



STATE OF WASHINGTON
CASELOAD FORECAST COUNCIL
PO Box 40962, Olympia Washington 98504-0962 (360) 664-9380

MINUTES

Caseload Forecast Council (CFC)
February 15, 2019
John A. Cherberg Building
Hearing Room 3

Members Present: David Schumacher, OFM, Vice Chair
Senator John Braun
Senator Jeannie Darneille
Representative Drew Stokesbary (via phone)
Cheryl Strange, Secretary/DSHS

Staff Present: Elaine Deschamps, Executive Director
Erik Cornellier, Deputy Director
Gongwei Chen
Paula Moore
Kathleen Turnbow
Shidong Zhang

Others Present: Carl Wolfhagen, OFM

CALL TO ORDER

Director Schumacher called the meeting to order at 1:31 p.m.

APPROVAL OF MINUTES

Senator Braun moved, Secretary Strange seconded, to approve the minutes of the November 14, 2018, meeting as presented. The motion carried unanimously.

AGENCY UPDATE

Dr. Elaine Deschamps updated the Council on the following legislative bills that add duties to the CFC:

- HB 1340 and SB 5393 require the CFC to forecast the Washington College Promise Scholarship and replace the State Need Grant.
- HB 1123 makes the State Need Grant an entitlement, and the CFC is required to forecast both the State Need Grant and the Washington Promise Program.
- HB 1495 establishes the Criminal Sentencing Task Force reducing sentencing implementation complexities and improving the sentencing system. A member of the CFC would be on the task force.
- SB 5636 requires that a member of the CFC serve on a workgroup that would explore the establishment of a non-partisan agency to conduct objective, non-partisan analysis, on behalf of the Legislature.

FEBRUARY 2019 FORECASTS

Forecast Overview

Dr. Deschamps reviewed the forecast overview and noted that most of the forecast changes are either lower than the November forecast or negligible. Three reasons for this are: there is clear evidence of higher incomes in a number of caseloads, changes in Medicaid, both policy driven and due to higher incomes, and lower caseloads due to immigration.

EDUCATION

Special Education

Paula Moore reported that Special Education is tracking well, but birth rates in our state have dropped. As a result, the Age 0-2 and Age 3-5 program caseloads are declining, causing the slight drop in the overall special education caseload. The Age 0-2 program is about 3.5 percent of the Age 0-2 population, but the birth rate has dropped enough that the overall state birth rate is dropping, causing the decline. This will eventually impact the Age 3-5 year-old caseload.

Charter Schools

Paula Moore reported that Charter Schools are tracking well, but one school, Soar Charter School in Tacoma, has announced they will close at the end of the year. Those students will likely go back to public schools because there is currently no other charter school serving elementary school kids in that area.

College Bound Scholarship Program (CBSP)

Paula Moore recalled that last year the CBSP caseload was expected to increase. She explained that they only get data once a year, and then they try to capture if the community college students late-enroll. As a result, they do not have good long-term data, particularly in a recession or in a positive economy like we have right now. They uncovered that the federal government shifted the Free Application for Federal Student Aid (FAFSA) date back a year for income, which meant that the 2015 year income was used twice in a row to determine eligibility. There was a little bump in eligibility where more families were income eligible last year because their incomes were frozen in 2015, despite rising income standards. That is why this forecast is back down to its prior trajectory and expected to continue to grow. What is not known is how this program performs in a positive economy, how many of these kids are going to divert over to not going to school, and how many of them are going to keep going to school.

Early Childhood Education and Assistance Program (ECEAP)

Dr. Gongwei Chen explained that the ECEAP caseload is not an entitlement caseload yet, but it will become an entitlement caseload in 2022. Currently, the main driver for the caseload is the number of funded slots. During Fiscal Year 2019, there are an additional 1,000 funded slots. Next year and the year after that, there are no additional funded slots. Because there are no additional funded new slots coming online, the agency expects to be able to implement the slots faster. This was taken into consideration for the November forecast, but according to the most recent assessment from the agency, they expect they will be able to implement the slots next year, faster than this year, and that is why the February forecast is slightly higher than the November forecast.

