

Aged, Blind, or Disabled Cash Assistance Caseload Forecasts

Year in Review

FISCAL YEAR 2015: JULY 2014 THROUGH JUNE 2015

(REVISED, SEPTEMBER 10, 2015)



STATE OF WASHINGTON - CASELOAD FORECAST COUNCIL

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AGED, BLIND, OR DISABLED (ABD) CASH ASSISTANCE PROGRAM OVERVIEW

The ABD cash assistance program provides a maximum monthly cash grant of \$197 to individuals who are:

- Aged 65 or older, blind or have a long-term medical condition that is likely to meet federal disability criteria;
- Meet income and resource requirements;
- Meet citizenship/alien status requirements; and
- Reside in Washington State.

Individuals are not eligible for ABD cash assistance if they:

- Are eligible for Temporary Assistance to Needy Families (TANF), State Family Assistance (SFA), or Supplemental Security Income (SSI) benefits;
- Refuse or fail to participate in drug or alcohol treatment if assessed as dependent;
- Are eligible for SSI or are an ineligible spouse of an SSI recipient; or
- Failed to follow a Social Security Administration (SSA) program rule or application requirement and SSA denied or terminated benefits.

CURRENT FORECAST METHODOLOGY

The forecast of the ABD cash assistance program caseload is comprised of three separate caseloads:

- **Presumptive SSI:** Individuals who appear likely to qualify for federal SSA benefits and receive cash assistance from the state while the SSI application is pending. The State receives reimbursement for these expenditures when recipients are successfully transitioned to SSI.
- **Aged:** Individuals who are 65 or older and meet income and other eligibility requirements.
- **Disabled:** Individuals who have a long-term medical condition that is likely to meet federal disability criteria and who meet income and other eligibility requirements. This caseload includes legal immigrants who are unable to access federal SSI benefits based on their immigration status, as well as U.S. citizens who are approved for disability-related Medicaid.

Currently, the Presumptive SSI caseload represents 78 percent of the overall caseload while Aged accounts for nearly 19 percent and Disabled comprises three percent. As a result, movement in the overall caseload is heavily influenced by any changes in the Presumptive SSI caseload, making the trendline of the Total ABD caseload nearly a mirror image of the trendline of the Presumptive SSI caseload.

The data utilized to forecast this caseload include both clients and cases, which are available by month of payment and are generated from state payment data. These data are updated monthly with previously reported counts. The lag in ABD cash assistance payments is relatively short

with almost all payments submitted and paid within 3 months of service. The raw monthly counts are lag adjusted based on the historical pattern of lags in submission of payment invoices.

Each caseload is forecast using an entry/exit model of client-based data, which are then converted to cases based on the existing ratio of clients to cases. Client data are counts of individuals approved for and receiving ABD cash grants whereas case data are a count of Assistance Units (AU). A single AU could include more than one client if the clients are married and both meet ABD program requirements.

Each entry/exit model applies an average inflow per day and an average outflow rate to the prior month's lag-adjusted client totals to forecast client totals for each successive month. As of the June 2015 forecast, a 3-month average is used for Pending SSI and Disabled caseloads, while a 12-month average is utilized for the Aged caseload. A 3-month average ratio of clients to cases is then applied to each forecasted month of total clients to produce a forecasted monthly caseload.

The official forecast for the total ABD cash assistance program is of cases and is a summation of the individual Presumptive SSI, Aged, and Disabled caseload forecasts.

PROGRAM AND CASELOAD HISTORY

Over the last four years, the Legislature has made a number of changes to this program that have affected the caseload and forecasting processes. A brief history of these changes follows.

PRE-CALENDAR YEAR 2010

Prior to 2010, an individual with a low income could be eligible for the General Assistance-Unemployable (GA-U) Program if he or she met income criteria and was: (1) pregnant and not eligible for Temporary Assistance for Needy Families (TANF); or (2) incapacitated from gainful employment because of physical or mental incapacity likely to continue for at least 90 days in duration. A person with an infirmity primarily due to a drug or alcohol addiction was not eligible for the General Assistance-Unemployable Program.

