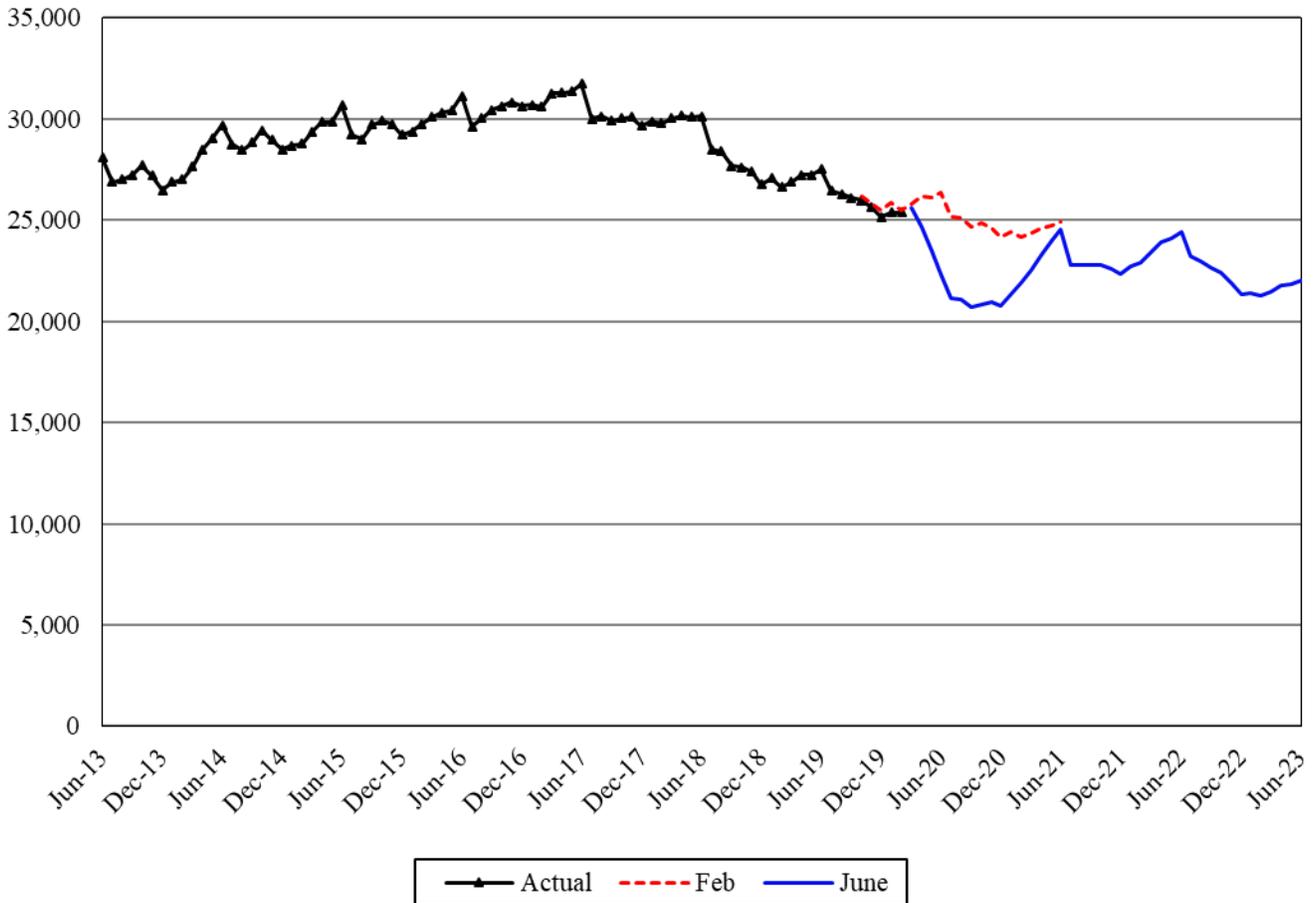


Working Connections Child Care (WCCC)

Caseload Forecast Council
June 17, 2020

WCCC – Households Using Subsidized Care



The Working Connections Child Care (WCCC) caseload is made up of households who are working (or were formerly working) with incomes of up to 200 percent of the federal poverty level, and recipients (or recent former recipients) of Temporary Assistance for Needy Families (TANF).

Forecast Comparisons (Fiscal Year Averages)

Fiscal Year	Feb-20 Forecast	Jun-20 Forecast	Feb to Jun Difference	Percent Difference
2020	25,982	25,206	-776	-3.0%
2021	24,649	21,930	-2,719	-11.0%
2022		23,130		
2023		22,011		

Forecast Contact:
Erik Sund
360-664-9374
erik.sund@cfc.wa.gov

The June 2020 forecast is, on average, 1,760 cases or 7.0 percent lower than the February 2020 forecast for the 2019-21 Biennium.

Tracking the Current Forecast

	Feb-20 Forecast	Actual	Variance	Percent Variance
Oct-19	26,174	25,988	-186	-0.7%
Nov-19	25,820	25,618	-202	-0.8%
Dec-19	25,460	25,173	-287	-1.1%
Jan-20	25,854	25,386	-468	-1.8%
Feb-20	25,488	25,369	-119	-0.5%

Actuals have been tracking, on average, 252 cases or 1.0 percent below the February 2020 forecast.

Fiscal Year Caseload Change

	Fiscal Year	Caseload	Change from Prior	Percent Change
<i>Actual</i>	2014	27,605		
	2015	29,175	1,570	5.7%
	2016	29,828	653	2.2%
	2017	30,767	939	3.1%
	2018	29,991	-776	-2.5%
	2019	27,414	-2,577	-8.6%
<i>Forecast</i>	2020	25,206	-2,208	-8.1%
	2021	21,930	-3,276	-13.0%
	2022	23,130	1,200	5.5%
	2023	22,011	-1,120	-4.8%

This forecast includes three step adjustments for the impact of economic conditions and other changes in child care activity. The first step reflects reduced entries of new households due to health concerns, unemployment, and related developments. The second step models an increased exit rate for the program due to similar factors. These first two steps were developed from early observations of actual application and exit records without attempting to attribute the reductions to particular causes. The third step accounts for the expected increase in the number of income-eligible households and households receiving TANF due to reduced employment and downward pressure on wages during the economic downturn.

Risks to the Forecast

Risks to this forecast are high. The pandemic and associated economic disruptions have affected patterns of work and child care utilization and have also reduced the supply of child care services. It is not yet clear what the short- or long-term impact on the availability of and demand for child care services will be. Additionally, there is uncertainty in the long-term economic outlook on which the step adjustments are based. Changes in economic and epidemiological conditions could affect program participation.

Forecast Contact:
 Erik Sund
 360-664-9374
 erik.sund@cfc.wa.gov