ABLE account, regardless of whether someone else has signature authority over it.

57. Program-to-program transfer

A program-to-program transfer means the direct transfer of:

- The entire balance of an ABLE account into an ABLE account of the same designated beneficiary in which the first ABLE account is closed upon the transfer of the funds; or
- Part or all of the balance to an ABLE account of an eligible individual who is a member of the family of the designated beneficiary.

8. Qualified disability expenses

Qualified disability expenses (~~QDE~~QDEs) are expenses related to the blindness or disability of the designated beneficiary and for the benefit of the designated beneficiary. In general, a QDE includes, but is not limited to, ~~the following types of expenses~~an expense for:

- Education;
- Housing;
- Transportation;
- Employment training and support;
- Assistive technology and related services;
- Personal support services;
- Health;
- Prevention and wellness;
- Financial management and administrative services;
- Legal fees;
- Expenses for ABLE account oversight and monitoring;
- Funeral and burial; and,
- Basic living expenses.

6. Rollover

~~A rollover is the distribution of all or some of the funds from one ABLE account to the ABLE account of a member of the original designated beneficiary's family. For the purposes of a rollover, a member of the designated beneficiary's family means siblings, stepsiblings and half-siblings, by blood or by adoption.~~

7. ABLE Program

~~An ABLE program is the program established and maintained by a State (or agency or instrumentality thereof) through which eligible individuals can open ABLE accounts.~~

8. Qualified disability expense (QDE) for housing

9. Housing expenses

Housing expenses for purposes of an ABLE account are ~~the same as they are~~ similar to household costs for in-kind support and maintenance purposes, ~~except for with the exception of~~ food. ~~QDEs for housing are payments~~ Housing expenses include expenses for:

- Mortgage (including property insurance required by the mortgage holder);
- Real property taxes;
- Rent;
- Heating fuel;
- Gas;
- Electricity;
- Water;
- Sewer; ~~or~~ and
- Garbage removal.

10. Rollover

A rollover is the contribution to an ABLE account of a designated beneficiary (or a family member of the designated beneficiary), of all or a portion of an amount withdrawn from the designated beneficiary's ABLE account, provided that the contribution is made within 60 days of the date of the withdrawal. In the case of a rollover to the designated beneficiary's ABLE account, no rollover should have been made to an ABLE account of the designated beneficiary within the prior 12 months.

C. When to exclude ABLE account contributions, balances, earnings, and distributions

1. Exclude contributions as income

A payment made into an ABLE account constitutes a contribution. Consider the contribution made by the person to whom the funds belong or are due. Exclude contributions to an ABLE account from the income of the designated beneficiary. Excluded contributions include rollovers from a ~~family member's~~ member of the family's ABLE account to an SSI ~~recipient's~~ applicant, recipient, or deemor's ABLE account.

~~NOTE: Do not deduct contributions from the countable income of the person who makes the contribution.~~ **NOTE:** The fact that a person uses his or her income to contribute to an ABLE account does not mean that his or her income is not countable for SSI purposes. ~~For example, a recipient~~ as it normally would be. Income received by the designated beneficiary and then deposited into his or her ABLE account is income to the designated beneficiary. For example, an applicant, recipient, or deemor can have contributions automatically deducted from his or her paycheck and deposited into an ABLE account. In this case, include the income used to make the ABLE-account contribution in the applicant, recipient or deemor's gross wages.

a. First party contributions

A contribution made by the designated beneficiary into his or her ABLE account is not income to the designated beneficiary. However, income received by the designated beneficiary and deposited into his or her ABLE account is income to the designated beneficiary. That is, the income is income in the first instance, but the contribution is not income.

An individual cannot use direct deposit to avoid income counting.

So, when a payment that belongs or is due to the designated beneficiary is direct-deposited into his or her ABLE account, the payment is considered to be received by the designated beneficiary, it is counted as income to the designated beneficiary as it otherwise would be, the designated beneficiary is considered the contributor for ABLE purposes, and the ABLE contribution is not considered income to the designated beneficiary.

