

**HB**

**65**



**TONY KNOWLES, GOVERNOR**  
State of Alaska

**GOVERNOR'S COUNCIL ON DISABILITIES AND SPECIAL EDUCATION**

P.O. Box 240240 • Anchorage, Alaska 99524-0240 • Phone: 907-563-5355 • Fax: 907-563-5357

April 26, 1995

Senator Lyda Green  
State Capitol Room 423  
Juneau, AK 99811-1182  
(907) 465-3805 fax

Dear Senator Green,

Thank you for requesting information from the Governor's Council about House Bill 65 and implications for people with disabilities.

As you know, assistive technology is equipment that helps people with disabilities live and work independently. Assistive technology may be as simple and inexpensive as a cane or as complex and costly as a voice-activated computer.

Some Alaskans with disabilities do not qualify for regular lending programs. House Bill 65 will assist these individuals in acquiring assistive technology with minimal government assistance. A loan guarantee program could complement the existing technology lending programs and funding for home modifications.

The Council's Work Committee has not completed its review of the bill. We have heard some comments that Section 1(c)(5) is potentially awkward, as individuals who require a loan guarantee might find it difficult to be employed for 90 days without accessible transportation. However, the Council has supported similar legislation in years past.

Thank you again for the opportunity to be of assistance. If you have further questions, please contact the Council office at 563-5355.

Sincerely,

A handwritten signature in cursive script that reads "Leslie H. Yamamoto".

Leslie Yamamoto  
Council Chair

CS FOR HOUSE BILL NO. 65(HES) am  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
NINETEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Amended: 4/21/95  
Offered: 3/22/95

Sponsors: REPRESENTATIVES PORTER, Davies, Brice, Brown, Mackie, B.Davis, Finkelstein, Kubina, Kott, Elton, Foster, Ivan, Robinson, Nicholla, Williams, James, Rokeberg, Ogan

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing a loan guarantee and interest rate subsidy program for  
2 assistive technology."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4     • Section 1. AS 23.15 is amended by adding a new section to read:

5             Sec. 23.15.125. ASSISTIVE TECHNOLOGY LOAN GUARANTEE AND  
6 INTEREST SUBSIDY PROGRAM. (a) An assistive technology loan guarantee fund  
7 is established in the agency. The fund consists of money appropriated to it. The  
8 agency may solicit and accept available public and private money for distribution from  
9 the fund.

10             (b) Subject to (c) and (d) of this section, the agency may use money in the  
11 fund established under this section to guarantee 90 percent of the principal amount of  
12 a loan or to subsidize the interest rate of a loan guaranteed by the agency for  
13 appropriate assistive technology that is best suited for enabling a person with a  
14 disability to

- 1 (1) obtain or maintain employment; or
- 2 (2) live more independently.

3 (c) The agency may guarantee a loan or subsidize the interest rate of a loan  
4 guaranteed under this section if

5 (1) the loan is made to a person with a disability or a member of the  
6 person's family to obtain assistive technology for the person with a disability within  
7 the limitations of (4) of this section;

8 (2) the loan is originated and serviced by a state or federally chartered  
9 financial institution located in the state;

10 (3) before a loan guarantee or subsidy is requested from a lending  
11 institution, the agency determines that the person requesting the loan guarantee or  
12 subsidy is not able to obtain the needed assistive technology from a less costly source;

13 (4) the lending institution determines that the person or the family of  
14 a child reasonably can be expected to repay the loan given their expected income or  
15 other resources; and

16 (5) for a loan to modify a vehicle to provide transportation for a person  
17 with a disability, the applicant has been steadily employed for the 90 days immediately  
18 preceding the date of the loan application.

19 (d) The director shall establish an assistive technology loan committee within  
20 the agency. The committee shall consist of the director, or the director's designee, a  
21 representative of a financial institution who is experienced with consumer loans, and  
22 at least one but not more than three persons with disabilities. The committee shall

23 (1) establish guidelines for providing loans under this section, including  
24 guidelines relating to the maximum amounts and duration of loans and guidelines to  
25 ensure that persons with disabilities who live in rural or remote areas of the state have  
26 adequate access to loans under this section;

27 (2) annually establish the percentage of money in the fund that may be  
28 used for subsidizing the interest rates on loans guaranteed under this section; and

29 (3) make reports and recommendations to the legislature on the  
30 operation of the loan program.

31 (e) In this section,

1 (1) "assistive technology" means durable equipment, adaptive aids, and  
2 assistive devices;

3 (2) "person with a disability" means a handicapped individual or an  
4 individual having a physical or mental disability.