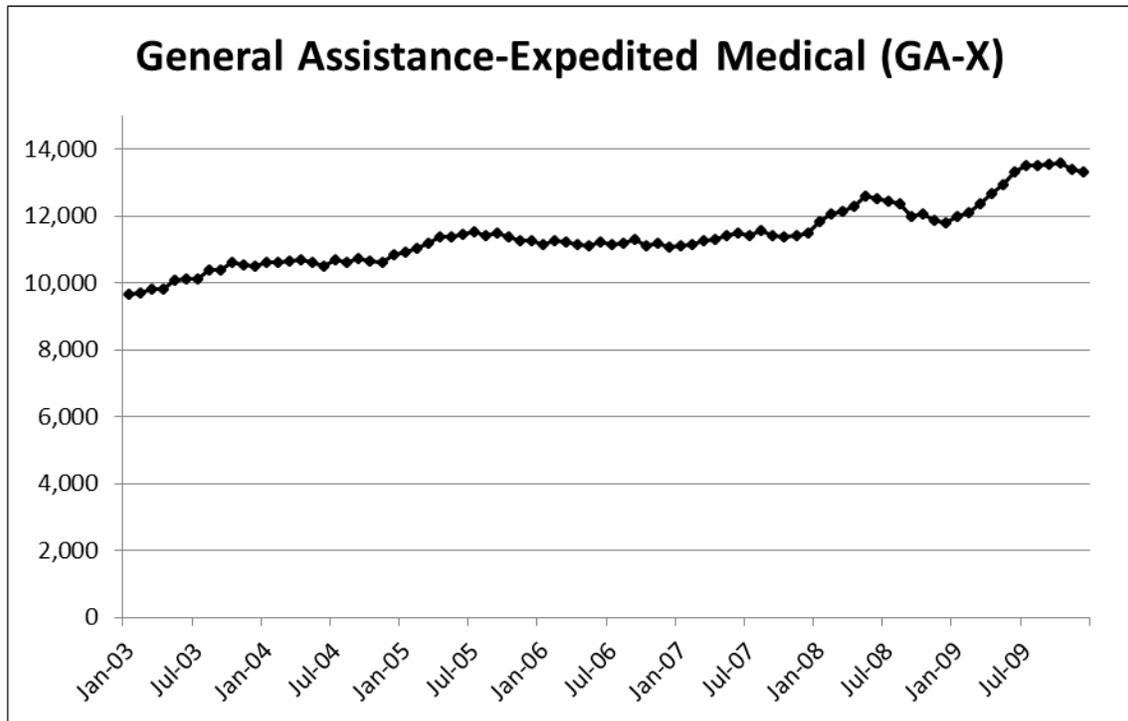
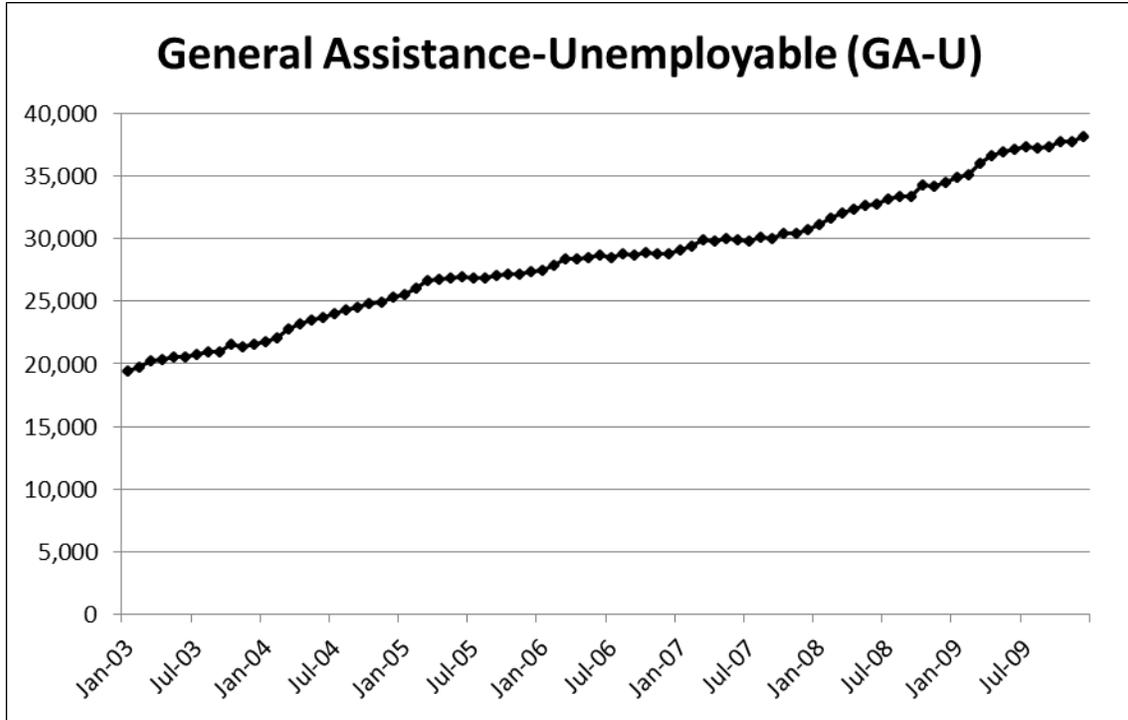
At this time, the caseload for the overall General Assistance Program, which included GA-U (approximately 65 percent of the overall caseload) and General Assistance-Expedited Medical (GA-X), was on an upward trajectory as illustrated in the following chart, with average annual increases of approximately 200 cases.

The GA-X portion of the caseload, although trending upward, experienced more fluctuation including an unusual decline in the latter part of 2008, which was correlated with an increase in GA-U and a change in the citizenship verification process. In 2009, however, the GA-X caseload increased dramatically, which was likely due to increased efforts to transfer clients from GA-U to GA-X, with an emphasis on the identification of those likely to be qualified for SSI.

Additionally, the Great Recession (the duration of which was from December 2007 through June 2009) may have affected both caseloads by increasing the number of individuals who were income eligible for the program.

GENERAL ASSISTANCE CASELOADS

January 2003 – December 2009



CALENDAR YEAR 2010

In 2010, the Legislature passed Engrossed Second Substitute House Bill (E2SHB 2782). This act made a number of policy changes to the program, including:

- The General Assistance Program was renamed the Disability Lifeline (DL) program and included three groups:
 - **DL-Unemployable (DL-U):** Designed for persons who meet financial requirements and have a physical or mental incapacity that prevents employment for at least three months.
 - **DL-Expedited Medical (DL-X):** Full scope categorically needy (CN) medical benefits to those who appear to meet SSI disability criteria.
 - **DL-Other Types:** Include Aged (DL-A), Blind (DL-B), and Disabled (DL-D) which offers state-funded or full scope CN medical benefits to persons who are 65 or older or disabled, institutionalized (DL-I), and under age 19 (DL-R).
- The eligibility requirements and conditions that were in place for the General Assistance Program remained the same; however, a time limit of 24 months in a 5-year period was established for benefits for those on DL-U and DL-R. This time limit was retroactive and applied to persons already receiving benefits.
- An individual was not eligible to receive DL benefits if he or she refused without good cause to participate in needed treatment or other program services. Good cause included an emotional or physical disability that prevented participation or the unavailability of treatment.
- The Administrative Review Team (ART) process was eliminated. The ART reviewed client cases that had not been approved for assistance through the standard process, and was the last opportunity for a client to receive benefits.
- The Department of Social and Health Services (DSHS) was required to adopt medical criteria for DL incapacity determinations to ensure that the eligibility decisions were consistent with statutory requirements and based on clear, objective medical information. The standard for incapacity was not intended to be as stringent as the federal Supplemental Security Income (SSI) disability standards.
- DSHS was required to expedite the review of the eligibility of all current and future cases for SSI. If cases appeared SSI eligible, they were immediately shifted to the DL-X caseload. To meet this requirement, in September 2010 DSHS implemented the “SSI Transition Project” with the assistance of Community Health Plans of Washington (CHPW).

