

Expanding the Reach of People with Disabilities

Alternative Financing Programs offer more than affordable access to assistive technology for people with disabilities. These federal-state loan programs open doorways to enhanced participation in family and community life, education, employment and health care for individuals with disabilities by expanding options for obtaining and, ultimately, using assistive technology.

If a person with a disability needs to purchase assistive technology (AT) such as a wheelchair or other mobility device, a specialized computer, home accessibility modifications, or an adapted car or van, these items may be out of reach because of their high costs. Other potential sources of AT financing, including health insurance, vocational rehabilitation programs or conventional bank loans, often are pursued by individuals with disabilities but many times provide little or no assistance because of funding limitations or eligibility restrictions. The Alternative Financing Program (AFP), authorized under Title III of the Assistive Technology Act of 1998, was designed to help people with disabilities overcome these financial obstacle to accessing assistive technology. With the AFP, many people with disabilities can qualify for and receive low cost loans to purchase AT devices or services.

The AFP was started in FY 2000 with \$3.8 million in federal financing and a matching amount from state funds for the establishment and administration of alternative, state-based AT financial loan programs in six states. In FY 2001, federal funding provided \$13.6 million and state funds provided \$4.6 million for more states to establish loan programs. By the third year of operation (October 1, 2002 - September 30, 2003), 16 states operated AFPs: Arizona, Arkansas, Florida, Illinois, Kansas, Kentucky, Louisiana, Maryland, Michigan, Missouri, Nevada,



Photo courtesy of Utah Assistive Technology Foundation

A loan from the Utah Assistive Technology Foundation allowed Quinn to obtain a Braille note taking device.

For details see page 2.

Oklahoma, Pennsylvania, Utah, Virginia and Wisconsin. In program year 2002-2003 the state AFPs provided \$7.7 million in AT loans to 753 individuals with disabilities for the purchase of assistive technology. Since the program's inception, the AFPs have provided or facilitated loans totaling \$15.5 million to 1,515 individuals with disabilities.

The AFP is administered by the Office of Special Education and Rehabilitative Services in the U.S. Department of Education under Title III of the Assistive Technology Act of 1998 (AT Act).

Loans Launch New Opportunities for Individuals with Disabilities

The immense value of AFP loans may be best understood through looking at the changes in the lives of individuals with disabilities around the country who have benefited from the assistive technology purchased through AFP funding.

- For Quinn, an 11-year-old Utah student who lost his eyesight because of a rare hereditary eye disease, new assistive technology has given him essential tools to continue participating in his school's mainstream classes. Quinn's parents obtained a BrailleNote 18—a note-taking device that also is a portable book reader, word processor, scheduler and scientific calculator—through an AFP loan from the Utah Assistive Technology Foundation (UATF). The UATF serves people with disabilities throughout the state. Quinn, who continues to earn straight A's at his middle school, needed the AT immediately, so his parents chose an AFP loan rather than the longer process necessary to acquire the device through the school system.

Quinn said the device keeps him one step ahead of students in his computer lab. "I get it (the assignment) turned in much sooner than them," he said about his work in the school's computer classes. The BrailleNote has allowed Quinn to connect to the school's printers, with the option of printing assignments in regular type or Braille, or even of providing speech output. The BrailleNote convinced Quinn's teacher that he could continue to participate in mainstream classes without much extra help. Quinn's incredible work ethic coupled with the use of his AT has enabled him to consistently produce excellent schoolwork, his teacher said. Instead of hindering the progress of other students, which was an initial concern of his teacher, Quinn "has helped lift the whole class," Quinn's teacher said. Moreover, Quinn's mother Karen now easily helps him edit homework as the BrailleNote can print his assignments from home. Previously, Quinn's parents had to spend time translating his work from Braille to print before they could assist him.

- A 39-year-old mother, who has paraplegia, was able to continue working and to drive her infant son to his doctor's appointments after purchasing an adapted minivan with an AFP loan from the Louisiana Assistive Technology

Loan Program. The van was purchased with a \$17,000 loan for 7 years. "I am a T-8 paraplegic and now have a 5-month-old son," said Ms. F. "For me to be mobile with him, I needed to use my electric wheelchair, so this program helped me to finance a minivan." Mrs. F said. The adapted transportation technology she now uses has eased the burden of care for her husband and relatives, who no longer have to transport her everywhere, she said. The Louisiana Assistive Technology Loan Program staff worked hard to meet her needs. "The representatives were very polite, knowledgeable and responded very quickly," she said.

- The purchase of new hearing aids has significantly improved communication for a 51-year-old Kentucky resident at work and at home. The new technology has increased his ability to hear clearly at work, interact socially and to better remember and to learn. "I can hear a whole lot of things compared with what I could before," said Mr. F. "Now, people don't have to keep repeating themselves when they are talking to me and I think that is positive for everyone. My social interactions have improved immensely and that has affected my friends, family and acquaintances." Staff at the Kentucky Assistive Technology Loan Corporation were very helpful and promptly processed the loan needed for purchase of the hearing aids, Mr. F. said. Applying for an AFP loan was "convenient, easy, responsive and quick. My audiologist told me about it and I realized you did not have to make these big loan applications or jump through loops. It was easy," said Mr. F.
- Home renovations to make a house more accessible for a Pennsylvania man have brought increased freedom and improvement in his quality of life. The 44-year-old Pennsylvanian used a guaranteed loan of \$10,000 from the Pennsylvania Assistive Technology Foundation to build an accessible bathroom in his home. He said he has gained new independence in daily living activities. "Due to my disability I needed special accommodations that were very costly," said Mr. C. "It is wonderful to be able to freely do what so many take for granted—a shower on your own." Overall, the home accommodation has vastly improved his quality of life including his family relationships. "It has lessened the burden on my wife in assisting me and has improved the quality of my marriage," he said.

