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

MINUTES

Caseload Forecast Council (CFC)
February 14, 2025
John A. Cherberg Building, Conference Room ABC and Teams

Members Present:	Representative Steve Bergquist, Chair Director K.D. Chapman-See, OFM/Vice Chair Representative Chris Corry Secretary Cheryl Strange, DSHS
Staff Present:	Erik Cornellier, Executive Director Dr. Elaine Deschamps, Deputy Director Dr. Alex Ge Paula Moore Dr. Webb Sprague Erik Sund Kathleen Turnbow Dr. Shidong Zhang
Others Present:	Andrew Krawczyk, AAG/Office of the Attorney General

Call to Order
Representative Bergquist called the meeting to order at 1:32 p.m. and determined that a quorum was present.

Appointment of Vice Chair
Representative Bergquist explained that the Council lost the Vice Chair from the last meeting and that the Vice Chair role has historically been filled by the Director of the Office of Financial Management (OFM). Representative Bergquist called for nominations for Vice Chair. Secretary Strange nominated K. D. Chapman-See to be the Vice Chair of the Caseload Forecast Council in her role as Director of the Office of Financial Management. Representative Bergquist seconded the motion. Representative Bergquist stated that he hoped Director Chapman-See would be willing to accept the position if voted in by the Council. Director Chapman-See stated she thought that would be appropriate and she would be happy to serve in that capacity.

The motion was approved by the Council.

Approval of the Minutes
Representative Bergquist asked if there were any questions about the minutes of the November 13, 2024 Council meeting. Secretary Strange noted that she and Director Chapman-See were not in attendance at that meeting. Representative Bergquist stated that this would not exclude them from voting on the minutes. He added that he had reviewed the minutes, thought they looked fine, and would entertain a motion to approve the minutes.

Director Chapman-See moved, and Secretary Strange seconded, to approve the minutes as presented. The Council approved the motion.

February 2025 Forecast Overview
Erik Cornellier provided the forecast overview. He noted that there are 11 forecasts that are higher than the November 2024 forecasts, eight that are down, and 13 that are negligibly different or unchanged.

Three issues drive many of the forecast changes. First, there is substantial growth in the higher education forecasts due to state and federal policy changes. Second, there were higher than expected applications for the Washington Families' Tax Credit. Third, there are reductions in immigrant caseloads in response to federal policy changes.

Education
Paula Moore presented the K-12 and Higher Education forecasts.

Common Schools
Paula Moore reported that Common Schools enrollment is down 0.4 percent for the biennium. Future growth will decline as smaller cohorts are entering school relative to the larger cohorts that are graduating. For the next biennium, the forecast variance is due to lower participation in kindergarten, first grade, and lower entries from immigration.

Special Education
The Special Education forecast is down 0.4 percent reflecting the decrease in the Common Schools forecast. Funding for the Age K-21 portion of the Special Education caseload is indexed to 16 percent of each district's total full-time equivalent enrollment.

Bilingual Education
The Bilingual Education forecast is projected to decline 2.3 percent for the next biennium due to lower projected immigration in response to the new executive orders that impact refugees, asylum seekers, and those applying for temporary protected status. The adjustment was modeled off a blend of rates from the 2017-18, 2018-19, and 2023-24 school years. There is an assumption in this forecast that arrivals from special immigrant visas will still occur as those are authorized under the executive orders. Special immigrant visas were offered to people in Afghanistan who assisted the US military and their immediate families.

Higher Education
Paula Moore presented the higher education forecasts. She noted that February is the first point in time for the forecast cycle when College Bound Scholarship Program (CBSP) actuals are incorporated

into the forecast for the 2024-25 school year. She noted this year has been difficult to forecast due to the delay in launching the Free Application for Federal Student Aid (FAFSA), which caused delays in packaging financial aid due to issues with submitting and processing applications.

College Bound Scholarship Program (CBSP)
The CBSP forecast is up 15.3 percent due to Senate Bill 5904 which (1) removed the five-year time limit for using the CBSP, and (2) expanded the number of academic credits that it covers. The time limit removal added over 3,400 people. The credit expansion added 592. The original legislative estimate was 60 people total.