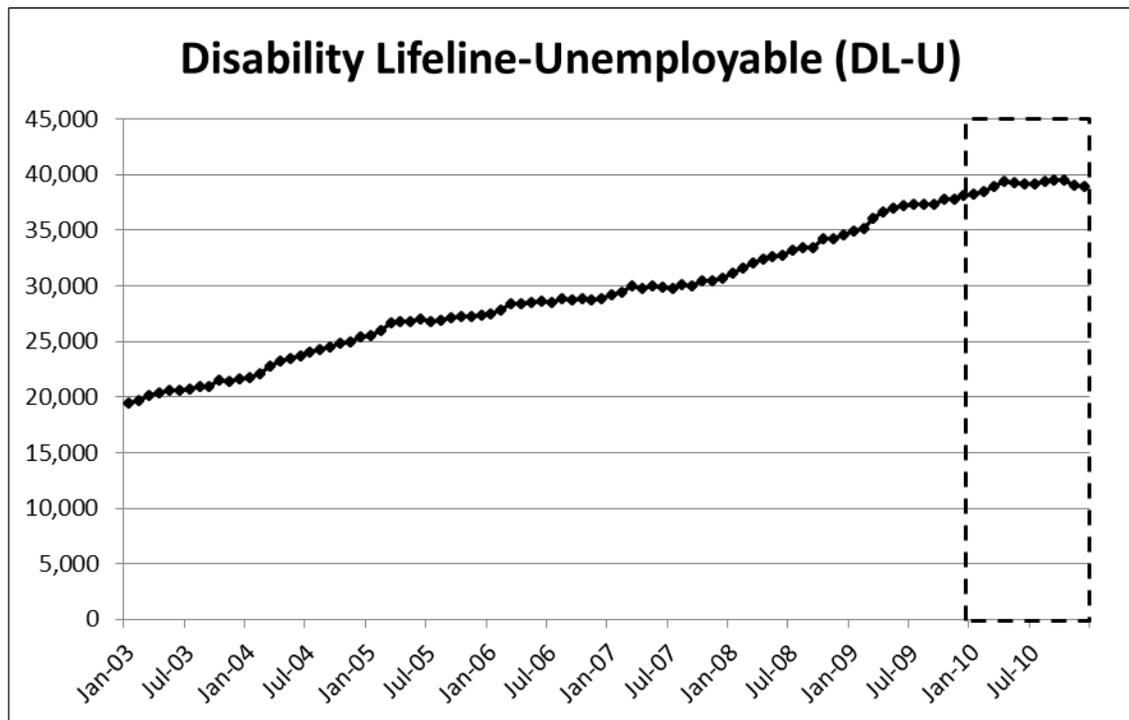
With the policy changes made to the program as a result of this legislation, it was projected that the DL-U program caseload would decline and the DL-X caseload would increase as a result of expedited reviews of SSI-eligible cases, which would be managed via the CHPW transition project.

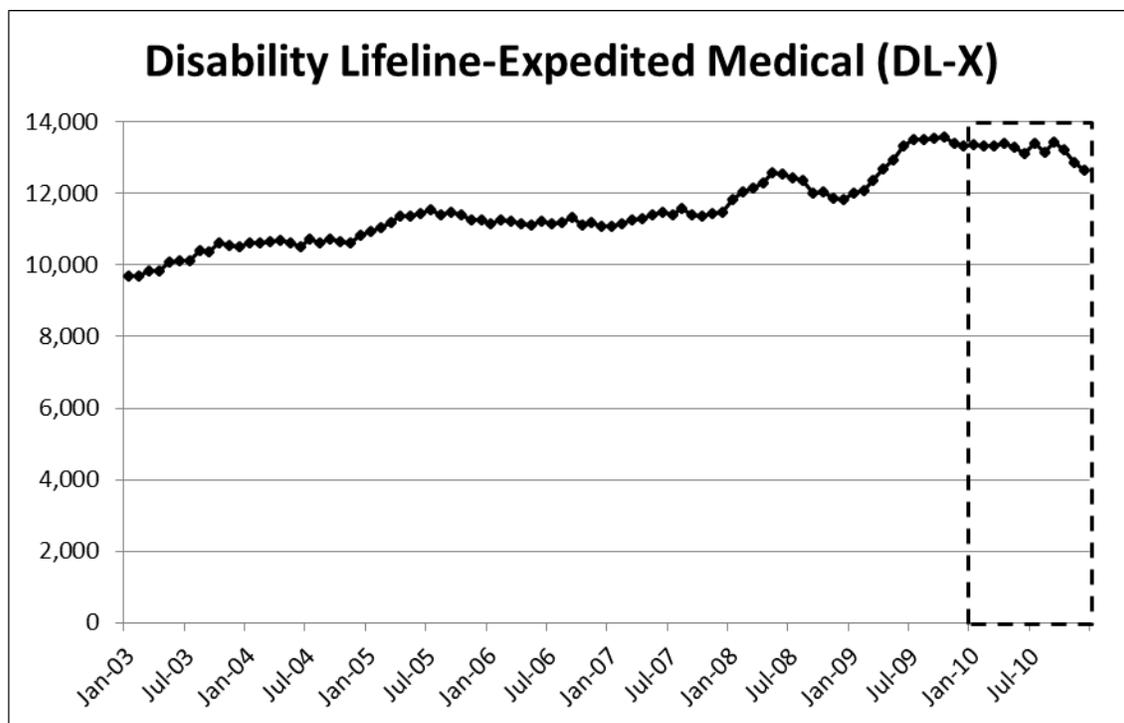
These projections, however, did not materialize and the DL-U program continued its upward trend and the DL-X caseload began to decline dramatically after September 2010. The following charts illustrate this information. A contributing factor to the continued increase included the

Elkins v. Dreyfus Temporary Restraining Order that prevented DSHS from implementing time limits. A lawsuit was filed in August 2010 and the plaintiffs sought an injunction to stop any termination of benefits and to reinstate October benefits for those terminated from the program. On October 13, 2010, a federal District Court judge issued a temporary restraining order, prohibiting DSHS from terminating DL clients due to time limits and ordering DSHS to reinstate benefits for persons previously terminated for time limits. The court found that plaintiffs were likely to succeed in their claims that they did not receive adequate notice of termination and that DSHS's disability review process did not determine whether the plaintiffs met the SSI disability standard prior to termination, as required under the statute. It was determined that DSHS did not have the resources to complete the full five-step sequential evaluation process for SSI disability for all clients subject to the time limits and was unable to implement the policy under the current statutory language. Therefore, DSHS reinstated benefits for all affected clients and did not implement time limits before the DL program was eliminated in October 2011.

