

ABLE Account and Social Security

What is an ABLE Account?

Achieving a Better Life Experience (ABLE) accounts are a type of financial account for individuals with disabilities that occurred before age 26. This account lets individuals save and purchase qualified items. Examples of these qualified items include: living expenses, education, housing, transportation, employment training and support, assistive technology, personal support services, health prevention and wellness, financial management, administrative services, legal fees, oversight and monitoring, funeral and burial.

As of 2024, an individual can save up to \$18,000 per year in their ABLE account.

If an individual is employed, as of 2024, they can save up to \$14,580 per year in their ABLE account.

The account's growth is tax-free and their contributions may qualify for a state income deduction.

How do ABLE Accounts impact Social Security?

Individuals with ABLE accounts who are receiving Supplemental Security Income (SSI) and/or Medicaid/CentennialCare can save up to \$100,000 without any impact of their benefits. When the ABLE account has funds over \$100,000 (for example \$100,045), the individual's SSI and Medicaid will be paused until the account is \$100,000 or below.

Individuals receiving Social Security Disability insurance (SSDI) do not have resource limits to their government benefits, however, an ABLE Account may impact aspects of their Medicare costs, specifically if they receive Medicare subsidies such as Qualified Medicare Beneficiary (QMB), Extra Help, Full Extra Help, and others. Individuals that are receiving Medicare subsidies should discuss how an ABLE account may impact their benefits with a certified benefits planner.

Resources

ABLE NM: <https://ablenuwemexico.com/>

Phone: Monday-Friday, 9-8 ET, 1-800-439-1653 or for TTY dial 711