Washington College Grant (WCG)
The WCG forecast was also subject to similar difficulties with the FAFSA. This forecast is up 11.3 percent, or over 12,000 students. Growth is due to more students being eligible under the revised federal formula for calculating financial aid.

Paula Moore explained how the federal changes impacted Washington State's financial aid program. She explained that when a student applies for financial aid, a FAFSA is filled out to determine eligibility. To receive a Washington College Grant, a student needs to be a resident, income eligible, and in good academic standing if currently enrolled. Then the FAFSA calculations would determine whether an income-eligible student has any need after all other financial resources are factored in. Some students are found to have enough other resources to pay for college that they would not receive a college grant.

The formula for determining a student's need was overhauled. There are several types of resources that used to count that no longer count or were reduced. Examples include child support, military housing allowances for those living off post, contributions to 401Ks, and the size of income exclusions for single parents. All these factors increased the number of people eligible. The growth in WCG outpaced the actual enrollment changes at the universities and community and technical colleges.

Paula Moore also noted that the apprenticeship component of the grant is being implemented faster than previously assumed. Additionally, the community and technical colleges will be allowed to process applications next biennium.

Corrections
Erik Cornellier noted that for the most part the corrections forecasts are tracking well and are negligibly different from the November forecasts. He noted that there was a change in the Community Custody Violator forecast that was related to issues with the underlying actual data.

Public Assistance
Working Families' Tax Credit (WFTC)
Dr. Webb Sprague reported on both monthly and yearly counts, since WFTC is a yearly benefit with 80 percent of disbursement in March through June. The February 2025 forecast is 74,076 cases or 34.1 percent higher than the November 2024 forecast for FY 2025 and, on average, 61,316 cases or 24.8 percent higher for the 2025-27 Biennium.

This increased forecast is primarily due to incorporating a tenfold jump in electronic filers in late January 2025 compared to the same period in January 2024 and 2023. These filers include those using

TurboTax, which came online for WFTC this year, but also includes non-TurboTax electronic filers as well. The jump may also be partially due to outreach by the department in the last year. The forecast increase is balanced somewhat with a decrease in projected Individual Taxpayer Identification Number (ITIN) filers and a decrease in the total count of the federal Earned Income Tax Credit (EITC) eligible population in 2026 and 2027.

Actuals will become available by mid-April and will be incorporated into the monthly profile with the June 2025 forecast. Approvals will only begin being processed March 1. The CFC has also scheduled monthly tracking meetings with the Department of Revenue (DOR) because of the unexpected electronic filers and the change to the forecast.

Recent monthly actuals are tracking, on average, 639 cases or 26.9 percent above the November forecast. This fact also supports the increase described above.

Dr. Sprague noted the extreme seasonality of disbursements; most expenditures and applications occur from March through May because of the tax cycle. DOR does not start approving applications until March 1.

The primary trend methodology is to forecast a dampening increase in the total caseload through the forecast horizon with the same seasonal profile. Each year is forecasted to have higher uptake as the program becomes established and more widely known, but the increase to uptake will flatten as the program becomes fully established. Uptake assumptions are a risk to the forecast.

Erik Cornellier clarified that, while this forecast includes the recent spike in January cases now and in the future, there are no additional assumptions about continued growth in other months or in the size of the future January cohorts. There are no assumptions about new electronic filing methods, other than TurboTax, coming online in future years.

Temporary Assistance for Needy Families (TANF)

Dr. Webb Sprague reported that the February 2025 TANF forecast is 408 cases or 1.1 percent lower than the November 2024 forecast for FY 2025 and, on average, 2,560 cases or 6.7 percent lower for the 2025-27 Biennium. Actuals are tracking, on average, 19 cases or 0.1 percent above the November forecast.

The change to the biennial forecast is due to assumptions about the immigrant population under recent federal policy changes restricting many of the immigration programs and categories with clients accessing TANF benefits. The immigrant step assumes there will be a drop in certain legal immigrant populations for WorkFirst families beginning in August, a conservative assumption. Dr. Sprague noted that they have not modeled any change to the undocumented parent population in Child Only families.

Erik Cornellier added that across the forecasts there are no direct assumptions about reductions in undocumented immigrants from deportations. The federal government has signaled that it is focusing its deportation efforts on individuals with criminal records at this time, which would not directly impact most of the forecasts.