DISABILITY LIFELINE CASELOADS

January 2003 – December 2010





CALENDAR YEAR 2011-2012

In 2011, the Legislature passed Engrossed Substitute House Bill 2082 (ESHB 2082), which terminated all components of the DL program effective October 31, 2011, and replaced it with the ABD cash assistance program, Pregnant Women Assistance, and Essential Needs and Housing Support (HENS) effective November 1, 2011. The population formerly classified as DL-U was no longer eligible for cash benefits and was, instead, referred for potential housing assistance through the HENS program administered by the Department of Commerce.

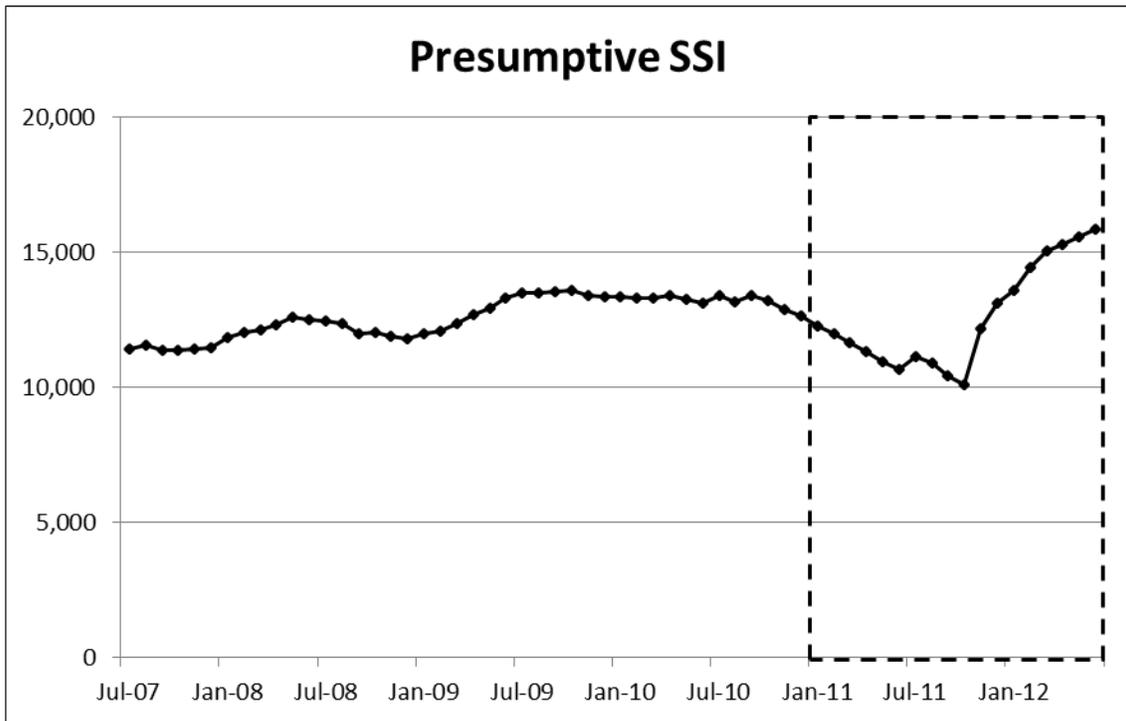
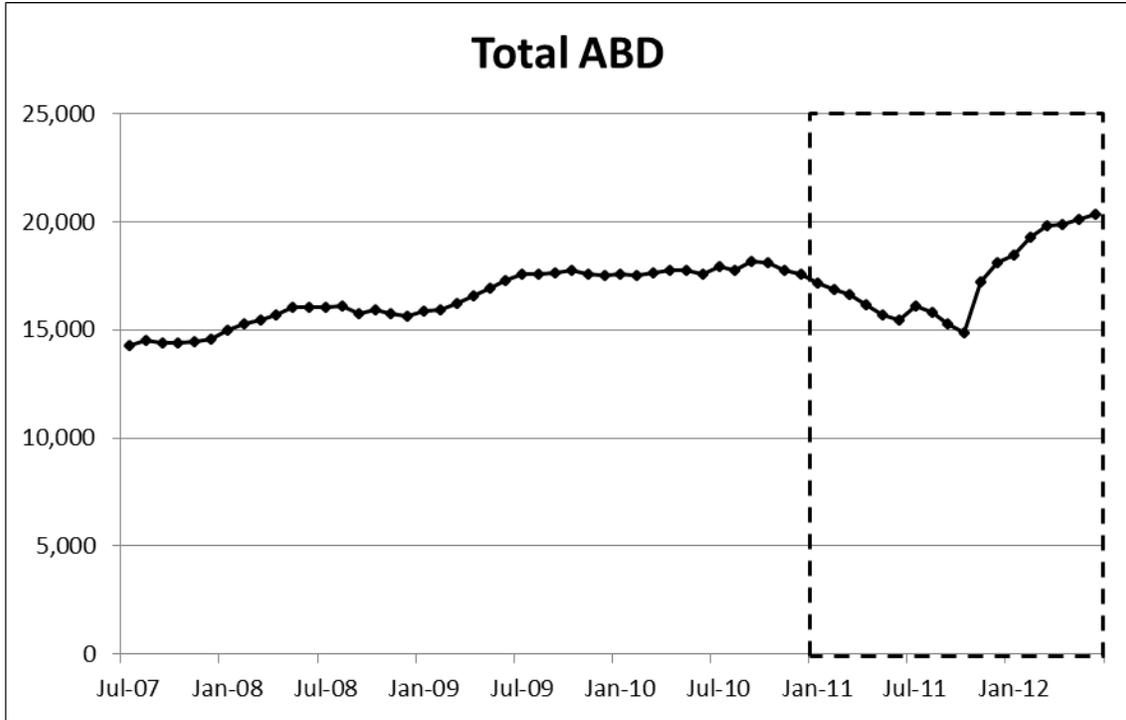
The ABD cash assistance program is comprised of three separate caseloads:

- Presumptive SSI (representing 78 percent of the ABD caseload): Clients presumed to be eligible for the federal SSI grant.
- Aged (representing nearly 19 percent of the ABD caseload): Clients 65 years of age and older who are not presumed to be eligible for the federal SSI grant.
- Disabled (representing 3 percent of the ABD caseload): Disabled clients who are not presumed to be eligible for the federal SSI grant.