Examples of payments that might be direct-deposited into an ABLE account, but still are counted as income as they otherwise would be, include:

- Wages;
- Benefit payments (Title II, Veterans Administration, pensions, etc.); and
- Mandatory Support payments (child support or alimony).

b. Third party contributions

Third party contributions are contributions made by persons other than the designated beneficiary. Further, third party contributions are made with funds that do not otherwise belong, or are not otherwise due, to the designated beneficiary; that is, they are made with the third party's funds. Accordingly, an ABLÉ contribution by a person other than the designated beneficiary is treated as a completed gift.

NOTE: A transfer of funds from a trust, of which the designated beneficiary is the beneficiary and which is not considered a resource to him or her, to the designated beneficiary's ABLÉ account generally will be considered a third party contribution for ABLÉ purposes because the contribution is made by a person or entity other than the designated beneficiary (namely, the trustee) and because the designated beneficiary does not legally own the trust. You may seek guidance from your regional trust lead if you have questions regarding the trust transfer to an ABLÉ account.

2. Exclude ABLÉ account earnings

The funds in an ABLÉ account can accrue interest, earn dividends, and otherwise appreciate in value. Earnings increase the account's balance. Exclude ~~any~~ earnings an ABLÉ account receives from the income of the designated beneficiary.

3. Exclude up to and including \$100,000 of balance

Exclude up to and including \$100,000 of the balance of funds in an ABLÉ account from the resources of the designated beneficiary.

4. Do not count ABLÉ account distributions as income

A distribution from an ABLÉ account is not income but is a conversion of a resource from one form to another, ~~see~~. See [SI 01110.600B.4](#).

Do not count distributions from an ABLÉ account as income of the designated beneficiary, regardless of whether the distributions are for ~~non-a QDE not related to housing QDEs~~, ~~for a housing QDE expense~~, or ~~for a non-qualified expenses expense~~.

5. Exclude retained distributions for ~~non-housing a QDE not related qualified disability expenses (QDE) to housing~~

a. **a. Distribution for a ~~non-housing QDE not related QDE to housing~~**

Exclude a distribution for a QDE not related to housing from the designated beneficiary's countable resources ~~a distribution for a QDE other than housing~~ if he or she retains it beyond the month received.

This exclusion applies while:

- ~~the~~The designated beneficiary maintains, makes contributions to, or receives distributions from the ABLE account;
- ~~the~~The distribution is unspent;
- ~~the~~The distribution is identifiable. (**NOTE:** ~~Excludable Identify excludable~~ funds commingled with non-excludable funds ~~must be identifiable.~~ See [SI 01130.700A](#)); and
- ~~the~~The individual ~~still~~ intends to use the distribution for a ~~non-housing QDE not related QDE~~to housing.

NOTE: Apply normal SSI resource counting rules and exclusions to assets or other items purchased with funds from an ABLE account.

b. ~~b.~~ Previously excluded distribution used for non-qualified ~~expense~~expenses or housing-related QDE expenses

If a designated beneficiary uses a distribution previously excluded per [SI 01130.740C.5.a](#); in this section, for a non-qualified ~~purpose~~expense or a housing-related QDE expense, or the individual's intent to use it for a qualified disability expense (not related to housing) changes, see [SI 01130.740D.3](#). in this section.

c. ~~c.~~ Example of an excluded distribution

Eric takes a distribution of \$500 from his ABLE account in June 2016 to pay for a health-related QDE. His health-related expense is not due until September, ~~so~~and Eric deposits the distribution into his checking account in June. The distribution is not income in June. ~~Eric maintains his ABLE account at all relevant times, and the~~Eric's distribution is both unspent and identifiable until Eric pays his health-related expense in September. ~~We therefore exclude~~Exclude the \$500 from Eric's countable resources in July, August, and September. For instructions ~~on identifying comingled~~to identify comingled, excluded, and non-excluded funds, see [SI 01130.700](#).

d. ~~d.~~ Example of an excluded QDE purchase

Fred takes a distribution of \$1,500 from his ABLE account in September 2016 to buy a health-related item that is a QDE—~~a wheelchair.~~ The wheelchair item is an excluded resource in October and continuing, because it is anthe individual's personal property required for a medical condition. For instructions on household goods, personal effects, and other personal property, see [SI 01130.430](#).

