

## CalABLE Quarterly

April 2022

### From the Director

As we enter our fourth year, this CalABLE Quarterly is dedicated to those who have been with us from the beginning.

As I think back on our history, it's a time for reflection of the effort we've expended to ensure all Americans with disabilities share in the prosperity of this nation. Our history may be brief, but it's one of collaboration and leadership.

What does it mean for us to lead?

To lead means we challenge assumptions that people with disabilities can't work and must be dependent on government benefits to survive. We challenge policymakers, regulators, community organization directors, and financial leaders to be part of a conversation that begins with a belief that our nation's most economically vulnerable population—people with disabilities—can do better when there's a shared commitment to equity and inclusion.

Thanks to all of you for taking this journey with me and the CalABLE team. Much has been accomplished, and yet, more still needs to be done to improve the economic inclusion of people with disabilities.

With infinite creativity, commitment, and collaboration with public and private funders, community groups and government at all levels, we will continue to inspire momentum to change financial behavior and financial health and well-being for individuals across the full spectrum of disabilities.

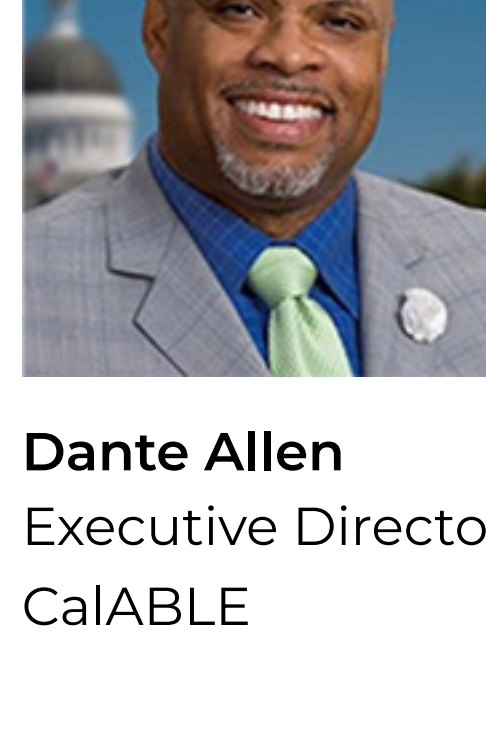
I'm proud of the community we're building together. And, I'm proud to offer another edition of the CalABLE Quarterly—to help in our aim to educate and inform the community of people with disabilities. Equally important are the efforts and tools provided to actively support the financial well-being of people with disabilities, likely leading to a better quality of life.

We are very proud to introduce our CalABLE Ambassadors for 2022. We will soon be sharing more about these actual CalABLE account holders and how they are achieving a better life experience through the financial empowerment of a CalABLE account.

Together, we are CalABLE.

Your ABLE partner,  
**Dante Q. Allen**

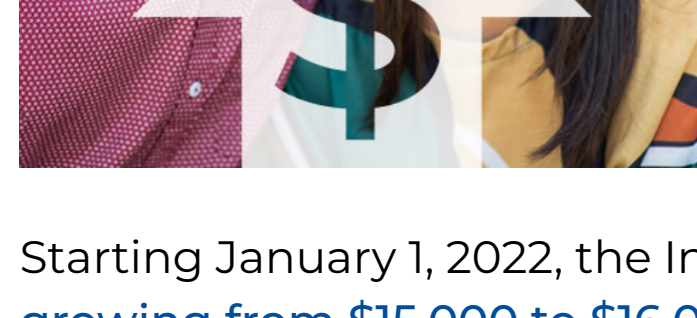
Executive Director  
CalABLE



**Dante Allen**  
Executive Director  
CalABLE

[See Past Issues](#)

### In This Issue



#### New Contribution Limits

For the first time since 2018, the amount of money people with disabilities can save without jeopardizing eligibility for government benefits increased.

Starting January 1, 2022, the Internal Revenue Service (IRS) said that the [federal gift tax exclusion is growing from \\$15,000 to \\$16,000 annually](#), thanks to inflation. That same cap also applies to contributions to ABLE accounts.