# Alaska State Legislature

## Representative Brian S. Porter

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ANCHORAGE AK 99501-2111  
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FAX (907) 258-5510

### DISTRICT 20

#### Sponsor Statement

#### HB 65 Assistive Technology Loan Guarantees

##### What is the program?

An emerging public-private sector partnership to establish a loan guarantee or interest subsidy program which will enable persons with disabilities to purchase assistive technologies necessary to their independence.

##### Who will be affected?

Persons with disabilities, their families, employers and businesses.

##### What is Assistive Technologies?

Simply put, these devices and services that can help people live, learn, work and play within their communities. These tools range from simple eyeglasses, hearing aids and walkers to computers that talk and lift-equipped vans.

##### Why do we need this fund?

From a '93 study by the University of Alaska, over half of all middle-income persons with disabilities (58%) in the state do not have access to the equipment which can help them live more sufficient lives.

##### What are the benefits?

- Through the program, low-interest loans will be repaid and funds will continue to stimulate economic growth for years to come. According to other enacted states, on average, the overall default rate as of December 1993 is 5.2%
- Businesses will improve accessibility of their facilities through these loans and expand customer and labor markets.
- Employment of disabled workers will be promoted, reducing workers' compensation costs and developing additional work force that can be tapped.
- Need for public support will be reduced
- Persons with disabilities will make valuable contributions to their community

##### How will the program work?

The State of Alaska will guarantee up to 90% of the loan principal amount or subsidize the interest of a loan to a financial institution. Persons with disabilities will directly apply to their local bank for an assistive technology loan.

##### What about the cost?

Anticipated federal funding of \$100,000 will "seed" this initiative with no impact on the current state budget.

# FISCAL NOTE

BILL NO. HB 65

STATE OF ALASKA  
 1995 LEGISLATIVE SESSION  
 Revision Date: March 17, 1995  
 Title: An Act establishing a loan guarantee and interest rate  
 subsidy program for Assistive Technology.  
 Sponsor: Representative Porter  
 Requestor: Representative Porter

Department Affected: Education  
 BRU: Vocational Rehabilitation  
 Component: Assistive Technology

COMPONENT SERIAL NO. 1202

**Expenditures/Revenues:**

(Thousands of Dollars)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS	100.0	100.0	100.0	0	0	0
<b>TOTAL OPERATING</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>CAPITAL</b>						
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<b>REVENUE FUND SOURCE:</b>						
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**FUNDING:**

(Thousands of Dollars)

1002 Federal Receipts	100.0	100.0	100.0	0	0	0
1003 GF March						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MITTA						
Other						
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY95) impact: \$ 0

**ANALYSIS: (Attach a separate page if necessary.)**

The fund would be capitalized with \$100,000 per year for three years. Banking institutions are in agreement with this legislation and have given their support. These loans would benefit individuals who are working but do not qualify for a loan without an interest subsidy or loan guarantee.

Prepared by: Stan Ridgeway, Deputy Director *Stan Ridgeway* Phone: 465-6932  
 Division: Vocational Rehabilitation Date: March 17, 1995  
 Approved by Commissioner: *Shirley Holloway* Shirley Holloway, Ph.D.  
 Agency: Education Date: March 17, 1995

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Juneau, Alaska 99801-2105

MEMORANDUM

March 17, 1995

**SUBJECT:** Sectional Analysis of HB 65 (Work Order No. 9-LS0302A)

**TO:** Representative Brian Porter  
Attn: Patrick

**FROM:** Terri Lauterbach *TML*  
Legislative Counsel

As you requested, this memorandum is a sectional analysis of HB 65. Since you have not asked any questions about the effect of the bill, this memorandum is brief. If you have specific questions about the bill, please let me know, and I will attempt to answer them.

Section I.

This section establishes an assistive technology loan guarantee and interest subsidy program that will be administered by the division of vocational rehabilitation with the assistance of an advisory committee. Subsections (b) and (c) explain the requirements relating to the purpose of the loans and other factors involved in granting the loans.

TML glc  
95-234 glc



# DENALI STATE BANK

119 N. Cushman Street • (907) 458-1400 • FAX (907) 458-2140 • P.O. Box 74668 • Fairbanks, Alaska 99707-4608

February 17, 1995

Legislature of the State of Alaska  
and appropriate sub-committees

RE: HB65

This letter is in support of passage of House Bill 65, "An act establishing a loan guaranty and interest rate subsidy program for assistive technology".

I wish to thank the sponsors of this bill for their active efforts in introducing this bill.

