

Black-Plumeau Consulting, LLC
PUBLIC POLICY RESEARCH & ANALYSIS

January 31, 2019

Ms. Karolyn Long
Vermont Department for Children and Families
Process and Performance Manager
280 State Drive, Building G
Waterbury, VT 05671

Subject: Forecast of Reach Up and Reach Ahead Caseloads

Dear Karolyn:

Based on our recent analysis of Reach Up and Reach Ahead entries and exits, the Reach Up caseload is expected to continue to decrease modestly through 2020, as shown in Figure 1. With an actual average Reach Up caseload of 3,855 in SFY 2018, we project an average caseload of 3,692 in SFY 2019 and 3,518 in SFY 2020, as shown in Figure 2. Based on our best assumptions about the portion of Reach Up cases that will become eligible for Reach Ahead each month and about the number of months cases will remain in the program, we expect the Reach Ahead caseload to average 474 in SFY 2019 and 425 in SFY 2020, after finishing SFY 2018 with an average caseload of 530.

This forecast is based on an average, seasonally-adjusted unemployment rate of 2.6% for 2019, and 3.2% for 2020—projections prepared by Vermont economist Tom Kavet in July 2018. This forecast assumes that neither the Reach Up or Reach Ahead programs will undergo future policy changes that alter the rate at which cases enter and exit the caseload.

The Reach Up caseload forecast is based on caseload data from July 1984 through December 2018 and on historical unemployment rate estimates from the Vermont Department of Labor. These data are input to a model that consists of a series of statistical analyses. The analyses predict future caseloads based on the historical effect of Vermont unemployment rates and seasonality on monthly rates of entry to and exit from the state's Reach Up caseload.

Please do not hesitate to contact me or Rob McIntyre who led this analysis with any questions about this letter or related issues.

Sincerely,



Leslie Black-Plumeau
Cc: Robert McIntyre

Figure 1:

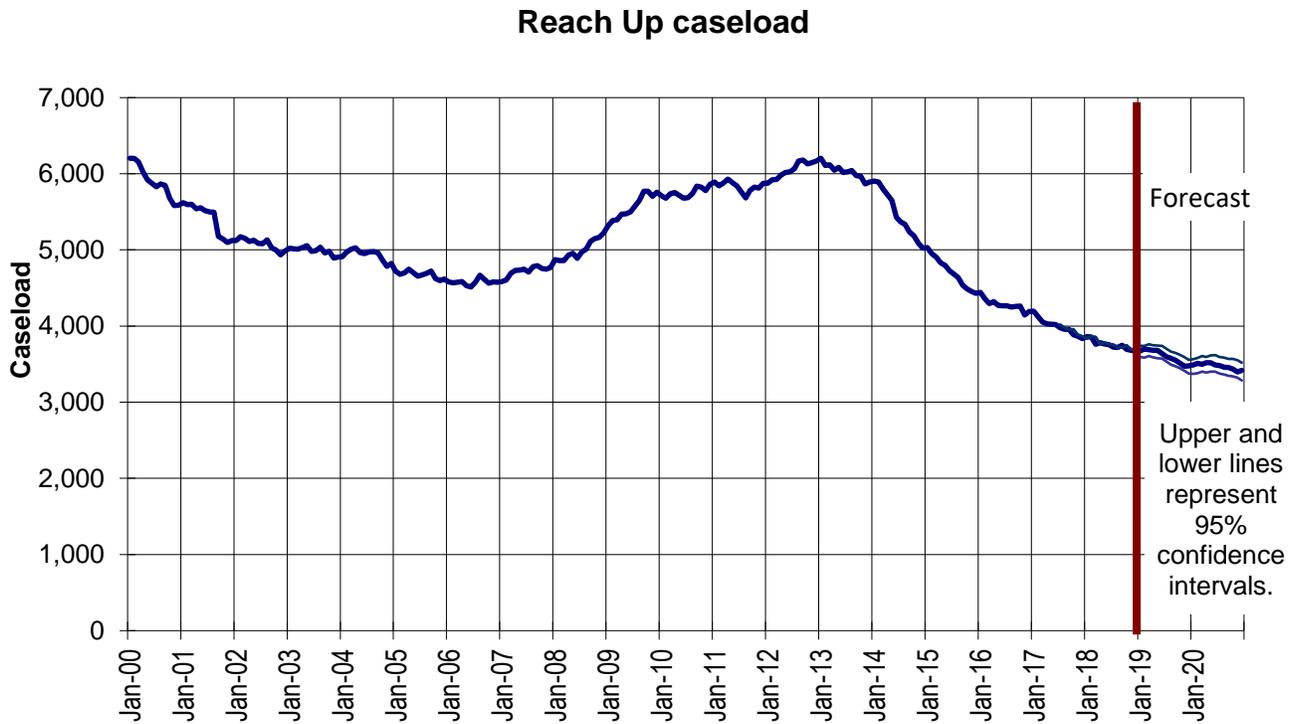


Figure 2: Actual and forecast Reach Up and Reach Ahead caseloads

	Reach Up				Reach Ahead
	Actual Caseload	Caseload Forecast			
		Point	Range		
			Lower	Upper	
Jan-18	3,862				537
Feb-18	3,855				499
Mar-18	3,763				489
Apr-18	3,781				495
May-18	3,766				493
Jun-18	3,757				488
Jul-18	3,723				349
Aug-18	3,720				350
Sep-18	3,747				340
Oct-18	3,695				463
Nov-18	3,681				488
Dec-18	3,675				495
Jan-19		3,674	3,593	3,741	499
Feb-19		3,699	3,587	3,739	469
Mar-19		3,689	3,605	3,761	479
Apr-19		3,682	3,590	3,750	477
May-19		3,682	3,579	3,743	468
Jun-19		3,641	3,575	3,742	457
Jul-19		3,598	3,534	3,704	449
Aug-19		3,577	3,493	3,665	448
Sep-19		3,552	3,472	3,647	450
Oct-19		3,514	3,448	3,625	447
Nov-19		3,474	3,413	3,592	436
Dec-19		3,475	3,376	3,556	422
Jan-20		3,488	3,372	3,566	415
Feb-20		3,512	3,382	3,581	415
Mar-20		3,498	3,403	3,606	418
Apr-20		3,517	3,388	3,595	417
May-20		3,518	3,403	3,615	413
Jun-20		3,490	3,403	3,619	411
Jul-20		3,479	3,376	3,594	409
Aug-20		3,460	3,364	3,586	408
Sep-20		3,455	3,346	3,571	406
Oct-20		3,435	3,340	3,569	405
Nov-20		3,398	3,321	3,552	397
Dec-20		3,418	3,286	3,519	391
Average SFY 2018		3,855			530
Average SFY 2019		3,692	3,654	3,733	474
Average SFY 2020		3,518	3,424	3,614	425