Quinn said the device keeps him one step ahead of students in his computer lab.

AFPs Provide Innovative Ideas to Improve Services

State AFPs have created innovative strategies to improve many aspects of their loan programs to better serve individuals with disabilities and their families. Since the start of the AFPs in October 2000, statewide AT Act Projects (authorized under Title I of the Assistive Technology Act of 1998) and AFPs have shared knowledge and contributed to each other's successes in assisting consumers with disabilities. The AT Act Projects have helped provide AT lending libraries and equipment tryout programs for the AFPs, and offered other resources such as AT demonstration centers. In turn, the AFPs have helped state AT Act Projects by providing accessible, attractive AT funding for people with disabilities.

The partnership activities of the Wisconsin Title I state AT Act Project and Title III-alternative financing program illustrate some of the ways in which many state AT Act Projects have contributed to the work of the AFPs. The Wisconsin AFP, WisLoan, has worked to offer persons with disabilities and older adults increased information about their choices in loans and the assistive technology they may want to purchase, according to Patti Kraemer, coordinator of WisLoan. In Wisconsin, the Title I State AT Act Project is housed at independent living centers, and these independent living centers are subcontractors for WisLoan. The independent living centers take applications for AFP loans and do loan follow-up work. In addition, through their Title I AT work, the centers for independent living help consumers explore low or no-cost options for obtaining AT through other sources. Under their Title I AT responsibilities, the centers for independent living provide "loan closets" of specialized types of AT that persons with disabilities can try out, or borrow, before having to purchase AT through AFP loans or by using their own funds.

Alternative Financing Program Activities in 2002-2003

Alternative Financing Programs are required to establish both administrative and financial partners for operation of the loan programs. State AFPs contract with community-based organizations (CBOs) to administer the program and the CBOs then contracted with banks, credit unions, state financing authorities or other agencies to assist in the financial aspects of the loan programs. CBOs are required to involve individuals with disabilities in decision-making at all levels. Table 1 shows AFP partners for the 16 states in program year 2002-2003.

Features of Loan Programs

The 16 states that received AFP funding during 2002-2003 used different loan models, including a direct (revolving) loan fund, an interest rate buy-down program and a loan guarantee program (see Table 2). Each state offered one or more financing mechanisms to consumers.

With a *direct loan*, which was offered by three states (Arkansas, Missouri and Virginia), AFPs had the most flexibility in determining who should receive the financing and at what cost. Direct loans enabled AFPs to offer loans for small amounts, generally below \$3,000. These loans typically were ones that AFP lending partners did not want to handle because of the high administrative costs associated with small loans. With direct lending, moneys lent ultimately will come back to the AFP and enable it to make additional loans to people with disabilities.

Guaranteed loans helped individuals qualify for loans because these types of loans are backed by a promise, or guarantee, that even if the loan goes into default, the loan will be repaid to the financial institution by the AFP. Thirteen states (Arizona, Florida, Illinois, Kansas, Kentucky, Louisiana, Maryland, Michigan, Nevada, Oklahoma, Pennsylvania, Virginia and Wisconsin) offered guaranteed loans. *Interest rate buy-down* loans made financing more affordable for borrowers by having the AFP "buy down" the interest rate charged by the lending institution. For example, an AFP buying down the interest rate by 3 percent could save a borrower slightly more than \$200 per year on an average loan (on a \$12,400 loan amortized over 5 years). Six states (Illinois, Kentucky, Maryland, Pennsylvania, Utah and Virginia) offered interest rate buy-downs.

Some AFPs also helped facilitate *non-guaranteed, low-interest loans* for people with disabilities who had incomes and credit scores high enough to be able to obtain loans directly from a conventional lender. For the most part, the AFPs referred these individuals to their lending partners, which provided financing at or below the market rate for a typical consumer loan. A bank typically agreed to the lower interest rate in exchange for the AFP depositing money with the institution. Primarily in four states (Louisiana, Maryland, Nevada and Oklahoma), the AFPs worked closely with their lending partners to accommodate these borrowers.

As shown in Table 2, the state AFPs varied widely in other loan features including the loan amounts available, range of interest rates charged to borrowers, repayment terms for loans and loan guarantee requirements.

