

CalABLE Stakeholder Interviews

Overview of Findings



OVERVIEW

Sagent worked with the CalABLE team to interview key stakeholders with the goal to inform the development of the marketing strategy and plan. Through the interviews, Sagent explored the value of the CalABLE brand to its key audiences, how it's positioned compared to other programs and the unique benefits it provides.

Goals

- Understand the value of the CalABLE program, including opportunities, challenges, and positioning from various stakeholders' point-of-view;
- Identify target audiences;
- Uncover obstacles to program enrollment; and
- Inform a marketing strategy and tactical marketing plan.

Methodology

Sagent conducted the following meetings and interviews:

- Discovery meeting with Dante Allen, Executive Director for CalABLE
- One on one stakeholder interviews:
 - California State Treasurer Fiona Ma
 - Joe Xavier, Director, California Department of Rehabilitation
 - Michael Morris, Director, National Disability Institute
 - Peter Mendoza, Interim Council Chair, State Independent Living Council
 - Genevieve Jopanda, Chief of Staff for Treasurer Ma, California State Treasurer's Office
 - Kelly Kulzer, CalABLE account holder parent

SUMMARY OF FINDINGS

During this interview process, we gained valuable understanding and insights about the CalABLE program and the intended audience this program is designed to reach. Of the stakeholders interviewed, a majority were involved in the federal and statewide legislation process that helped establish the ABLE program.

Following are key highlights based on the interviews conducted.

THE CalABLE PROGRAM

- Purpose: To set money aside and to use the funds for security/emergency purposes.
- It gives people **financial independence** and **provides a sense of dignity and financial security**.
- There's an aspect that's overlooked – for families to better position their loved ones. There are benefits for both short-term and long-term.
 - **It can benefit loved ones and help prepare them for the future.** Not sure how many people are aware of this.
- The civil rights portion – for my daughter to have her own money in her own name.

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TARGET AUDIENCE

MAIN BUYER:

- There's a wide spectrum of people that benefits from the CalABLE program. There are different trust relationships within the network.
 - **Family:** The individual who is looked after by family members and maybe engaged in public service/public assistance programs. *May be in custodial care/conservatorship relationships.*
 - **Independent individual:** Professionals running their life, like judges, attorneys, administrators, surfers and anywhere in between. May be a recipient of public assistance and connected to the systems that provide support.
 - **Other:** Those who may be able to benefit from the ABLE program but are not connected to any type of public assistance, not aware that ABLE programs exist; distant friends and family.
- **Need to target all** – the one with the disability and family members.
 - **Parents/Guardians with kids under 18 or 21** that have a disability.
 - **Working age adults** with a disability.
 - **Family and friends** of those with a disability.
- "I don't think it's that easy to answer. I think it depends on how you got there. Parents of a child under 18.
- Possible target audience may be people with 529 accounts that can rollover to ABLE.

How the CalABLE program helps people:

- **There may not be a need today, but we need to begin to paint the picture – start now to prepare for the future.**
- **CalABLE opens possibilities** to people with a disability – for recreation, financial freedom and financial literacy.
- CalABLE is a **disability empowerment program.**
 - Helps people have more control with what they want to do with their life and to have more freedom.
 - **Resources are power.**
- **Provides independence. Enables dignity. Increases feelings of respect.**
- Provides social security benefits and an opportunity to have tax advantage savings.
- **Save for the future.**
 - Right now, the money is tax-free.
- How people use the program will range from those using it on transactional basis to those using it as a long-term savings vehicle.

CalABLE is a great fit for anyone who has these characteristics:

- The disability community does not discriminate. From no money to the billionaire. Every gender. Every age-range. We may be discriminated against, but **we welcome all.**
- **Anyone who is ABLE eligible** – provides social security benefits and an opportunity to have tax advantage savings.
- Need to emphasize this is **not one size fits all** – there is not just one way to connect.

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- ABL is different from a special needs trust. “You don’t have to pay \$3k for paperwork. This is something that a middle-class family can and should be doing to be stewards for our own families.”

People or organizations that may encourage/influence people to participate:

- There are a multitude of different networks (boards, commissions, committees) among every California State Department and there are common linkages between each. At the Department of Rehabilitation there are 8-10 committees or boards. For example, Blind Advisory Committee there are 13 individuals that represent different interests in blind community. That is the same with the deaf community, etc.
 - Tap into the composition of the different department boards and to the organizations defied within the board.
 - Think about the department of education and the **special education** aspect → how that feeds off to every school district in the state.
 - There are local networks, like the America Job Center of California at the local level.
 - California Council of the Blind and the National Federation of the blind – both are affiliates of the National Council of the Blind. As a national organization, there affiliations across the state. Something similar developmental communities, traumatic brain injury.
- Need to work with state agencies and the California State Council on Developmental Disabilities.
- Department of Education and special education programs.
- Special needs trust attorneys are an important target – trusted network.
- Social service delivery network in California – want them to be excited over the one million eligible ABL account holders.
- It would be amazing if the CalABLE program could be featured on a TV show, like Born This Way.
- Share the word by leveraging existing groups.
- “Ambassadors are doing a great job.”
- Real life example – described a time when a birthday party was thrown for Amelia. Kelly asked that instead of gifts, to donate money to Amelia’s CalABLE account, for her future. Large amounts of money were donated to Amelia’s CalABLE account.
- Suggest adding a “helpful hints” section to the CalABLE website – i.e., set a reminder on your calendar on how to put money into your account.
- Recommend a monthly automatic payment from in-home supportive services (IHSS) check.
- Disseminate information through trusted network, not a government PSA. A message to someone with developmental disabilities would best be heard by ARC or another network, but a family member may see PSA and be interested.
- Important to **finding people who are messengers**. Those who have opened accounts – celebrities, leaders in the disability community – to help get people to open able accounts. A trusting messenger is needed!

CUSTOMER NEED

What is the main pain/need that is being solved through the CalABLE program?

- People with disabilities need to have the ability to transfer money, **take care of earned income and emergency savings**.

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- Example: People with disabilities need to have power/electricity. It was a problem when SDG&E turned power off for 4-5 days. Most don't have the money to pay for a power system/generator when the power goes out. He mentioned that CalABLE might allow someone to pay for the equivalent of what they need. Can also provide funds when more health care coverage is needed, and insurance won't cover; or help pay for 24-hour care.
- Example: Provides people with the ability to go to school and get a degree (or another degree).
- **If there is a need, then there is a need to pay for it.**
- Having any type of disability has extra costs of living. Need to prepare for emergencies.
 - Health care costs not being picked up. There's also transportation, housing, employment needs. Need for emergency funds – wheelchair breaks down and needs to be repaired, transportation to and from work.
- **CalABLE fills gaps and provides saving long-term.** Saving for longer-term needs like wanting to live in a place on their own. One of the things Michael hears the most is that people want to live in a place on their own and to control their own transportation. **He mentioned that many people are using ABLÉ funds to help meet their short-term needs.**
- **CalABLE can help save funds for housing. Housing options in adulthood will be much more limited if don't have a way."**
- **Dignity.** Until the ABLÉ program, people with disabilities could not have a bank account or a credit history. *"If you need a car, then you need a loan... If you don't have any credit to your name, then you won't be able to get a loan... Having nothing equates to being homeless."*
- CalABLE can help build a credit history. Take pride in order to help take care of yourself.
- Someone who will contribute (family network) will be looking at the tax benefits.
- This program is a **safety net for the future.** Whatever you are doing today, won't affect the future of tomorrow. Whatever you are saving today, won't be affected down the line."
- **Encourage people to save** – "a little but out of every paycheck adds up."
- This is an opportunity to invest in themselves and in their future. This could open the door for the future.
- This program is about **independence and being self-reliant**, other than depending on government.
- Care about your loved ones. Love, hope, charity.

What is the impact for people if they do not participate in an ABLÉ/CalABLE program?

- People might think that they are okay right now, but don't know the impact for not acting.
- This impact is closely felt in the housing market – the biggest impact for nonparticipation will be no-option in the housing area.
 - **U.S. Department of Housing and Urban Development (HUD) guidance is so important.**
- Program provides tax savings that are consequential. Then question: What if you wait? You won't be able to maximize the savings plan. There is a max donation per year. Need seven to eight years of lead-way to make sure you can maximize.

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What value does the CalABLE program provide to participants?

- **Helps prepare for the future.**
- Real life example: What happens to a child with a disability when something happens to its parents?
 - It is important to provide financial support at a minimum or kid will be pushed off to another system.
- Preparing so that when you are no longer here, maybe your child (or loved one) has **support** once you have passed away. Create support for the unexpected. Serves as a **savings vehicle available to families.**
- There is a need to **create a financial literacy program** that will be reachable from the CalABLE website. People with disabilities are often unable to make informed financial goals or manage their money. CalABLE will be able to provide this tool to its account holders.
- Allows you to live where you want to live compared to where you can afford to live.
 - Finding section 8 housing in California is extremely difficult.
- CalABLE gives people **peace of mind**. It is bad if people don't think they don't own anything. People with disabilities have always been told that they cannot create a savings account – need to beware of people's trust.
- More than opening a savings account – **CalABLE can make your dreams happen.**

MARKET/INDUSTRY TRENDS

Key trends/changes that may have impact:

- If suspect, CalABLE will more dependable. Right now, we are in the planning process to prepare for the future – long-range planning. Putting money into the system will help benefit the individuals and the program, whether its \$1,000 a year or \$15,000 put in a year – *the more funds in the accounts, the better it is for everyone.*
- Used the raise of home prices and rent as an example. Need more people to participate and more funds to be in the program → this benefits the viability of the CalABLE program.
- There is an opportunity today – less than 1 percent of ABLE eligible have opened an account – this is an opportunity to reach the 99 percent.
 - Mentioned it will be important to provide resources to Children's Hospitals → employers → labor unions; also target on social media. He mentioned that no one has figured out how to reach the non-account holders: only 35,000 accounts across 40 states.
 - Obstacles: Not enough people have heard of the program; the story is too good to be true.
 - What has worked? Testimonials.
- Housing over the next 50 years is the biggest pain.
 - Cannot find affordable housing! Once get affordable housing, then other requirements. The housing is key to be able to do all the other parts of your life.
- Changing the federal age from 26 to 46 would be huge. A tax deduction would also be helpful.

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Expressions or use of language that should not be used in communicating about the program to this audience:

- General rule = **people first**. It is important to remember that for a member of the blind community, don't say for those of you that are blind!
- Stay away from phrases that could have risks like the H word (*handicapped*).
- CalABLE program is a disability empowerment program. **Use phrases to empower**.
- Use person first and **identity first** language. For example, "a person with down syndrome."
 - Mirror language that someone else is saying and pay attention to preferences.
- Important to use **diversity** in marketing materials.
- **Highlight benefits** to people can see that it is for them.
- **Do not say vulnerable communities**.

What communication style and language do you find is most well-received by people with disabilities and/or their families?

- For messaging **use plain language**. Department of Developmental Services and State Council on Developmental Disabilities will be the best practitioners for plain language.
- Recommend a consumer friendly "**consumer guide/a guide to the CalABLE program**" – an easy to understand guide for CalABLE consumers and account holders to understand the account.
- Simplify documents or people will not understand the benefits and will not sign-up for accounts.
 - Document should be used to target all – family members and one with disability.
- The **financial literacy** piece will be important, helping to educate clearly.
- This needs to be an **easy process**. If materials are not provided, then outreach will not happen.

COMPETITIVE LANDSCAPE

How is California's program unique from other programs?

- **California has recovery protections**. For example, California doesn't have a Medicaid Recovery Act. Peter mentioned that when people pass away, they sometimes have a life insurance policy and the state will take the money for healthcare costs from the life insurance policy. **That is not the case in California. CalABLE is exempt** – MediCal won't go back to recover funds from CalABLE.
- **The best thing California has going for it is having removed the MediCal Clawback**.
- All programs follow a set of federal mandates. California has different fees to open and manage accounts – educated consumers are comparing. "Are CalABLE prices low?" could be a good message.
- **California has access to large state agencies to help** (school districts have special education programs, there's the Dept. of Rehabilitation Services and state govt. council on developmental disabilities).

CalABLE strengths:

- Large volumes of accounts and program's assets. Why? **Healthy program** means range of benefits for everyone.
- MediCal Clawback being removed. This will bring Californians that have accounts in other states back. Can grow fast.
- The more accounts we have, the more successful future.

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- **Stronger Together** – could be a potential marketing tagline.
- Money can be donated to a friend’s family member – this helps alleviate stress.

CalABLE weaknesses:

- No weaknesses.
- The **secure card vs. a debit card**. Once the money is withdrawn on the card, it can’t be put back into the CalABLE account.
- There is a **trust issue** with signing up for accounts (not just in California, but everywhere). “You can break down the law and what an account is, but people are dumbfounded about what account to choose...”
- Application is **online only** this is difficult for many people with disabilities.
- People do not know about CalABLE. Otherwise no weaknesses compared to other states.

COMPETITIVE ADVANTAGE

Describe one thing that you believe sets apart the CalABLE program from others available.

- The State of California will not profit from CalABLE.
- The **MediCal Clawback** – mentioned above.
- California is unique.
- The CalABLE Board is still listening to people with disabilities.
- California has a large population, thus **a large eligible population**.

Complete this sentence CalABLE is a program that _____.

- CalABLE is a program that increases financial independence and provides more power over their own lives and autonomy.
- Opening a CalABLE account is a **down payment on freedom and independence.”**
 - Not just “creating a savings account.” It is about how to help people realize their dreams and make them come true.
- This program provides independence and allows you to have a self-determined life.
 - **This is my choice, my life.**
 - People tell you what can happen for your loved one. Instead of saying what you can do, **this is something you can do for yourself.**

SUCSESSES

Stories:

- Dante has been capturing the stories, see CalABLE’s website.
- Awaiting a story based on approval from account holder.

ADDITIONAL INFORMATION

- Possible Resource: Aaron Carruthers Director of the state council of disabilities
Aaron.Carruthers@scdd.ca.gov
- No state has tried (*might be possible but depends on legal approval*) to create a savings contest (eligible for a “lottery”) – encourage the positive behavior desired. Example: credit unions have been successful doing this – may be an option for CalABLE.