D. When to count ABLE account balances and distributions

1. Count ABLE account balance amounts over \$100,000

Count the amount by which an ABLE account balance exceeds \$100,000 as a **countable** resource of the designated beneficiary.

a. Rule for indefinite benefit suspension and continuing eligibility for Medicaid during periods of excess resources attributable to an ABLE account

A special rule applies when the balance of an SSI recipient's ABLE account exceeds \$100,000 by an amount that causes the recipient to exceed the SSI resource limit-- whether alone or with other resources. When this situation happens, **we will** place the recipient into a special SSI suspension ~~period where~~**during which**:

- ~~we~~**We** suspend the recipient's SSI benefits without time limit (as long as he or she remains otherwise eligible);
- ~~the~~**The** recipient ~~retains continued eligibility~~**is SSI eligible** for Medical Assistance (Medicaid); ~~purposes~~; and
- ~~the~~**The** individual's eligibility does not terminate after 12 continuous months of suspension.

Reinstate the recipient's regular SSI eligibility for ~~any month~~**all months** in which the individual's ABLE account balance no longer causes the recipient to exceed the resource limit and he or she is otherwise eligible.

NOTE: ~~There will be no~~“SSI-eligible for Medicaid purposes” means that the individual is eligible for Medicaid in States where Medicaid eligibility is based on SSI eligibility (For SSA determinations of Medicaid Eligibility in 1634 States see SI 01730.000). No SSI recipients ~~will reach~~ this suspension status for several years (~~that is, until it is possible for an~~ ABLE account balance ~~exceeds more than to exceed~~ \$100,000; ~~that is not yet possible~~ due to the limitation on contributions described in [SI 01130.740B.2.](#) ~~in this section~~).

EXAMPLE: Excess resources — recipient is suspended but retains eligibility for Medicaid

Paul is the designated beneficiary of an ABLE account with a balance ~~as~~ of \$101,000 on the first of the month. Paul's only other countable resource is a checking account with a balance of \$1,500. Paul's countable resources are \$2,500 and therefore exceed the SSI resource limit. However, since Paul's ABLE account balance ~~is causing~~**causes** him to exceed the resource limit (i.e., his countable resources other than the ABLE account are

less than \$2,000), ~~we~~ suspend Paul's SSI eligibility and stop his cash benefits, but he retains eligibility for Medicaid in his State.

b. Ineligibility due to excess resources other than an ABLE account

The special suspension rule does not apply when:

- ~~the~~The balance of an SSI recipient's ABLE account exceeds \$100,000 by an amount that causes the recipient to exceed the SSI resource limit; but
- ~~but the~~The resources other than the ABLE account alone ~~would~~ make the individual ineligible for SSI, due to excess resources.

When this situation happens, suspend the recipient's SSI benefits using the payment status code N04. While in N04, the recipient loses eligibility for Medical Assistance (Medicaid) and the individual's SSI eligibility terminates 12 months later if the suspension continues ~~during~~throughout this period. Reinstate the recipient's regular SSI eligibility and Medicaid benefits for any month all months in which the individual's resources, including the ABLE account, no longer cause the recipient to exceed the resource limit.

EXAMPLE: Combination of resources — recipient loses SSI eligibility

Christine is the designated beneficiary of an ABLE account with a ~~balance as of the \$101,000 on the~~ first of the month balance of \$101,000. Christine's only other countable resource is a checking account with a balance of \$3,000. Christine's countable resources are \$4,000 and therefore exceed the SSI resource limit.

However, because her ABLE account balance is not the cause of her excess resources (i.e., her countable resources other than the ABLE account are more than \$2,000), the special rule does not apply, and Christine is not eligible for SSI because of excess resources. ~~We suspend~~Suspend Christine's SSI benefits using payment status N04, ~~and her. Her~~ Medicaid benefits stop.

c. Ineligibility for other reasons

If an individual is ineligible for any reason other than excess resources in an ABLE account, the special suspension status does not apply. Suspend the individual's SSI eligibility using normal procedures.

EXAMPLE: Ineligibility for a reason other than excess resources in an ABLE account

In April, Sam's ABLE account ~~resource~~ balance is \$102,500 ~~on~~as of the first of the month. However, Sam also has excess deemed income in April and is N01 despite the excess funds in his ABLE account. Before the end of April, Sam leaves the U.S. and does not return until July 1. Sam is N03 for May, June, and July. If Sam still has excess resources in his ABLE account effective August 1 and is otherwise SSI eligible, ~~we~~ place him in the special ABLE resource suspension status. He is eligible for Medicaid.

