

Achieving a Better Life Experience Accounts

A-02-18-50357



March 2021

Office of Audit Report Summary

Objective

Our objective was to determine whether Supplemental Security Income (SSI) recipients used, and the Social Security Administration (SSA) verified the values of, Achieving a Better Life Experience (ABLE) accounts.

Background

The *Stephen Beck, Jr., Achieving a Better Life Experience Act of 2014* (Act) established tax-advantaged savings accounts that eligible individuals can use to pay for qualified disability expenses. Per the law, States establish ABLE programs through which eligible individuals can open ABLE accounts. Social Security beneficiaries and SSI recipients may establish ABLE accounts if their disability or blindness began before their 26th birthday. The Act allows each individual to have one ABLE account.

To be eligible for SSI payments, individuals may not have countable resources over \$2,000, and couples may not have countable resources over \$3,000. The Agency excludes up to \$100,000 of ABLE account balances from recipients' countable resources. SSA staff should ensure SSA's systems include evidence of ABLE accounts when SSI applicants, recipients, or deemors allege, or States report, account ownership to SSA. Staff should also record, and determine ABLE account balances' impact on, recipients' countable resources and SSI eligibility during redeterminations.

Findings

SSA created policies and trained its staff on verifying ABLE accounts owned by SSI recipients or their deemors. In addition, the Agency took steps to inform the public about ABLE accounts' availability. As of the date of our audit, less than 1 percent of SSI recipients had obtained ABLE accounts.

We reviewed a sample of 50 of the 11,176 SSI recipients or deemors who had ABLE accounts in SSA's records. Staff verified the monthly ABLE account balances during redeterminations for 32 of the cases but did not verify the balances before they completed redeterminations in 10 cases. SSA had not completed a redetermination since it received data about the accounts in the remaining eight cases.

Also, 3 of the 11,176 recipients or deemors appeared to have more than 1 ABLE account in SSA records, and SSA did not count the second account balances as resources, as policy requires. Including the second ABLE account balances as resources, the three recipients were over the resource limit for SSI eligibility for the months they had two ABLE accounts listed, receiving \$18,140 for which they were not eligible.

We also reviewed 6,890 additional ABLE accounts States reported to SSA that were still pending initial processing by the Agency. As of the date of our audit, SSA had completed redeterminations for 563 of the 6,890 cases. In 16 of the 563 cases, the ABLE account information remained in a pending status after SSA staff completed redeterminations even though SSA's system alert should have prevented staff from closing the redeterminations with the pending resources.

Recommendations

We made five recommendations in our draft report focused on improving SSA's oversight of SSI recipients with ABLE accounts. SSA disagreed with three of the recommendations. Based on SSA's comments, we revised one, and removed another, recommendation in the final version of this report. SSA disagreed with our third recommendation, but we did not change it because we continue to believe the system alert SSA has to address unresolved State-reported ABLE data before closing redeterminations is not fully effective.