CORRECTIONS

Juvenile Rehabilitation Administration (JRA)

Dr. Chen reported that the JRA caseload has been dropping for two decades. Around 2015, it levelled off, and in the past year, it experienced more decline. The decline is mainly driven by lower admissions

of property offenders, serious sex offenders, and burglary offenders. There is not anything too unusual on the releases side. In the coming biennium, the caseload is expected to continue to decline but more gradually than in the past 12 months.

Contact-Required Community Supervision

Dr. Chen reported that the Contact-Required Community Supervision caseload bottomed out in 2013, and since then it has been growing. The caseload does not have a strong seasonality, but it has a pattern of growing for a few months, then the growth rate slows down, and then it resumes growth again. This has been the story for the past six years. The main drivers include the increasing number of determinate plus sex offenders, more consecutive vs. concurrent sentences, and more out-of-state offenders and domestic violence offenders being supervised. Those drivers are not going away, so even though in the past three months there was a pause in the supervision caseload growth, that pause is not expected to continue. The caseload is expected to continue the upward trend.

Senator Darneille noted that the expected effect of SB 5037, which was passed in 2017 and makes a fourth DUI within ten years a felony, is to increase the caseload. She asked if there has been any immediate growth in that number. Dr. Chen responded that the impact of that bill was not expected to be immediate and is not expected to be seen for about six months to a year after the bill was passed. He stated he would forward the detailed month-to-month breakdown of expected growth to the Council.

PUBLIC ASSISTANCE

Temporary Assistance for Needy Families (TANF)

Carl Wolfhagen, Office of Financial Management, reported that the TANF caseload has been tracking below the November forecast, and as a result, they brought the forecast down slightly. The February forecast is lower by 1.3 percent for the 2019-21 Biennium. The caseload is 0.6 percent lower in the Workfirst portion, and there is a larger decrease of 1.9 percent in the Child Only caseload. The reasons for the change are primarily reduced entries, likely due to the improved economy, and also the impact of potential changes to public charge rules on immigrant population, which are affecting both the Workfirst and the Child Only caseloads. The caseload has dropped and has been flattening out. Some of the risk to the forecast is that much of the flattening has to do with steps to the forecast that are based on policy changes made in the last year or two that are not fully played out yet. If the estimated impacts of these changes is not correct, the caseload could be somewhat different in the future.

Working Connections Child Care (WCCC)

Erik Cornellier reported that the WCCC forecast is down 5.9 percent for the next biennium. Increased incomes are reducing the number of clients who are eligible for the program. He noted that they are seeing decreased entries, increased exits, decreased applications, and an overall decreased demand for the program.

CHILDREN'S SERVICES

Screened-In Reports

Dr. Shidong Zhang reported that this is the second CFC forecast of the Screened-In Reports caseload. The forecast has been tracking on average 13.5 percent below the November forecast; however, the variance reduced to 0.8 percent above the November forecast in October 2018. Two main reasons account for this forecast change. First, Child Protective Services (CPS) intakes were abnormally low in the summer of 2018. Second, the percentage of CPS intakes moving to the screened-in stage has been low since last summer. In addition, this caseload has large volatility making it challenging to produce

an accurate forecast. As a result, the February forecast is on average 4.5 percent lower than the November forecast for the 2019-21 Biennium.

Licensed Foster Care

Dr. Zhang explained that the Licensed Foster Care caseload has two components: Basic Foster Care & Receiving Care (BFCRC) and Behavioral Rehabilitation Services (BRS). Separate BFCRC and BRS forecasts are available, so the Licensed Foster Care forecast is the sum of the two caseloads. The caseload has been tracking on average 1.2 percent below the November forecast, and the February forecast is on average 0.9 percent lower than the November forecast for the next biennium. There are mainly two reasons for the change. First, the percentage of screened-in cases ending up in Licensed Foster Care placement has been low, and CPS intakes were abnormally low last summer. Second, starting from September 2018, the BRS caseload is about 30 cases lower than before likely due to the increased hotel placements and reduced out-of-state placements.

