



Update on ABLE Act, Avonte's Law, and the Federal Employees Health Benefits Program

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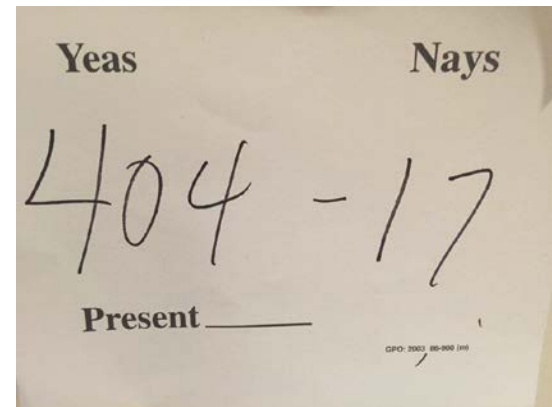
Some Context and Background for ABLE

Many in the autism community have limited assets and difficulty affording health care, housing, and other necessities. People with disabilities earn less and often rely on programs that are means-tested.

- In 2014 for people aged 18 to 64 with a disability, the poverty rate was 28.5 percent. For people aged 18 to 64 without a disability, the poverty rate was 12.3 percent.
- The Supplemental Security Income (SSI) program has a \$2,000 resource limit for individuals. By qualifying for SSI, individuals in most states also qualify for Medicaid. When SSI recipients have income and resources over the limit, their SSI benefits are suspended but they remain eligible for Medicaid.

The ABLE Act

The Stephen Beck, Jr., Achieving a Better Life Experience (ABLE) Act, which became law on December 19, 2014, creates a new option for *some* people with disabilities and their families to save for the future while protecting eligibility for public benefits.

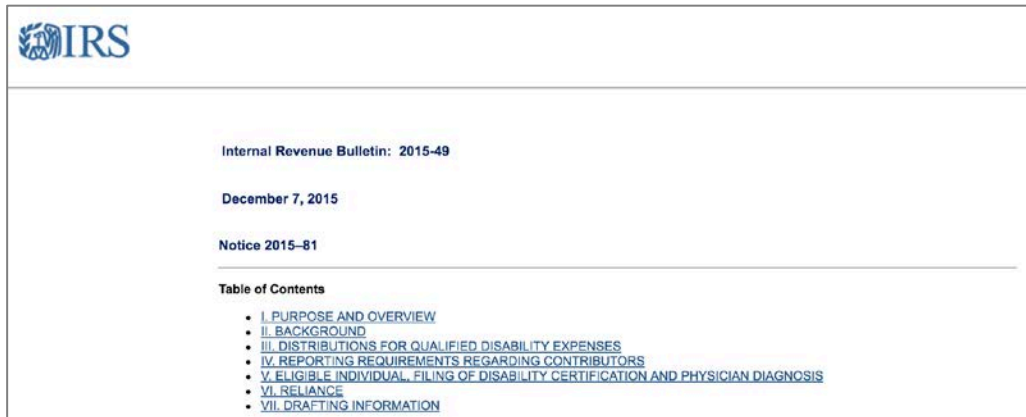


The ABLE Act

The act authorizes states to establish a qualifying program under which an account may be created by or for an individual with autism or another disability.

- Modeled after college savings accounts, ABLE accounts enable people to save for disability-related expenses on a tax-preferred basis.
- Assets in ABLE accounts will generally be disregarded by means-tested federal programs like SSI and Medicaid.

Eligibility



Federal law determines who is eligible for an ABLÉ account. To qualify, an individual must

- 1) be disabled before age 26; and
- 2) be entitled to benefits under title II (SSI) or title XVI (SSDI) of the Social Security Act

OR

file a “disability certification” under guidance provided by the IRS.

