



We are CalABLE

A Financial Program for the Disability Community

July 30, 2024



Everyone with a disability should know about CalABLE.



What is CalABLE?



CalABLE is a tax-advantaged savings and investment program designed to help people with disabilities achieve their financial dreams.

ABLE stands for "Achieving a Better Life Experience."

It is a federal program signed into law in 2014.

The money in these accounts can be used for qualified disability-related expenses, such as education, housing, and transportation.

With CalABLE, you can save money without losing your eligibility for other benefits.

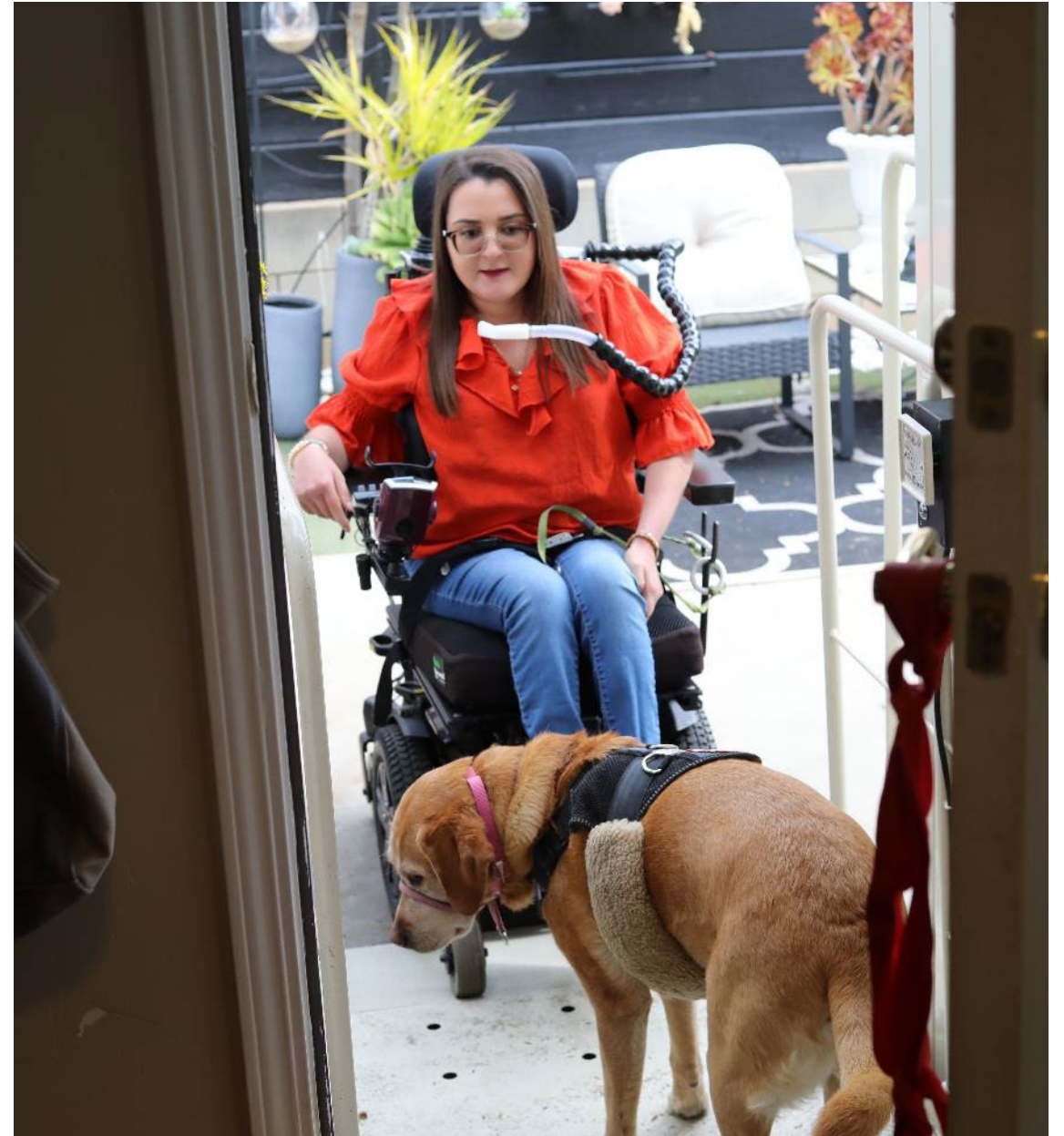
Why do we need CalABLE?



It's no secret that living with a disability can be expensive.

You might have extra costs for medical treatments, accessible housing, adaptive equipment, assistive care, and much more.

For many people living with disabilities, finances can be a huge burden and financial stability is hard to achieve.



In fact, an adult living
with a disability has to spend

29% more

of their income to attain the same quality
of life as someone without a disability.
In many cases, this percentage
is MUCH higher.

29%



That's where CalABLE comes in.

Before CalABLE, people with disabilities could not save more than \$2,000 in their bank accounts without the risk of losing their benefits.

Now, those with a CalABLE account can save up to \$100,000 and use it to improve their quality of life while pursuing their goals.

Opening a CalABLE account can be a life-changing experience.



If you're on SSI, you could not save more than

\$2,000



Now with CalABLE you can save up to

\$100,000

About CalABLE



CalABLE is administered by the State of California and chaired by the State Treasurer



The CalABLE community currently has more than **\$140 million** in assets under management

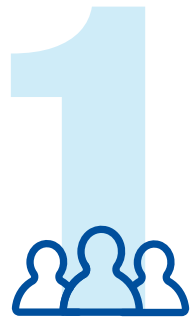


More than **11,000 people** trust CalABLE with their savings and investments



The CalABLE program is available to anyone whose disability started **before age 26**

Our Top Questions



Who is eligible?



