

Carol A. Beatty, Secretary  
Christian J. Miele, Deputy Secretary

Larry Hogan, Governor  
Boyd K. Rutherford, Lt. Governor



December 18, 2019

The Honorable Lawrence J. Hogan  
State House 100 State Circle  
Annapolis, Maryland 21401

The Honorable Thomas V. 'Mike' Miller, Jr.  
President  
Senate of Maryland  
State House, H-107  
Annapolis MD 21401

The Honorable Adrienne A. Jones  
Speaker  
Maryland House of Delegates  
State House, H-101  
Annapolis MD 21401

Re: Report required by Human Services Article §7-616 (MSAR # 6074)

Ladies and Gentlemen;

The Maryland Department of Disabilities is pleased to submit the enclosed annual report on the Assistive Technology Loan Program for calendar year 2019, required under Human Services Article §7-616 (MSAR #6074). We are proud of the positive impact this program has had on the quality of life of those supported with loan guarantees in the twenty years since the program was first implemented.

Thank you for your steadfast commitment to this essential program and to other services that benefit Maryland residents with disabilities and their families.

Sincerely,

A handwritten signature in black ink that reads "Carol A. Beatty". The signature is written in a cursive, flowing style.

Carol A. Beatty, Secretary

cc: Sarah Albert, Department of Legislative Services (5 copies)



**Maryland**

**DEPARTMENT OF DISABILITIES**

Assistive Technology Program

**ANNUAL REPORT TO  
GOVERNOR LARRY HOGAN  
AND  
THE MARYLAND GENERAL ASSEMBLY  
on the  
ASSISTIVE TECHNOLOGY  
LOAN PROGRAM  
January 1, 2020**

## **Introduction**

The Assistive Technology Loan Program (ATLP) is a program of the Maryland Technology Assistance Program (MDTAP), a unit within the Maryland Department of Disabilities (MDOD). The ATLP was created on October 1, 1999. It is codified at Human Services Article §§7-601 through 7-616. This program is guided by an eleven-member board of directors, including eight governor-appointed individuals and three State agency representatives. The ATLP pays for program administrative costs through interest earnings from the distinct loan fund kept in a separate account managed by the State Treasurer with fund accounting provided by the Comptroller.

The program's purpose is to provide financial assistance for the purchase of assistive technology equipment, designed to help individuals with disabilities achieve independence and improve their quality of life. This program provides low interest, affordable loans to qualifying individuals who do not receive sufficient subsidies from the government, insurance or other possible sources. Without the products of the ATLP, its borrowers often must either purchase the assistive technologies they need using high interest credit cards, borrow against their homes, or not purchase these needed items at all. The program partners with two area lenders to offer loans for assistive technology to borrowers who have encountered obstacles qualifying for financing in the traditional market. Participating lenders issue loans while the program provides loan guarantees and interest subsidies, where appropriate, to make loans more accessible and affordable for people with disabilities and their families. In some cases, loans are approved without a program guarantee – these loans are referred to as “non-guaranteed.” Borrowers without guarantees are still able to take advantage of the accessibility and affordability of the loans because of the program's relationship with its participating lenders. Program staff provide significant application support and credit counseling to potential borrowers.

## **2019 Loan Activity & Program Expenditures**

For the annual period of November 30, 2018 through November 30, 2019, the ATLP:

- Received 111 loan applications totaling \$2,737,575 in funding requests;
- Approved 66 loan requests, totaling \$1,733,624;
- Closed 40 guaranteed loans via our lending partners for \$1,217,458.96; and
- Closed 3 non-guaranteed loans (no cost to the program) for \$66,313.04.

In addition to the loans approved and issued through the ATLP, the program guaranteed an additional 29 loans totaling \$561,657.40 which ultimately were not closed by the applicants. This can happen for a variety of reasons including deciding not to take out a loan or that the equipment is no longer a priority. These loans are reflected in the report because ATLP staff processes and reviews these applications while and the ATLP Board of Directors reviews & decisions these loans. This effort takes considerable time and review on behalf of the program.