I heartily support the intent of this legislation to provide funding to establish a loan guaranty and interest rate subsidy for people in need of durable equipment, adaptive aids, and assistive devices. As proposed in the bill, this will allow the commercial lending institutions to participate in a much needed program. The burden of paperwork and servicing of these loans will be handled by the financial industry and relieve the State of Alaska from much of the detail necessary to administer one of these programs.

Many of the individuals and families involved with disabilities have struggled to maintain financial independence and an independent living style. The guaranty program will allow the financial institutions to be more flexible in both the amount of loan funds available and the term of the loan that can be made to assist these people.

Once again, I ask for your support in passage of this bill. Please contact the undersigned if you have any further questions.

Sincerely yours,

A handwritten signature in cursive script that reads "Gary Roth".

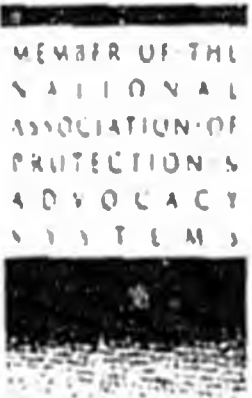
Gary Roth  
President and Chief Executive Officer

GR/bf



**ANCHORAGE**

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FAX (907) 349-1002  
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MEMBER OF THE  
NATIONAL  
ASSOCIATION OF  
PROTECTION &  
ADVOCACY  
SYSTEMS

Alaska State Legislature  
Representative Brian S. Porter  
State Capitol, Room 118  
Juneau, Alaska 99801-1182

March 20, 1995

*Re: House Bill No. 65*

Dear Representative Porter:

*The Assistive Technology Loan Guarantee and Interest Subsidy Program is a wonderful balance between empowering individuals with disabilities and at the same time, placing no financial burden upon the state. HB 65 represents an opportunity for individuals with disabilities to secure low-interest loans for crucial devices that assist in employment and independent living.*

A current example in Alaska; there are very few funding streams available to aid with the costly, yet essential need to modify vehicles [the approximate cost to modify a van to accommodate a wheelchair is \$10,000]. This loan fund provides a niche for those individuals or families ineligible for other benefit programs.

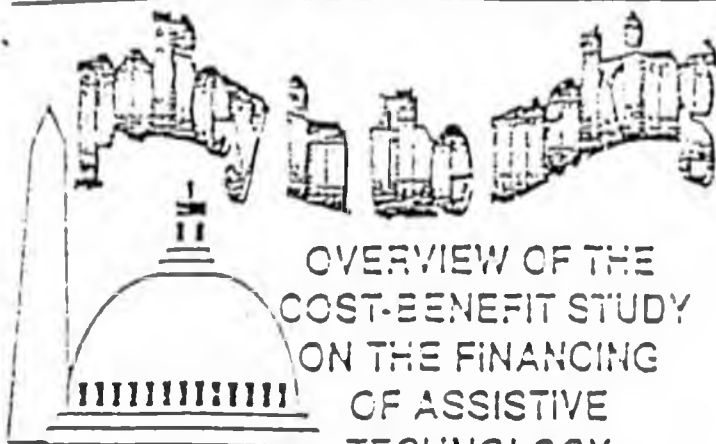
**Real life scenarios:**

Mom can no longer lift her now teenage son with cerebral palsy into the car. Dad is at work and not available during the daytime hours to provide assistance. The family income makes them ineligible for Independent Living Services and yet, the income is not high enough to qualify for a regular loan. Teenage son is going to be remaining at home for many afternoons to come without the availability of this loan program.

An adult with quadriplegia needs a computer to run her up and coming business. She is unable to locate funding elsewhere but is also considered a "bad risk" by traditional lending institutions because she has a disability. Does she give up her efforts to realize her dream? Maybe. However, it would be a nicer ending to say she secured a low-interest loan through the Assistive Technology Loan Fund.

Therefore, the Disability Law Center of Alaska fully endorses the concept of an Assistive Technology Loan Fund. HB 65 serves to help in a constructive fashion.

Sincerely,  
*Cynthia L. Berger*  
Cynthia L. Berger  
Staff Attorney



## OVERVIEW OF THE COST-BENEFIT STUDY ON THE FINANCING OF ASSISTIVE TECHNOLOGY FOR INDIVIDUALS WITH DISABILITIES

By Michael Morris

Title II of the *Technology-Related Assistance For Individuals With Disabilities Act (P.L. 100-407)* requires that a study on the financing of assistive technology be conducted by the National Council on Disability (NCD). Over a period of nineteen months, the NCD engaged in a variety of efforts to collect pertinent information and viewpoints regarding the financing of assistive technology devices and services for all individuals with disabilities.

At their September meeting, the council will be reviewing the findings and recommendations of their study and a report will then be sent to the president and Congress. Specifically, the study will recommend ways in which federal and state laws, regulations, procedures, and practices can be changed to enhance the financing of assistive technology devices and services for individuals with disabilities of all ages.