How much can I save?



What do I spend my money on?



How do I open an account?



How do I maximize my CalABLE account?



Why choose CalABLE?

Question 1

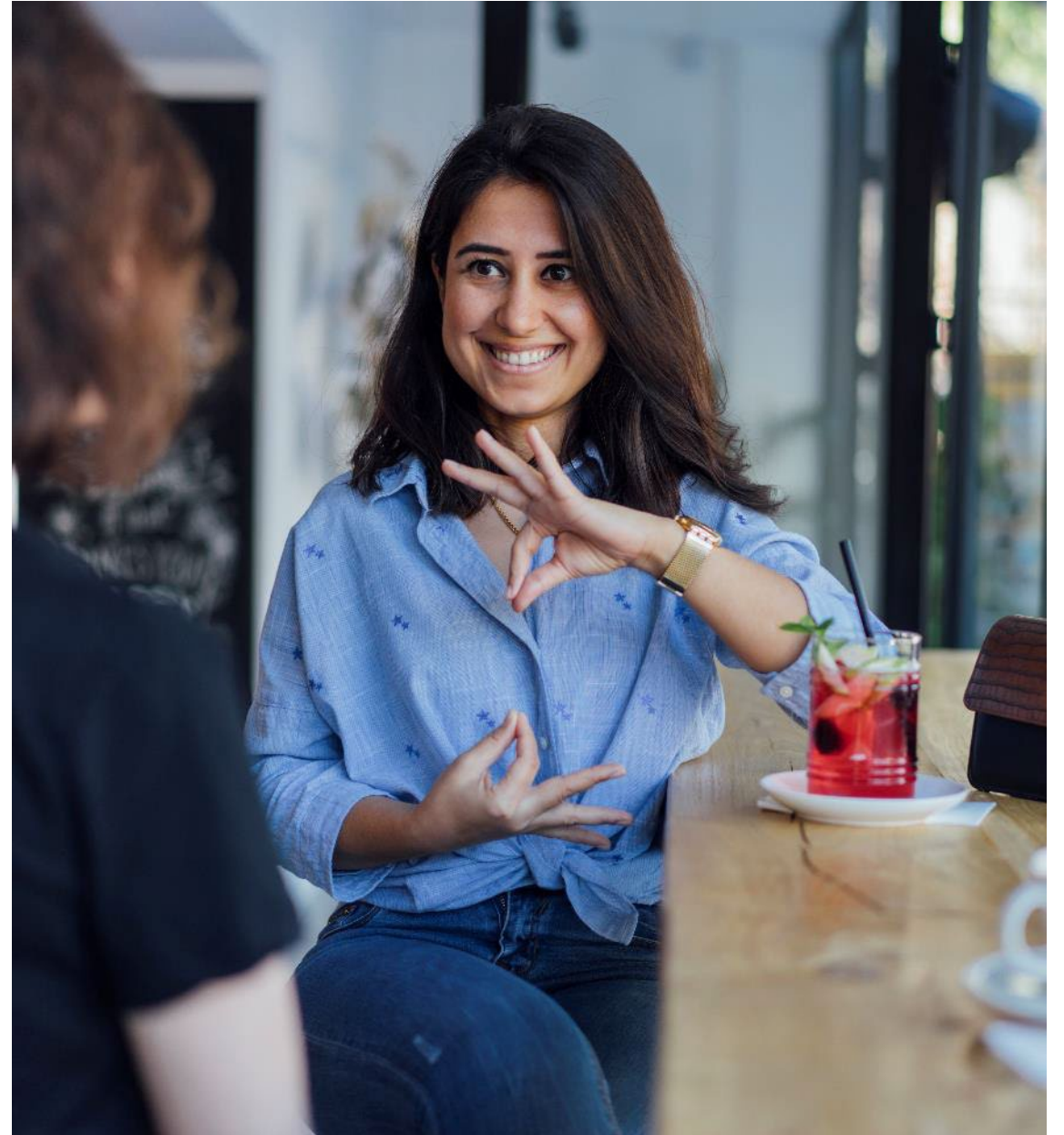
Who is eligible?



Who is Eligible for CalABLE?

- You have a disability that began before age 26*
- You meet the eligibility criteria for disability benefits like Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI).

* The age limit for onset of disability to increase from 26 to 46 starting in 2026 (ABLE Age Adjustment Press Release)