A CalABLE account allows individuals with disabilities to save up to \$100,000 without risking eligibility for Social Security and other government benefits. And, while there is a maximum amount of savings allowed to maintain eligibility for those benefits, Medicaid can be retained no matter how much is in the accounts.

As you may know, any interest or earnings on funds in a CalABLE account are tax free when used for qualified disability expenses including education, healthcare, transportation, and housing. And now, annual deposits in ABLE accounts are limited to the value of the IRS' gift tax exclusion, now \$16,000.

People with disabilities who are employed can also save some of their earnings in the accounts above and beyond the gift tax amount. For those in the continental U.S., [that means up to an additional \\$12,880 this year](#). Alaska residents can save \$16,090 in earnings and \$14,820.

For more information, read the [Plan Disclosure Document \(PDF\)](#)<sup>1</sup>

<sup>1</sup>The CalABLE Program is offered by the State of California. TIAA-CREF Tuition Financing, Inc. (TFI), program manager. TIAA-CREF Individual & Institutional Services, LLC, Member FINRA, distributor and underwriter. [↩](#)



#### Stop Fraud Before It Begins

The Cooperative Disability Investigations (CDI) program, established in 1997, is an anti-fraud initiative that combats fraud within Social Security disability programs.

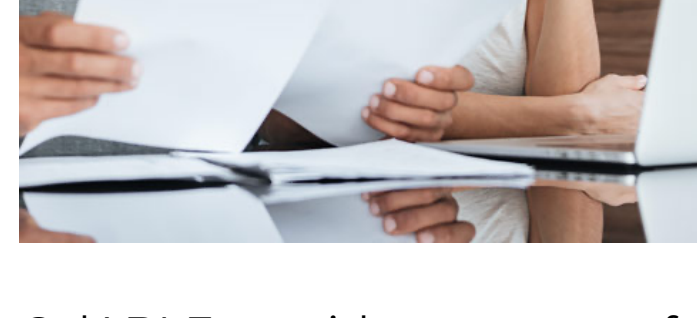
The CDI program is a joint effort of the Social Security Administration (SSA) and the Office of the Inspector General, in partnership with State Disability Determination Services agencies and State and local law enforcement agencies. CDI accomplishes its mission by reviewing questionable disability claims and investigating cases of suspected disability fraud in order to stop payment before it occurs.

The CDI program began as a pilot in 1997 with five units. Upon the enactment of the Bipartisan Budget Act of 2015, nationwide CDI coverage was mandated by fiscal year 2022 subject to the availability of funding and cooperation with local law enforcement agencies. The CDI program currently consists of 49 units, covering 47 states, the District of Columbia, and the Commonwealth of Puerto Rico, in addition to the U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

CDI units investigate suspected fraud before the agency awards benefits, and support the continuing disability review and redetermination processes when fraud may be involved. CDI investigations typically begin with a report of suspected fraud from SSA, State Disability Determination Services, law enforcement, or the public. The CDI unit investigates statements and activities of claimants, medical providers, and other third parties, and obtains evidence to resolve questions of potential fraud.

During fiscal year 2021, the CDI program reported [more than \\$86 million in projected savings](#) to SSA's disability programs and approximately \$76.5 million to non-SSA programs, such as Medicare, Medicaid, housing assistance, and nutrition assistance programs. Since inception, CDI investigations have contributed to a projected savings to taxpayers of approximately \$7.7 billion. \$4.3 billion in projected savings to SSA's Title II and Title XVI disability programs, and \$3.4 billion in projected savings to related Federal and State benefit programs.

You can help keep costs low and benefits high by [reporting suspected fraud](#).



#### Financial Literacy Resources

Having a CalABLE account is a great start. But knowing more about managing your finances can help you achieve a better life experience.

CalABLE provides resources for you to educate yourself, study the basics, and build financial resilience and well-being.