Until now, there has not been research data - except anecdotal information - to substantiate the impact and benefits of the use of assistive technology by children and adults with disabilities. As part of this study, NCD, with the assistance from seven Tech Act states, studied 145 persons with disabilities to evaluate the costs and benefits associated with the use of different kinds of technology-related assistance. Individuals surveyed completed a written questionnaire and then participated in a telephone interview. The 145 individuals involved in this portion of the study were from four age groups: infants and toddlers, school-age children, working-age individuals, and senior citizens.

The survey questions were structured to learn more about the impact and benefits to the individual of using assistive technology in terms of health status, independence, productivity, integration, and prevention of secondary disabilities. Preliminary study results from the sample group document the significant impact and benefits as compared to costs of different kinds of technology-related assistance.

### Preliminary Findings

The survey found among other things that, in part, because of access to assistive technology devices and services:

- ◆ The majority of infants with disabilities were reported to have had fewer health problems.
- ◆ 66 percent of the families with children with disabilities were able to use childcare or reduce parental care.
- ◆ Almost three-quarters of the school-age children were able to remain in a regular classroom.
- ◆ 45 percent of school-age children were able to reduce school-related services.
- ◆ 62 percent of working-age persons were able to reduce dependence on family members.
- ◆ 53 percent of working-age persons were able to reduce dependence on paid assistance.
- ◆ 37 percent were able to increase earnings due to assistive technology.
- ◆ Similarly, when they had access to needed assistive devices and services, 30 percent of elderly persons were able to reduce dependence on others.
- ◆ Half of those persons 65 or older were able to reduce dependence on paid persons and half were able to avoid entering a nursing home.

### Assistive Technology Costs

Ninety-six respondents identified specific types of assistive technology that would make a difference in their lives. The average cost of this equipment was \$5,645. However, respondents indicated that they would be willing or able to pay an average of \$1,421 for it.

### Assistive Technology Benefits

Among the benefits those surveyed identified as being attributable to assistive technology were time savings in tasks for daily living (ADL) and household chores, greater time reading, writing, studying, or learning, greater time spent on recreation, and monetary savings. Sixty-four percent of those reporting time savings reported reduction in the amount of time spent on ADLs. 48 percent reported less time having to be devoted to reading, writing, studying or learning and 43 percent reported less time spent on completing household chores.

### Increased Family Time and Friendships

The average hours saved by those using assistive technology in the week previous to the survey were 19.3 hours for ADL services, 15 hours for reading, writing, studying or learning, and 13 hours for household chores. This allowed for over 10 hours of extra recreation time for the family. 56 percent of respondents reported that they were able to visit family and friends an additional 10 visits more per month. Moreover, everyone surveyed reported making new friends and participating more in community services thanks in part to their reliance on assistive devices.

### Cost Savings

Almost one-third of the respondents indicated that their family saved money averaging around \$1,110 in the last month. At the same time, one-quarter of the respondents indicated that

(continued on the next page)



## The Assistive Technology Loan Program



### Executive Summary

CRA

Banks? Loan

#### Are loans for Assistive Technology made by other states?

Some 42 states now offer loans for assistive technology to persons with disabilities. Three states have used funds allocated by the federal government for that purpose while others have added a Technology component to existing loan programs in Education, Small Business Development, Job Training, and Agriculture.

#### How are these loans made?

Loans to disabled persons are made in a variety of ways. Most often, the state agency holding the loan funds have elected to encourage banks and other lending institutions to use their money by guaranteeing some portion of the loan or by "buying down" the interest rate or principal so as to make repayment easier for persons with regular, but limited incomes. Four states operate the loan program directly and have created a Revolving Loan fund which permits the fund to be replenished by the loan payments themselves.

#### Are applicants screened for credit worthiness?

Yes. All states process applications the same way a bank does. In the early years of the loan program (1991) two states did not run a credit check and experienced a catastrophic default rate, but the remainder paid close attention to the credit and income history of the applicants. As a result, the overall default rate as of December, 1993, is 5.2%.

#### What is the difference between a regular bank loan and an Assisted Loan?

The Assisted Loan program provides cash incentives and guarantees to banks for loans that they might not otherwise make or, if they did, would charge a higher interest rate because most borrowers will need a longer time to pay such loans off due to income limitations.

#### Are there any upper limits on the amount a person can borrow?

Yes. Most states have set a dollar limit on each loan based on a number of factors; the amount in the fund plus the number of applicants and the average cost of the technology itself are all factors taken into consideration. Caps on loans are usually set by regulation rather than by statute, because circumstances change and the loan administrators need to be able to make necessary adjustments - up or down - quickly. Right now the average loan cap is \$5,000.00.