ESA Aged, Blind, Disabled, Cash Grant (ABD)
Dr. Webb Sprague reported that the February 2025 ABD forecast is seven cases or 0.0 percent higher than the November 2024 forecast for FY 2025 and, on average, 116 cases or 0.3 percent lower for the 2025-27 Biennium. Actuals are tracking, on average, 33 cases or 0.1 percent above the November forecast.

This forecast includes a reduction of the immigrant population under recent federal policy changes restricting many of the immigration programs and categories with clients accessing ABD benefits. That reduction is mostly balanced by a higher underlying forecast.

ABD Aged is forecasted to continue to climb at a reduced rate compared to the June forecast, with a climbing primary trend offset partially by a projected decline in immigrants on the program. ABD Disabled is forecasted to decline gradually due to a projected decline in immigrants on the program. Presumptive Supplemental Security Income (PSSI) is forecasted to climb slightly in the next few months, then flatten, driven mostly by the primary trend with a very small effect due to a projected decline in immigrants on the program.

Working Connections Child Care (WCCC)
Erik Sund reported that the WCCC forecast is 3.1 percent lower for FY 2025 and 3.9 percent lower for the 2025-27 Biennium. He noted that there are a few factors behind the changes, the first being the recognition of actuals that have been tracking lower than the November 2024 forecast. Actuals have been 1.8 percent lower than the forecast, but most of that is a drop in the summer. There's typically a drop at the end of every school year in the WCCC caseload, and it was higher than expected this year, so the adjustment to the ongoing rate of growth is smaller.

The forecast also includes a new step adjustment modeling the downstream impact on WCCC of the impact of federal immigration policy on the TANF caseload. Currently, about 13.4 percent of the TANF caseload is also using Working Connections. If clients are moving out of TANF, the CFC is assuming that they're also moving out of the WCCC caseload.

Partially offsetting the first two factors is a third change, which is a revision to a preexisting step adjustment in the forecast model associated with delayed provisions of the Fair Start for Kids Act of 2021. That provision will increase the maximum allowable family income in working connections from 60 percent of the State Median Income (SMI) to 75 percent of SMI. Both prior forecasts and discussions around the legislation when it was first working through the legislative process all assumed that it would take about 48 months for that full impact to be reached. After a review of how a previous increase to the income limit played out, the rollout period for that step adjustment has been shortened to 30 months. That change pushes the forecast higher than it would have otherwise been.

Most of the risks to the forecast are tied to one or another of the steps, whether they're older steps that are still in the model or the immigration step and the move to 75 percent of SMI, where the CFC has limited data.

Representative Bergquist asked about the timing of the increase in the income limit to 75 percent of SMI and whether there would be a significant impact on the February forecast if the implementation of that increase were delayed. Erik Sund responded that the change is scheduled to take place on July 1, 2025 and that a delay in change would have a significant impact on the forecast.

Medical Assistance
Low-Income Adults
Dr. Shidong Zhang reported that the Low-Income Adults caseload has been tracking 0.3 percent above the November forecast, and the February forecast is 1.5 percent higher than the November forecast for the next biennium.

One reason for the February forecast change is the incorporation of step adjustments for new federal immigration policies expected to impact the forecast. Another reason is that under SB 5632, passed in the 2024 Legislative Session, striking workers who are going to lose their health insurance are eligible to apply for the Health Benefit Exchange (HBE) and Health Care Authority's (HCA) medical programs. Variances of the first three tracking months are in the range of 0.1 percent, but the tracking variance for October jumped to 1 percent, which is ten times larger because of the seven-week Boeing strike. Many striking workers enrolled in the HBE and HCA medical programs.

This caseload is expected to drop continuously. Although the Health Care Authority's Post Eligibility Review (PER) processing is much improved in recent months, there are still a substantial number of pending PER cases generated in the pandemic continuous eligibility unwinding period.

This forecast includes a step for lower immigration by refugees, asylees, and TPS clients, and it mirrors the timing of the TANF assumption.

Aged, Disabled and Other Medical
The Aged, Disabled and Other Medical caseload is tracking 0.4 percent above the November forecast, and the February forecast is 1.9 percent higher than the November forecast for the next biennium.