MEDICAL ASSISTANCE

Adult Caretakers and Children

Dr. Zhang reported that the Adult Caretakers and Children caseload has been tracking well for the past five months. The February forecast is on average 1.5 percent lower than the November forecast for the next biennium. There are three main reasons for the forecast change. First, the Health Care Authority improved post-eligibility review efficiency by automation and eliminated the eligibility review backlog in October 2018. This resulted in increased eligibility terminations. Second, the impacts of tracking duplicate benefits in two or more states by using a federal database called PARIS are larger than assumed in the November forecast. This also resulted in increased eligibility terminations. Third, because this caseload is MAGI-related and is correlated with the Health Benefit Exchange open enrollment, it is impacted by the repeal of the individual mandate and by the shorter open enrollment period.

Medicaid Expansion New Eligibles

Dr. Zhang reported that the Medicaid Expansion New Eligibles forecast is 2.8 percent lower than the November forecast for the next biennium. Because this caseload is also a MAGI-related caseload, the three main reasons for change in the Adult Caretakers and Children caseload also apply to this caseload. In addition, this caseload is highly correlated with the Health Benefits Exchange open enrollment, and the federal policy changes had a stronger impact on this caseload than on the Adult Caretakers and Children caseload.

AGING, LONG TERM, AND EARLY SUPPORT

Nursing Homes

Dr. Deschamps reported that the Nursing Homes forecast is 1.5 percent lower than the November forecast for the next biennium, and the primary driver of the change is the age 85 and older cohort. They revised the model and are now able to get data by gender. In November, they were producing 7 forecasts by age group, and now have 14 forecasts by both age and gender. They are now able to more closely explain variances and where they are being driven. For Nursing Homes overall, 45 percent of the caseload is made up of clients age 80 or over.

ADOPTION OF FORECASTS

Senator Darneille moved, Director Schumacher seconded, to approve the forecasts as presented. The motion carried unanimously.

NEXT MEETING

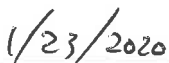
The next meeting is scheduled for June 19 at 1:30 p.m.

The meeting adjourned at 2:06 p.m.

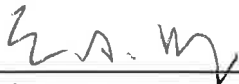
APPROVED AND ADOPTED BY THE CASELOAD FORECAST COUNCIL



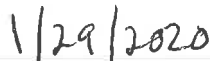
Senator Derek Stanford, Chair



Date



Elaine Deschamps, Executive Director



Date



STATE OF WASHINGTON
CASELOAD FORECAST COUNCIL
PO Box 40962, Olympia Washington 98504-0962 (360) 664-9380

MINUTES

Caseload Forecast Council (CFC)
June 19, 2019
John A. Cherberg Building
Hearing Room 3

Members Present: Representative Derek Stanford, Chair
David Schumacher, OFM, Vice Chair
Representative Drew Stokesbary

Staff Present: Elaine Deschamps, Executive Director
Erik Cornellier, Deputy Director
Gongwei Chen
Paula Moore
Kathleen Turnbow
Shidong Zhang

Others Present: Rusty Fallis, Office of the Attorney General
Carl Wolfhagen, OFM

CALL TO ORDER

Representative Stanford called the meeting to order at 1:34 p.m.

AGENCY UPDATE

Dr. Elaine Deschamps updated the council on the following items:

Washington State Criminal Sentencing Task Force

The 2019 Legislature established the Washington State Criminal Sentencing Task Force in the 2019-21 Operating Budget. The goals of the Task Force are to reduce sentencing complexity, promote and improve public safety, and improve effectiveness in the sentencing system. A member representing the CFC is to be appointed jointly by the President of the Senate and the Speaker of the House of Representatives. That member can be either a council member or a staff member. Per the budget language, the Task Force shall convene no later than September 2019.

Following a brief discussion, the members in attendance agreed to recommend that Director Deschamps serve as the Task Force representative due to her knowledge of the CFC. Director Deschamps agreed to forward the recommendation to the House and Senate.

Washington College Grant Program

The CFC received a new forecast in the last legislative session for the Washington College Grant Program per House Bill 2158. This is essentially an extension and expansion of the State Need Grant. It will become an entitlement in academic year 2020-2021. The first CFC forecast for this program will be in November 2019.