Table 1.
Alternative Financing Program Partners in Program Year 2002-2003

State	Partners
Arizona	State Agency: Northern Arizona University CBO: Arizona Community Foundation AzLAT Consortium Lender: Arizona MultiBank Community Development Corp.
Arkansas	State Agency: Arkansas Rehabilitation Services CBO: Revolving Loan Fund Committee Lender: Arkansas Development Finance Authority
Florida	State Agency: Florida Department of Education, Vocational Rehabilitation Services CBO: Florida Alliance for Assistive Services and Technology (FAAST) Lender: AmSouth
Illinois	State Agency: Illinois Department of Human Services CBO: Illinois Assistive Technology Project Lender: Security Bank
Kansas	State Agency: University of Kansas CBO: Kansas Assistive Technology Cooperative Lenders: Alliance Bank, MidAmerica Credit Union
Kentucky	State Agency: Kentucky Department of Vocational Rehabilitation CBO: Kentucky Assistive Technology Loan Corporation Lender: Fifth Third Bank of Kentucky
Louisiana	State Agency: Louisiana Department of Health and Hospitals CBO: Louisiana Assistive Technology Access Network Lender: Union Planters Bank
Maryland	State Agency: Maryland Technology Assistance Program, Office for Individuals with Disabilities CBO: AT Guaranteed Loan Program Board Lenders: Sun Trust Bank, State Employees Credit Union of Maryland, 1st Mariner Bank
Michigan	State Agency: Michigan Department of Career Development CBO: Michigan Disability Rights Coalition Lender: Financial Health Credit Union
Missouri	State Agency: Missouri Assistive Technology CBO: Missouri Assistive Technology Council Lender: Missouri State Treasurer
Nevada	State Agency: Nevada Office of Community Based Services CBO: Care Chest of Sierra Nevada Lender: Nevada State Bank
Oklahoma	State Agency: Oklahoma ABLE Tech CBO: Oklahoma Assistive Technology Foundation Lender: BancFirst of Stillwater
Pennsylvania	State Agency: Institute on Disabilities, Temple University CBO: Pennsylvania Assistive Technology Foundation Lenders: United Bank, Sovereign Bank, First Union National Bank
Utah	State Agency: Center for Persons with Disabilities, Utah State University CBO: Utah Assistive Technology Foundation Lender: Zions Bank
Virginia	State Agency: Virginia Department of Rehabilitation CBO: Assistive Technology Loan Fund Authority Lender: SunTrust Bank
Wisconsin	State Agency: Wisconsin Department of Health and Family Services CBO: IndependenceFirst Lender: Marshall and Ilsley Bank

Source: Program Year 2002-2003 AFP Data.

Table 2.
Features of Alternative Financing Programs in Program Year 2002-2003

State	Loan Models	Range of Loan Amounts	Interest Charged to Borrower	Repayment Terms	Loan Guarantee Requirements
AZ	Guaranteed Loan	\$500 - \$3,000	9%	2-5 years	100%
AR	Revolving Loan	up to \$50,000	4%	up to 20 years	n/a
FL	Guaranteed Loan	\$500 - \$20,000	5% - 12.5%	2 - 6 years	100%
IL	Guaranteed Loan, Interest Rate Buy-Down Loan	\$500 - \$40,000	Up to 3.5%	up to 20 years	100%
KS	Guaranteed Loan	\$300 - \$40,000	2.5% - 7.9%	up to 15 years	100%
KY	Guaranteed Loan, Interest Rate Buy-Down Loan	\$500 - \$25,000	3% -4.75%	2 - 10 years	Under \$5,000 - 100% Over \$5,000 - 50%- 100%
LA	Guaranteed Loan, Non-Guaranteed Low Interest Loan	\$1,500 - \$50,000	Prime plus 1% - 2%	1 - 15 years	100%
MD	Guaranteed Loan, Interest Rate Buy-Down Loan, Non-Guaranteed Low Interest Loan	\$500 - \$30,000	3% - 4.75%	1 - 7 years up to 20 years for home equity loan	50%
MI	Guaranteed Loan	up to \$20,000	5% - 7%	up to 7 years	50%
MO	Revolving Loan	\$500 - \$10,000	2% - 4%	up to 5 years	n/a
NV	Guaranteed Loan, Non-Guaranteed Low Interest Loan	\$600 - \$54,000	4% - 6.5%	3 - 10 years	50%
OK	Guaranteed Loan, Non-Guaranteed Low Interest Loan	no min. or max. set	5% - 5.75%	up to 5 years	100%
PA	Guaranteed Loan, Interest Rate Buy-Down Loan	\$500 - \$25,000	3.5% - 4.25%	up to 10 years	100%
UT	Interest Rate Buy-Down Loan	\$800 - \$50,000	0% - 3%	2 - 5 years	n/a
VA	Revolving Loan, Guaranteed Loan, Interest Rate Buy-Down Loan	no min. or max., up to \$30,000 for guaranteed	3% - 4% below interest charged by bank	3 - 20 years	50%
WI	Guaranteed Loan	\$1,000 - \$35,000	prime plus 2%	1 - 10 years	20%

Source: Program Year 2002-2003 AFP Data.

Analysis of Program Year 2002-2003 AFP Loan Activity

In 2002-2003, 753 loans—with a total dollar amount of \$7.7 million—were provided to individuals with disabilities in 16 states (see Table 3). The loans provided funding for 61 percent of the 1,239 applications received.

Cumulatively, during the 3 years of AFP operation, from October 1, 2000, to September 30, 2003, \$15.5 million in loans were provided or facilitated by AFPs to 1,515 borrowers with disabilities. Also during the last three years, the number of interest rate buy-down loans

increased dramatically—either as loans by themselves or as part of guaranteed loans—from none in program year 2000-2001 to 141 in program year 2002-2003 (see Table 4).

The state AFPs have shown a good loan portfolio performance in program year 2002-2003, as illustrated in Table 5. The dollar amount of defaulted loans (90 days past due) for the year was \$272,192 for all states, with a low default rate of 2.42 percent for the fiscal year. The net loss rate for all AFP supported loans for the year also was low, with a 2.36 percent net loss rate recorded in program year 2002-2003.