*Additional program highlights include:*

- Of particular note representing the needs of the majority of our constituents, the ATLP closed 38 vehicle modifications and transportation loans totaling more than \$1.2M between November 30, 2018 and November 30, 2019;
- Nearly 80% of the ATLP applicants in 2019 indicated a satisfaction measure of highly satisfied/satisfied with their experience;
- From inception through November 30, 2019, the ATLP has received 2,709 loan applications and issued 992 loans totaling \$15,269,150.00;
- Since inception, the total amount of repayments made by borrowers for guaranteed ATLP loans is \$10.8M; and
- The overall default rate for guaranteed loans through the ATLP since inception of the program is **.76%**, with only 131 loans in default status. Through vehicle repossessions, payment plans, and financial recoveries through the State of Maryland Central Collections Unit (CCU), the ATLP significantly reduces the fund loss. As of November 30, 2019, the ATLP has recovered \$172,711.90 of a possible \$617,710.60 from defaulted accounts. The ATLP default rate is well below the national average.

### **Direct Impacts for Program Borrowers**

Borrowers have used loans to substantially improve their lives. The Program helps Marylanders purchase technology that supports or increases access to jobs, education, and the community. Borrower purchases can include technology to help them remain independent in the community, successfully navigate and complete higher education, support work-related tasks and activities, or transition from institutional settings into the community.

#### *Transportation*

Modified vehicles are the most frequently requested items financed through our program. With reliable, accessible transportation, people with disabilities are better able to access and/or expand employment, gain independence, and actively participate in their communities. Adapted vehicles have often proven to be life-changing for our applicants. Vehicles often make it possible for caregivers to get loved ones in and out to doctor's appointments consistently and safely, make it possible for families to transport children with disabilities to school and extra-curricular activities, and make it possible for individuals with disabilities to experience economic growth by providing access to work and education options not located on fixed public transit routes.

In 2019, the ATLP issued the majority of its loans for consumers needing adapted vehicles:

One such recent applicant had found it increasingly difficult to lift her son with spastic quadriplegic cerebral palsy in and out of their non-adapted vehicle. The adapted vehicle she financed through the ATLP now helps her safely transport her son to and from doctors' visits, therapies, and activities outside the home, while reducing the risk of falls or back injuries to both of them.

Another family who applied for and financed an adapted vehicle with the ATLP in 2019 has a daughter with trisomy 18 disease, leaving her completely dependent on her family to feed, bathe and care for all of her needs. Unable to sit, stand, or walk on her own, the family was limited in

having their daughter participate in activities outside of the home, largely due to the lack of accessible transportation. With the new loan in place for an adapted van, the family is now able to transport their daughter safely to activities outside of the home greatly improving her quality of life.

### *Assistive Technology*

One recent applicant who is legally blind from complications related to ocular sarcoidosis and diabetic retinopathy was approved to finance the cost of computer software, installation, and an all-in-one printer. Prior to obtaining this loan, the applicant was unable to fully read, work, or interact electronically on her own as a result of her blindness. This equipment has made it possible for the applicant to read documents, read & send email, access her own mail, and read books independently.

### *Accessibility Modifications for Home*

The ATLP recently provided a loan to a family in need of home modifications for their 9-year-old son who is autistic with multiple co-occurring conditions including cerebral palsy, hydrocephalus, and epilepsy. The family lives in a home with uneven, non-accessible entrances. Thus, they requested to borrow money to build an attached garage with an entry room level for wheelchair accessibility. The family borrowed the maximum amount the ATLP can guarantee in non-secured home modifications and financed the rest of the project through outside sources. Ultimately, the financial loan allowed them to create a fully accessible entrance/exit for their son, maximizing his independence and access into and out of the home.