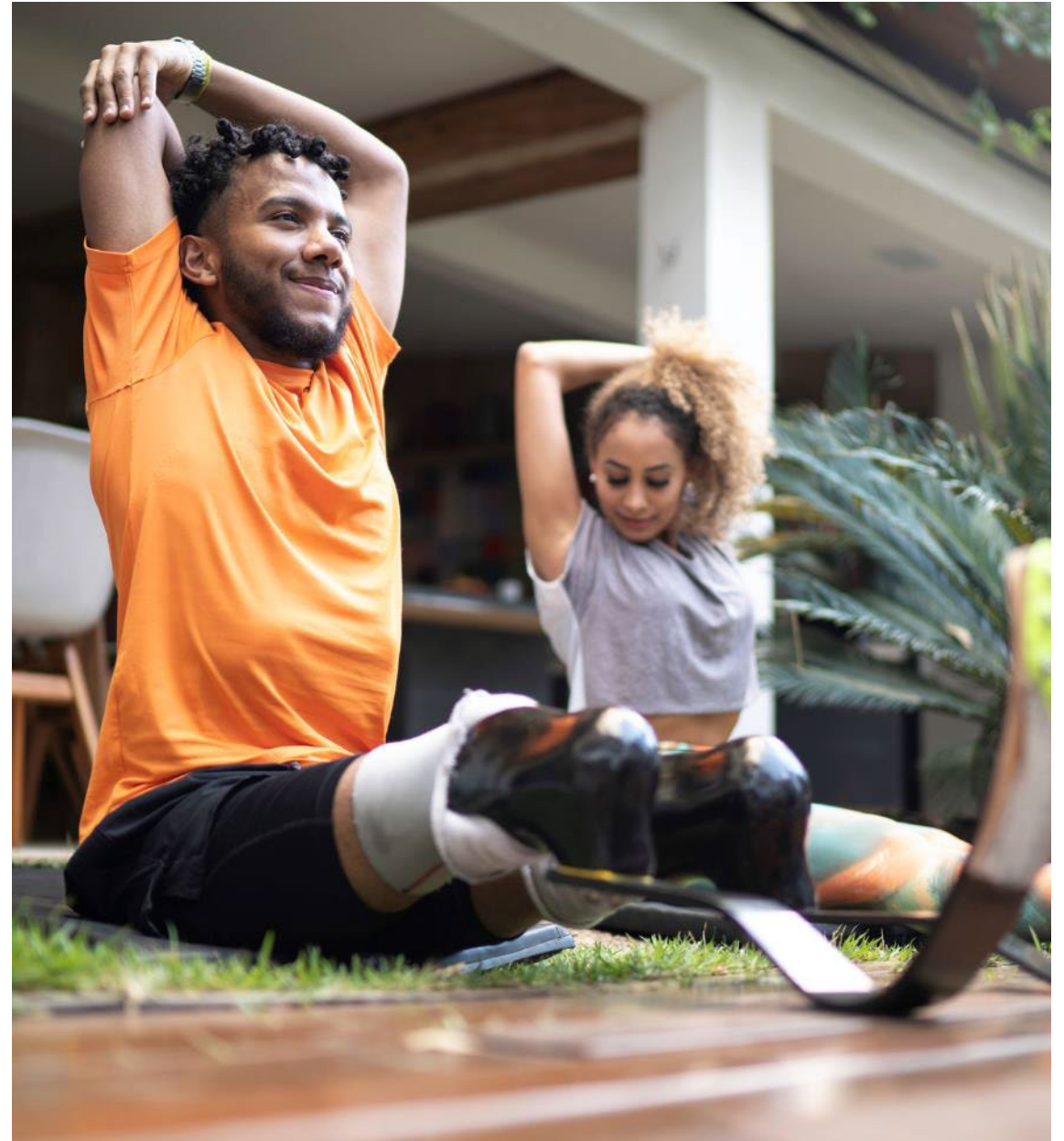


What if I'm not on any benefits?

You can self certify if your disability is on the SSA List of Compassionate Allowances or Blue Book listing

- You may be asked to provide a signed letter from a qualified physician
- You must confirm that you were disabled before age 26*

* The age limit for onset of disability to increase from 26 to 46 starting in 2026 (ABLE Age Adjustment Press Release)



Question 2

How much can I save?

How much you can contribute to your CalABLE account?

\$18,000

Amount contribution cap
2024 Annual Contribution Cap

(contributions only)

\$100,000

Total cap of recipients
of SSI benefits

(contributions + earnings)

\$529,000

Total contribution cap
for CalABLE

(contributions + earnings)

CalABLE will automatically reject excess contributions



“Without CalABLE, I feel like I would be constantly looking over my shoulder, checking my bank balance, making sure it was under \$2,000. With CalABLE, I’ve been able to achieve financial peace-of-mind.”

Raymond Juballa

Account holder & ambassador

Save more with ABLE to Work

The ABLE to Work program permits working account owners to contribute above the \$18,000 annual contribution limit, if they or their employer are not contributing to a retirement plan **that calendar year**.