##### Educate yourself.

The Federal Deposit Insurance Corporation's (FDIC) financial education program can help people of all ages enhance their financial skills with proven tools and strategies. [Learn how to educate yourself.](#)

##### Study the basics.

Developed by the Pennsylvania Assistive Technology Foundation, this guide helps individuals with disabilities and their families understand the fundamentals of financial literacy. [Learn the basics of financial literacy \(PDF\).](#)

##### Build financial resilience.

Developed by over 20 federal entities working together, [mymoney.gov](#) features articles, information, and educational games designed to help you understand financial planning. [Learn about financial resilience.](#)

##### Improve your fiscal well-being.

The National Disability Institute (NDI) offers training and technical assistance on how to deliver financial education, coaching, counseling, and strategies designed to meet the needs of the disability community. [Learn about fiscal well-being.](#)



#### CalABLE Questions

Here's what people with disabilities are asking about CalABLE accounts.\*

**Q: Does the Social Security Administration (SSA) accepted disability onset date determine whether my disability started before the age of 26 and whether I can open an ABLE account?**

A: Not exactly.

If the SSA determines that your disability began before age 26 and awards you a disability-based benefit, you can immediately open an ABLE account. When SSA determines the date disability began, they are required to consider both medical and non-medical factors which could result in a disability onset date later than when the disability actually began. Various technical factors can result in SSA establishing this date much later than when the onset of the disability occurred (e.g., substantial gainful activity, insured status, savings, parent earnings). If disability began before age 26, but SSA established a date after age 26, your physician will need to give you a disability certification stating your disability began before age 26 and that you meet the SSA criteria regarding significant functional limitations. [Sample Disability Certification \(PDF\)](#).

SSA staff are not responsible for determining when the disability began for a CalABLE account. Rather, SSA staff direct ABLE eligibility inquiries to the state.

**Q: Which types of disabilities qualify someone for a CalABLE account?**

A: A condition that results in marked and severe functional limitations will qualify an individual to open an ABLE account so long as the disability began before the age of 26. The condition may be physical, developmental, mental or another condition. There are examples in the [Social Security Administration's Blue Book](#), as well as the [SSA's List of Compassionate Allowances Conditions](#).

**Q: What happens if the account owner medically improves and is no longer eligible for an ABLE account?**

A: If a beneficiary no longer meets eligibility requirements, and they no longer qualify for an ABLE account, their account will remain open and they can continue to use the account until the end of the calendar year. After the end of the year, they stop being eligible, no new contributions are permitted and account withdrawals will be treated as non-qualified withdrawals. Distributions from an ABLE account during a period when an individual is no longer an eligible individual are possibly subject to taxation. The earnings portion of the distribution may be taxable. Non-qualified withdrawals may affect eligibility for SSI and other federal benefits.

[More answers to frequently asked questions.](#)

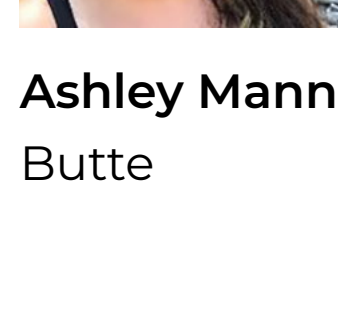
*\*These Q & As are made available to you as an educational, self-help tool and are intended to provide you with a basic guideline to help you create a savings and investment plan for your CalABLE account. It is not intended for specific advice. These tips should not be the sole or primary basis on which you make your investment decisions. Please review the [Program Disclosure Statement \(PDF\)](#) for more detailed information on CalABLE's investment options and consider consulting a financial professional for help with your unique circumstances.<sup>2</sup>*



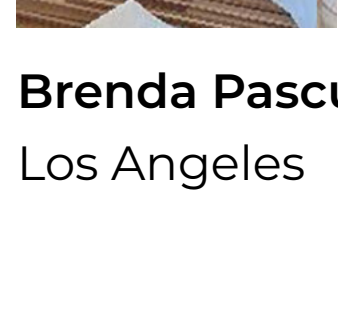
#### Your Ambassadors

CalABLE Ambassadors know firsthand how important it is to promote financial health and resources that enrich their own life, as well as the community around them.

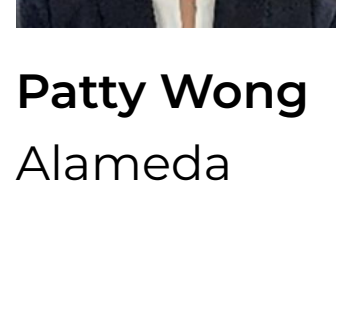
Ambassadors live with a disability, care for a family member with a disability, or are passionate about spreading the word about CalABLE across California. They're our way of empowering people to spread the word. Meet your 2022 CalABLE Ambassadors.