JUNE 2019 FORECASTS

Forecast Overview

Dr. Deschamps reviewed the forecast overview and noted that presentations would be made for the forecasts with changes that are more than negligible. Following the presentations, staff would be happy to answer questions on any of the forecasts that were not presented.

Education

Common Schools

Paula Moore noted that the Common Schools forecast is tracking very well. The Common Schools, Bilingual Education, and Special Education caseloads are all on track with the February forecast.

Charter Schools

Ms. Moore explained that Charter Schools were required in legislation in 2016 to be forecasted separately. Three charter schools announced they would close at the end of the 2018-19 school year. One of those schools was assumed in the February forecast. The other two were operated by the charter school group called Green Dot, and they are closing one in Kent and one in Tacoma. The other one that is closing is in Tacoma. That is the reason for the lower forecast. In the following year, four new schools have been authorized, and they are outside of the Tacoma area. There is one in Bremerton, Bellingham, Federal Way, and one is in south Seattle. The June forecast includes recently approved charter schools, and there are about 571 new students assumed in the forecast that have been approved by the Charter School Commission. There is one school that submitted an application to the Spokane School District. That school will be included in the November forecast if the application is approved.

College Bound Scholarship Program

The College Bound Scholarship Program forecast is about 2.2 percent higher than the February forecast. Some of the increase is due to CTC enrollment coming in higher than projected. It is traditionally at the CTCs where later enrollments occur.

Washington College Grant Program

The Legislature passed House Bill 2158, which turned the State Need Grant into an entitlement but also broadens income eligibility. Long-standing data is available for this new forecast, but there will also be new data because there are populations that have not been served before and have not even been on the unserved waitlist area. The waitlist that had been on the State Need Grant will go away because all students who are eligible will receive the award. The CFC will be working with the Washington Student Achievement Council, OFM's Education Research and Data Center, and a few other groups to learn more about the unknowns in this forecast that are in the slightly higher income level that will be served in this new program. The first forecast of the Washington College Grant Program will be in November 2019.

Early Childhood Education and Assistance Program (ECEAP)

Dr. Gongwei Chen reported that the ECEAP caseload has been growing consistently since its inception, and because the caseload will not become an entitlement until school year 2022-23, all of the increase has been driven by the number of additional slots funded by the Legislature. ECEAP eligibility is based on the child's age and family income. Prior to July 2018, children became eligible under rules adopted by the Department of Early Learning, now part of Department of Children, Youth, and Families, if the number of such children does not account for more than ten percent of the overall enrollment. However, SB 6419 of 2018 expanded that 10 percent to 25 percent. The bill also specifically said the additional children are not part of the state-funded entitlement caseload. Dr. Chen explained that since last September, they began to observe such children on the caseload, and the average is about 350 a month. In the February forecast, they inadvertently included them in the forecast, but in the June forecast those children were excluded from the forecast. The June forecast is still higher than the February forecast because of the additional funded slots provided by the Legislature in the 2019 session.

Corrections

Adult Inmate

Dr. Chen reported that the Adult Inmate caseload has been mostly dropping since June 2018 primarily due to declining property and drug offender admissions. The June forecast is lower because of anticipated lower admissions of mostly drug and property offenders and because HB 1646 from the past session extends the maximum age of confinement for certain juvenile offenders at Juvenile Rehabilitation facilities from age 21 to 25.

Contact-Required Community Supervision

Dr. Chen reported that the Community Supervision caseload has been growing since 2013, and since early 2018, the rate of growth has accelerated. There is a long list of factors that have been driving up the community supervision caseload, and those factors are still in place. Most recently, some of the drivers that have been observed include an increase in releases from jail and an increase in drug and assault offenders being supervised. The caseload is expected to continue to grow.