Table 3.
Loan Activity for Program Year 2002-2003 and since 2000

State	Applications Received	Loans Made	Dollar Value of Loans Made	Historic Loan Volume
Arizona	21	5	\$9,982	\$9,982
Arkansas	*	*	*	*
Florida	50	35	258,524	258,524
Illinois	74	50	670,426	987,661
Kansas	96	65	549,945	884,515
Kentucky	113	62	431,489	614,166
Louisiana	76	34	509,780	684,003
Maryland	153	83	1,094,642	3,043,703
Michigan	97	44	263,028	501,099
Missouri	*	*	*	*
Nevada	79	53	1,182,613	1,716,726
Oklahoma	73	59	337,230	763,259
Pennsylvania	110	85	1,324,438	2,138,353
Utah	154	104	538,788	1,243,764
Virginia	1*	*	*	2,117,849*
Wisconsin	142	74	526,325	578,309
Totals	1239	753	\$7,697,210	\$15,541,913

Applications Received, Loans Made and Dollar Value of Loans Made are as of September 30, 2003.

Historic Loan Volume is the total dollar amount of loans provided or facilitated by the AFP program since program inception in October 2000.

Source: AFP Outcomes Database and Management System, downloaded March 18, 2004.

* Data not submitted to the Web-based applicant data system. However Arkansas, Missouri and Virginia did submit data for the annual program data collection. Arkansas had 5 applications received, zero loans made for program year 2002-2003. Missouri had 32 applications received, 21 loans made with a total dollar value of \$76,176 for program year 2002-2003. Missouri's historic loan volume was \$113,077. Only partial data from Virginia were recorded in the Web-based applicant system. Data for program year 2002-2003 included an additional 141 applications received, 66 loans made with a total dollar value of \$1,381,667. Virginia's historic loan volume then would be the sum of loans provided or facilitated for program year 2002-2003 (\$1,381,667) and the sum of the loan totals from the prior two program years (\$2,117,849) which equals \$3,499,516. Thus with these figures included, the final totals for the columns are: 1,417 applications received, 840 loans made, \$9,155,053 dollar value of loans made and \$17,036,657 historic loan volume.

Table 4.
Cumulative Loan Activity

Type of Loan	Program Year 2000-2001 Loans		Program Year 2001-2002 Loans*		Program Year 2002-2003 Loans*		Loan Totals All Years*	
	#	\$	#	\$	#	\$	#	\$
Guaranteed Loans	134	1,271,482	297	2,889,231	470	4,541,169	901	8,701,882
Interest Rate Buy-Down Loans			80	715,753	141	1,239,772	221	1,955,525
Non-Guaranteed Low Interest Loans	28	333,212	83	1,428,411	68	1,040,763	179	2,802,386
Guaranteed and Interest Rate Buy-Down Loans					40	518,177	40	518,177
Direct Loans	6	25,460	9	120,179	6	32,660	21	178,299
Other, No Response	57	637,235	68	423,740	28	324,669	153	1,385,644
Total	225	\$2,267,389	537	\$5,577,314	753	\$7,697,210	1515	\$15,541,913

Source: AFP Outcomes Database and Management System, downloaded March 18, 2004.

* Does not include data from three states that did not submit data to the Web-based applicant data system. However, these three states (Arkansas, Missouri, and Virginia) did submit data for the annual program data collection. For program year 2001-2002, Missouri records indicate 11 direct loans totaling \$36,901. For program year 2002-2003, Arkansas, Missouri and Virginia records indicate 27 direct loans totaling \$90,271; 34 interest rate buy-down loans totaling \$884,430 and 26 guaranteed and interest rate buy-down loans totaling \$483,142. The combined grand totals for program year 2001-2002 would be 548 loans for a dollar value of \$5,614,215; for program year 2002-2003 the total would be 840 loans for a dollar amount of \$9,155,053. The loan totals for all three years would be 1,613 loans with a dollar amount of \$17,036,657.

Table 5.
Loan Portfolio Performance for Program Year 2002-2003

	Oct 2002-Sept 2003
Total Dollar Amount of Outstanding Loans	\$11,234,509
Number of Defaulted Loans	39
Dollar Amount of Defaulted Loans	\$272,192
Default Rate	2.42%
Dollar Amount of Net Losses	\$265,459
Net Loss Rate	2.36%

Source: 2002-2003 Annual Program Data.

Total Dollar Amount of Outstanding Loans is the total amount of loans still outstanding (principal not paid in full), as of September 30, 2003. This total includes loans that were provided or supported by the AFP (direct, guaranteed and interest rate buy down loans) but does not include non-guaranteed loans provided solely by the lending institutions.

Number of Defaulted Loans is the total number of loans defaulted (90 days past due), as of September 30, 2003.

Dollar Amount of Defaulted Loans is the total dollar amount of the loans defaulted (90 days past due), as of September 30, 2003.

Default Rate is the Dollar Amount of Defaulted Loans divided by Total Dollar Amount of Outstanding Loans and expressed as a percentage.

Dollar Amount of Net Losses is equal to the total dollar amount lost on direct loans and guaranteed loan payouts minus recoveries from collateral in 2002-2003 as of September 30, 2003.

Net Loss Rate is the Dollar Amount of Net Losses divided by the Total Dollar Amount of Outstanding Loans, expressed as a percentage.