ABLE to Work Contributions

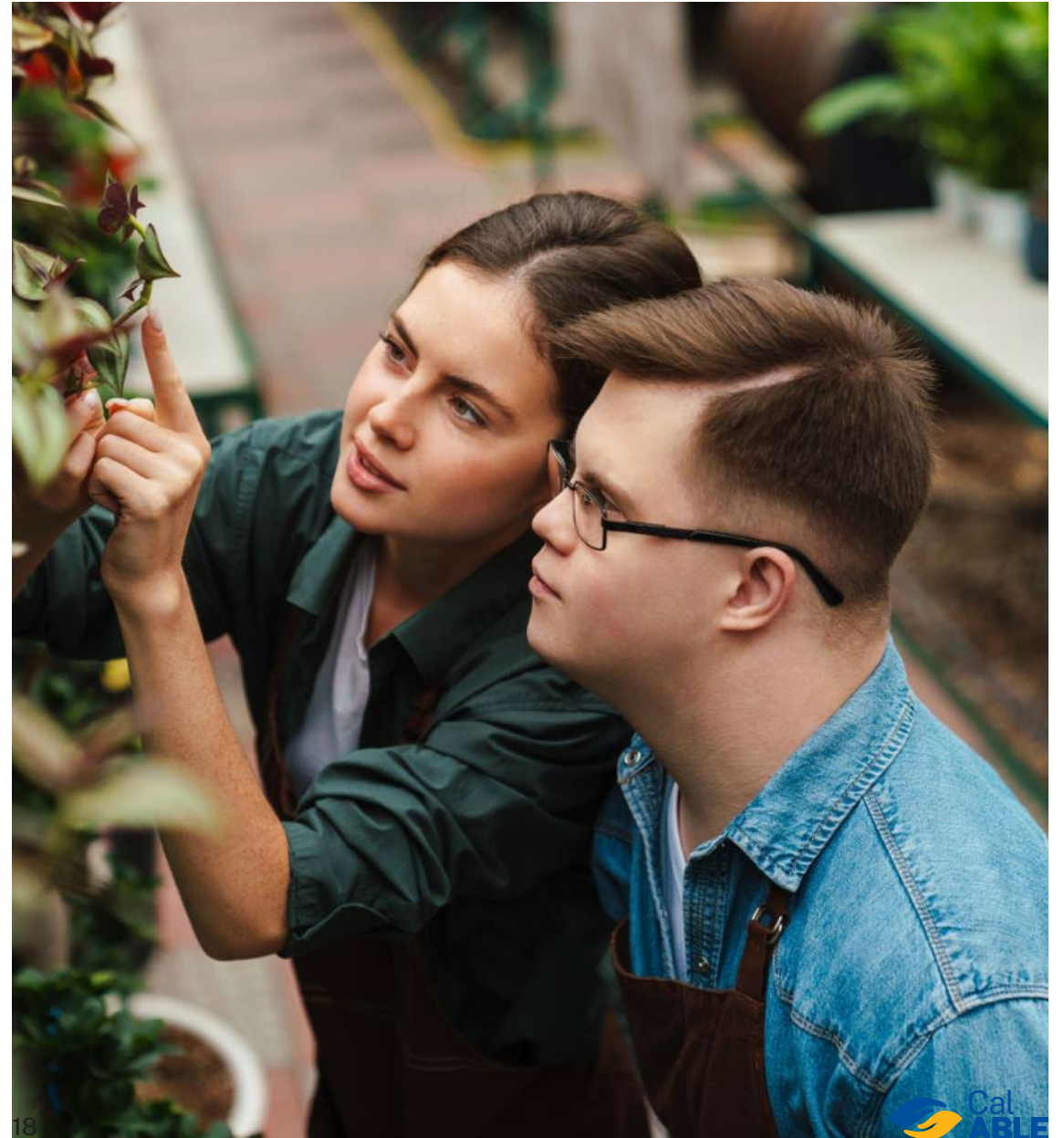
For a potential maximum of \$32,580 per year (\$18,000+\$14,580), account holders can contribute whichever of the following is less:

- Amount equal to annual gross salary

OR

- Federal poverty level (\$14,580 in 2024)

**Potential total of
\$32,580**



Question 3

What can I spend my money on?



What can I spend my money on?

Education

Housing

Transportation

**Employment training
and support**

**Assistive technology and
related services**

Personal support services

**Health Prevention
and wellness**

Funeral and burial

Legal fees

**Expenses for ABLÉ account
oversight and monitoring**

**Financial management and
administrative services**

And more

You can spend your CalABLE funds on anything that helps you live your best life!

This means any expense that helps the account holder maintain or improve their health, independence or their quality of life.

Categories are intentionally broad and include education, employment, housing, transportation, healthcare expenses, travel, experiences, and more.



“ABLE enables me to be able to provide tools for my children to help them better communicate and relate to the world.”

Cheryl Carter

Parent / ALR and CalABLE Ambassador



“We sold our old car and used the money in our CalABLE account to have extra money to buy a bigger, nicer car and it fits his wheelchair amazingly.”

Ashley Mannheim

Parent / ALR and CalABLE Ambassador

Question 4

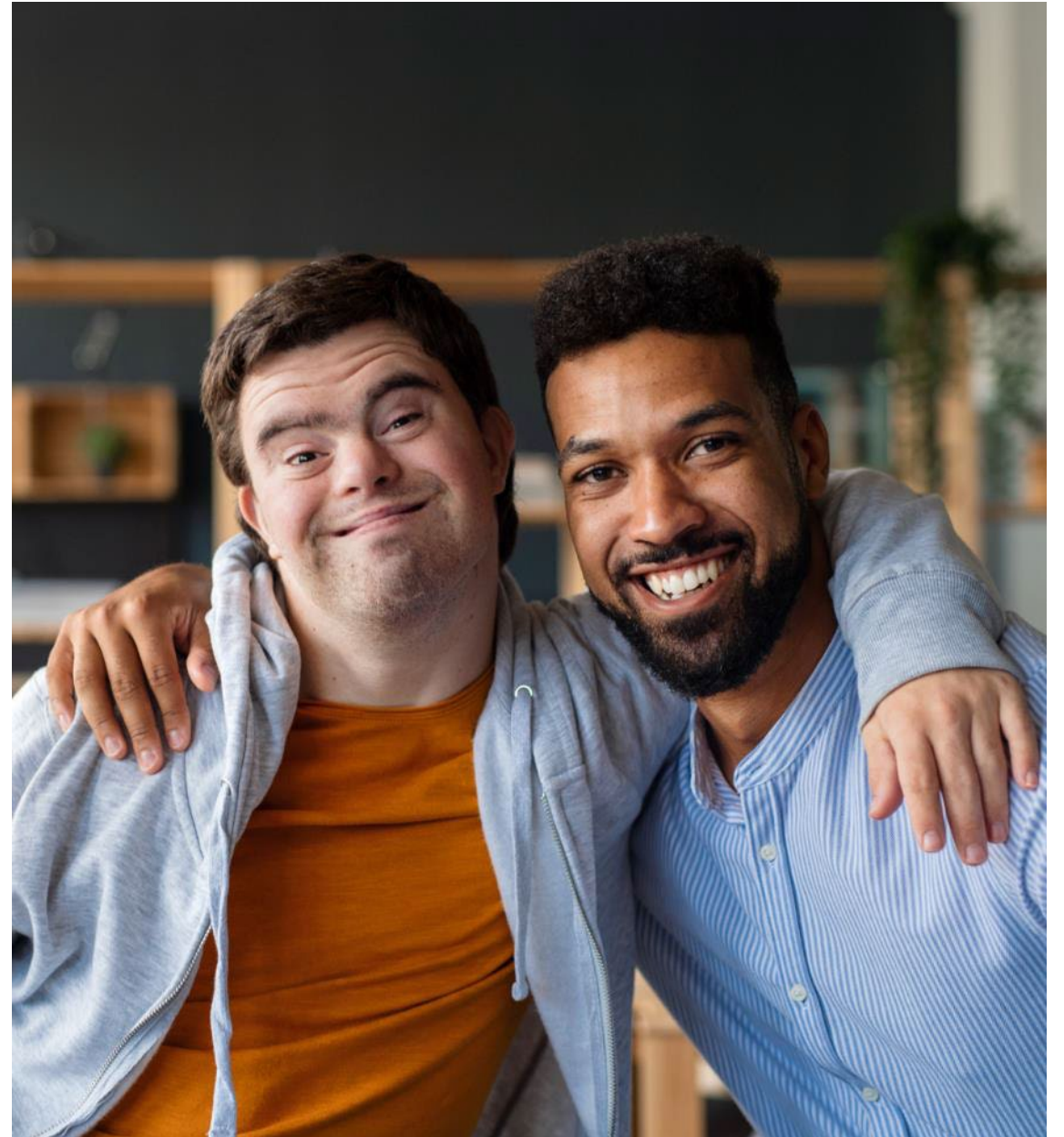
How do I open an account?



