



Enable and Inheritances or Settlements

Inheritances

When an individual with a disability who relies on SSI receives an inheritance, they must report that inheritance within 10 days after the end of the month in which they receive it.

- That money is considered income in the month it is received. This means an individual may be over the income limit for that month.
- An individual may spend down the inheritance to get under the resource limit of \$2,000 in the month they receive it.
- If there are any remaining assets after that month, those assets are counted as resources and may interfere with the receipt of SSI.
- So long as an individual continues to have more resources than allowed, they will not receive SSI benefits and must pay for expenses that were covered by benefits out of those resources.

Settlements

When an individual with a disability is entitled to a settlement such as from personal injury or class action, the rules under SSI and benefits work largely the same way as with inheritances, in that:

- ✓ The money received is counted as income.
- ✓ They must report that income within 10 days after the end of the month in which they receive it.
- ✓ If there is any money remaining after the month in which they received it, it is a countable resource that may interfere with benefits.
- ✓ If subject to a guardianship or conservatorship, the guardian or conservator must seek court approval before accepting the settlement.

The Enable Savings Plan Can Help!

Prior to the passing of the ABLE Act, individuals with disabilities who rely on resource-based benefits had to be careful to make sure they remained below resource limits. Receiving a large lump sum of money, a situation many people would welcome, was instead a cause for concern for many with disabilities. Now with the Enable Savings Plan, this fear is minimized. Individuals who are eligible for benefits and receive an inheritance or settlement, may place the excess money directly into an Enable Savings Plan account (subject to contribution limits) and preserve benefit eligibility.

EnableSavings.com

What can I do after I receive an inheritance or settlement?

Before the ABLE Act was passed, people had few choices and each of those choices could cost significant amounts of money. Recipients can create a Self-Settled Special Needs Trust to protect eligibility, but there are some downsides to doing so:

- There are usually attorney fees associated with establishing a Special Needs Trust.
- There may be administration fees, such as Trustee fees.
- The recipient no longer “owns” the assets and must request disbursements from the Trustee.
- Assets in Trust can only be used for certain types of expenses.
- Set up and administration fees may make a Trust impracticable for smaller amounts.

Recipients could refuse to accept the money, but if:

- You give away countable resources to make yourself eligible for SSI. This gift may be held against you as if you still own the resources, so you may be ineligible for a number of months that SSA determines you should have had money to spend.
- Money to which you are entitled could be considered a “transfer” for these purposes.

Recipients could accept the money and try to spend it down, but:

- Depending on the amount, it may be difficult to come up with enough ways to spend the money in a month.
- You may end up wasting money on things you don't want or need because you're afraid of losing benefits.

To learn more, visit [EnableSavings.com](https://www.EnableSavings.com) or call 844-362-2534

The Enable Savings Plan (the “Plan”) is sponsored by the State of Nebraska and administered by the Nebraska State Treasurer. The Plan offers a series of investment portfolios within The Nebraska Achieving a Better Life Experience Program Trust. The Plan is intended to operate as a qualified ABLE program to be used only to save for Qualified Disability Expenses, pursuant to the Achieving a Better Life Experience Act of 2014 and Section 529A of the U.S. Internal Revenue Code.

An investor should consider the Plan's investment objectives, risks, charges and expenses before investing.

The Program Disclosure Statement at www.EnableSavings.com, which contains more information, should be read carefully before investing.

Investors should consider before investing whether their home state offers any state tax or other benefits that are only available for investments in such state's qualified ABLE program and should consult their tax advisor, attorney and/or other advisor regarding their specific legal, investment or tax situation.

This material is provided for general and educational purposes only, and is not intended to provide legal, tax or investment advice, or for use to avoid penalties that may be imposed under U.S. federal tax laws. This material is not an offer to sell or a solicitation of an offer to buy any securities. Any offer to sell units within the Plan may only be made by the Program Disclosure Statement relating to the Plan.

Participation in the Plan does not guarantee that contributions and the investment return on contributions, if any, will be adequate to cover future expenses, or that an Account Owner is eligible to participate in the Plan.

Except for the Bank Savings and Checking Investment Options, investments in the Enable Savings Plan are not guaranteed or insured by the FDIC or any other government agency and are not deposits or other obligations of any depository institution. Investments are not guaranteed or insured by the State of Nebraska, the Nebraska State Treasurer, the Nebraska Investment Council or its authorized agents or their affiliates, and are subject to investment risks, including loss of the principal amount invested. FDIC insurance is provided for the Bank Savings and Checking Investment Options up to the maximum amount set by federal law, currently \$250,000.

Investments Are Not FDIC Insured* | No Bank, State or Federal Guarantee | May Lose Value | *Except the Bank Savings and Checking Investment Options
The Nebraska Achieving a Better Life Experience Program Trust Issuer Nebraska Investment Council Investment Oversight