More than half of the February forecast increase is due to the growth of the Qualified Medicare Beneficiary (QMB) program since its income limit increased from 100 percent of the federal poverty level (FPL) to 110 percent of FPL. The main contributors to the growth of QMB are increasing new enrollments and more existing clients in the CN Aged program that transitioned to the QMB program.

For the other two large programs in this caseload, CN Aged and CN Disabled, the February forecasts for both are higher but by less than one percent. The CN Aged program continues to increase at a marginally higher rate. The CN Disabled program has been declining since the start of the unwinding period, and in recent months, it seems to have stabilized.

Aging and Long-Term Support
Nursing Homes
Dr. Shidong Zhang reported that the Nursing Homes caseload is tracking 1.5 percent below the November forecast, and the February forecast is 1.6 percent lower than the November forecast for the next biennium.

The lower February forecast is primarily due to an increasing number of nursing home clients transitioning to the Adult Family Homes (AFH) program and the Agency Providers (AP) program after the pandemic. Another reason is that effective August 1, 2024, ten nursing home facilities changed ownership and delayed their data reporting. As a result, the lag adjusted historical data for this February forecast may be low, but the data was adjusted to mitigate the impacts. But as before, there is a possibility that the data could be still low.

Home and Community Services
The Home and Community Services caseload is tracking 0.2 percent above the November forecast, and the February 2025 forecast is 1.2 percent higher for the next biennium.

This caseload, like other caseloads for the aged population, is expected to grow steadily as the aged population is growing. In recent months, the Adult Residential Care program experienced a higher growth rate. The Assisted Living program has been declining for more than five years and then returned to the growing trend recently. There are six programs in this caseload. The other programs in this caseload were also adjusted upward based on newly available data.

Dependency Involved Children and Youth
Dr. Elaine Deschamps reported that this is a fairly new forecast per HB 1188 enacted during the 2023 Legislative Session. The February forecast is 27 cases or 44 percent higher for the next biennium. This is due to a change in the way actuals are being counted – from approvals to actual enrollments in a waiver service. This change in actuals corresponds with the shift from a state-only funded caseload to a Medicaid-matched waiver caseload effective in September 2024. The caseload now reflects clients who are both functionally and financially eligible for a waiver service.

Approval of the Forecasts
Secretary Strange moved, and Representative Corry seconded, to approve the forecasts as presented. The Council approved the motion.

Next Meeting
The next meeting is scheduled for June 11 at 1:30 p.m.

Adjournment
The meeting adjourned at 2:19 p.m.

APPROVED AND ADOPTED BY THE CASELOAD FORECAST COUNCIL

Representative Steve Bergquist, Chair — Date: 6/10/2025

Erik Cornellier, Executive Director — Date: 9/9/2025

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

MINUTES

Caseload Forecast Council (CFC)
June 11, 2025
John A. Cherberg Building, Conference Room ABC and Teams

Members Present: Representative Steve Bergquist, Chair
Director K.D. Chapman-See, OFM/Vice Chair
Representative Chris Corry
Senator Chris Gildon
Acting Secretary Bea Rector, DSHS

Staff Present: Erik Cornellier, Executive Director
Dr. Elaine Deschamps, Deputy Director
Dr. Alex Ge
Paula Moore
Dr. Webb Sprague
Erik Sund
Kathleen Turnbow
Dr. Shidong Zhang

Others Present: Andrew Krawczyk, AAG/Office of the Attorney General

Call to Order
Representative Bergquist called the meeting to order at 1:30 p.m. and determined that a quorum was present.

Approval of the Minutes
Representative Bergquist asked if there was any discussion of the minutes of the February 14, 2025 Council meeting and added that he would entertain a motion to approve. Director Chapman-See moved, and Representative Corry seconded, to approve the minutes. The Council approved the motion.

February 2025 Forecast Overview
Erik Cornellier provided the forecast overview.

He indicated that for the June 2025 forecast, there are nine forecasts that are higher, 13 that are lower, and nine that are negligibly different or unchanged from the February 2025 forecast. The CFC expected a larger number of forecasts that are lower because the June forecast incorporates legislative policy changes from the prior session, and this year the Legislature reduced funding for various programs due to a budget shortfall.