How do I open an account?

What do I need to know before I open an account?

- Participants can only have one ABLE account
- The person with a disability is always the ABLE account owner and beneficiary of the funds
- Account can be opened by the person with a disability or an Authorized Legal Representative



Who can be an Authorized Representative:

Power of attorney

Legal guardian/conservator

Spouse

Parent

Sibling

Grandparent

Representative payee appointed for the eligible individual by the Social Security Administration

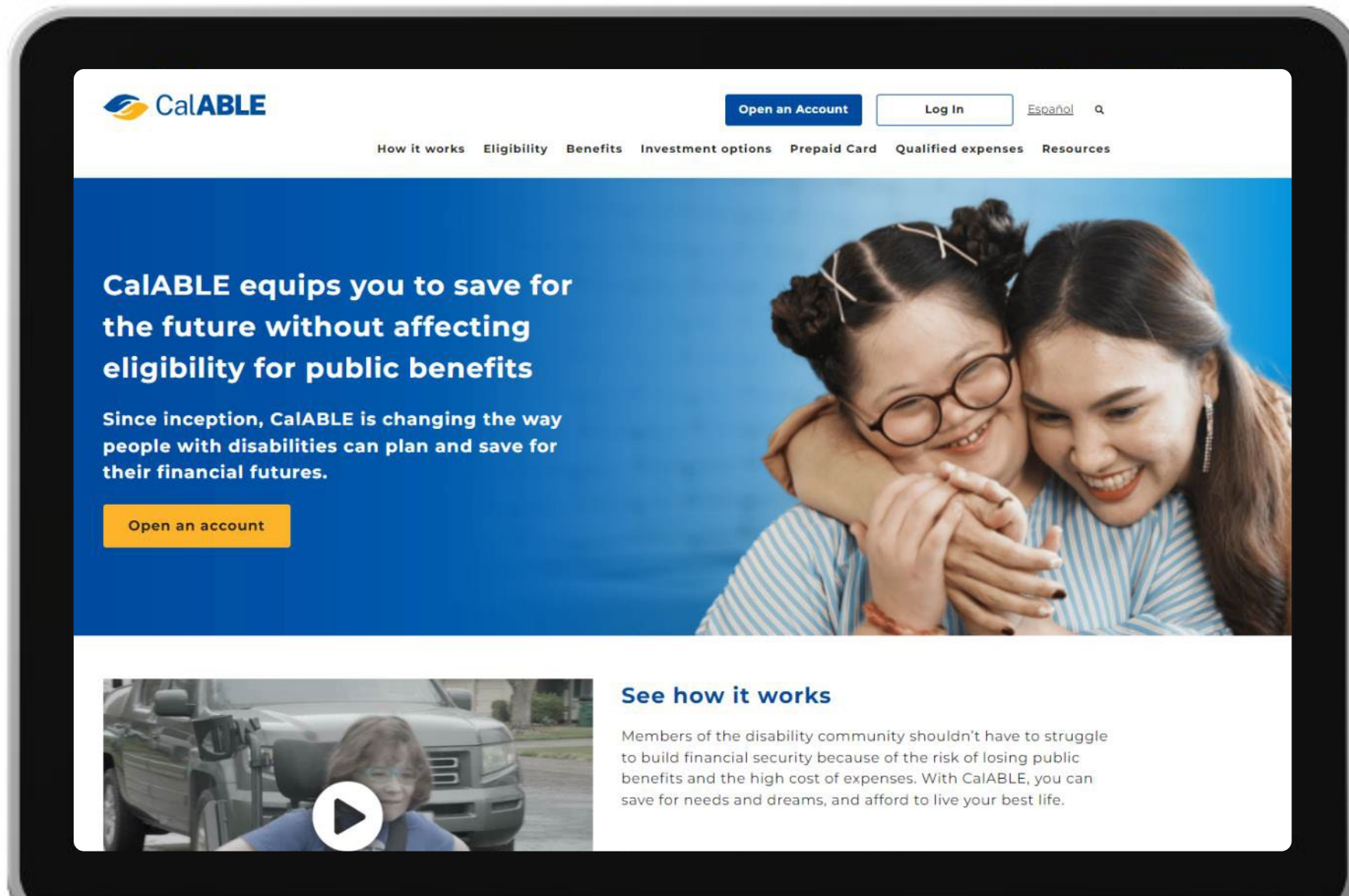
Anyone requested by the account owner

The role of the Authorized Legal Representative

An Authorized Legal Representative (ALR) is someone who is allowed under state and federal law to make decisions for the CalABLE account beneficiary. There can be only one ALR per account, but regardless of who opens the account, the beneficiary is the sole owner of all the funds.