Public Assistance

Temporary Assistance for Needy Families (TANF)

Carl Wolfhagen, Office of Financial Management, reported that the TANF caseload consists of both the Work First and Child Only forecasts. The actuals for the last few months have been tracking about one percent above the February forecast. The caseload is expected to increase by roughly 2.6 percent over the next biennium and by a little bit more than that for the WorkFirst portion of the caseload. Much of the increase has to do with policy changes. There have been seven policy changes adopted since July 2017 that might affect caseloads. The main risks to the forecast have to do with the next two policy changes that will be implemented in July of 2019. These involve changes to the time limits for WorkFirst and eliminating the disqualification for receiving benefits for having been sanctioned three times for non-compliance. There are steps built into the forecast based on the department's estimates of the impacts, and the accuracy of the steps will be assessed after the changes take effect in July.

Working Connections Child Care (WCCC)

Erik Cornellier explained that the February forecast was kept relatively level at a lower point with a high risk because it was not clear at that time if the caseload was experiencing a downward trend. Now that more actuals are available, it does appear that there is a downward trend in enrollment. This has been incorporated into the forecast bringing the forecast down about 10 percent in the next

biennium. Policy changes are incorporated in the forecast that increase the forecast and offset the downward trend, but the baseline forecast would be lower without the policy changes.

Tiered Reimbursement

The Tiered Reimbursement forecast is up on average about 5.7 percent for the next biennium. Almost all of the increase is in the subset of providers that are rated at Level 2 and have been there for more than 30 months, which means they are not receiving any tiered reimbursement payments because providers at Level 2 only receive 30 months of Level 2 tiered reimbursement payments. It is expected that in the next few months that additional set of providers should be receiving the ratings and either moving up to a higher tier or leaving the program.

Medical Assistance

Medicaid Expansion New Eligibles

Dr. Shidong Zhang reported that the Medicaid Expansion New Eligibles caseload has been tracking an average of 0.6 percent below the February forecast. The June forecast is on average 2.6 percent lower than the February forecast for the next biennium. The February forecast correctly assumed a large caseload reduction due to the repeal of the individual mandate and a shorter open enrollment period. However, early indicators suggest that the impact is larger than assumed in February resulting in a lower June forecast. This caseload is sensitive to state and federal policy changes. The HCA is planning to automatically transfer qualified, aging-out Categorically Needy Children clients to this program in September. This change may have a significant impact on this caseload.

Aged, Disabled, and Other

The Aged, Disabled, and Other caseload has been tracking 0.6 percent below the February forecast. The June forecast is on average 1.5 percent lower than the February forecast for the next biennium. This caseload is an aggregate of nine medical programs. Two-thirds of the forecast change is caused by the Qualified Medicare Beneficiary Program (QMB). In January 2019, there was a big spike in eligibility terminations in the QMB program, mainly due to an eligibility data system clean up. In addition to that, the Supplemental Security Income hearing approval rate has been declining for many years resulting in a declining growth trend across all disability-related medical programs.

Aging, Long Term, and Early Support

Nursing Homes

Dr. Deschamps reported that the Nursing Homes forecast for the 2019-21 Biennium is lower by 2 percent. For the last seven months, actuals have been tracking within 4 cases or 0.0 percent of the forecast. The explanation for the downward slope and the lower forecast for the next biennium is a step adjustment that was put into the forecast based on a policy change made during the last session called the Nursing Homes Discharge step. The step adjustment assumes that hiring more FTEs that are solely dedicated to transferring clients from nursing homes into community settings will result in a transfer of about 430 nursing homes clients into the community. This would result in a net zero impact on the total long-term care caseload but a substantial reduction of 4.5 percent in the nursing homes caseload. The current forecast model is based on 14 individual levels based on age, gender, and participation rates, and involves incorporating the population. With the step adjustment, the model will change to an entry/exit model. This will allow the tracking of entries, exits, and hopefully transfers, so it can be determined if the clients actually are transferring into the community or are otherwise exiting. Due to a lag in the data, staff will not be able to confirm if the drop is happening until March 2020.

Total Individual Provider Hours

The Total Individual Provider Hours forecast is higher by 0.8 percent over the February forecast. This is still a fairly new forecast for the CFC, so there are not a lot of data points, and there is some volatility while adjusting to technical issues with the data. One of the reasons why the CFC was tasked with doing this forecast was also to supply the Council information about overtime as a percentage of the total hours. The current percentage is four percent, and the threshold is 8.25 percent.