By September 2011, in response to the dramatic declines in the Presumptive SSI (formerly DL-X) caseload, the “SSI Transition Project” was terminated and management of the statewide SSI facilitation process was returned to DSHS. The Presumptive SSI caseload reached its nadir in October 2011 and in November 2011 began to increase dramatically, growing by 72 percent (nearly 7,300 cases) by the conclusion of calendar year 2012.

AGED, BLIND, DISABLED CASELOADS

January 2007 – December 2012



POST-CALENDAR YEAR 2012

In 2013, the Legislature passed Substitute House Bill 2069 (SHB 2069), which broadened the disability standard applied by DSHS in making disability determinations for the ABD cash assistance program. This legislation shortened the time a person is likely to be disabled from 12 months to 9 months and reduced the time the disability will prevent the individual from performing work that they were able to perform in the prior 15 years to 10 years. Essentially, this change made the criteria for ABD eligibility less restrictive than federal SSI criteria and was intended to be in place for 18 months between January 1, 2014 and June 30, 2015.

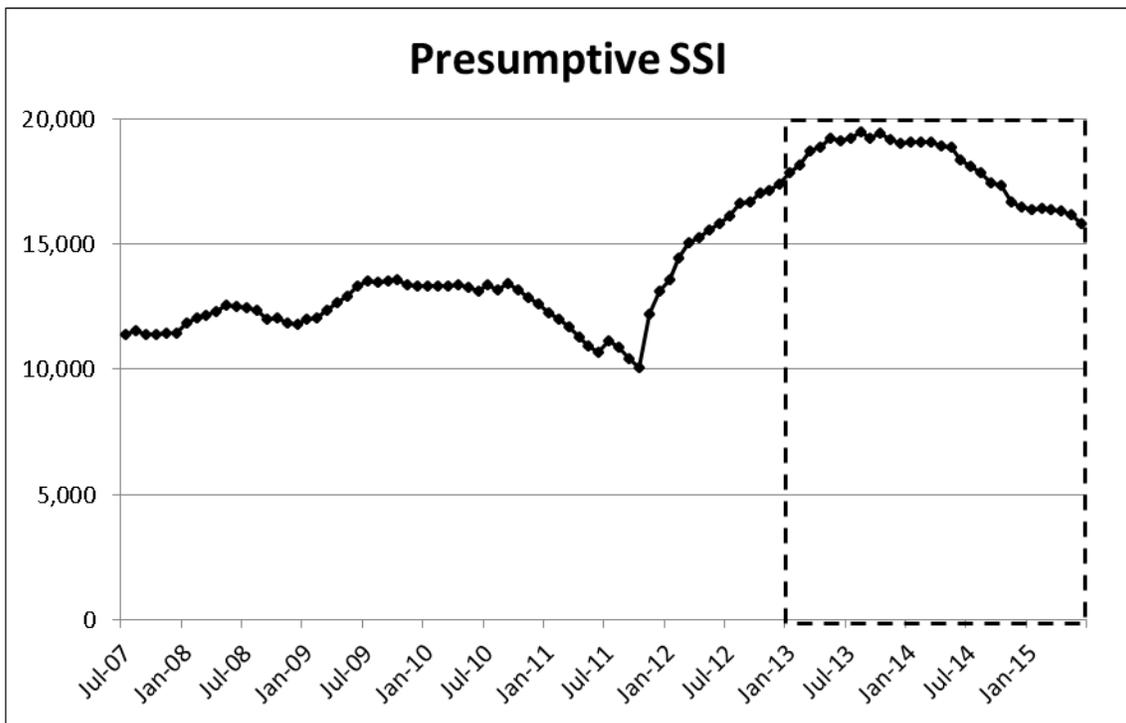
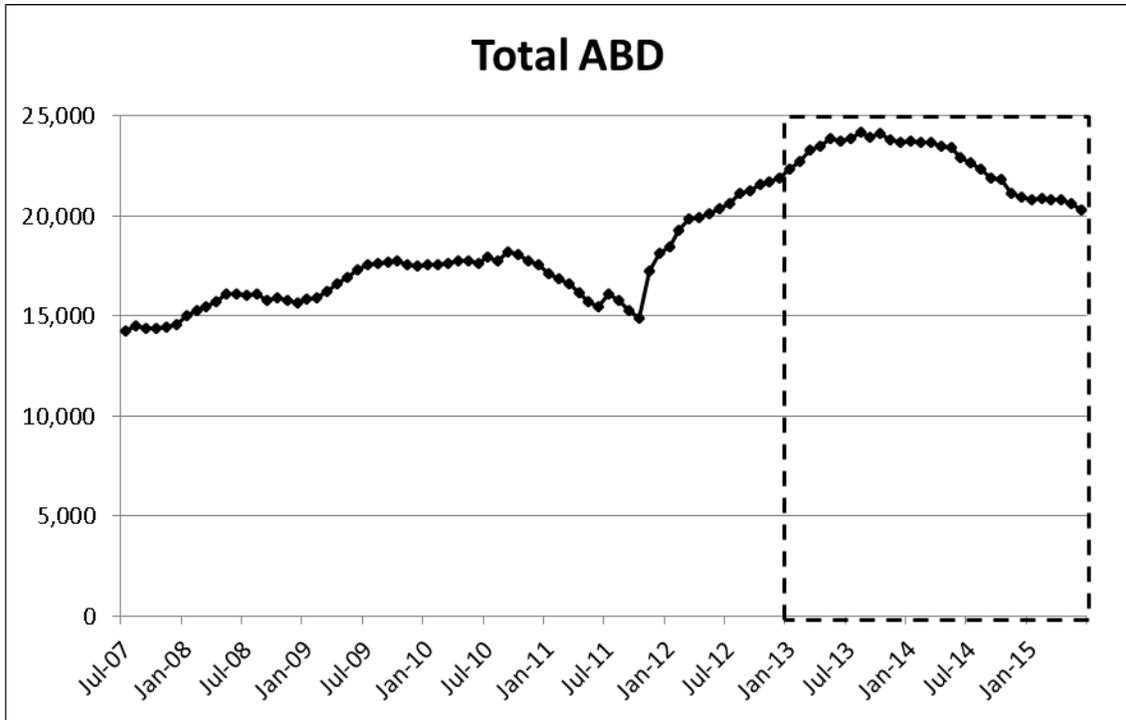
In 2014, the Legislature passed Senate Bill 6573 (SB 6573), which aligned the ABD eligibility criteria with the more restrictive federal SSI criteria on July 1, 2014, effectively overturning the expanded eligibility criteria created by SHB 2069 in 2013.