Characteristics of Loan Borrowers

In program year 2002–2003, the largest percentage of borrowers was between 40 and 69 years of age (demographic data—compiled from information provided by applicants—is shown in Table 6). The demographic data on race show that 71 percent of AFP loan recipients were white, 9.4 percent were African American, 2.7 percent were Hispanic, 1.8 percent were American Indian, Alaskan Native, Pacific Islander or Native Hawaiian, and 14.2 percent of borrowers did not respond to this question. About 70 percent of loan recipients were unemployed; about 17 percent were employed full time and 7 percent worked part time. Looking at the communities where borrowers resided during program year 2002–2003, about 27 percent lived in urban areas, another 27 percent lived in suburban areas and about 32 percent lived in rural areas. These percentages were similar to those in program year 2001–2002 when about 30 percent of borrowers lived in urban areas, 31 percent lived in suburban areas and about 30 percent lived in rural areas.

Types of AT Purchased

To meet their individual needs, loan recipients purchased many different types of assistive technology through AFP loans, as shown in Table 7. For the last two program years, the three most frequently purchased types of AT were adapted transportation, hearing aids and mobility equipment. Building modifications, equipment for daily living usage, computer equipment and seating and positioning devices were among the other devices frequently purchased by AFP borrowers during this same time period. Looking at the most frequently purchased types of AT in program year 2002–2003, about 41 percent of the AT was adapted transportation including modified vans and specialized devices for vehicles, such as hand controls and lifts. About 23 percent of AT purchased was for hearing aids, 15 percent was for mobility equipment, and about 11 percent was for building modifications.

Type of Disabilities that AT is Expected to Influence

AFP loan recipients provided information on the types of disabilities that the purchased AT would affect. The majority of AT financed in both fiscal years (61.9 percent in program year 2002–2003 and 67.4 percent in program

year 2001–2002) affected the loan recipient's mobility, while the second most frequently cited affect was on social interactions (see Table 8). In both fiscal years, hearing was the third most frequently cited ability to be affected by AT, while the ability to talk and communicate was the fourth most cited ability to be affected by the AT. Other abilities noted by loan recipients that would be affected by AT included learning, memory, handling skills and seeing.

For AFP loans in program year 2001–2002 and program year 2002–2003, the average and median dollar amounts of approved loans stayed close to the same level over the 2-year-period (see Table 9). In program year 2002–2003, the median AFP loan was \$5,000 compared with \$4,769 in program year 2001–2002. The mean dollar amount for a loan in program year 2002–2003 was \$10,277 and in the previous year was \$10,425.

AFP loans in program year 2002–2003 generally offered favorable interest rates to borrowers (see Table 10). In this third year of AFP operation, slightly less than one-half—45.29 percent—of loans provided or facilitated by the AFPs had low interest rates between 0 percent and 4 percent. An additional 35.59 percent of AFP loans had interest rates between 4.1 percent and 6.0 percent; about 16.0 percent of loans had interest rates between 6.1 percent and 8.0 percent. Most AFP loan rates in program year 2002–2003 were below the rates for typical consumer loans. A bank generally charged in the range of 6 percent to 8.5 percent for a consumer loan during program year 2002–2003. During the same time period, credit card interest rates typically were much higher than consumer loan rates. Consequently, about 80 percent of borrowers who obtained AFP loans in program year 2002–2003 received interest rates that were below the rates of most consumer or credit card loans.

Repayment terms for AFP loans varied in program year 2002–2003, with a majority of loans—53.4 percent—having repayment terms of 3 to 5 years. An additional 20.1 percent of the loans had terms of 6 to 10 years. About 18 percent of the loans had repayment terms of less than 3 years. Only 1.5 percent of loans had repayment terms of 11 years or more. Longer repayment terms lowered the monthly loan payments and this often made the loans more affordable for borrowers.

Table 6.
Demographic Characteristics of Loan Applicants for Program Year 2002-2003

	Approved		Denied		Other*	
	Count	Row %	Count	Row %	Count	Row %
Sex of User						
Male	384	51.0%	188	47.7%	43	46.7%
Female	330	43.8%	185	47.0%	47	51.1%
No Response	39	5.2%	21	5.3%	2	2.2%
Total	753	100.0%	394	100.0%	92	100.0%
Age of User						
0–9 years	34	4.5%	12	3.0%	4	4.3%
10–19 years	51	6.8%	20	5.1%	10	10.9%
20–29 years	50	6.6%	25	6.3%	9	9.8%
30–39 years	57	7.6%	51	12.9%	6	6.5%
40–49 years	126	16.7%	81	20.6%	19	20.7%
50–59 years	148	19.7%	79	20.1%	19	20.7%
60–69 years	111	14.7%	53	13.5%	13	14.1%
70–79 years	71	9.4%	21	5.3%	6	6.5%
80+ years	35	4.6%	16	4.1%	3	3.3%
No Response	70	9.3%	36	9.1%	3	3.3%
Total	753	99.9%	394	100.0%	92	100.0%
Race of User						
White	535	71.0%	208	52.8%	61	66.3%
African American	71	9.4%	84	21.3%	12	13.0%
Hispanic	20	2.7%	7	1.8%	1	1.1%
American Indian, Alaskan Native Pacific Islander, Native Hawaiian	14	1.8%	14	3.5%	0	0.0%
Asian Indian, Asian	3	0.4%	3	0.8%	1	1.1%
Other	3	0.4%	5	1.3%	2	2.2%
No Response	107	14.2%	73	18.5%	15	16.3%
Total	753	99.9%	394	100.0%	92	100.0%
Primary Language of User						
English	676	89.8%	347	88.1%	82	89.1%
Other	12	1.6%	7	1.8%	2	2.2%
No Response	65	8.6%	40	10.2%	8	8.7%
Total	753	100.0%	394	100.1%	92	100.0%
Employment Status of User						
Full-time	127	16.9%	31	7.9%	17	18.5%
Part-time	54	7.2%	27	6.9%	7	7.6%
Not Working	524	69.7%	304	77.2%	61	66.3%
No Response	47	6.2%	32	8.1%	7	7.6%
Total	753	100.0%	394	100.1%	92	100.0%
Community of User						
Primarily Rural	245	32.5%	108	27.4%	39	42.4%
Primarily Suburban	206	27.4%	98	24.9%	16	17.4%
Primarily Urban	202	26.8%	114	28.9%	32	34.8%
Other	1	0.1%	3	0.8%	0	0.0%
No Response	99	13.1%	71	18.0%	5	5.4%
Total	753	99.9%	394	100.0%	92	100.0%