2. Count ~~as a resource~~ retained distributions for housing ~~related QDEs~~ expenses or expenses that are not QDEs as a resource

A distribution from an ABLE account is not income, but is a conversion of a resource from one form to another. For more information see [SI 01110.600B.4](#).

Count a distribution for a housing ~~related QDE expense~~ or for an expense that is not a QDE as a resource, if the designated beneficiary retains the distribution into the month following the month of receipt. If the designated beneficiary spends the distribution within the month of receipt, there is no effect on eligibility. However, apply normal SSI resource counting rules and exclusions to ~~assets or other~~ items purchased with funds from an ABLE account.

EXAMPLE: Retained distribution intended for housing QDE expenses is a resource

Amy takes a distribution of \$500 from her ABLE account in May to pay ~~her rent a housing expense~~ for June. She deposits the \$500 into her checking account in May, withdraws \$500 in cash on June 3, and pays her landlord. This distribution is a housing ~~related QDE expense~~ and part of her checking account balance as of June 1, which makes it a countable resource for the month of June.

3. Count previously excluded distributions used for a non-qualified purpose or housing ~~related QDE expense~~

~~If we excluded a retained distribution for a non-housing-related QDE, Count the amount of funds used for a non-qualified expense or housing expense as a resource as of the first moment of the month in which the funds were spent if the designated beneficiary uses the distribution (that was previously excluded per [SI 01130.740C.5.a](#) and the individual uses the excluded distribution for a non-qualified purpose or a housing-related QDE, count the amount of funds used for a non-qualified expense or housing-related QDE as a resource as of the first moment of the month in which the funds were spent. Presume that the individual's intent to use the funds for a QDE changed as of the first of the month he or she spent the funds in this section) for a non-qualified purpose or a housing expense.~~

If an individual's intent to use the funds for a QDE changes at any other time, but he or she has not spent the funds, count the retained funds as a resource as of the first of the following month.

a. Example of a previously excluded distribution used for a non-QDE

Sam takes a distribution of \$25,000 from his ABLE account ~~to modify a specially equipped van~~ in May: for an assistive technology and related service. He pays a \$10,000 deposit. While waiting for ~~delivery of the van~~ service to be completed, Sam takes a trip to

a local casino in July where he loses \$1,000 of his ABLÉ distribution gambling. The \$1,000 he lost gambling is a countable resource in July. The other \$14,000 Sam retains is an excluded resource while it meets the requirements of [SI 01130.740C.5.a.](#) in this section.

b. Example of a previously excluded distribution used for a housing-related QDE expense

In June, Jennifer takes a \$7,000 distribution from her ABLÉ account to pay ~~her college tuition~~ an educational expense that is a QDE. Her ~~tuition payment~~ educational expense is due in September. However, she has to make a \$750 advance rent payment to her landlord for her college apartment in August. She uses some of the distribution she took in June to make the rent payment – a housing ~~related QDE expense~~. The \$750 is a countable resource in August. ~~We exclude~~ Exclude the remaining \$6,250 of the retained distribution while it continues to meet the requirements of [SI 01130.740C.5.a.](#) [SI 01130.740C.5.a.](#) in this section.

c. Example of a change of intent on the use of a distribution

In June, Jennifer takes a \$7,000 distribution from her ABLÉ account to pay ~~her college tuition~~ an educational expense that is a QDE. Her ~~tuition payment~~ educational expense is due in September. In August, Jennifer gets a job offer and decides not to return to school. ~~Since she no longer intends to use it for tuition, the~~ The \$7,000 becomes a countable resource in September because she no longer intends to use it for an educational expense that is a QDE, unless Jennifer ~~re-designates~~ re-designates it for another QDE or returns the funds to her ABLÉ account prior to September.

E. How to verify, document, and record ABLÉ account balances

You may become aware of an individual's ownership of an ABLÉ account if he or she tells you during an initial claim or redetermination or contacts the office to report it.