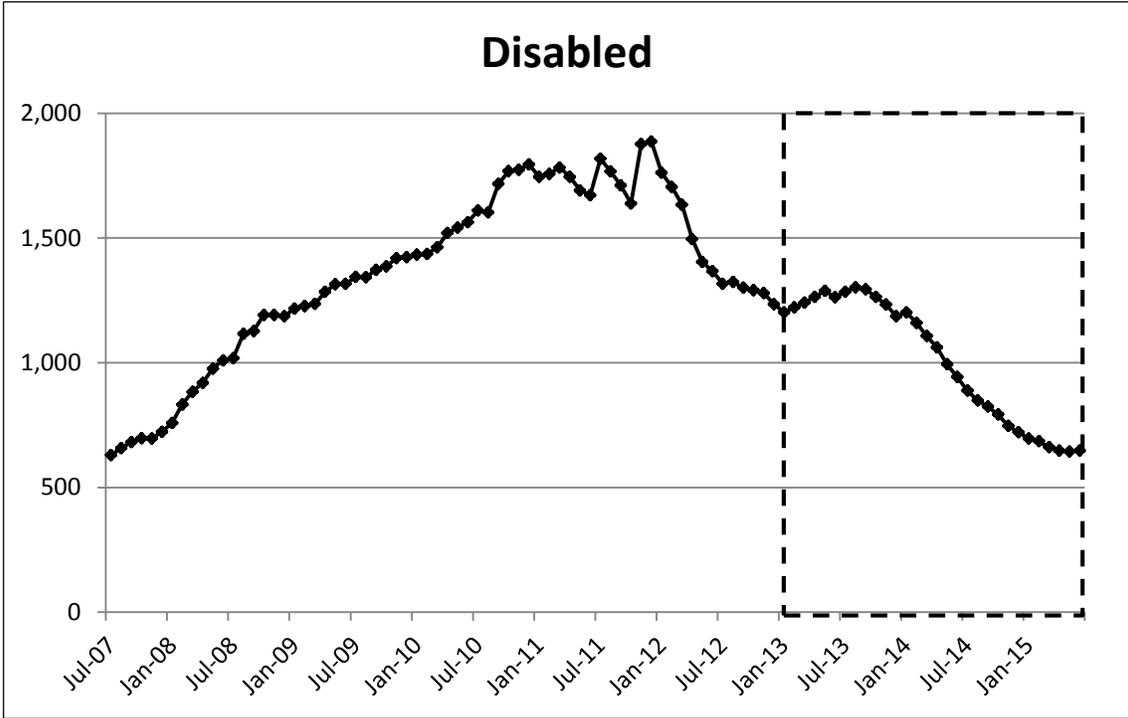
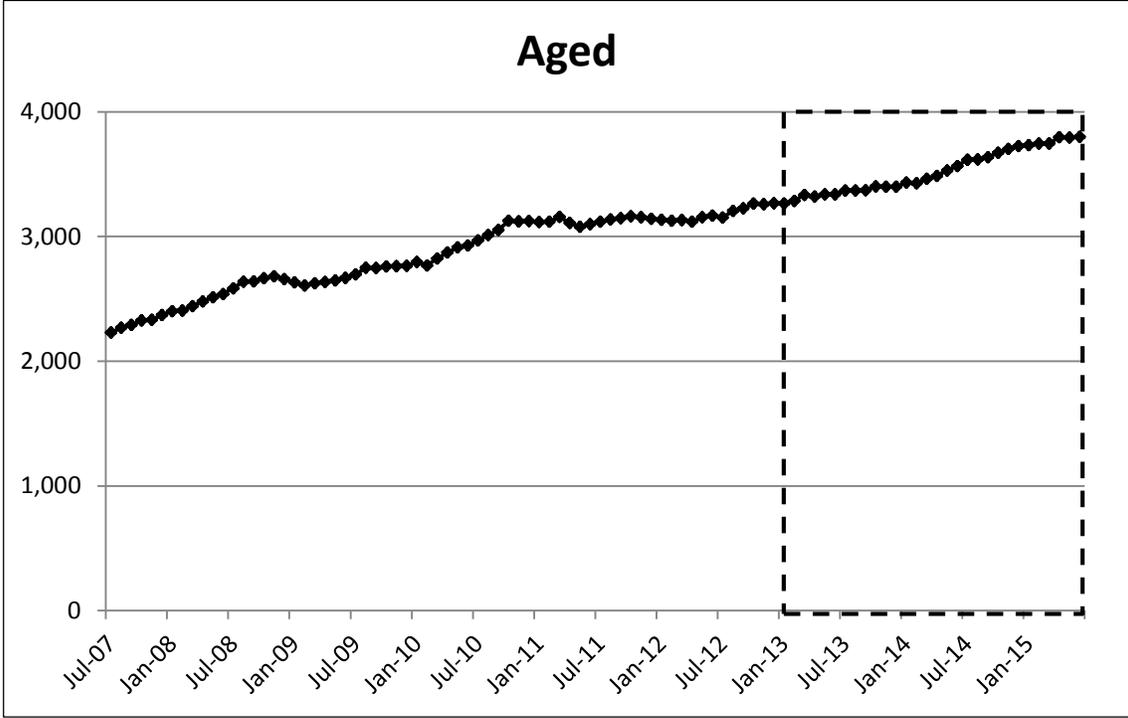
In the first half of calendar year 2014, the total ABD caseload maintained a fairly level trend, which may have been partially due to the less restrictive eligibility put in place by SHB 2069. However, in the latter half of the calendar year, the caseload began to decline rapidly; a pattern that coincided with implementation of the Affordable Care Act (ACA). Presumably, fewer individuals entered the ABD program during this time frame as a result of no longer requiring a declaration of disability to qualify for medical coverage in the ACA. In addition, it is possible that passage of SB 6573, which overturned the loosening of eligibility requirements put in place by SHB 2069, may have compounded the effects of the ACA.

