



May 5, 2026

Honorable Marvin L. Abney, Chairman
House Committee on Finance
Room 35, State House
Providence, RI 02902

RE: 2026 –H 7687 – An Act Relating to Human Services – Public Assistance Act

Dear Mr. Chairman:

The Executive Office of Health and Human Services would like to share concerns relating to H- 7687, an act that would exclude individual retirement accounts as a countable resource for the General Public Assistance program administered by the Department of Human Services. This bill would also prevent the Executive Office of Health & Human Services (EOHHS) from seeking recovery upon the death of a designated beneficiary from any ABLE savings trust account or its proceeds for benefits provided to a designated beneficiary.

Achieving a Better Life Experience (ABLE) accounts allow individuals to accumulate assets tax-free without impacting their eligibility for Medicaid and other federal assistance programs such as SSI while they are alive, so that they can use those resources to pay for specific needs related to their disability.

Under § 529A of the Internal Revenue Code, 26 U.S.C. § 529A, when an ABLE account owner dies with funds in an ABLE account, those funds must be used in the following order:

1. To pay any outstanding Qualifying Disability Expense bills including funeral expenses;
2. To provide payback to Medicaid for all Medicaid benefits received, if the Medicaid program files a claim for such recovery (the “Medicaid payback provision”); and
3. To be distributed to the account holder’s legal beneficiaries.

This bill attempts to prohibit the state’s current ability to recover from beneficiary estates by eliminating the state as a creditor, which would significantly impact recoveries and would result in a net increase in Medicaid program expenditures. The purpose of the ABLE account is narrowly to meet the disabled person’s own needs, and the importance of meeting those needs during life is the only reason that the asset accumulation above the usual Medicaid limits is permitted during life. When the individual has passed away, and any outstanding qualifying disability expenses are paid, including funeral expenses, the purpose of the ABLE account (to meet the person’s disability-related needs) has been served.

EOHHS would welcome any discussion about this legislation and staff are available to assist with any questions or concerns.

Sincerely,

Richard Charest, R.Ph., MBA
Secretary, Executive Office of Health and Human Services

Cc: Honorable Members of the House Committee on Finance
Honorable David A. Bennett
Nicole M. McCarty, Esq., Chief Legal Counsel to the Speaker
Lynne Urbani, Director of House Policy