CalABLE.ca.gov



Question 5

How do I maximize my CalABLE Account?

Key Points



Save



Grow



Spend

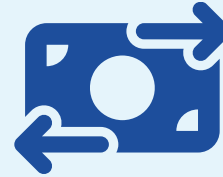
How do I contribute to my account?



Set up recurring
contributions



Set up direct deposit
of SSA/SSI benefits



Set up direct deposit
at work



By check

Ask family and friends to contribute via Gifting!

- Set up a gifting page, and anyone who has a link can contribute towards your goal!
- Gift contributions do not count as income
- Gift contributions count toward your yearly contribution limit. So, if you've already reached the limit, your page will remain public, but no one can contribute again until next year.
- Promote your gift page with your own personalized link that you can post to social media or send via email.





“[For my birthday] I asked folks... this is my ABLE account, you can make a donation. And I ended up getting enough money to put down a downpayment for a two-bedroom, two bathroom mobile home.”

Héctor Ramírez

Account Holder and CalABLE Ambassador

Invest your money

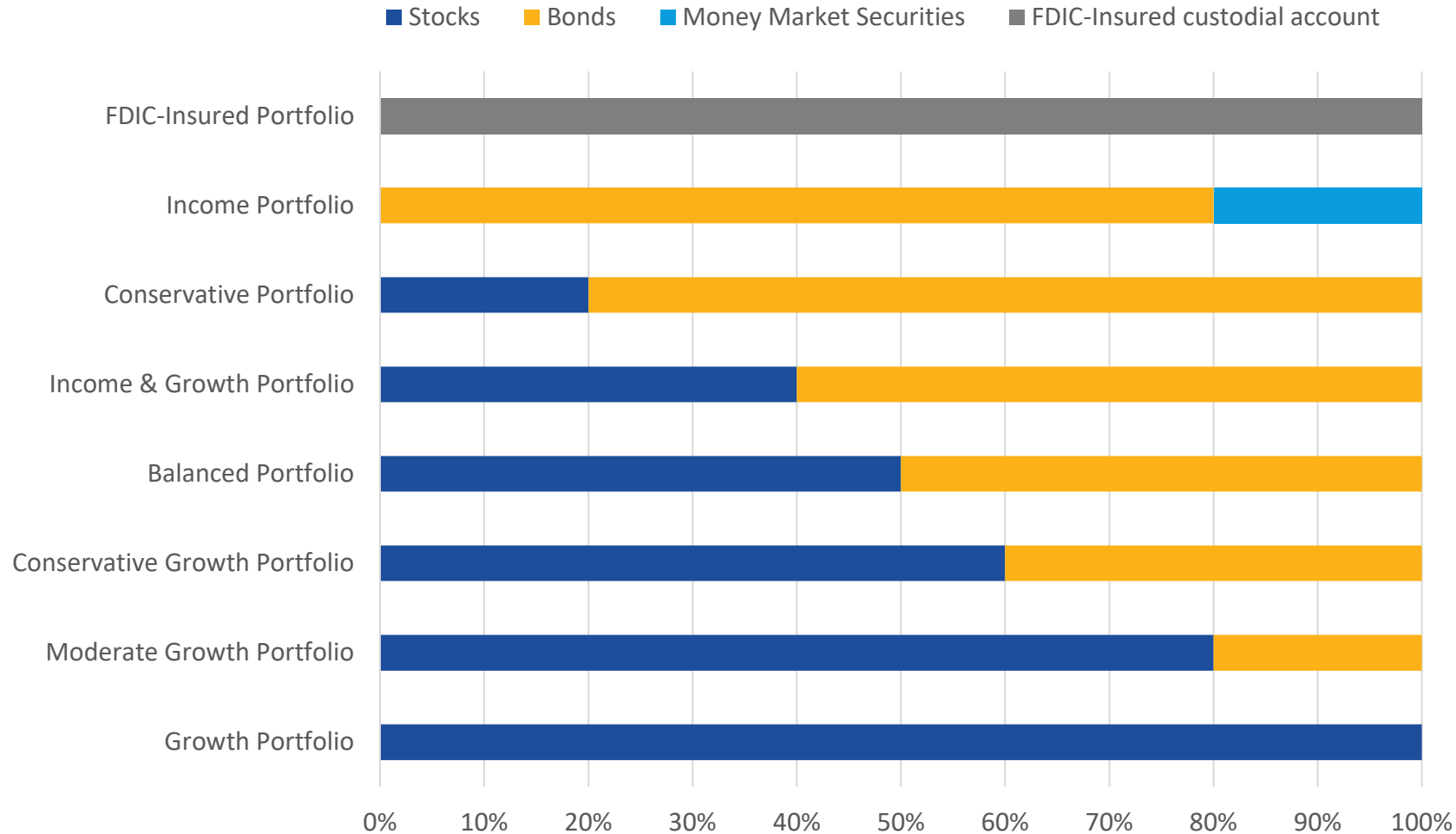
- CalABLE offers professionally managed investment portfolios
- Potential tax-free growth
- Opportunity to build wealth through compound earnings



Please see the appendix for the [allocation of underlying mutual funds by target risk investment option](#).