He indicated that there are a few broad themes in the forecasts. First, they incorporate new laws and policies passed by the Legislature, which pushes many forecasts downward, and in a few cases, the Legislature capped programs. In those cases, the forecasts are flat. Second, some caseloads were impacted by federal immigration policy changes more quickly than was assumed in the February forecast.

Education
Paula Moore presented the K-12 and Higher Education forecasts.

Common Schools
Paula Moore reported that Common Schools enrollment is 0.2 percent, or roughly 2,000 students, lower for the 2025-27 Biennium. The main reason is slightly lower enrollment assumptions for grades K-12.

Special Education
The Special Education forecast is 3.2 percent higher for the 2025-27 Biennium due to a policy change removing the 16 percent funded index applied to each school district's special education enrollment. This forecast has two parts: the underlying forecast and the capped forecast. This is the underlying forecast. There is also a policy change extending special education services to age 22.

Bilingual Education
The Bilingual Education forecast is 1.0 percent lower for the 2025-27 Biennium. The main reason is fewer entries into the program due to federal policies restricting certain types of immigration into the United States. While the February forecast also assumed a reduction, this June forecast further refines the assumption based on actuals reported since January.

Charter Schools
Representative Bergquist asked about Charter Schools. Paula Moore noted that the Charter Schools caseload is 5.1 percent lower due to the closure of the Summit Olympus charter school in Tacoma at the end of this school year. Other charter schools have also modestly revised down some of their enrollment estimates.

Transition to Kindergarten (TK)
The TK forecast is 31 percent lower for the 2025-27 Biennium as the program is now capped to an amount set by the Legislature.

Higher Education
Paula Moore presented the higher education forecasts. She noted that forecasts for both the College Bound Scholarship Program and the Washington College Grant Program are lower due to Senate Bill 5785, which has rolling implementation dates over the next three years.

College Bound Scholarship Program (CBSP)
The CBSP forecast is down 8.4 percent over the 2025-27 Biennium due to the imposition of a six-year limit. There had been a five-year limit that was lifted in the 2024-25 academic year which caused a spike. With the six-year limit, the forecast will follow its historical trajectory. Of note, this forecast will still grow year-over-year given that Washington has its highest number of teenagers right now, and they are making their way through college.

Washington College Grant (WCG)
The WCG forecast is down two percent over the 2025-27 Biennium. This is due in part to updated actuals given that there are four data points per year. The second reason is that students at for-profit private schools will not be eligible for the grant in the 2026-27 academic year, and non-profit four-year schools will have a 50 percent grant reduction in the 2026-27 academic year. The forecast assumes some students will shift to public schools. However, many of the for-profit students are in cosmetology, and those programs are not widely offered at the Community and Technical Colleges.

Early Childhood Education and Assistance Program (ECEAP)
Erik Sund reported that the forecast for ECEAP is 1.5 percent lower for FY 2025 and 26 percent lower for the 2025-27 Biennium. The changes in fiscal years 2026 and 2027 are due primarily to recent legislative action, including the delay of the planned conversion of ECEAP into an entitlement program from July 2026 to July 2030, which is outside the current forecast window. The other driver is the number of funded slots provided in the operating budget for the program, which is about 3,000 less than was initially provided for the 2024-25 school year. The reduction is similar in size but slightly larger than the current underutilized capacity in the program, which was significantly impacted in the pandemic and has been recovering slowly.

Representative Bergquist asked if demand for ECEAP spaces would be higher with the Transition to Kindergarten (TTK) program flattening out. Erik Sund replied that in the near term, with funded program capacity close to recent enrollment levels, the forecast assumes that it will be close to full; however, as the conversion to an entitlement program draws nearer, the interaction between TTK and ECEAP will become a bigger factor in the forecast. That interaction is already being modeled in a longer-range courtesy forecast. Representative Bergquist stated that it seems like both programs may hit their enrollment caps. Paula Moore and Erik Sund agreed that it was likely.

Corrections
Dr. Alex Ge presented the Juvenile Rehabilitation and Community Supervision caseload forecasts.

Juvenile Rehabilitation (JR)
Dr. Ge explained that the June JR forecast has a downward revision from the February forecast. More specifically, it's about 60 cases or 12.1 percent lower for the 2025-27 Biennium. Actuals are, on average, ten cases or 2.3 percent below the last forecast. If the actuals are broken down by sentence type, which is how this forecast is structured, the average monthly actuals for regular JR and adult commitments both came in lower while parole revocations came in slightly higher than the February forecast for January through April.

