

LEGISLATION & PUBLIC INFORMATION UNIT

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April 24, 2017

Honorable Ricardo Lara Chair, Senate Appropriations Committee California State Senate Capitol Building, Room 2206 Sacramento, CA 95814

RE: SB 218 (DODD) - SUPPORT

Dear Senator Lara:

Disability Rights California (DRC), a non-profit advocacy organization that advances and protects the rights of Californians with disabilities, supports SB 218.

California recently adopted the Stephen Beck, Jr., Achieving a Better Life Experience Act of 2014, which allows certain individuals with disabilities to accumulate savings without losing their eligibility for means tested SSI, Medicaid and other government benefit programs. The money in an ABLE account can be used to pay for a broad range of "qualified disability expenses."

In order to encourage qualified individuals with disabilities to participate in the CalABLE program, SB 218 will prohibit the state seeking distribution of any amount remaining in the designated beneficiary's ABLE account for any amount of medical assistance paid under the state's Medicaid plan and would prohibit the state from filing a claim for the payment. Instead, the designated beneficiary would be allowed to transfer all amounts in the beneficiary's ABLE account to another individual's ABLE account specified by either the designated beneficiary or the estate of the designated beneficiary to

use the money they have saved in the way they'd like instead of allowing the state to take it back for services rendered.

ABLE accounts can help provide financial security for people with disabilities and have the potential to break the cycle of poverty that often results from the inability to save money as a result of receiving public benefits. Removing the Medicaid payback provision (Section 1369p of Title 42) for CalABLE accounts and allowing designated beneficiaries to transfer their money will calm these fears, encourage program enrollment, as well as increase contribution levels.

For these reasons, we support this bill. Please contact me if you have any questions about our position on this bill.

Very truly yours,

Curtis Child

Legislative Director

Disability Rights California

cc: Honorable Bill Dodd, California State Senate
Leslie Spahnn, Legislative Director, Office of Senator Dodd
Honorable Members, Senate Appropriations Committee
Brendan McCarthy, Consultant, Senate Appropriations Committee