Another applicant with a C4-C5 spinal injury, who uses a wheelchair for daily mobility, applied for a loan to finance the balance of the cost of an elevator. Without the elevator, the applicant was unable to access multiple levels of his house, including the level with his bathroom & shower. Even with leveraged funding of \$20,000 from two outside organizations, he was still short the total cost of the elevator. With an ATLP secured low-interest to offset the amount due, he was able to get the elevator installed and he can now navigate his entire home.

### *Employment and Higher Education*

The program financed an adapted vehicle loan for an applicant with C6 partial spinal cord injury who uses a power wheelchair for daily mobility. Not having dependable transportation for work has been a challenge for the applicant, making it nearly impossible to meet with co-workers and clients, attend out-of-office professional development, or attend offsite meetings. Having an adapted vehicle has allowed him to overcome these challenges resulting in expanded employment opportunities and a greater quality of work life.

## **Program Improvements in 2019**

- Contracted with a web developer in order to replace our current database with an updated model. The new database will provide highly detailed reporting measures, the flexibility to offer and report on anticipated expanded services of the ATLP, and will offer a more streamlined application process, and an even better customer service experience through our program. We expect to move forward during the first quarter of 2020 to full implementation;
- Created a Sustainability Plan with measures to identify areas for program improvement and expansion, measure ongoing impact of marketing, and identify markers to increase the longevity of the loan fund such as increasing grant development and adjusting loan approval structures;
- Developed a Strategic Plan Draft and formed a sub-committee of the ATLP Board of Directors for setting goals and growth for the program; and
- Implemented a staff restructuring to position the program to offer expanded partnership loans and future direct-lending initiatives.

## **Program Goals for 2020**

- Create referral list including connections for potential grant funding, possible healthcare coverage opportunities, and waivers;
- Explore possible opportunities to collaborate with free consumer counseling programs;
- Evaluate the ATLP policy and procedures and make changes as deemed necessary for sustainability, and for staying in compliance with our lender's requirements;
- Explore and identify annual state funding, such as an over-the-target request from the General Fund;
- Expand opportunities and apply for funding for financing home modifications for accessible modifications, smart home technologies and assessments;
- Engage in conversations with Adapted Vendors and reach out to Dodge, Honda, Chrysler and Toyota corporations to explore funding assistance;
- Explore non-profit sponsors with 501c3 status to partner with the ATLP for grant solicitations. This partnership could be with one of the CILs serving a geographically underserved area in Maryland such as the Eastern Shore. (Cecil, Kent, Queen Anne's Caroline, Talbot, Dorchester, Wicomico, Somerset and Worcester), Western Maryland (Garrett, Allegany and Washington), or Southern Maryland (Charles, Calvert and St. Mary's);
- Provide staff and ATLP Board training to support strategic planning skills and knowledge of needs assessment. Hold regular comprehensive staff training on topics including key sustainability factors, current financial guidelines and practices, risk management, and compliance. Ensure that all staff has training in fair lending practices;
- Evaluate and report on credit report (FICO scores, debt-to-income ratio) defaults and income levels of applicants and borrowers on an annual basis to gain a better understanding of credit-worthiness, ability to repay a loan, loan caps, and stringency of loan guidelines. Make changes when needed;
- Schedule meetings with Adapted Vehicle Vendor's General Managers;

- Schedule presentations to hearing aid agencies and the Department of Aging for Baltimore City and Baltimore Counties;
- Expand outreach in demographic areas of the State where the need may be greater. Schedule presentations. Mail program information and flyers;
- Search and advertise for members of the public to serve on the ATLP Board of Director's as seats become available; and
- The Program will continue to collaborate with other disability service providers/ agencies throughout Maryland to increase the awareness of potential borrowers of ATLP services.

### **Conclusion**

Maryland's Assistive Technology Loan Program remains an effective investment of state, federal, and private funds carefully managed to achieve our high impact mission. The availability of financing is a critical component to support individuals with disabilities to achieve maximum participation in the community in the most integrated setting possible. This program continues to change Maryland for the better and to enhance the lives of Marylanders with disabilities and their families by offering low-interest loans to buy equipment supporting their efforts to live, work, and learn more independently.