

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:

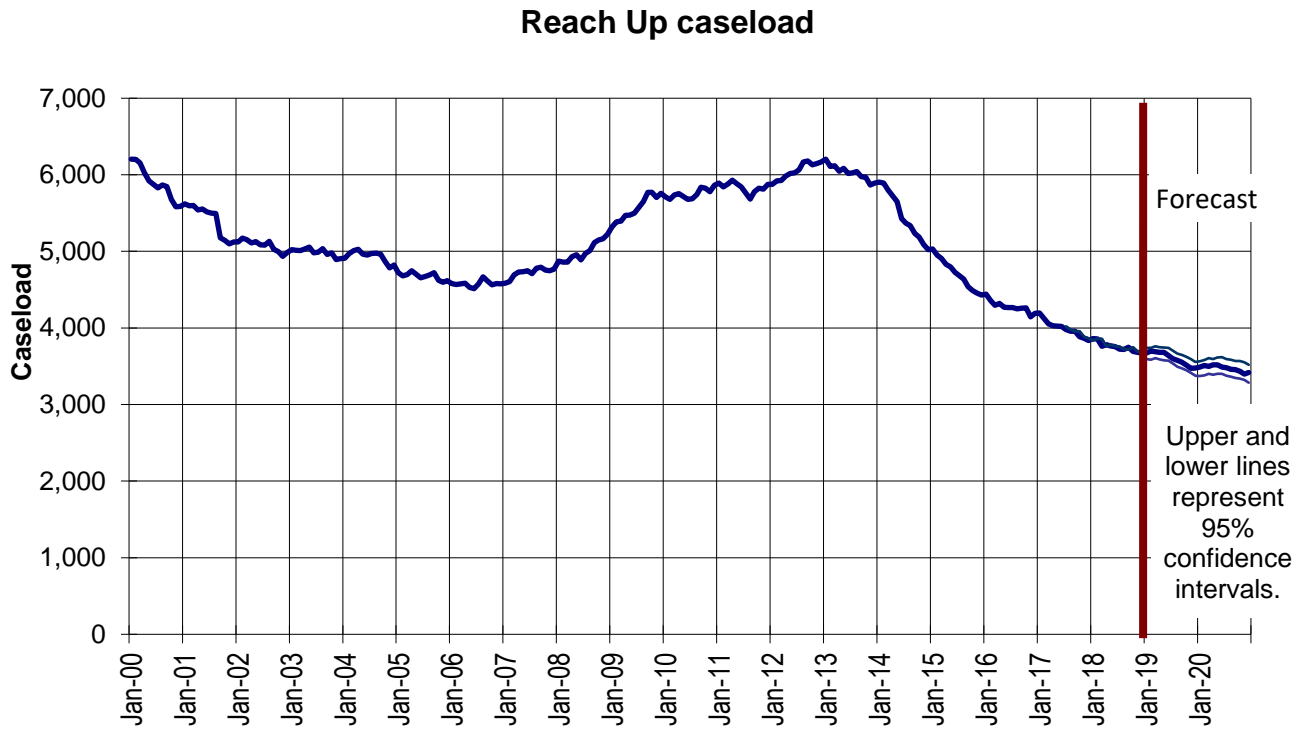


Figure 2: Actual and forecast Reach Up and Reach Ahead caseloads

| | 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 |