1. Obtain evidence of the ABLÉ account

~~Whenever a~~ When an applicant, recipient, or deemor alleges being the designated beneficiary of an ABLÉ account, obtain evidence ~~that provides~~ and enter the following information:

- ~~the name of~~ Select yes to the ABLÉ account question;
- ~~Select~~ the designated beneficiary;

- ~~the State ABL~~ program ~~administering~~ State where the ABLE account was established or indicate unknown;
- Enter the unique account number assigned by the State or indicate Unknown;
- Enter the account opened date or indicate unknown;
- If the account is closed, input the account closed date or indicate unknown, or leave the field blank;
- Enter the name of the person ~~who has~~with signature authority (if different from the designated beneficiary); and
- ~~the unique account number assigned by the State to the ABL~~ account;
- ~~the account opened date~~;
- ~~the first-of-~~Enter the ~~month~~ account balance ~~or~~ information sufficient to derive a first-of-in the ~~month balance~~ values field.

If the available evidence does not provide the necessary information, contact the appropriate ABL program to obtain it.

Beginning October 1, 2017, States report the first-of-the-month account balances and the prior month's distribution information for all ABL accounts in their program to us. Not all States began reporting in October 2017, but eventually all State ABL programs will report. If you become aware of a new ABL account via the monthly data exchange, see SI 01130.740E.4. in this section.

2. Document the evidence

Fax the evidence into the certified electronic folder (EFCE) or Non-disability Repository for Evidentiary Documents (NDReDNDRED). If you contact the ABL program directly, document the information you received on a Report of Contact (DROC) in MSSICSthe Supplemental Security Income (SSI) claims system or on ~~a~~ an SSA-5002 (Report of Contact ~~(SSA-5002)~~ in ~~non-MSSICS~~paper claims.

3. Record the account on the SSI claim system "Achieving a MSSICS "Other Resource" Better Life Experience (RABL)" page

Record the account information and balance on ~~a MSSICS Other Resource (ROTH)~~the SSI claim system Achieving a Better Life Experience (RABL) page. ~~There is an ABL account drop-down under "Type."~~ SeeFor instructions to complete RABL, see MS INTRANETSSI 013.032 ~~for instructions on completing this screen~~038.

NOTE: The designated beneficiary of an ABL account is always the owner of the account for SSI purposes. Review ABL account balances during redeterminations and when potential ineligibility exists due to the ABL account balance.

4. Determine status of mismatched account data

State ABLÉ programs notify us through a monthly data exchange when individuals establish new accounts. The pending Achieving a Better Life Experience (RAPN) page displays new account information. The following information will be included:

- Account Owner Name;
- Account Owner SSN;
- Account Owner Birth date;
- Program State;
- Account Number;
- Account Opened Date;
- Account Closed Date;
- Name of Signature Authority;
- Balance Month/Year; and
- Balance Amount.

If the data on the RAPN page does not match an existing ABLÉ account on the RABL page, determine whether the ABLÉ data received applies to the person for whom it was received. Select one of the options in the SSI claim system:

- update an existing ABLÉ page;
- add this ABLÉ account;
- reject this ABLÉ account; or
- decide later.

If you chose "decide later," address the pending RAPN page before closing an initial claim, redetermination, or appeal event.

NOTE: Once you document the ABLÉ account information in the SSI claim system, subsequent reports received from the State that have matching data automatically update the account balance information. However, distribution data will not be available until a future systems release.

F. How to verify, document, and record ABLÉ account distributions

1. When to develop

~~Only verify~~ Verify a distribution only when ~~aan applicant,~~ recipient, or deemor alleges retaining, or other evidence indicates that he or she retained, all or part of athe distribution into months following the month of receipt. ~~Since distributions do not~~

~~count as income, the~~The distribution is ~~only~~ material ~~in determining only~~ to determine whether the ~~recipient's applicant, recipient, or deemor's~~ countable resources exceed the ~~resource~~ limit, ~~since distributions do not count as income.~~

2. Verify the distribution

Obtain evidence ~~showing the amount of any distributions, the~~that shows distribution ~~dates, amount(s), distribution date(s), and who received the distributions~~distribution ~~recipient(s)~~ (for example, the ~~designated~~ beneficiary paid the distribution directly to a vendor). Obtain and accept the ~~applicant, recipient,~~ or deemor's allegation that he or she used or intends to use the distribution for:

- a QDE ~~other than~~not related to housing;
- a housing ~~QDE~~expense; or
- an expense that is not a QDE.

3. Exclude retained distributions for QDEs ~~other than~~not related to housing

Exclude any retained distribution, or part of a distribution, for a QDE ~~other than~~not related to housing, from the designated beneficiary's countable resources per [SI 01130.740C.5](#) in this section.