Representative Stanford noted that he continues to think that it is a bit of an outlier having the Caseload Forecast Council in the position of needing to look at that percentage and vote to raise it or not. He hopes that they can find a better place to put that responsibility.

Early Support for Infants and Toddlers (ESIT)

Paula Moore reported that the CFC has been producing the ESIT forecast as a courtesy forecast since around 2010. The program serves birth to two-year olds who have developmental delays, and the caseload is hovering around 10,000 children. The June ESIT forecast is up about 3.3 percent. One of the drivers of the increase is an increased awareness as medical providers are screening more. Additionally, as birth rates in our state have dropped, they have not dropped amongst older women. It is not known if women are more worried about developmental delays and tracking it, or if there is a higher risk, but a greater percentage of the children in the state are being identified with a delay and entering this program.

ADOPTION OF FORECASTS

It was noted that in accordance with statute, without the quorum needed to vote, the forecasts would be submitted without approval and would have the same effect as if approved by the Council.

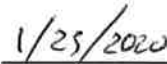
The next meeting is scheduled for November 13 at 1:30 p.m.

The meeting adjourned at 2:07 p.m.

APPROVED AND ADOPTED BY THE CASELOAD FORECAST COUNCIL



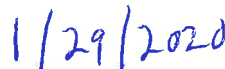
Senator Derek Stanford, Chair



Date



Elaine Deschamps, Executive Director



Date



STATE OF WASHINGTON
CASELOAD FORECAST COUNCIL
PO Box 40962, Olympia Washington 98504-0962 (360) 664-9380

MINUTES

Caseload Forecast Council (CFC)
November 13, 2019
John A. Cherberg Building
Hearing Room 3

Members Present: Senator Derek Stanford, Chair
David Schumacher, OFM, Vice Chair
Senator John Braun, (via phone)
Representative Steve Bergquist
Cheryl Strange, DSHS

Staff Present: Elaine Deschamps, Executive Director
Erik Cornellier, Deputy Director
Gongwei Chen
Paula Moore
Erik Sund
Kathleen Turnbow
Shidong Zhang

Others Present: Rusty Fallis, Office of the Attorney General
Carl Wolfhagen, OFM
Mike Mohrman, OFM
Rob Kemp, OFM

CALL TO ORDER

Director Schumacher called the meeting to order at 1:29 p.m.

NOVEMBER 2019 FORECASTS

Forecast Overview

Dr. Elaine Deschamps reviewed the forecast overview and noted that presentations would be made for the forecasts with changes that are more than negligible. She noted that following the presentations, staff would be happy to answer questions members have on any of the forecasts that were not presented.

Education

Special Education

Paula Moore reported that the Special Education forecast is up two percent from the June forecast. Part of the increase is due to the funded Special Education program. When the index was lifted in the 2017 Legislative Session, based on prior history, it was assumed there would be a one-time bump up,

and then it would flatten out. Instead, it has continued to increase each year, so the forecast now assumes that it is going to increase a little bit more over the next two years. About half of the districts in the state are still underneath the index cap, so this caseload is likely to continue to grow a little bit more before it flattens out again.

Bilingual Education

The Bilingual Education forecast is up by 2.5 percent from the June forecast. In the beginning of this decade, the caseload grew about seven percent per year. Then it started to slow down, and last year the growth tapered off substantially. This year it seems to be back to its normal pattern, so some of the different immigration policies probably played a factor in dampening the caseload for one year. If we look back in time to 2000, every time there has been a push in immigration there has been a dampening, but then it pushes back, so that is what we think is happening.

Charter Schools

Ms. Moore explained that the issue with Charter Schools is that there are only 12 of them, and each one is forecasted individually. There are three different reasons for the change in the forecast. One school opened in September and closed, which was both unexpected and quick. Another school that opened last year has struggled to meet its enrollment, so this caseload assumes a sharp reduction in its enrollment. The rest of the schools are only down about three percent. The reason why the forecast pops back up again is that there are five schools opening next year. Those schools have all been authorized either by the Charter School Commission or by the Spokane School District, and they are in a variety of locations across the state. The forecast will be updated as more projected enrollment plans are available.