#### Is there any kind of technology the Loan Program will not fund?

Yes. None of the programs will lend money to purchase a car, airplane, or boat. Loans can be made, however, to configure these items to meet the needs

Proposed Loan Program - Cont'd

-2-

of the disabled person such as adding a wheel chair lift and/or by installing hand controls. With a few exceptions, these alterations are within the present \$5000.00 limit.

Is there a need for a loan program in the first place?

80%

Persons with disabilities occupy the same economic range as the non-disabled population. Most (60%) have an adequate income to meet most of their needs and are sufficiently above the official poverty level to prevent equipment and services from being provided by Medicaid or Medicare.

There is a middle group (22%) who are within 125% of poverty level and who may qualify for some services but not all the time. The bottom level (21%) are fully qualified to receive public assistance services.

It is the two top groups who find themselves unable to pay for a device outright but who could well manage to repay a loan that covered a period of six to eighteen months. This is a significant portion of the disabled population. Many of these people (28%) have accumulated some money (20 to 50%) toward the purchase of technology and need to borrow only the remainder.

What benefits, if any, do the state and the taxpayer get from such a program?

Several. Assistive Technology is used to keep disabled people independent of full time care in a nursing home or other institution. Technology is also used to configure a home or apartment to permit an institutionalized person to become independent and live on his or her own. The savings to the taxpayers are in the hundreds of millions of dollars (See U.S. Department Study, 1991) Secondly, many disabled persons are able to obtain a part time or full time job by mastering some of the more sophisticated technology such as computers and the myriad tasks these devices govern. Cottage industries abound in everything from furniture and small appliance repair to full scale advertising and research services. Others are able to go to work by getting a better wheel chair or by having their cars configured to meet their needs.

as their applicants wanted to use technology to get, keep or enhance a work situation. Working double day taxes.

Alaska has a lot of unique conditions not found in other states. How will the Loan Program work here?

The Alaska Division of Vocational Rehabilitation will serve as the operator of record for the Assistive Technology loan fund. DVR has extensive experience in providing comprehensive rehabilitation services to people throughout the state. In addition to a professional staff, DVR can call upon the talents of volunteers who serve on several advisory boards and commissions and the active support of a large number of employers, including banking institutions. In recent years, the Division has made several major changes in its operating methods in an effort to better serve the disabled community in the Bush and to more quickly process applications for assistance.

Tech Loan Program on the line  
Legislature to decide this year

If the Legislature OK's the proposed Assistive Technology Loan program, Alaska will join 42 other states that provide loans for needed technology to persons with disabilities.

Alaska's loan program will offer some plusses for borrowers not normally available in regular bank loans. Depending upon individual circumstances, the Loan Fund may guarantee the loan for up to 90% of the face value or will lower the interest rate or principal the borrower has to pay by "buying down" a portion of either. These special features will permit a lot of people to qualify for needed loans.

The Loan Program is not a free ride, however. Borrowers have to have exhausted or be ineligible for other forms of cash assistance, such as Medicaid and present a reasonably decent credit rating plus have enough income to pay back the loan. A lot of disabled Alaskans have incomes and many are employed but they may not make enough to lay out three or four thousand dollars all at one time. None of the people in this group are eligible for public assistance. That's where the loan program comes in and why it fills a gap.

The loan fund will be operated by the Division of Vocational Rehabilitation who will develop regulations and create an operating committee to work with banks and credit unions and to make sure that everyone eligible hears about the program

The chances of the loan program's success in the legislature will be increased if people who like the idea of a loan program for assistive technology will write or call their representatives in the House and Senate. This is a "people" bill and the people will have to see that it gets the support it needs.

George Haynes  
276--0801

American Council of the Blind, Jessica Beach,  
 15th St. NW, Suite 720, Wash., D.C. 20005,  
 202-546-3081

**Award Supports Res-**  
**In Physical Ther-**

The Founda-  
 tions for an  
 prove the

of Au-

TO: STODOLSKY  
 DEPT. OF EDUCATION

FROM: JAWLER  
 CO: HIL

PHONE: 703-684-5984

MEMO

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 or a maximum  
 who have com-  
 candidate status and

...pplicants who:  
 ...ubmitment to teach or do research  
 ...sical therapy program after complet-

- the need for measurable treatment outcome.
- Ask a new research question or address a previously asked question using a new methodology, different sampling or a different form of analysis.

Info: Foundation for Physical Therapy, 1055 N. Fairfax St., Suite 350, Alexandria, VA 22314-1541, 703/684-5984.