There are three major factors contributing to these revisions. The first and the largest factor is the revised lower admissions for both regular juvenile and adult populations. The CFC is now projecting a monthly average of 25 admissions through FY 2027 compared to the average of 30 admissions

projected in the February forecast, which is 17 percent lower for regular JR admissions. For the adult population, the CFC is now projecting an average of five admissions versus six admissions per month, which is also a 17 percent reduction. These projections mainly reflect the substantially lower than anticipated admissions for both groups in the recent four months. The second factor is the newly added step adjustment for ESHB 1815 concerning prison riot, which is estimated to lower the average caseload by five for FY 2026 and 14 for FY 2027. The third contributor to the lower caseload forecast is the shorter lengths of stay observed in recent months for adult commitments. On the other hand, the projected higher caseload in parole revocations offset some of these reductions.

Dr. Ge noted that the CFC is not cutting the caseload by 12 percent from the current level, but rather lowering it from the February forecast and prior forecasts. Overall, the caseload is still projected to grow five percent from the current level to the end of FY 2027.

Risks to this forecast are high as all the three factors mentioned above could change in the near future. Dr. Ge stated the CFC will monitor the data closely and make necessary adjustments for the November forecast.

Contact-Required Community Supervision

Dr. Ge reported that the Contact-Required Community Supervision forecast is 96 cases or 0.7 percent higher than the February 2025 forecast for FY 2025 and, on average, 304 cases or 2.2 percent higher for the 2025-27 Biennium. Actuals are, on average, 164 cases or 1.2 percent above the February 2025 forecast.

This caseload appears to be growing faster in recent months after staying mostly flat in the first half of FY 2025. Based on conversations with the agency and data analysis, it appears that the increased use of mental health sentencing alternative cases (up 15 percent in the last four months) and the supervision cases from local jail confinements (up 170+ cases in the same period of time) are contributing to the recent rise in the active supervision caseload. Dr. Ge stated he will keep a close eye on these components.

On the policy front, this forecast continues to include step adjustments for the incremental impacts of two recent bills: ESHB 1394, pertaining to sex offense registration requirements, and ESHB 1493, concerning impaired driving, which will not impact this caseload until the second half of FY 2026. In addition, this forecast includes a new step adjustment for ESHB 1119, concerning supervision compliance credits, which was enacted during this legislative session.

Risks to this forecast are moderate to high. The active supervision caseload has resumed the rapid growth it experienced in the second half of FY 2023 and FY 2024 after remaining flat for nearly all the first half of FY 2025. It remains to be seen whether the factors behind the recent caseload growth will continue and how long this growth will sustain. In addition, it remains to be seen how well the current step adjustments reflect the actual caseload impact of these laws.

Public Assistance

Working Families Tax Credit (WFTC)

Dr. Webb Sprague reported on both monthly and yearly counts for WFTC, since the program is a yearly benefit with 80 percent of disbursement in March through June. Dr. Sprague noted the extreme

seasonality; most expenditures and applications occur from March through May because of the tax filing cycle.

The June 2025 forecast is 5,075 cases or 1.7 percent lower than the February 2025 forecast for FY 2025 and, on average, 71,733 yearly cases or 23.2 percent higher for the 2025-27 Biennium.

Recent monthly actuals are tracking, on average, 3,393 cases or 6.3 percent below the February forecast. The large variances in the January and March actuals are due to shifting approval counts that came in after the February forecast was finalized. In the February forecast, the CFC counted the out-of-trend high applications in January, but in the June forecast they were counted in their months of approval.

The FY 2025 forecast decrease since February is due to approval actuals that came in lower than projected in February, but applications are still high and might point to overall higher actuals by the time processing is completed. As of June 10th, it looks like the June forecast is tracking well with the latest data covering May approvals.