CalABLE Investment Portfolio Options



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“I am still very young; that is the perfect time to start investing. CalABLE has given me that tool to be able to invest in my future. Just like everyone else.”

Otto Lana

Account holder & ambassador

What are the account fees?

\$3,000 Assumed Assets

	FDIC-Insured Portfolio	Investment Portfolios
Account Maintenance Fee	\$ 30.00	\$ 30.00
Underlying Investment Fees*	\$ 0.00	\$ 0.92 – \$ 2.23
Program Management Fee	\$ 0.00	\$ 3.00
State Administrative Fees	\$ 8.40	\$ 8.40
Total Annual Fees**	\$ 38.40	\$ 42.32 – \$ 46.63

* 0.000% FDIC
0.074% Income

0.060% Conservative
0.041% Income and Growth

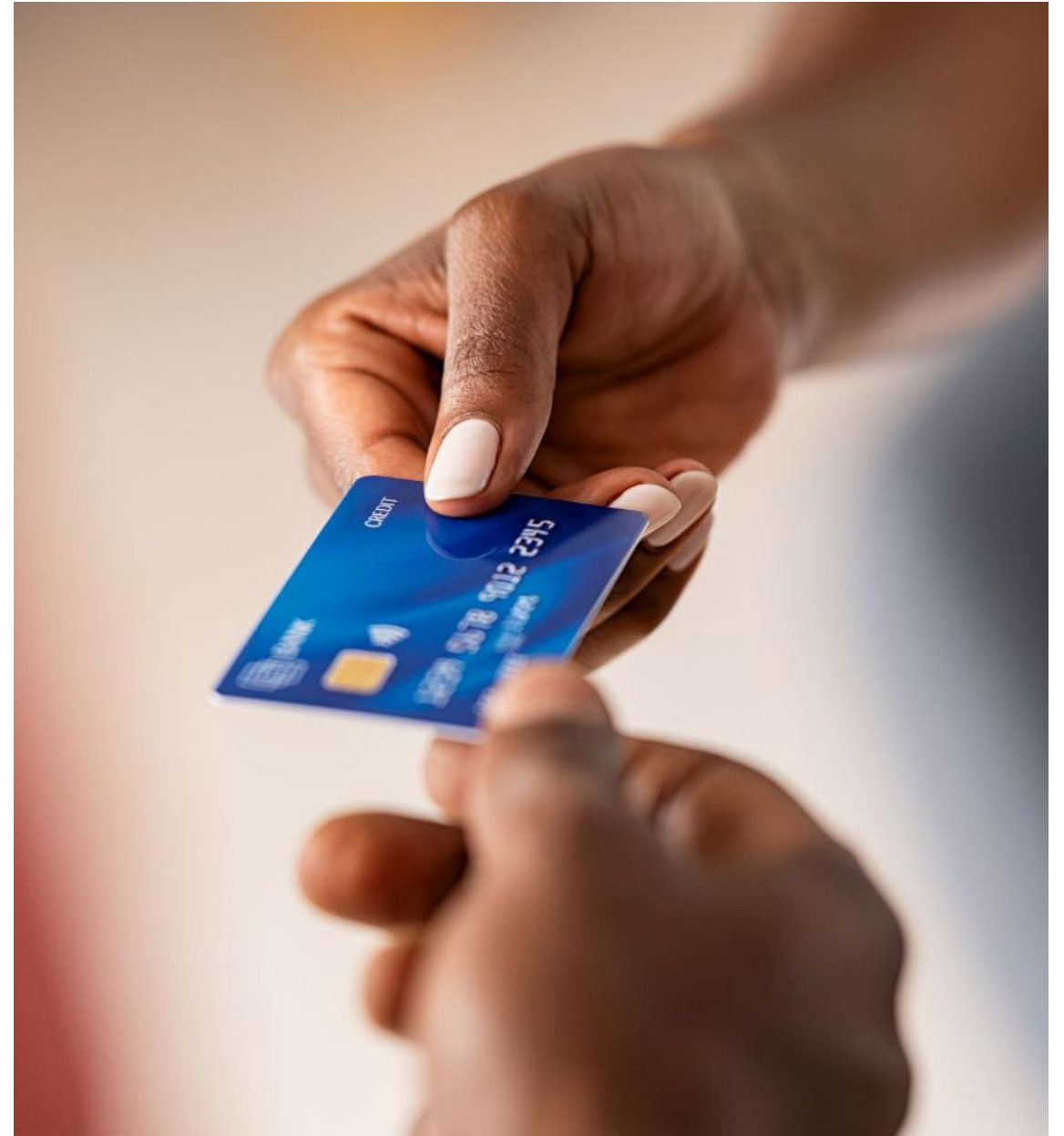
0.036% Balanced
0.032% Conservative Growth

0.031% Moderate Growth
0.031% Growth

** An additional \$10 fee will be assessed if paper statements are selected. There is no fee for e-delivery of statements.

Access your money easily with a prepaid card

- Load funds onto your prepaid card anytime from your CalABLE account
- Use it to pay for qualified disability expenses anywhere Visa® cards are accepted*
- Customize your spending - set where your card will and won't work to avoid fraud
- Track your spending and upload receipts
- You can have two separate cards - one for the beneficiary and one for the authorized legal representative
- No monthly fees



Question 6

Why choose CalABLE?