**MODEL PROGRAMS**

**Independent Living Group Persuades Banks To Make Loans to People with Disabilities**

Denver - A disability advocacy and independent living group here invokes the Community Reinvestment Act to persuade local banks to start home mortgage loan programs for people with disabilities.

The Community Reinvestment Act requires banks to prove they are making loans to low-income minority individuals or investing in organizations or initiatives to help them. Banks must file annual reports on their CRA activities and make them available to the public.

Most of the time, enforcement of CRA provisions by federal regulators is uneven. But when a bank wants approval for certain actions - for instance, purchasing another bank or savings and loan - the request triggers closer scrutiny by the Office of the Comptroller of the Currency.

Atlantis Community requested CRA reports from area banks and found that none of them mentioned people with disabilities.

Banks usually interpret the act as applying to racial or ethnic minorities, even though people with disabilities are one of the poorest minority groups. Karen Tamley, housing project coordinator, tells DFN. She estimates that 60-80% of people with disabilities are on low or fixed incomes.

When Norwest, one of Colorado's largest banks, requested approval to purchase a savings and loan, Atlantis used the opportunity to confront the bank about its poor record of service to the disabled.

Once Atlantis brought the issue to Norwest's attention, the bank "negotiated in good faith," Tamley says. The 2 groups worked out a program in about a month. Since every day that a community group holds up a purchase costs money, banks have an incentive to respond quickly.

The product of negotiations between Norwest and Atlantis was a program offering home mortgage, credit and consumer loans with more flexible underwriting criteria.

Norwest now offers people with disabilities home mortgage loans with:

- No money down.
- One percent below market interest rate.
- Financing up to \$100,000.
- No points or origination fees.
- 70% loan to income ratio, rather than 40%, which is the normal ratio offered to low-income borrowers. Atlantis argued that many people with disabilities already pay as much as 70% of their income for rent.

Since June, Norwest has made nearly \$1.4 million in home mortgage loans through the program. The bank has not had to foreclose on any of the nearly 40 loans.

To support people with disabilities who are becoming first-time homeowners, Atlantis Community offers home-ownership and pre-application counseling, as well as financial management classes.

Satisfaction with the program isn't one-sided, Tamley tells us. Norwest has seen a whole new market open up. It even received an award for its CRA activities.

Atlantis has negotiated similar programs with 2 other banks. It's a matter of educating banks about people with disabilities, Tamley says.

Banks may look only at people with disabilities' low incomes or view them as dependent, not good prospects for loans. And because people with disabilities aren't

clustered in low-income neighborhoods, banks may not regard serving them as part of their CRA responsibilities.

But the issues — lack of employment opportunities and segregation — are the same, Tamley says. "Our ghettos are segregated housing projects, nursing homes and state schools."

Atlantis Community's innovative program may be about to taste success on a broader scale. Fannie Mae is considering becoming a secondary market purchaser of the loans, which will give the banks added protection against default. Fannie Mae also is interested in seeing the program become a national model to foster independent living.

Atlantis is writing a proposal to Fannie Mae's foundation for funds to strengthen its homeownership counseling program and train other disability groups to start similar programs.

*Info: Karen Tamley, Atlantis Community, 12 Broadway, Denver, CO 80203, 303/733-9324.*

### Beth Abraham: Answering the Call For Services in New York City

*New York — (By CD Publications Staff)* "One of the most highly recognized innovators in efforts to link affordable housing with supportive services," American Ass'n of Homes for the Aging says of Beth Abraham Hospital in The Bronx.

"What began as a small rehabilitation hospital has grown into a campus of supportive housing, rehabilitative care, acute care and community-based programs for the old and young with long-term illness or disabilities."

The facility was founded in 1919 with 59 beds and now has 520. It sponsors 2 HUD Sec. 202 units, with 2 more buildings being built or planned.

Supportive services' programs revolve around Comprehensive Care Management, a state- and federally-funded health care program which promotes independent living. Beth Abraham also offers home health care and adult day care programs.

Developing services became imperative after the housing staff and volunteer tenant patrol reported many residents experienced rapid changes in health. In response, management met with each tenant and his or her family to assess physical status. Tenants choose between services provided by the facility or outside agencies. Beth Abraham services are open to qualified nonresidents.

Eligibility for the 3 programs — comprehensive care, adult day care and home care — is based on criteria from the state Dep't of Health and Dep't of Social Services.

Staffing for the programs includes 5 physicians, one physician assistant, 29 nurses, 6 nursing care coordinators, 12 nursing attendants, 7 physical therapists, 5 occupational therapists, 2 speech pathologists, 6 recreational therapists, 3 rehabilitative therapists and 11 social workers.