Rules, Rules, Rules

ABLE accounts have features both common to and distinct from college savings accounts:

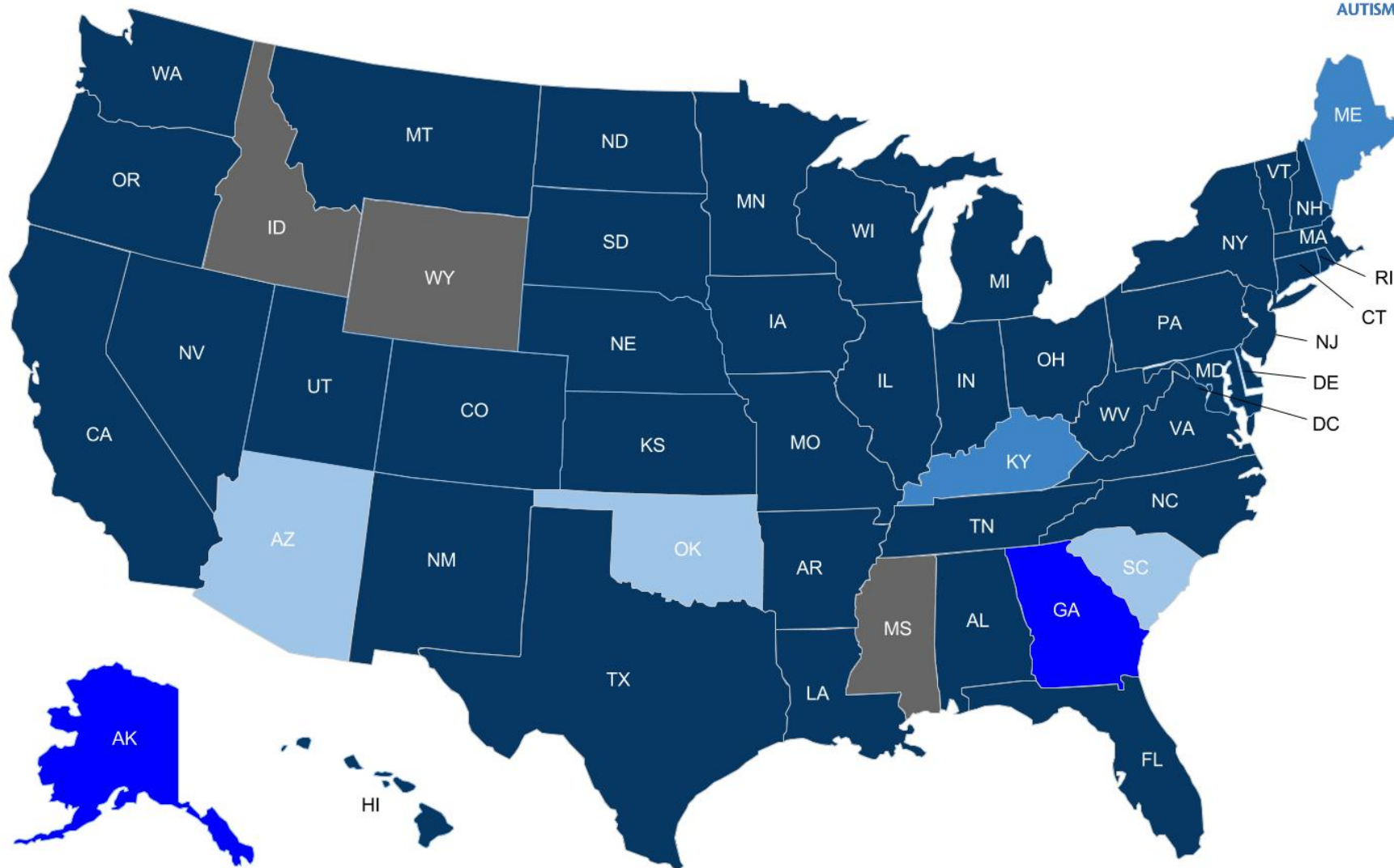
- An eligible individual may have only one ABLE account.
- The beneficiary of an ABLE account owns the account.
- Total annual contributions may not exceed the federal gift tax exclusion, which is currently \$14,000.
- Aggregate contributions may not exceed the state limit for college savings accounts.
- When an ABLE account beneficiary who receives Medicaid benefits dies, amounts remaining in the account may be subject to a claim for medical assistance paid on behalf of the beneficiary.
- A resident of one state can open an ABLE account in the resident's home state or any other state.

How May Funds from an ABLE Account Be Used?