The increase over the biennium is due to a new projection incorporating the effects of planned outreach this summer. The step the CFC developed for the projected effect of outreach in 2025 and 2026 is highly risky. The CFC assumes a 15 percent success rate, which yields 71,733 more yearly cases in the next biennium than projected in February. This 15 percent is a rough average between the only two other outreach success rate data points available (mailings at the Department of Revenue with 9.4 percent, and outreach to the Supplemental Nutrition Assistance Program (SNAP) clients in California who were also eligible for CalWorks Temporary Assistance for Needy Families (TANF) with 20 percent). For comparison, in FY 2025, a 9.4 percent success rate would yield about 55,000 new cases, and a 20 percent success rate would yield about 75,000 more cases. Due to the patterns of client residence in Washington, the CFC believes a highwater success rate is about 50 percent.

For the primary trend, the CFC forecasts a dampening increase in the total caseload through the forecast horizon with the same seasonal profile. Each year is forecasted to have higher uptake as the program becomes established and more widely known, but the increase to uptake will flatten as the program becomes fully established. Uptake assumptions are a risk to the forecast. However, this February 2025, the CFC "rebased" the current forecast primary trend model due to much higher program utilization than was seen in FY 2023 and FY 2024.

Temporary Assistance for Needy Families (TANF)

Dr. Sprague reported that the June 2025 forecast is 320 cases or 0.9 percent lower than the February 2025 forecast for FY 2025 and, on average, 2,065 cases or 5.8 percent lower for the 2025-27 Biennium.

Actuals are tracking, on average, 38 cases or 0.1 percent below the June forecast.

The change to the biennial forecast is due to a decline in the total actual caseload through March, probably due to immigrants leaving the caseload. This forecast also projects further decline in the immigrant population starting in April rather than in June based on these drops in the actuals. Dr. Sprague noted that they have otherwise retained the same immigration assumptions from the February forecast.

The forecast also sets the Child Support Pass Through policy from HB 1652 (2024) to zero, as HB 2039 (2025) pushes this policy implementation back to July 2029.

ESA Aged, Blind, Disabled, Cash Grant (ABD)
Dr. Sprague reported that the June 2025 forecast is 304 cases or 0.9 percent higher than the February 2025 forecast for FY 2025 and, on average, 2,463 cases or 6.7 percent higher for the 2025-27 Biennium.

Actuals are tracking, on average, 268 cases or 0.8 percent above the February forecast.

The Presumptive Supplemental Security Income (PSSI) forecast accounts for much of the total growth as the PSSI primary trend now climbs through the forecast horizon when it had been flat in the February 2025 forecast. This change is possibly due to longer wait times at the federal Social Security Administration. ABD Aged is forecasted to decline slightly, in contrast to the growth forecasted in February 2025; this change is due to a projected flat primary trend and projected declines to the immigrant subpopulation as they leave the caseload. ABD Disabled is forecasted with a slight decline due to the immigrant subpopulation leaving the caseload and a flat primary trend.

This forecast also sets the SSI Recoveries policy effect under HB 1260 (2023) to zero, as HB 2040 (2025) pushes this policy implementation back to October 2028.

Working Connections Child Care (WCCC)
Erik Sund reported that the WCCC forecast is 2.5 percent higher for FY 2025 and 2.7 percent lower for the 2025-27 Biennium. Actuals have been tracking about 0.8 percent above the February forecast, which is the main reason for the change in the forecast for FY 2025.

The forecast includes several step adjustments for a variety of policies. ESSB 5752 (2025) established new schedules of co-payments to be indexed to inflation to state median income (SMI) and changed the way that a family's 12-month eligibility period in the program is determined. Additionally, a provision from the Fair Start for Kids Act of 2021, which will increase the maximum allowable income within the program from 60 percent of SMI to 75 percent SMI, was delayed under ESSB 5752 from July 1, 2025, to July 1, 2027, which is just beyond the current forecast horizon. Also, some provisions from the Fair Start for Kids Act and other legislation for childcare workers who participate in the program as customers were repealed in ESSB 5752. The collective impact of all those policy changes is a lower forecast in the 2025-27 Biennium. Because of the large number of step adjustments in the forecast, the risks to this forecast are high.

Erik Sund also noted that the Department of Children, Youth and Families (DCYF) has indicated that they have identified potential technical obstacles that could delay the implementation of the 12-month eligibility period changes. Erik Cornellier asked if the forecast assumed that delay would occur, and Erik Sund said that it did not.