Source: AFP Outcomes Database and Management System, downloaded March 18, 2004.

*Examples of “other” financing decision on applications include pending, tabled, withdrawn, and approved but not closed.

Note: Due to rounding, some columns may not sum to exactly 100%.

Table 7.
Types of AT Purchased by Borrowers

Assistive Technology	Program Year 2002-2003		Program Year 2001-2002	
	Count	% of 753 loans	Count	% of 537 loans
AT for Adapted transportation	307	40.8	242	45.1
AT for Hearing aids	172	22.8	68	12.7
AT for Mobility equipment	114	15.1	139	25.9
AT for Building modifications	85	11.3	54	10.1
AT for Daily living equipment	48	6.4	47	8.8
AT for Computer equipment	38	5.0	62	11.5
AT for Seating and positioning	19	2.5	18	3.4
AT for Computer access	13	1.7	35	6.5
AT for Medical equipment	11	1.5	10	1.9
AT for Visual aids	10	1.3	18	3.4
AT for Social and recreational	8	1.1	5	0.9
AT for Communication	7	0.9	8	1.5
AT for Environmental	7	0.9	5	0.9
AT for Work or school modifications	1	0.1	2	0.4
AT for Farm equipment modifications	1	0.1	0	0.0
AT for Other needs	22	2.9	4	0.7

Source: AFP Outcomes Database and Management System, downloaded March 18, 2004

Note: Borrowers were asked to check as many responses as applied to their AT request, thus these numbers exceeded the number of borrowers.

Table 8.
Function Affected by AT Purchased by Borrowers

Function	Program Year 2002-2003		Program Year 2001-2002	
	Count	% of 753	Count	% of 537
AT will affect mobility	466	61.9	362	67.4
AT will affect social interactions	346	45.9	133	24.8
AT will affect hearing	192	25.5	85	15.8
AT will affect talking and communication	180	23.9	77	14.3
AT will affect learning	85	11.3	71	13.2
AT will affect memory	60	8.0	37	6.9
AT will affect handling skills	36	4.8	22	4.1
AT will affect seeing	29	3.9	35	6.5
AT will affect other things	53	7.0	29	5.4

Source: AFP Outcomes Database and Management System, downloaded March 18, 2004.

Note: Numbers in these columns will not total the number of borrowers for the year as applicants were allowed to check as many responses as applied to their AT request.

Follow-up and Outcomes of Borrowers

The overwhelming majority of AFP loan recipients (ranging from 52 percent to 81 percent in each category) reported increases in significant areas of their lives including quality of life and participation in critical, everyday life activities because of the AT purchased through AFP loans. Table 11 provides information from borrowers on the productive impact of the loans and associated AT acquisitions.

In addition, during voluntary follow-up surveys of loan recipients, the majority of

survey respondents—75.3 percent—said they were satisfied with the loan programs, compared with 2.9 percent who reported dissatisfaction with the programs (20.4 percent did not respond to the question and 1.5 percent were neutral—see Table 12). Additionally, the majority of respondents, about 77 percent, said they would use the programs again and would recommend the programs to others, compared with 1.0 percent of respondents who answered negatively on these issues (additionally, 21.4 percent of borrowers did not answer the question).

Table 9.
Dollar Amount of Approved Loans

	Program Year 2002-2003 (N=753)	Program Year 2001-2002 (N=537)
Median	\$5,000	\$4,769
Mean	\$10,277	\$10,425
Minimum	\$100	\$87
Maximum	\$62,000	\$90,000
Standard Deviation	\$10,663	\$11,930

Source: AFP Outcomes Database and Management System, downloaded March 18, 2004.

Table 10.
Loan Interest Rates and Terms for Program Year 2002-2003

Program Year 2002-2003		
Interest Rates	Count	%
0% to 2.0%	142	18.86
2.1% to 4.0%	199	26.43
4.1% to 6.0%	268	35.59
6.1% to 8.0%	120	15.94
8.1% or Higher	14	1.86
Not Reported	10	1.33
Total	753	100.01
Loan Repayment Terms		
Less than 3 years	138	18.30
3 to 5 years	402	53.40
6 to 10 years	151	20.10
11 years or more	11	1.50
Repayment not Recorded	51	6.80
Totals	753	100.10

Source: AFP Outcomes Database and Management System, downloaded March 18, 2004.