Distributions from an ABLE account may be made for qualified disability expenses related to the individual's disability or blindness and made for his or her benefit, including the following:

- Education
- Housing
- Transportation
- Employment training and support
- Assistive technology and personal support services
- Health, prevention, and wellness
- Financial management and administrative services
- Legal fees
- Expenses for oversight and monitoring
- Funeral and burial expenses
- Any other expenses approved by the Secretary of the Treasury

State ABLE Implementation Map 2016



Signed by Governor

Enacted legislation authorizing
study of ABLE program

Pending Governor's
Signature

Introduced

No bill

ABLE Program Implementation



*Part of a multi-state consortium working to implement accounts

Future Directions

Three new ABLE bills are pending in Congress:

- The ABLE to Work Act (H.R. 4795/S. 2702) would allow individuals and their families to save more money in an ABLE account if the beneficiary works and earns income.
- The ABLE Financial Planning Act (H.R. 4794/S. 2703) would allow amounts in a college savings account to be rolled over into an ABLE account and amounts in an ABLE account to be rolled over into college savings account.
- The ABLE Age Adjustment Act (H.R. 4813/S. 2704) would raise the qualifying age for ABLE accounts from 26 to 46.

Avonte's Law

Following the death of 14-year old Avonte Oquendo in 2014, Senator Chuck Schumer of New York introduced legislation to safeguard children with autism who wander. The legislation did not pass the 113th Congress.

MISSING PERSON

Avonte Oquendo
New York City, NY. (Queens)



Name:	Avonte Oquendo
Date Missing:	October 4 th 2013
Missing From:	New York, NY. (Queens)
DOB:	August 30 th 1999
Age:	14 Years-Old
Hair Color:	Black, (short in a fade)
Height:	5' 3"
Weight:	125 lbs.
Eye Color:	Brown
Sex:	Male
Race:	Black / Hispanic
Complexion:	Light
Police/Sheriff:	New York City Police Dept.
Officer/Deputy Name:	
Officer's Phone #:	(718) 520-7856
Officer's Case #:	1091 112 th Pct. Case # 3767
TES Case #:	13-1399

14 year-old Avonte Oquendo disappeared in Long Island City (Queens) New York, New York on October 4th 2013. Avonte is Autistic, unable to verbally communicate and requires adult supervision, which makes it a critical situation to locate him. Avonte was last seen wearing a white Polo shirt with gray horizontal stripes, dark blue (almost black) pants and solid-black Jordan basketball shoes. It is urgent that Avonte is located immediately. If you have seen Avonte since his disappearance, if you know of his current whereabouts, or if you have any information concerning his disappearance; please contact the New York City Police Department at (718) 520-7856 - or call Texas EquuSearch at (281) 309-9500.



Call Toll Free 877-270-9500

Call Main: 281-309-9500

info@TexasEquuSearch.org



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Avonte's Law Becomes Kevin and Avonte's Law

- Senator Schumer reintroduced Avonte's Law in the 114th and current Congress.
- The legislation has since changed and been reintroduced by Senators Chuck Grassley, Thom Tillis, and Schumer as Kevin and Avonte's Law of 2016 (S. 2614). Kevin Curtis Wills was a nine-year old boy who jumped into the water near an Iowa park in 2008 and drowned.

Kevin and Avonte's Law Provisions

Reauthorizes the expired Missing Alzheimer's Disease Patient Alert Program (renaming it the Missing Americans Alert Program) and includes new provisions to support people with autism and other developmental disabilities.

- The bill allows Justice Department grants to be used by law enforcement agencies and nonprofits for education and training programs to prevent wandering.
- The grants will facilitate training and emergency protocols for school personnel, supply first responders with additional information and resources, and make local tracking technology programs available for individuals who may wander from a safe environment.
- The bill also includes privacy protections to protect the civil rights of children who use tracking devices.

Status of Kevin and Avonte's Law

On April 14th, the Senate Judiciary Committee reported out Kevin and Avonte's Law by a vote of 15-5. The bill has been placed on the Senate legislative calendar.



Companion Legislation

H.R. 4919, a companion to the Senate bill, was introduced in the House last week by Representative Chris Smith and Representatives Maxine Waters and Mike Doyle.