CalABLE vs. Special Needs Trusts

	CalABLE	Special Needs Trusts
Set Up	Can open by yourself online in 20 minutes or less.	Generally, need to work with an attorney to create.
Ownership & Control	Individual with a disability is the owner. They, or an Authorized Legal Representative, can manage and spend the money.	A Trustee manages the Trust and has sole discretion over spending.
Purchases	Broad range of allowable uses, including food and housing.	Broad range of allowable uses, but not food or housing.*
Cost	Free to open. Fees start at just \$30 a year. Some investment choices have additional fees.	Varies; anywhere from a few hundred to a few thousand to start, plus ongoing costs.
Contribution Limits	Anyone can contribute. Deposits limited to \$18K/year (possibly more if individual is employed)	Contributors are limited (may not include Beneficiary). No deposit limits.
Medi-Cal Payback	Medi-Cal will not seek recovery from a CA resident and CalABLE account.	Only first-party (self-settled) trusts must pay back Medi-Cal.
Investment Options?	Yes, 8 options. Offers ability to grow your money. Account owner chooses how to invest.	Yes, options vary. Offers ability to grow your money. Trustee chooses how to invest.
Taxes	Tax-free withdrawals for qualified expenses.	Earnings are taxed.



Why choose CalABLE?

- CalABLE empowers you to save and plan for your future – You are in the driver's seat
- Your benefits are protected
- Your money is protected from Medi-Cal recovery
- Family and friends can contribute to your account
- You can grow your money tax-free
- You can spend your money on items and experiences that make your life better
- You become a part of the CalABLE Community – **We are CalABLE**





Get Started Today!



Contact Us

CalABLE Service Center

- Phone: 833-Cal-ABLE (833-225-2253) between 6am and 5pm PT
 - For those with a hearing impairment, please contact us at the number above via a relay service
- Customer Support: <https://www.sumday.com/customer-support/calable>
- You can sign up to receive our emails, newsletters and information by scanning the QR code.



Resources



[Partner Toolkit](#)



[YouTube](#)



Brochures



[X](#)



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Disclosure

CalABLE's investment options are selected by the California ABLE Act Board. Account balances in CalABLE will vary with market conditions and are not guaranteed or insured by the California ABLE Act Board, the State of California, the Federal Deposit Insurance Corporation ("FDIC"), Vestwell, or any other organization.

Neither Vestwell nor the California ABLE Act Board are investment or tax advisors and do not provide tax, legal, financial, or other investment advice. You should consult appropriate professional advice or consultation if you have questions related to taxes or investments. Consider the investment objectives, risks, charges and expenses before investing in the CalABLE. Please call toll-free 833-CAL-ABLE for a Disclosure Statement containing this and other information. Read it carefully. Before investing in any savings program, you should consider whether your home state provides its taxpayers with favorable state tax or other benefits that are only available through investment in the home state's savings program.

You also should consult your financial, tax, or other adviser to learn more about how state-based benefits (or any limitations) would apply to your specific circumstances. You also may wish to directly contact your home state's savings program, or any other state savings program, to learn more about those plans' features, benefits and limitations. State-based benefits should be one of many appropriately weighted factors to be considered when making an investment decision.

The FDIC-Insured Portfolio is FDIC-insured up to \$250,000, subject to certain restrictions. Interests in the CalABLE program are not registered with or in any way approved by the Securities and Exchange Commission or by any state securities commission.

CalABLE Staff



Thomas Martin
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Deputy Executive
Director



Madeline Handy
Outreach Specialist



Maria Sandoval
Spanish Outreach
Specialist

A large, stylized graphic of two hands, one above the other, rendered in a lighter shade of blue than the background. The hands are positioned as if they are gently holding or supporting each other. The fingers are slightly curved, and the overall shape is symmetrical.

Thank you!



Q & A

What happens when a CalABLE account holder passes away?

Death of Beneficiary

Funds from a CalABLE account can be used by his or her estate to repay any outstanding eligible expenses, funeral, and burial costs.

When CalABLE is notified of a Beneficiary's death, CalABLE will request satisfactory proof of death and documentation from the executor or administrator of the Beneficiary's estate. Upon receipt of such proof of death, CalABLE will suspend all Account activity, except that the executor or administrator of the Beneficiary's estate will be permitted to take withdrawals from the Account.

Death of Beneficiary Form:

<https://calable.ca.gov/assets/docs/death-of-beneficiary-form.pdf>

An executor or administrator of a Beneficiary's estate should consult with qualified tax and legal advisors regarding the tax treatment of such withdrawals and the potential for Medicaid/Medi-Cal recapture by Medicaid/Medi-Cal or other states.

Medi-Cal Recovery

CalABLE accounts for CA residents are protected against Medi-Cal recovery (SB 218, AB 2216).

However, the state may recover on assets that have transferred from a CalABLE account to an estate, if ALL of the following apply:

The deceased Medi-Cal member was aged 55 or older.

The member leaves an estate that is subject to formal probate. Under current law, only estates that exceed \$184,500 in value are subject to formal probate.

The member received nursing facility services or home and community-based services, including related hospital and prescription drug services.

The member is not survived by a spouse or registered domestic partner, child under 21 years of age, or disabled child of any age.

* As of 1/1/2023, ABLE accounts for CA residents not established in CA are subject to Medi-Cal recover claim

Successor Designated Beneficiary

- A Successor Designated Beneficiary for a CalABLE account must be a sibling, step-sibling, or halfsibling of the designated beneficiary, and must also have a qualifying disability.
- A successor must be added to the account before the death of the beneficiary.
- You can add a successor in the CalABLE portal or using a paper form:
<https://calable.ca.gov/assets/docs/add-edit-remove-successor-designated-beneficiary-form.pdf>



Currently, CalABLE does not have the ability to list a successor Authorized Legal Representative. In the case of the ALR's death, please use the Change of Authorized Legal Representative Form:
<https://calable.ca.gov/assets/docs/change-of-alr-form.pdf>