Note: Due to rounding, columns do not sum to exactly 100%.

Table 11.
Borrowers' Perceptions of the Impact of Approved Loans and Associated AT Acquisitions
for Program Year 2002-2003

Impact	Got Better		Stayed Same		Got Worse		Total Question Response*	
	Count	Row %	Count	Row %	Count	Row %	Count	Row %
Quality of life	127	81.4	27	17.3	2	1.3	156	100.0
Participate in recreation, leisure or community, social or spiritual activities	113	78.5	31	21.5	0	0.0	144	100.0
Do home/community living activities (e.g., shopping, cooking, laundry, cleaning)	105	75.5	33	23.7	1	0.7	139	99.9
Move around in the community	102	73.9	35	25.4	1	0.7	138	100.0
Participate in important life roles (e.g., parent, friend, advocate, etc)	95	70.4	38	28.1	2	1.5	135	100.0
Manage health or personal safety	91	66.9	42	30.9	3	2.2	136	100.0
Participate in learning and educational activities	87	68.5	39	30.7	1	0.8	127	100.0
Control or manage the amount of physical assistance or attendant care used during the day	76	63.9	38	31.9	5	4.2	119	100.0
Control life and life decisions	73	57.0	53	41.4	2	1.6	128	100.0
Work or seek work, or participate in vocational or productive activities	72	65.5	37	33.6	1	0.9	110	100.0
Stay in the home or current living situation, or have a choice in living situation changes	64	52.9	57	47.1	0	0.0	121	100.0

Source: AFP Outcomes Database and Management System, downloaded March 18, 2004.

* The number of responses to each question varies because not all outcomes are relevant for all pieces of AT acquired. For Row Percents, percentages were added together across the row rather than down the columns.

Note: Due to rounding, some rows may not sum to exactly 100%.

Table 12.
Satisfaction Outcomes of Borrowers Completing Follow-up Surveys

	Program Year 2002-2003		Program Year 2001-2002	
	Count	Col %	Count	Col %
Use the program again?				
Yes	158	76.7	256	79.3
No	2	1.0	7	2.2
No Response	46	22.3	60	18.6
Total	206	100.0	323	100.1
Recommend program?				
Yes	160	77.7	260	80.5
No	2	1.0	2	0.6
No Response	44	21.4	61	18.9
Total	206	100.1	323	100.0
Satisfaction with services?				
Very satisfied	140	68.0	224	69.3
Somewhat satisfied	15	7.3	13	4.0
Neutral	3	1.5	1	0.3
Somewhat dissatisfied	1	0.5	2	0.6
Very dissatisfied	5	2.4	28	8.7
No response	42	20.4	55	17.0
Total	206	100.1	323	99.9

Source: AFP Outcomes Database and Management System, downloaded March 18, 2004.

Note: Due to rounding, some rows may not sum to exactly 100%.

Summary

The AFP provides an important source of loan funding for consumers with disabilities who are in need of assistive technology to improve their employment, education, health care and family and community living situations. By creating a federal-state partnership to serve individuals with disabilities, the AFP has become an important part of the solution to the dilemma faced by many people who do not have a financing source for assistive technology.

In program year 2002-2003, the AFP operated in 16 states and provided \$7.7 million in assistive technology loans to 753 individuals. The loan portfolio performance of all AFPs in program

year 2002-2003 was excellent, with a net loss rate for all loans of only 2.36 percent. In the three years of AFP loan operations, the state AFPs have worked with consumers with disabilities and lenders to create effective, responsible operational systems in these participating states. Recognizing the immense need for assistive technology and financing options, the federal government has helped the AFP reach many consumers with disabilities. Overall, during 3 years of operation, the AFP has provided \$15.5 million in assistive technology loans to serve 1,515 people with disabilities and their families.

Alternative Financing Programs Program Year 2002-2003

Arizona

Arizona Loans for Assistive Technology Program
(AzLAT)
Northern Arizona University
Institute for Human Development
4105 North 20th Street, Suite 260
Phoenix, AZ 85016
Project Director: Jill Sherman
PHONE: 602/728-9532
PHONE: 800/477-9921
TTY: 602/728-9536
FAX: 602/728-9535
E-MAIL: jill.sherman@nau.edu
WEB SITE: www.azlat.org

Arkansas

Arkansas Technology Equipment Loan Fund
Arkansas Rehabilitation Services
4601 West Markham
Little Rock, AR 72205
Project Director: Jim Moreland
PHONE: 501/683-3008
FAX: 501/666-5319
E-MAIL: jdmoreland@ars.state.ar.us

Florida

Florida Alternative Financing Program
Florida Alliance for Assistive Services and
Technology (FAAST, Inc.)
325 John Knox Road, Bldg B
Tallahassee, FL 32303
Loan Program Director: Scott Marcelais
PHONE: 850/487-3278
TTY: 850/922-5951
FAX: 850/487-2805
E-MAIL: faast@faast.org

Illinois

TechConnect Low Interest Loan Program
Illinois Assistive Technology Project
1 West Old State Capitol Plaza, Suite 100
Springfield, IL 62701-1200
Project Director: Sue Castles
PHONE: 800/852-5110
PHONE: 217/522-7985
TTY: 217/522-9966
FAX: 217/522-8067
E-MAIL: scastles@iltech.org