College Bound Scholarship Program

The College Bound Scholarship Program is a program where students sign a pledge in middle school, and in a recent policy change, a few students can sign in their ninth grade year. Then, if the students meet the pledge conditions and are still income eligible, they are eligible to receive tuition and a book allowance when they go to college four years later. These students all receive the state need grant first. This forecast is about 1 percent higher than the June forecast. Part of the increase is based on actuals and higher enrollment in the summer this year.

Washington College Grant Program

Ms. Moore explained that the Washington College Grant Program replaces the State Need Grant, converts the program to an entitlement, and lifts the income limit. She discussed the program history and expansion as well as data and methodology for the new forecast.

During recession, college enrollment increases, and many people have lower incomes, so the demand for financial aid increases. This forecast is going to be highly correlated with the economy in terms of demand for the program and who sits in which eligibility category.

Corrections

Juvenile Rehabilitation (JR)

Dr. Gongwei Chen reported that the JR caseload has been declining for a number of decades, and the November forecast is the first time in a long time where there is a substantial raise of the forecast. The increase is almost all driven by E2SHB 1646, which was passed during the 2019 Legislative Session. The bill has the effect of extending the maximum age of confinement for juveniles to be housed at JR from 21 to 25, and this was already accounted for in the June forecast. The bill also has the effect of making certain offenders eligible to be transferred from DOC to JR, which was not accounted for in the fiscal

notes or the June forecast. This explains the step up in January 2020 and accounts for almost all of the difference between the June and November forecast as well.

Adult Inmate

Dr. Chen reported that the Adult Inmate caseload has been dropping for the past year and a half. There are many different drivers, but mostly the Legislature has passed a number of bills in the past years, and of those bills, only a few have the effect of increasing the inmate population. The vast majority of the bills have the net effect of reducing the inmate population. In addition, the state has been funding a number of evidence-based programs to reduce crimes and the number of people being put in prison, so as a result we are seeing a decline in the inmate population. Most recently E2SHB 1626 increases the number of admissions in JR and decreases the number of admissions on the inmate side. Because of these drivers, there has been a decrease of the inmate population and especially a decrease of drug offender and property admissions. As a result, the November forecast was revised down.

Public Assistance

Temporary Assistance for Needy Families (TANF)

Carl Wolfhagen, Office of Financial Management, reported that the November forecast for the TANF caseload is similar to the February forecast. He explained that the forecast was raised in June and that the November forecast is 2.3 percent lower than the June forecast for the next biennium. Much of the difference and the reason they raised the forecast in June and lowered it again in November, was due to the uncertainty of policy step adjustments. There were some bills passed by the 2019 Legislature that were expected to increase the caseload. There were also some existing policies that were expected to continue to increase the caseload. Some of the step adjustments were rolled into the forecast, and that brought the forecast back down again, particularly in Fiscal Year 2021.

Aged, Blind and Disabled Grant (ABD)

Dr. Shidong Zhang reported that the ABD Grant caseload actuals have been tracking on average 2 percent lower than the June forecast for the past five months. The November forecast is on average 3.4 percent lower than the June forecast for the next biennium. There are two main reasons for the forecast change. First, there was a significant increase in presumptive SSI eligibility terminations starting in April 2019, mainly due to clients not following the rule with the SSI application process because the Social Security Administration changed the verification process in late 2018. The Economic Services Administration is currently working with stakeholders to solve this problem. Second, the impact of the Mid-Certification Review for the ABD aged population was underestimated in the previous forecast. There are still many clients that did not respond to the agency's information request necessary for the eligibility review. If there is no response, the eligibility of the client will be terminated.

Children's Services

Licensed Foster Care

The Licensed Foster Care caseload has been tracking on average 2.3 percent below the June forecast. The November forecast is on average 2.5 percent lower than the June forecast for the next biennium. This caseload has two components: Basic Foster Care and Receiving Care (BFCRC) and Behavioral Rehabilitation Services (BRS). The BFCRC caseload has been declining since April 2019 possibly due to expedited adoptions. There was a significant caseload drop in the BRS caseload starting in September 2018 mainly due to fewer out-of-state placements. This kind of a caseload drop happened before in a two-year cycle, so as such the November forecast assumes this caseload will go up again in the near future.

