



Asset Building for Individuals with Disabilities

Public benefit programs for people with disabilities, especially Supplemental Security Income (SSI), are not aimed at increasing assets and independence for people with disabilities as a result individuals with disabilities often have very limited income and few, if any, assets. The intent of asset building initiatives is that as individuals develop assets, they will be able to move out of poverty and remain out of poverty. Many asset building services for people with disabilities will NOT cause loss of critical SSI disability cash payments and essential health insurance such as Medicaid and Medicaid waivers.

Types of asset building services for people with disabilities:

- **IDAs: Individual Development accounts**
- **ABLE account**
- **Work Incentives from SSA: WIPA program** and work incentives like **PASS, Plan to achieve self-support and Self-employment/entrepreneurship**
- **Earned Income Tax Credit (EITC)**
- **College Savings Accounts**
- **Financial literacy education**
- **Specialized Trusts used for specific purposes: D4A, D4B, D4C**

Disclaimer: The information on this article is for general informational purposes only. The information presented in this article is not legal advice or a legal opinion, and it may not necessarily reflect the most current legal developments. You should seek the advice of legal counsel of your choice before acting upon any of the information in this article.

Individual Development Accounts (IDAs) One federally-supported IDA program is the Assets for Independence (AFI) program. The AFI IDA program is a discretionary grant program authorized under the Assets for Independence Act of 1998. AFI Individual Development Accounts are an important tool in asset building for low-income people. AFI projects assist client families to save earned income in IDAs-- special matched savings accounts. For more information and to find a agency close to you, please visit Office of Community Services – Assets for Independence <http://www.acf.hhs.gov/programs/ocs/programs/afi> Clients can use their IDA savings and matched funds to acquire one of the following assets:

- A first home,
- Capitalization of a small business,
- Post-secondary education or training.

ABLE accounts will allow more individual choice and control over spending on qualified disability expenses and limited investment decisions, while protecting eligibility for Medicaid, SSI, and other important federal benefits for people with disabilities. States have started to develop their own legislation to implement the federal law. As a result, in over half of the states, ABLE Act legislation has emerged in the past several months. To assist individuals with disabilities, their families, and advocates in tracking their states' progress, for more information about ABLE accounts in Florida contact ABLEUnited. <http://www.ableunited.com/> Phone 888-524-ABLE (2253) for account assistance, our Account Specialists will be available: Monday – Friday, 9 am – 6 pm, ET the Florida Relay Service provides communications assistance to individuals with hearing, speech or vision disabilities. Dial 711.

Work Incentives Planning and Assistance: The Ticket to Work and Work Incentives Improvement Act of 1999 authorized Social Security to award grants, contracts or cooperative agreements to provide community-based work incentives expertise to beneficiaries of Social Security or Supplemental Security Income benefits based on disability. The goal of the WIPA program is to enable beneficiaries with disabilities to make informed choices about work, and to support working beneficiaries to make a successful transition to self-sufficiency. WIPA project can help with the process to apply for a PASS Plan. A **Plan to Achieve Self-Support (PASS)** is a work incentive that allows a SSI beneficiary to set aside income or resources for a specified period of time in order to pay for items or services needed to achieve a specific work goal. Under an approved PASS, an individual may set aside income or resources to pay for education or training, job coaching or other support services, transportation, job-related items, equipment needed to start a business, or just about anything else needed to achieve an occupational goal. To find more information visit: <https://choosework.ssa.gov/blog/2017-02-09-meet-employment-team-wipa-and-pabss>

Earned Income Tax Credit (EITC) – Refundable federal income tax credit for low-income workers. EITCs enable many low-income tax filers to receive a refund from their payroll taxes on their annual income. To claim the credit, it is necessary for individuals to file their income taxes and apply for federal and / or state EITCs. Some facts:

- **SSI and SSI-Medicaid** - EITC payments are excluded from the resource test for nine months following the month the refund is received.
- **SSDI** - there is no asset limit.
- **State Medicaid** – This can vary by State so please check with your local Medicaid office.
- **Food Stamps** – EITC payments are excluded from the resource test.
- **Federally assisted housing** – interest accrued on your EITC payments may count as income.
- **Cash assistance programs** – These can vary so please check with your local office.

For more information about Earned Income tax credit visit www.irs.gov/eitc

College Savings Accounts or 529 Plans – Special savings accounts enable families to save for the costs of college at an accelerated rate. Assets in 529 plans are not considered “countable resources.” Likewise, distributions from these plans are not counted **if they are, in fact, used for qualifying educational expenses.** <https://secure.ssa.gov/apps10/poms.nsf/lnx/0501140150>

Financial Literacy: Skills and knowledge that successfully enable low and moderate income individuals to become part of the mainstream financial system by learning to effectively manage their finances, participate in banking services, and save for assets and other financial goals. The Federal Deposit Insurance Corporation (FDIC) recognizes the importance of financial education, particularly for people with little or no banking experience. That's why they created Money Smart, a training program to help adults outside the financial mainstream enhance their money skills and create positive banking relationships. Check this financial literacy training resource: Money Smart Curriculum <http://www.fdic.gov/consumers/consumer/moneysmart/overview.html>

Qualified Income Trust/ Miller Trust/Income only Trust/D4B Trust: Who needs a Qualified Income Trust? You need a QIT if your income before any deductions (such as taxes, Medicare or health insurance premiums) is over the limit to qualify for the Institutional Care Program (ICP), Institutional Hospice, and Program of All-Inclusive Care for the Elderly (PACE) or the Home and Community Based Services (HCBS) waivers. For detailed information: https://www.myflfamilies.com/service-programs/access/docs/qualified_income_trust_factsheet.pdf

Pooled Special Needs Trust or Individual trust/D4C Trust: is an asset protection strategy which is specifically for aged and disabled Floridians. Provisions for Pooled Trusts were established pursuant to Federal Law, 42 U.S.C. §1396p(d)(4)(C) to help the elderly and persons with disabilities who want to set aside funds legally and ethically while maintaining eligibility for public benefits such as Medicaid and Social Security Disability. The funds placed in a Pooled Special Needs Trust are used to improve quality of life and pay for life enrichment items or necessities that are not covered by other programs. The use of a Pooled Trust allows the individual (Trust Beneficiary) to deposit an unlimited amount of their own money in the Pooled Trust , keep their government benefits and still benefit from the assets held in the Trust.

Agencies providing Pooled Special Need Trust services in Florida: [AGED, Inc.](#), [Alpert Jewish Family & Children Service](#), [ARC Jacksonville](#), [ARC South Florida](#), [Center for SNTA Administration](#), [Charities Pooled Trust](#), [Commonwealth Community Trust](#), [Disabled and Alone/Life Services for the Handicapped, Inc.](#), [Family Network on Disabilities](#), [Guardian Trust](#), [National Foundation for Special Needs Integrity](#). For more information about Special Needs Trust: <https://secure.ssa.gov/apps10/poms.nsf/lnx/0501120203>

I believe that if we all work together on education, support, and advocacy we can make asset buildup a reality for people with disabilities and low income families.

Lesly Quin

305 453 3491