In the first six months of calendar year 2015, however, the total ABD caseload and the Presumptive SSI caseload appear to be showing signs of beginning to flatten out, signaling an end to the effects of the last four years of policy changes and a potential beginning of a new trend in these caseloads.

The Aged caseload has trended upward since inception of the ABD program, a pattern that aligns with the increases in the 65+ population. The Disabled caseload, after experiencing dramatic declines likely due to implementation of the ACA as noted previously, has begun to flatten which may indicate the beginning of a new trend for this portion of the caseload.

AGED, BLIND, AND DISABLED CASELOADS
January 2007 – June 2015





APPENDIX 1: HISTORY OF ACTUAL CASELOAD COUNTS

January 2003 – June 2015 (as of June 2015)

Month	GA	GA-X	DL	DL-X	Total ABD	Pending SSI	Aged	Disabled
Jan-03	19,475	9,675	19,475	9,675				
Feb-03	19,745	9,698	19,745	9,698				
Mar-03	20,206	9,828	20,206	9,828				
Apr-03	20,392	9,825	20,392	9,825				
May-03	20,563	10,084	20,563	10,084				
Jun-03	20,595	10,116	20,595	10,116				
Jul-03	20,726	10,116	20,726	10,116				
Aug-03	20,988	10,395	20,988	10,395				
Sep-03	20,989	10,375	20,989	10,375				
Oct-03	21,565	10,612	21,565	10,612				
Nov-03	21,394	10,542	21,394	10,542				
Dec-03	21,599	10,503	21,599	10,503				
Jan-04	21,733	10,614	21,733	10,614				
Feb-04	22,099	10,608	22,099	10,608				
Mar-04	22,789	10,639	22,789	10,639				
Apr-04	23,214	10,675	23,214	10,675				
May-04	23,506	10,612	23,506	10,612				
Jun-04	23,737	10,509	23,737	10,509				
Jul-04	24,016	10,712	24,016	10,712				
Aug-04	24,305	10,632	24,305	10,632				
Sep-04	24,543	10,727	24,543	10,727				
Oct-04	24,853	10,646	24,853	10,646				
Nov-04	24,922	10,612	24,922	10,612				
Dec-04	25,388	10,847	25,388	10,847				
Jan-05	25,560	10,922	25,560	10,922				
Feb-05	26,021	11,054	26,021	11,054				
Mar-05	26,702	11,187	26,702	11,187				
Apr-05	26,764	11,376	26,764	11,376				
May-05	26,848	11,370	26,848	11,370				
Jun-05	27,013	11,444	27,013	11,444				

Month	GA	GA-X	DL	DL-X	Total ABD	Pending		
						SSI	Aged	Disabled
Jul-05	26,853	11,531	26,853	11,531				
Aug-05	26,886	11,403	26,886	11,403				
Sep-05	27,115	11,478	27,115	11,478				
Oct-05	27,221	11,391	27,221	11,391				
Nov-05	27,209	11,257	27,209	11,257				
Dec-05	27,403	11,269	27,403	11,269				
Jan-06	27,497	11,166	27,497	11,166				
Feb-06	27,852	11,247	27,852	11,247				
Mar-06	28,405	11,212	28,405	11,212				
Apr-06	28,419	11,160	28,419	11,160				
May-06	28,552	11,124	28,552	11,124				
Jun-06	28,683	11,229	28,683	11,229				
Jul-06	28,524	11,162	28,524	11,162				
Aug-06	28,858	11,176	28,858	11,176				
Sep-06	28,757	11,314	28,757	11,314				
Oct-06	28,869	11,118	28,869	11,118				
Nov-06	28,771	11,175	28,771	11,175				
Dec-06	28,850	11,072	28,850	11,072				
Jan-07	29,147	11,098	29,147	11,098				
Feb-07	29,397	11,151	29,397	11,151				
Mar-07	29,971	11,266	29,971	11,266				
Apr-07	29,806	11,286	29,806	11,286				
May-07	30,000	11,410	30,000	11,410				
Jun-07	29,899	11,489	29,899	11,489				
Jul-07	29,815	11,405	29,815	11,405	14,265	11,405	2,230	630
Aug-07	30,107	11,564	30,107	11,564	14,490	11,564	2,268	658
Sep-07	30,022	11,400	30,022	11,400	14,373	11,400	2,291	682
Oct-07	30,412	11,380	30,412	11,380	14,404	11,380	2,326	698
Nov-07	30,421	11,432	30,421	11,432	14,459	11,432	2,331	696
Dec-07	30,710	11,476	30,710	11,476	14,569	11,476	2,370	723
Jan-08	31,157	11,837	31,157	11,837	14,996	11,837	2,401	758
Feb-08	31,626	12,051	31,626	12,051	15,291	12,051	2,407	833
Mar-08	32,079	12,155	32,079	12,155	15,480	12,155	2,441	884
Apr-08	32,361	12,308	32,361	12,308	15,706	12,308	2,479	919
May-08	32,673	12,587	32,673	12,587	16,078	12,587	2,514	977
Jun-08	32,803	12,530	32,803	12,530	16,079	12,530	2,539	1,010