**Ashley Mannheim**  
Butte



**Brenda Pascual**  
Los Angeles



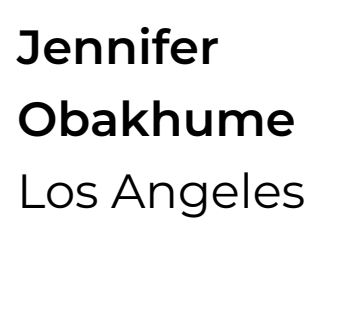
**Patty Wong**  
Alameda



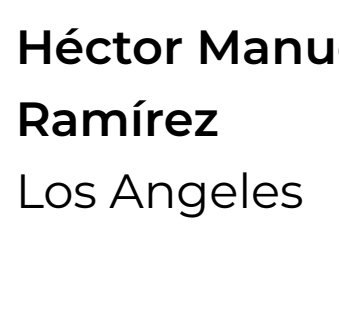
**Stephen Bell**  
Shasta



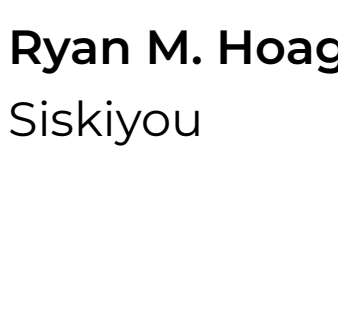
**Dominika Bednarska**  
Alameda



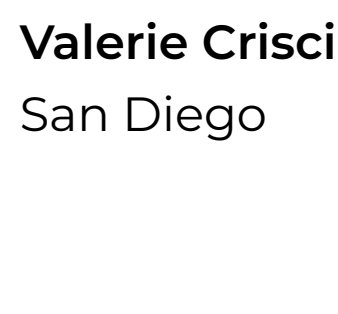
**Jennifer Obakhume**  
Los Angeles



**Héctor Manuel Ramírez**  
Los Angeles



**Ryan M. Hoag**  
Siskiyou



**Valerie Crisci**  
San Diego



#### Be Healthy. Stay Safe.

The White House rolled out an online order form for free at-home COVID-19 tests.

Families are able to order up to four COVID-19 tests per household. Here's what we know about the federal effort:

- Individuals are able to order online at [www.covidtests.gov](#)
- Every home in U.S. can order four at-home COVID-19 tests
- Tests are free and will be shipped by the U.S. Postal Service
- Tests should arrive within 7-10 days

Order your free home tests today and share this information with other members of the disability community.



#### A Medi-Cal Primer

The California Department of Health Care Services wrote this great piece on how Medi-Cal works with CalABLE.

California's Medicaid program provides health care services including medical, dental, mental health, substance use treatment, long-term care services and support for low-income adults, children, seniors, and pregnant women, and persons with disabilities.

[Take a moment and read this Medi-Cal primer \(PDF\).](#)

For more information on your Medi-Cal case or to apply for Medi-Cal, please contact your local County Medi-Cal Office. [See link to the County Medi-Cal Offices in your county.](#)



#### The AchievABLE Account

Your dreams are AchievABLE with a CalABLE account.

CalABLE teamed up with the [National Disability Institute \(NDI\)](#) to provide the information you need to manage your CalABLE account. No matter where you are in the process—if you are considering opening a CalABLE account, ready to open a CalABLE account, or already using your CalABLE account—NDI has tools and resources in its [AchievABLE Corner](#) to help you maximize the potential of your account.

We are here to help. Don't hesitate to contact us.

##### CalABLE Service Center

Account and CalABLE Program Questions  
Phone: [833-225-2253](#)  
Email: [CalABLESupport@CalABLE.ca.gov](mailto:CalABLESupport@CalABLE.ca.gov)

##### CalABLE Act Board and Administrative Staff

Administered by the California State Treasurer's Office  
Phone: [916-653-1728](#)  
Email: [CalABLE@treasurer.ca.gov](mailto:CalABLE@treasurer.ca.gov)