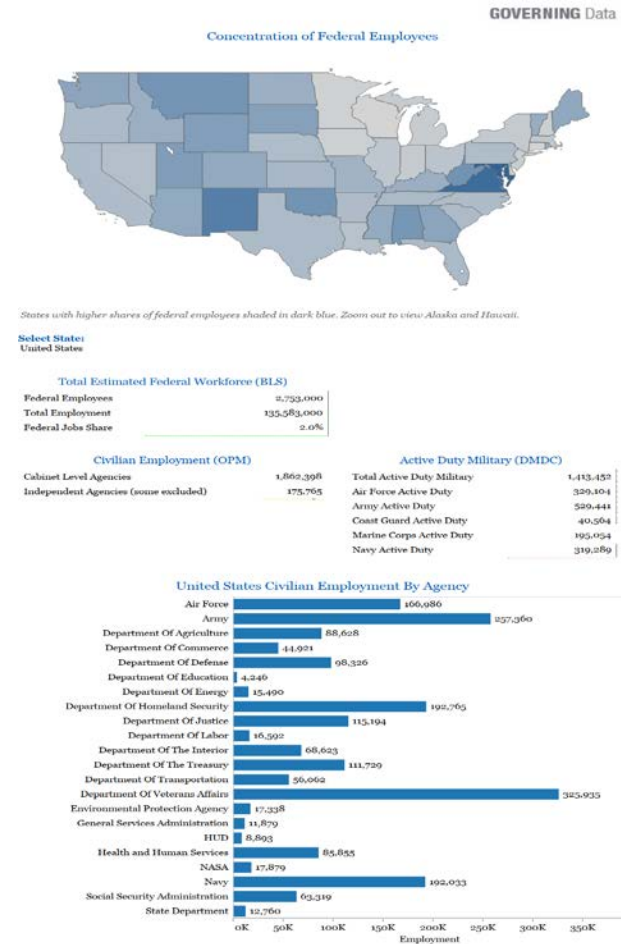
Overview of FEHB



- The Federal Employees Health Benefits Program is the largest employer-sponsored health insurance program in the country, covering about 8.2 million enrollees each year. Employees and retirees make up about half of that figure.
- The program allows competing private insurers to offer coverage within broad federal guidelines. Each carrier offers one or more plans. There are typically more than 250 different health plans to choose from.
- Generally, plans fall into two broad categories: fee-for-service (FFS) plans or health maintenance organizations (HMOs). FFS plans are generally available nationwide, and HMOs tend to be locally available.
- The most popular insurance carrier in FEHB is Blue Cross and Blue Shield (BCBS). It has a 67% market share. The top ten carriers in FEHB cover 94% of the market.

Federal Workforce

The federal jobs share is about 2% of the entire workforce. Federal employees are most concentrated in the District of Columbia (27%) Hawaii (6%), Maryland (6%), and Virginia (5%).