Medical Assistance

Medicaid Expansion New Eligibles

Dr. Zhang reported that the Medicaid Expansion New Eligibles caseload has been tracking well at about 0.3 percent below the June forecast. The November forecast is on average 1.5 percent higher than the June forecast for the next biennium. The November forecast implements a step adjustment to quantify the impact of the Health Care Authority's new policy of auto-enrolling qualified age-out Categorically Needy Children clients into this caseload. This is the main reason for the forecast difference.

Aging, Long Term, and Early Support

Nursing Homes

Dr. Deschamps reported that the Nursing Homes forecast is averaging 2.2 percent lower than the June forecast for this biennium. The largest part of the variance in terms of the lower tracking is in the 85 plus population, which comprises about 32 percent of nursing homes clients. She explained that they are working on changing the forecast model to one that will help with a nursing homes discharge step that was done in the last legislative session where DSHS is going to hire more employees to focus on transitioning people from Nursing Homes into the community. They are changing to an entry/exit model so they can look at exits and transfers and see if those transitions are actually happening when the time comes to evaluate the step.

Election of Chair

Senator Stanford stated he would like to seek the chair position. He served as chair previously for a number of years and has been happy with the performance of staff in conducting the caseload forecast work. He stated that the Council is fortunate not to have too many contentious issues in front of this committee, so they can focus on professionalism, accuracy, and getting the good data foundation that is so critical to the budget process for our state. He added that he is very happy to help the CFC staff who do the forecast work and would like to continue in the chair position.

Representative Bergquist moved to nominate Senator Stanford as chair. Senator Braun stated that he supports the nomination of Senator Stanford as chair. The motion was approved unanimously.

Senator Stanford thanked the council and stated that he is happy to continue in this role and is very thankful for the hard work of the people who put the forecasts together and provide us with that good solid foundation.

Executive Session

The Council went into executive session at 1:51 p.m. to discuss the performance of a public employee. The regular meeting resumed at 1:57 p.m.

HOUSEKEEPING

Extension of Caseload Supervisor's Term of Employment

Director Schumacher moved to extend the Caseload Supervisor's Term of Employment by one year and assure that the underlying three percent COLA for general state employees is part of her continuing salary. Representative Bergquist seconded. The motion carried unanimously.

Dr. Deschamps thanked the council for extending her term and stated that she looks forward to continuing in this role.

Approval of Minutes

Secretary Strange moved, Director Schumacher seconded, to approve the minutes of the February 15, 2019 and June 19, 2019 meetings. The motion carried unanimously.

Approval of Forecasts

Secretary Strange moved to approve the forecasts as presented. Director Schumacher seconded. The motion carried unanimously.

2019 OFM STATE POPULATION FORECAST

Mike Mohrman, State Demographer, and Rob Kemp, Senior Forecast Analyst, presented the OFM State Population Forecast.

2020 MEETING DATES

The proposed meeting dates for 2020 were reviewed. The next meeting is scheduled for February 14, 2020 at 1:30 p.m.

Senator Stanford welcomed Representative Steve Bergquist to the Council. Representative Bergquist stated he was excited to be part of the CFC team. He noted that, as vice chair of the House Appropriations committee, it is good to have a pulse on the caseloads because it is a very important part of what they are doing. He also thanked Chair Stanford for chairing the Council and stated that he looks forward to being part of the Council going forward.

Senator Stanford also thanked Senator Darneille who served for many years on the Caseload Forecast Council and was a former chair of the Council as well. He noted her strong leadership over the years paying close attention to forecast issues and he knows that she is still working on those issues as well.

The meeting adjourned at 2:14 p.m.

APPROVED AND ADOPTED BY THE CASELOAD FORECAST COUNCIL



Senator Derek Stanford, Chair

11/29/2020

Date



Elaine Deschamps, Executive Director

12-17-2020

Date