The Certified Home Health Care program provides tenants with medical transportation, case management, social work and nursing home care in their home following hospitalization. Services are available for all ages, with either acute or chronic illnesses or disabilities. Beth Abraham only accepts persons who they believe can live at home.

Currently, Medicare and Medicaid subsidies cover costs. Nearly everyone in the program receives some form of subsidy.

As for coordination, the tenant services manager links residents with services. There is one full-time manager for each of Beth Abraham's 2 Sec. 202 buildings. An advisory committee comprised of representatives from each of the facility's programs meets quarterly to discuss resident issues. Tenant service managers have backgrounds in nonprofit housing development and management, social work and planning.

Both housing and services are periodically monitored and evaluated, either by HUD or the state. The housing services manager meets with tenants regularly to gauge pluses and minuses of the program. The manager also speaks with social workers. A planned information system will enable Beth Abraham to monitor tenant care throughout the facility's health care system.

AAHA says the facility's success is partly due to its financial strength as a large rehabilitation hospital and an ability to obtain private funding. Setting up reimbursable dependent home health care and adult day care programs is difficult, unless facilities have the space and trained staff already in place.

There are other mitigating factors. The Comprehensive Care Management (CCM) program is barely cost-effective in large cities. Also, developing the elderly care model (PACE, short for Program of All-Inclusive Care for the Elderly) requires working with state legislators for special approval. In the past few years, New York's health officials restricted development of new PACE-type projects.

# STATE OF ALASKA

DEPARTMENT OF EDUCATION  
DIVISION OF VOCATIONAL REHABILITATION  
ASSISTIVE TECHNOLOGIES OF ALASKA

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**Subject: AT Loan Bill**

Here is the information I was able to compile myself. We also recently did a survey of people with disabilities in the State. Out of those that responded, 46% said that they could not get the assistive technology device that they needed paid for. If we use the number of people with disabilities in Alaska as stated in the ISER study (23978) with the 46%, we could suppose that 11030 Alaskans with disabilities might benefit from the loan fund.

George Haynes should be submitting further information on Monday, unfortunately it won't be ready before then.

## SUMMARY

Over 20,000 Alaska residents currently experience at least one form of disability. This estimate is based on a telephone survey of 4,364 households randomly selected to represent all households in the state of Alaska.<sup>1</sup> The survey was conducted between November 10, 1990 and January 28, 1991. The actual estimated number of persons experiencing a disability is 22,220. Given possible random errors due to sampling, the number of persons who are disabled may be as low as 20,231 or as high as 23,978.<sup>2</sup>

It is important to note that the survey did not attempt to assess the needs of persons who are disabled and live in institutional settings.

### Types of Disabilities

Among the most frequently reported disabilities are non-neuromuscular mobility impairments, arthritis, hearing impairments, and learning disabilities (see Table 1). Other disabilities involving at least 2,000 Alaska residents include visual impairments, cardiovascular or pulmonary disorders, neuromuscular impairment, emotional disability, communicative disability and head injuries.

### Independent Living Services

One of the central goals of persons who are disabled is to live independently. To help people achieve this goal, state, federal and local agencies currently offer services ranging from medical care to public transportation and job training. Relative needs for these services can be assessed in several ways. First is the question of the total number of persons needing each service.

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<sup>1</sup>Currently 86 percent of Alaska households have a telephone. The extent of telephone coverage varies widely, however; only about 60 percent of Alaska's most rural households have residential telephone service. Statewide estimates based on telephone contacts are likely to closely match estimates that could be expected from a sample of all households. Estimates for rural areas, however, should be used with caution.

<sup>2</sup>The range in population size reflects a 95 percent confidence interval, a sample size of 4,364 and an observed proportion of .042 percent of the population experiencing one or more disabilities.

(2-8-91)

Table 1  
Estimated Number of Persons with  
Selected Disabilities

Type of Disability	Estimated Number
Non-Neuromuscular Mobility	7,730
Arthritis	7,302
Hearing Impairment	6,484
Learning	6,095
Visual Impairment	5,318
Cardio-Vascular-Pulmonary	4,798
Neuromuscular	3,418
Emotional	2,853
Communicative	2,377
Head Injury	2,248
Developmental	1,902
Other Disability	1,888
Diabetes	1,888
Stroke	1,513
Seizure	1,513
Drug/Alcohol	1,124
Infectious Disease	691
Blind	691
Deaf	432
Amputation	389
Alzheimer's	348
Polio	218
HIV Positive	<200
Estimated Number of Persons with One or More Disabilities	22,220

The question read: I am going to read to you a list of disabilities that you may have. For each disability I read, would you please tell me whether this is a disability that you have.