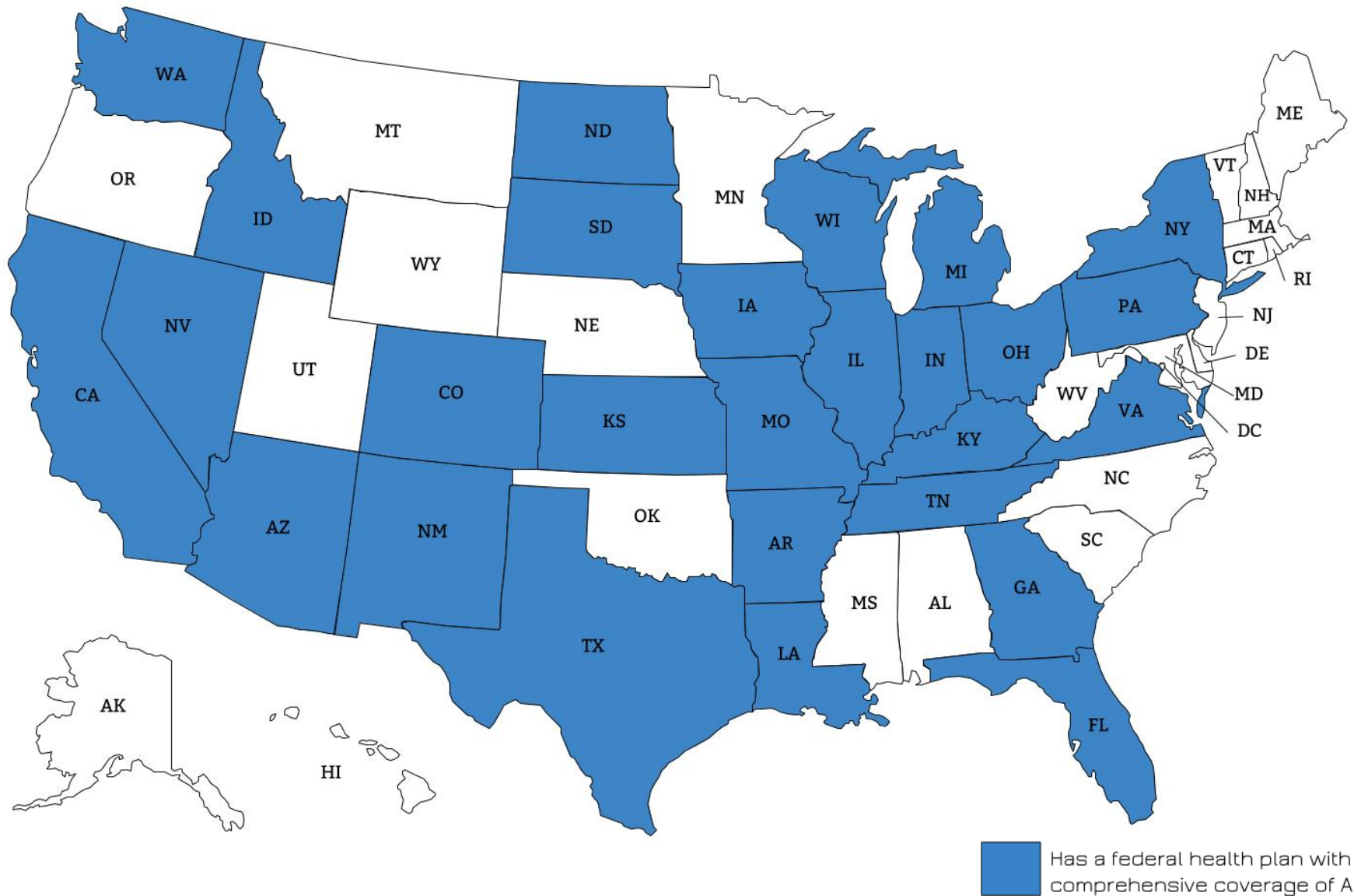


Source: Total federal workforce estimates compiled from BLS Current Employment Statistics for July 2013. Agency totals reported by U.S. Office of Personnel Management, current as of March 2013. Active duty military totals provided by Defense Manpower Data Center on Oct. 2, 2013.

ABA and FEHB

- In 2012 the Office of Personnel Management (OPM), which manages the FEHB program, recategorized applied behavior analysis (ABA) as a medical benefit and allowed plans to propose benefit packages that included ABA for 2013.
- Despite encouragement from OPM, coverage of ABA changed little from 2013 through 2016. The coverage map for 2016 looks as follows:

FEHB ABA Coverage Map 2016



Current FEHB ABA Coverage

The 2016 map shows significant gaps in ABA coverage:

- none of the 15 nationwide health plans cover ABA.
- Although close to 15% of the federal workforce lives around the national capital, only one area health plan offers coverage; no coverage is available for FEHB participants who live and work in the District of Columbia or Maryland.
- Major metropolitan areas such as Boston, Charlotte, and Nashville lack coverage.
- Arizona, Georgia, Idaho, Kentucky, North Dakota, South Dakota, Tennessee, and Washington gained coverage in 2016, but Massachusetts and West Virginia lost coverage from 2015.

Announcement of New Coverage for 2017

FEHB Program Carrier Letter
All FEHB Carriers

U.S. Office of Personnel Management
Healthcare and Insurance

Letter No. 2016-03

Date: February 26, 2016

Fee-for-service [3]

Experience-rated HMO [3]

Community-rated HMO [3]

SUBJECT: Federal Employees Health Benefits Program Call Letter

- In its annual call for rate and benefit proposals from FEHB carriers, OPM announced that carriers may no longer exclude ABA for the treatment of autism. “Appropriate coverage of ABA treatment by all plans/options is necessary.”
- The letter further states that “We expect all carriers to offer clinically appropriate and medically necessary treatment for children diagnosed with ASD. [Carriers] may provide coverage for ABA as a fully case managed benefit, a pre-authorized service, and/or an in-network benefit only.”