Month	GA	GA-X	DL	DL-X	Total ABD	Pending		
						SSI	Aged	Disabled
Jul-08	33,172	12,452	33,172	12,452	16,055	12,452	2,585	1,018
Aug-08	33,421	12,372	33,421	12,372	16,127	12,372	2,639	1,116
Sep-08	33,417	12,006	33,417	12,006	15,773	12,006	2,640	1,127
Oct-08	34,267	12,059	34,267	12,059	15,918	12,059	2,667	1,192
Nov-08	34,219	11,879	34,219	11,879	15,751	11,879	2,681	1,191
Dec-08	34,551	11,815	34,551	11,815	15,658	11,815	2,657	1,186
Jan-09	34,907	12,000	34,907	12,000	15,848	11,999	2,632	1,217
Feb-09	35,166	12,084	35,166	12,084	15,918	12,084	2,607	1,227
Mar-09	36,061	12,354	36,061	12,354	16,214	12,354	2,624	1,236
Apr-09	36,625	12,678	36,625	12,678	16,597	12,678	2,635	1,284
May-09	36,993	12,943	36,993	12,944	16,908	12,944	2,649	1,315
Jun-09	37,206	13,325	37,206	13,326	17,311	13,326	2,669	1,316
Jul-09	37,354	13,514	37,354	13,514	17,555	13,514	2,697	1,344
Aug-09	37,288	13,511	37,288	13,511	17,603	13,511	2,749	1,343
Sep-09	37,366	13,550	37,366	13,550	17,670	13,550	2,747	1,373
Oct-09	37,790	13,594	37,790	13,594	17,741	13,594	2,760	1,387
Nov-09	37,776	13,387	37,776	13,387	17,569	13,387	2,763	1,419
Dec-09	38,138	13,338	38,138	13,338	17,527	13,338	2,766	1,423
Jan-10	38,294	13,352	38,294	13,352	17,580	13,352	2,795	1,433
Feb-10	38,445	13,327	38,445	13,328	17,533	13,328	2,769	1,436
Mar-10	38,999	13,331	38,999	13,331	17,619	13,331	2,825	1,463
Apr-10	39,374	13,384	39,374	13,383	17,774	13,383	2,871	1,520
May-10	39,329	13,287	39,329	13,284	17,738	13,284	2,912	1,542
Jun-10	39,223	13,115	39,223	13,114	17,606	13,114	2,928	1,564
Jul-10			39,215	13,386	17,965	13,386	2,969	1,610
Aug-10			39,360	13,167	17,782	13,167	3,012	1,603
Sep-10			39,501	13,422	18,193	13,422	3,054	1,717
Oct-10			39,561	13,208	18,102	13,208	3,126	1,768
Nov-10			39,096	12,864	17,760	12,864	3,122	1,774
Dec-10			38,985	12,644	17,563	12,644	3,124	1,795
Jan-11			20,639	12,280	17,141	12,280	3,116	1,745
Feb-11			20,392	12,006	16,882	12,006	3,119	1,757
Mar-11			20,406	11,684	16,624	11,684	3,157	1,783
Apr-11			20,050	11,313	16,166	11,313	3,108	1,745
May-11			19,766	10,955	15,725	10,955	3,079	1,691
Jun-11			19,678	10,663	15,434	10,663	3,099	1,672

Month	GA	GA-X	DL	DL-X	Total ABD	Pending		
						SSI	Aged	Disabled
Jul-11			18,783	11,145	16,081	11,145	3,118	1,818
Aug-11			18,526	10,902	15,806	10,902	3,137	1,767
Sep-11				10,430	15,288	10,430	3,147	1,711
Oct-11				10,088	14,889	10,088	3,163	1,638
Nov-11				12,190	17,222	12,190	3,155	1,877
Dec-11				13,112	18,141	13,112	3,142	1,887
Jan-12				13,578	18,474	13,578	3,134	1,762
Feb-12				14,449	19,282	14,449	3,128	1,705
Mar-12				15,080	19,847	15,080	3,133	1,634
Apr-12				15,292	19,907	15,292	3,119	1,496
May-12				15,564	20,122	15,564	3,154	1,404
Jun-12				15,846	20,380	15,846	3,167	1,367
Jul-12					20,626	16,156	3,153	1,317
Aug-12					21,157	16,628	3,205	1,324
Sep-12					21,228	16,700	3,227	1,301
Oct-12					21,593	17,038	3,264	1,291
Nov-12					21,704	17,164	3,260	1,280
Dec-12					21,890	17,387	3,268	1,235
Jan-13					22,314	17,847	3,265	1,202
Feb-13					22,707	18,199	3,286	1,222
Mar-13					23,295	18,720	3,334	1,241
Apr-13					23,455	18,870	3,321	1,264
May-13					23,894	19,268	3,338	1,288
Jun-13					23,734	19,134	3,337	1,263
Jul-13					23,889	19,235	3,370	1,284
Aug-13					24,157	19,485	3,369	1,303
Sep-13					23,928	19,261	3,372	1,295
Oct-13					24,116	19,451	3,401	1,264
Nov-13					23,814	19,181	3,399	1,234
Dec-13					23,649	19,063	3,399	1,187
Jan-14					23,739	19,105	3,432	1,202
Feb-14					23,662	19,075	3,427	1,160
Mar-14					23,650	19,081	3,462	1,107
Apr-14					23,508	18,960	3,486	1,062
May-14					23,429	18,905	3,530	994
Jun-14					22,895	18,386	3,566	943

Month	GA	GA-X	DL	DL-X	Total ABD	Pending		
						SSI	Aged	Disabled
Jul-14					22,626	18,121	3,616	888
Aug-14					22,317	17,850	3,619	848
Sep-14					21,905	17,444	3,636	825
Oct-14					21,825	17,359	3,673	793
Nov-14					21,150	16,700	3,703	747
Dec-14					20,957	16,510	3,726	721
Jan-15					20,797	16,368	3,732	697
Feb-15					20,864	16,432	3,747	686
Mar-15					20,820	16,412	3,746	662
Apr-15					20,779	16,336	3,796	647
May-15					20,602	16,164	3,794	645
Jun-15					20,291	15,843	3,800	648

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