Source: DVR/ISER Survey, 1990

Second is the question of the total number of persons whose need for each service is currently unmet. And third is the question of what percent of the persons needing each service are currently not receiving the service they need. Each of these perspectives is important to the development of service priorities for the state as a whole.

Medical care, disability information, assistance in receiving benefits, advocacy, recreation transport, newsletters, job training, centralized information, and counseling each are needed by at least 10,000 Alaska residents who are disabled (see Table 2). The service associated with the largest number of persons with an unmet need is a newsletter about services for people with disabilities. Other services that are currently not adequately provided to at least 5,000 people include centralized information, benefits assistance, and advocacy. In answer to the third question posed above, the needs of at least half of all persons are currently unmet for: newsletters, support groups, equipment loans, help locating housing, job counseling, central information source, and help with homemaking tasks.

#### Assistive Technology

Today many people with disabilities could benefit from the use of equipment especially designed or adapted to make daily life easier. This "assistive technology" comes in many forms, including remote switches, special doors, voice synthesizers, and special vans. Generally, more Alaskans believe they would benefit from such devices than currently use them (see Table 3). While some 5,000 think they would benefit from some kind of equipment that would help them see or hear people in face-to-face communications, for example, 1,900 do not currently use the equipment.<sup>3</sup>

Other forms of assistive technology for which at least 1,500 Alaska residents would benefit from use of the equipment include long distance communication, adapted computers for various uses, and building modifications.

#### Assistive Technology Services

Rapid changes in the types of assistive technology available represents both an opportunity and a barrier to those experiencing disabilities. Newly adapted technologies may enable people to significantly increase their independence. At the same time, rapid changes in the availability of new technologies can outpace public

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<sup>3</sup>More detailed results to be introduced in Section IV show that the most common reason why this equipment is not used is that people cannot afford it.

## INDEPENDENT LIVING SERVICE NEEDS

As mentioned in our summary, medical care, disability information, assistance in receiving benefits, advocacy, recreation transport, newsletters, job training, centralized information, and counseling each are needed by at least 10,000 Alaska residents who are disabled. The service associated with the largest number of persons with an unmet need is a newsletter about services for people with disabilities. Other services that are currently not adequately provided to at least 5,000 people include centralized information, benefits assistance, and advocacy. The needs of at least half of all persons are currently unmet for: newsletters, support groups, equipment loans, help locating housing, job counseling, central information source, and help with homemaking tasks.

Table 9 profiles independent living service needs by region. The southcentral region is defined to include the Anchorage Municipality, the Kenai, Mat-Su and Kodiak boroughs, and southcentral coastal communities (e.g. Cordova, Valdez, Chenega Bay). As defined, this region comprises 50 percent of all households compared with 12 percent for the southeast region and 38 percent for the remainder of Alaska. The regional figures in Table 8 generally differ proportionately to regional population. Viewed according to urban and rural residence, independent living service needs are proportionate to population (see Table 10).

With several exceptions, independent service needs are shared proportionately by all age groups (see Table 11). Young people are more likely to need public transportation and independent living training. The large group of adults between 18 and 59 years old are more likely to need job counseling, job training, home modifications, help locating housing, and access to a support group. Persons over 60 are more likely to need help with homemaking tasks, in-home nursing care, and the services of a personal care attendant.

In general, independent living service needs do not differ by race (see Table 12). Three exceptions appear to be the three least needed services among the population as a whole. Native residents are relatively more likely to report the need for help with homemaking tasks, in-home nursing care, and the services of a personal care attendant.

HOUSE COMMITTEE REPORT

(7)

Date Referred: February 23, 1995

FURTHER REFERRALS:

Finance

Date of Committee Action: 3/21/95

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered:

HB 65

HOUSE BILL NO. 65

ASSISTIVE TECHNOLOGY LOAN GUARANTEES

"An Act establishing a loan guarantee and interest rate subsidy program for assistive technology."

recommends it be replaced with the following committee substitute CS HB 65 (HES) [X] the same title [ ] a new title

[ ] additional referral to \_\_\_\_\_ Committee [ ] attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) APPROVES PREVIOUS: (Dept/Date) [ ] fiscal note(s) \_\_\_\_\_ [X] fiscal note(s) Education

[ ] zero fiscal note(s) \_\_\_\_\_ [ ] zero fiscal note(s) \_\_\_\_\_

Table with columns: SIGNING WITH RECOMMENDATIONS, DP, DNP, NR, AM. Rows contain handwritten signatures and checkmarks.

CHAIR'S SIGNATURE [Signature]