Example of a retained QDE ~~other than~~not related to housing

Elizabeth takes a distribution of \$500 from her ABLE account in May to pay for a health-related QDE ~~that~~ she expects to pay in September. She deposits the distribution into her checking account in May and withdraws it in September to pay the health-related QDE. ~~We exclude~~Exclude the \$500 from Elizabeth's countable resources from June through September. Starting in June, ~~we~~document the deposit on the Financial Institution Account (RFIA) page ~~inputting. Input~~ \$500 as the "excluded amount." Select "Other" as the exclusion reason and input "ABLE QDE distribution" as the "other reason."

4. Count retained distributions for housing ~~QDE~~expenses and expenses that are not QDEs

Count, as a resource, any distribution or part of a distribution for a housing ~~QDE~~expense or an expense that is not a QDE if it is retained into the month following the month of receipt.

Example of a retained ~~QDE~~distribution for a housing expense

Amy takes a distribution of \$500 from her ABLE account in May to pay ~~her rent a~~ housing expense for June. She deposits the \$500 into her checking account in May, withdraws \$500 in cash on June 3, and pays her landlord. This distribution, ~~which~~ is a housing-

~~related QDE, expense and~~ is part of her checking account balance as of the first of the month in June, which makes it a countable resource for the month of June.

5. Count previously excluded distributions used for a non-qualified purpose or housing-related QDE expense

~~If we excluded a retained distribution for a non-housing-related QDE, Count the amount of funds used for a non-qualified expense or housing expense as a resource as of the first moment of the month in which the funds were spent if the designated beneficiary uses the distribution (that was previously excluded per SI 01130.740C.5.a. and the individual uses the excluded distribution for a non-qualified purpose or a housing-related QDE, count the amount of funds used for the non-qualified expense or housing-related QDE as a resource, as of the first moment of the month in which the individual spent the funds. Presume that the individual's intent to use the funds for a QDE changed as of the first of the month he or she spent the funds in this section) for a non-qualified purpose or a housing expense.~~

If an individual's intent to use the funds for a QDE changes at any other time, but he or she ~~still retains~~has not spent the funds, count the retained funds as a resource as of the first of the month following the month of change of intent. Document the individual's change of intent on a Report of Contact (DROC) in ~~MSSIC~~the SSI claim system or on a ~~an SSA-5002~~ (Report of Contact ~~(SSA-5002)~~) in ~~non-MSSIC~~paper claims.

~~For examples, see SI 01130.740D.3. in this section.~~

6. Record the amount excluded on the appropriate resource page

ABLE account distributions are the conversion of a resource from one form to another. Accordingly, they continue to be a resource if retained into the month following the month of receipt. Exclude ~~from resources a retained QDE distribution from resources~~retained for a QDE not related to housing, per ~~SI 01130.740C.5.a. in this section.~~ Document ABLE account distributions on the appropriate SSI claim system resources page (e.g., cash, financial institution account).

~~Depending on how and where~~**NOTE:** ~~Distribution information obtained from the individual retains~~State by data exchange is in the SSI claim system, but you cannot access it until additional system enhancements are completed.

G. Handling and recording ABLE prepaid debit card information

1. Handling ABLE prepaid debit cards

Some ABLÉ programs provide designated beneficiaries with a prepaid debit card, which may be used to control the issuance of distributions and provide designated beneficiaries with convenient access to their ABLÉ funds.

2. Handling ABLÉ debit cards in the SSI claim system

If a designated beneficiary has an ABLÉ prepaid debit card, record the amount in the "amount excluded" field of the appropriate resource ABLÉ prepaid debit card on the Other Resource (ROTH) page in MSSICS with a SSI claim system. You need the program State and account number. Monies distributed onto an ABLÉ prepaid debit card are considered a qualified distribution unless we determine otherwise. Enter the intended use of the funds in the Description field. Enter the alleged Value of the ABLÉ prepaid debit card. Enter the entire alleged value as an excluded amount and as qualified distributions when funds are added onto the debit card. Use the new exclusion reason of "ABLÉ QDE distribution." "Qualified Disability Expenses" on the ROTH page to exclude monies on a prepaid ABLÉ debit card.