Director Chapman-See asked if, in a future forecast when those implementation delays on the 12-month authorization changes are accounted for, it would likely increase the caseload in the near term. Erik Sund responded that if those policy changes cannot be implemented on the timeline assumed in the legislative process, then that would result in an increase in the forecast. Representative Bergquist asked about the impact of the change for a participating household. Erik Sund said that the forecast

assumes an average reduction in service time of about a month for some but not all households in the program.

Medical Assistance
Dr. Shidong Zhang presented the Medical Assistance forecasts.

Adult Caretakers and Children
The Adult Caretakers and Children caseload has been tracking 0.3 percent below the February forecast. The June forecast is 0.8 percent lower than the February forecast for the next biennium.

The first reason for the June forecast change is an updated step model for federal immigration policy changes based on new data. Secondly, the June forecast includes increased exits because of more eligibility terminations due to residence checks, voluntary requests to terminate eligibility, and non-renewal of eligibility. Additionally, the Health Care Authority made substantial progress in the reduction of its post-eligibility review inventory and backlog. The post-eligibility review backlog is anticipated to be cleared by the end of this year.

The risks to this forecast are high primarily due to uncertainties of federal policies.

Low-Income Adults
In addition to the Adult Caretakers and Children caseload, the Low-Income Adults caseload is a MAGI (Modified Adjusted Gross Income) caseload. Because it is also a MAGI caseload, the reasons for the June forecast change are similar to the reasons for the Adult Caretakers and Children caseload change. If adding up these two MAGI caseloads, the variance between the June forecast and February forecast would be negligible.

Aged, Disabled, and Other Medical
The Aged, Disabled, and Other Medical caseload has been tracking well at about 0.1 percent above the February forecast. The June forecast is 0.9 percent higher than the February forecast for the next biennium.

The primary reason for the June forecast change is increased client transitions from other Medicare Savings Programs (MSP) to the Qualified Medicare Beneficiaries (QMB) program following the official update of the 2025 federal poverty level (FPL). The QMB program is also an MSP, but it has a lower income threshold. The other MSP forecast is considered a CFC courtesy forecast, but it is used as an input for the OFM medical expenditure forecast. If adding the caseloads together, the variance for this classic caseload would be negligible. Because Medical Assistance has many rules, even if clients are under the coverage of different HCA programs, some of the movement among programs is the cause of some forecast variance.

Aging and Long-Term Support
Home and Community Services
Dr. Shidong Zhang reported that the Home and Community Services forecast has been tracking 0.6 percent above the February forecast. The June forecast is 1.4 percent higher than the February forecast for the 2025-27 Biennium.

The June forecast incorporates a step adjustment for transitioning 200 nursing home clients to Individual Providers (IP) and Agency Providers (AP) programs, leading to a higher forecast for this program but a lower forecast for nursing homes.

Additionally, the June forecast continues the upward trend, reflecting the growth of the aged population. In recent months, the caseload has been growing at an even higher rate, and the June forecast adjusts the growth rate correspondingly.

Total Waiver Requests
Dr. Elaine Deschamps noted that the Waiver Request caseload reflects individuals awaiting a waiver service and grows only when one of the five DDA Waivers reaches capacity. The June 2025 forecast is 317 cases or 857 percent higher for the next biennium. The growth in this caseload is due to the Individual and Family Services (IFS) Waiver recently hitting its capacity, and as a result, the IFS Waiver Request caseload began to grow in May and June after remaining at zero cases for almost two years. The forecast is based on the growth from May to June with a small dampening factor applied. The additional four months of data to be received before the November forecast should substantially reduce the uncertainty with this forecast.

Dependency Involved Children and Youth
The June 2025 forecast is 6 cases or 6.4 percent lower for the 2025-27 Biennium. Now with ten data points, the trend and resulting forecast is beginning to stabilize.

Approval of the Forecasts
Director Chapman-See moved, and Acting Secretary Rector seconded, to approve the forecasts as presented. The Council approved the motion.

Next Meeting
The next meeting is scheduled for November 12 at 1:30 p.m.

Adjournment
The meeting adjourned at 2:20 p.m.

APPROVED AND ADOPTED BY THE CASELOAD FORECAST COUNCIL

Representative Steve Bergquist, Chair	1-11-26 Date
Erik Cornellier, Executive Director	1/20/2026 Date