ABLE – Achieving a Better Life Experience Savings Account
New Mexico

The ABLE Act is a federal law that allows eligible people with disabilities to open an ABLE savings account:
• to use for qualified disability-related expenses, and
• without losing eligibility for Medicaid, Supplemental Security Income (SSI), and other programs.
In New Mexico, the ABLE Act is called the Accounts for Persons with Disabilities Act, and it was enacted in 2016.

Why open an ABLE account?
Many people with disabilities rely on Medicaid, SSI, and other public programs. To qualify for these programs, someone generally must have a low monthly income and no more than $2,000 in countable assets. The ABLE Act allows a person to save more than this usual asset limit in an ABLE account without losing these important benefits, and to use those savings to pay for qualified expenses related to his or her disability.

Who is eligible?
An eligible person is someone whose disability began before the age of 26, and who has been living with their disability for at least one year, or expects it to last for at least a year. The applicant must also meet one of the following criteria:
• Be entitled to SSI because of their disability
• Be entitled to Social Security Disability Insurance (SSDI) because of their disability
• Have a condition listed on the Social Security Administration’s List of Compassionate Allowances Conditions at www.ssa.gov/compassionateallowances/conditions.htm
• Self-certify their disability and diagnosis when opening an ABLE account

How can someone open an ABLE account?
ABLE accounts will be available New Mexico starting in early 2018. Other states have setup programs that allowed New Mexico residents who meet federal eligibility requirements to open an ABLE account in that state. For more information, visit the New Mexico State Treasurer’s Office Able Act website or the ABLE National Resource Center.

Key facts:
• Each eligible person can open only one ABLE account.
• Anyone, such as a family member or friend, may contribute to the account.
• Up to $14,000 can be put into an ABLE account each year. More than one person can contribute, but the total contributions from all sources is limited to $14,000 per year.
• If the total amount in the ABLE account exceeds $100,000, then SSI benefits will be suspended until the amount in the account drops back down to $100,000 or less.
• The money in an ABLE account does not affect eligibility for Medicaid.
  • It is important to note that when an account holder who has Medicaid passes away, the state can take money from their ABLE account to cover up to the amount it spent on Medicaid services for that recipient since their ABLE account was opened.
• ABLE account funds must be spent on qualified disability expenses, which are costs related to living with a disability.
• Qualified disability-related expenses may include health care, education, housing, personal support services, transportation, employment training, assistive technology and other services.