

Modeling Eligibility for CCDF-Funded Subsidies with TRIM3

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TRIM3 is funded by a contract with DHHS/ASPE

Today's Talk

- What TRIM does
- What TRIM estimates are used for
- Connection between TRIM estimates and the ee/cc model

Key points about TRIM3

- Comprehensive microsimulation model: models taxes, other safety net programs
- Funded by HHS/ASPE
- Input to the model: Each year's March CPS data

The March CPS

- 76,000 households
- Representative of the U.S. population
- Information includes:
 - Detailed demographics
 - Weeks worked, hours per week
 - Income for each person by type of income
- Used for:
 - Annual poverty estimates
 - State median incomes

What the TRIM3 Child Care Model Does

- Simulate eligibility for CCDF-funded subsidies
- Simulate receipt of CCDF-funded subsidies
- Calculate copayments

Today's focus: simulating eligibility

Eligibility Modeling, Key Points

- Month-by-month eligibility determination
 - Possible because TRIM3 divides annual incomes in the CPS over the months of the calendar year
- Detailed modeling of state-specific rules
 - Minimum hours rules
 - Income disregards
 - Eligibility thresholds—initial and continuing

Eligibility Modeling Steps

- Consider each “narrowly-defined” family separately
- For each family in each month
 - Are the parents working (minimum hours) or in school?
 - Is there a child <13 or disabled and < state’s age limit?
 - Is the family income-eligible according to state’s rules?

Types of eligibility estimates that can be produced

- National level estimates, overall or by characteristics
- State-specific estimates (requires averaging results across 2 or 3 years of data)
- “What if” estimates, for example:
 - Children who would be eligible if all states set thresholds to the same % of poverty

TRIM3 CCDF Eligibility Estimates

Rules as of...	Data from CPS years...	Avg. monthly # eligible children
Oct. 1999	1997, 1998, 1999	9.7 million
Oct. 2001	1999, 2000, 2001	9.9 million
Oct. 2003	2002 and 2003	8.6 million
Oct. 2005	2003, 2004, 2005	8.5 million

Some state-level Oct. 2003 estimates

State	Number	<i>95% confidence interval</i>	
		<i>From...</i>	<i>To...</i>
Alabama	118,100	91,100	145,200
Alaska	34,700	29,300	40,000
Arizona	169,400	131,700	207,200
Arkansas	75,000	57,100	92,900
California	1,493,600	1,364,500	1,622,600
Colorado	167,300	139,200	195,500
		
U.S. Total	8,578,000	8,338,600	8,817,300

Eligibility vs. “need”

- Some eligible families may not feel that they need/want subsidies
- Some families that need/want subsidies may not be technically eligible

How eligibility estimates are used

- Coverage rates:
Children served by CCDF divided by
children eligible for CCDF
- As input to other analyses

Ongoing work

- Continued improvement of the eligibility modeling methods
- Finalizing a new set of state-specific eligibility estimates