Kansas

Alternative Financing Program
Kansas Assistive Technology Cooperative
625 Merchant, Suite 210
Emporia, KS 66801
Executive Director: E. Basil Kessler
PHONE/TTY: 866/465-2826
PHONE/TTY: 620/341-9002
FAX: 620/342-6400
E-MAIL: katcodir@sbcglobal.net
WEB SITE: www.katco.net

Kentucky

Loan Initiative Networking Kentuckians for
Assistive Technology (LINK AT)
Kentucky Assistive Technology Loan Corporation
P. O. Box 12231
Lexington, KY 40581
Director: Nancy Hansen
PHONE: 877/675-0195 ext 25
PHONE: 859/246-2117
FAX: 859/246-2124
E-MAIL: Nancye.Hansen@mail.state.ky.us
WEB SITE: www.kyatloan.org

Louisiana

Louisiana Assistive Technology Loan Program
Louisiana Assistive Technology Access Network
(LATAN)
3042 Old Forge Road, Suite D
Baton Rouge, LA 70808
Loan Program Director: Kurt Hellmann
PHONE/TTY: 225/925-9500
PHONE/TTY: 800/270-6185 (State)
FAX: 225/925-9560
E-MAIL: khellmann@latan.org
WEB SITE: www.latan.org

Maryland

Assistive Technology Guaranteed Loan Program
Maryland Technology Assistance Program
2301 Argonne Drive, Room T-17
Baltimore, MD 21218
Loan Program Director: Tony Rice
PHONE/TTY: 800/832-4827
PHONE/TTY: 410/554-9233
FAX: 410/554-9237
E-MAIL: loans@mdtap.org
WEB SITE: www.mdtap.org

Michigan

Michigan Loan Fund
c/o U.C.P. Michigan
3401 E. Saginaw, Suite 216
Lansing, MI 48912
Loan Fund Manager: Carolyn Brown
PHONE: 517/203-1200 Ext. 31
FAX: 517/203-1203
E-MAIL: info@michiganloanfunds.org
WEB SITE: www.michiganloanfunds.org

Missouri

Show Me Loans
Missouri Assistive Technology Council
4731 South Cochise #114
Independence, MO 64055-6975
Loan Program Coordinator: Marty Exline
PHONE: 816/350-5281
TTY: 816/373-9315
FAX: 816/373-9314
E-MAIL: mexline@swbell.net

Nevada

Nevada Assistive Technology Loan Fund Program
CareChest
7910 N. Virginia Street
Reno, NV 89506
Loan Program Coordinator: Randi Decasa
PHONE: 775/829-2273
FAX: 775/829-8745
E-MAIL: loans@carechest.com

Oklahoma

Oklahoma Alternative Financing Program
Oklahoma ABLE Tech
1514 West Hall of Fame
Stillwater, OK 74078-2026
Loan Program Coordinator: Milissa Gofourth
PHONE: 405/744-9864
TTY: 800/257-1705
FAX: 405/744-2487
E-MAIL: gmiliss@okstate.edu

Pennsylvania

Pennsylvania Assistive Technology Foundation
1004 West Ninth Avenue, First Floor
King of Prussia, PA 19406
Executive Director: Susan Tachau
PHONE: 888/744-1938
PHONE: 484/674-0506
TTY: 877/693-7271
FAX: 484/674-0510
E-MAIL: patf@amexcenters.com
WEB SITE: www.assistive-technology4pa.org

Utah

Alternative Financing Program
Utah Assistive Technology Foundation (UATF)
Center for Persons with Disabilities
6835 Old Main Hill
Logan, UT 84322
Executive Director: Marilyn Hammond, Ph.D.
PHONE: 800/524-5152 (National)
PHONE: 435/797-2025
TTY: 435/797-7089
FAX: 435/797-2355
E-MAIL: uatf@cpd2.usu.edu
WEB SITE: www.uatf.org

Virginia

Assistive Technology Loan Fund Authority (ATLFA)
1602 Rolling Hills Drive, Suite 107
Richmond, VA 23229
Executive Director: Michael Scione
PHONE: 866/835-5976
PHONE: 804/662-9000
FAX: 804/662-9533
E-MAIL: Mike.Scione@atlfa.org
WEB SITE: www.atlfa.org

Wisconsin

WisLoan
Independence First
600 W. Virginia St., Suite 401
Milwaukee, WI 53204-1516
WisLoan Coordinator: Patti Kraemer
PHONE: 414/226-8306
TTY: 414/291-7520
FAX: 414/291-7525
E-MAIL: pkraemer@independencefirst.org

March 2005
Produced by
RESNA Technical Assistance Project
1700 North Moore Street, Suite 1540
Arlington, VA 22209-1903
703-524-6686 (V), 703-524-6639 (TTY)
703-524-6630 (FAX)
<http://www.resna.org/AFTAP/>

This publication is available in alternative formats.

The RESNA Alternative Financing Technical Assistance Project, Grant #H224C030002, is an activity funded by the Rehabilitation Services Administration (RSA), U.S. Department of Education (ED), under the Assistive Technology Act of 1998. The information contained herein does not necessarily reflect the position or policy of RSA/ED or the Rehabilitation Engineering and Assistive Technology Society of North America (RESNA), and no official endorsement of the materials should be inferred.