

Minnesota

Department of Human Services

February 2007 Forecast

St. Paul, Minnesota

February 28, 2007

THE DHS FORECAST

The Department of Human Services (DHS) prepares a forecast of expenditures in its major programs twice each year, for use in the state forecasts which are released in November and February during each fiscal year. These forecasts are reviewed by the Department of Finance and are used to update the Fund Balance for the forecasted programs.

The February forecast, as adjusted for changes made during the legislative session, becomes the basis for end of session forecasts and planning estimates. The preceding November forecast sets the stage for the February forecast.

The DHS forecast is a "current law" forecast. It aims to forecast caseloads and expenditures given the current state and federal law at the time the forecast is published.

The DHS programs covered by the forecast are affected by many variables:

The state's general economy and labor market affect most programs to some degree, especially those programs and segments of programs which serve people in the labor market.

Federal law changes and policy changes affect state obligations in programs which have joint state and federal financing. Federal matching rates for Medical Assistance (MA) change occasionally. Federal funding for the Temporary Assistance to Needy Families (TANF) program is contingent on state compliance with maintenance of effort requirements which mandate minimum levels of state spending.

Changes in federal programs affect caseloads and costs in state programs. The Supplemental Security Income program (SSI) drives elderly and disabled caseloads in Medical Assistance and Minnesota Supplemental Aid. Changes in SSI eligibility may leave numbers of people eligible for General Assistance and General Assistance Medical Care instead of SSI and Medical Assistance.

The narrative section of this document provides brief explanations of the changes in forecast expenditures in the February 2007 forecast, compared to the November 2006 forecast. Generally, these changes are treated on a biennial basis, covering the 2006-2007 biennium and the 2008-2009 biennium. The tables in the narrative also show the changes for the 2010-2011 biennium.

Tables One and Two provide the new and old forecasts and changes from the previous forecast for the 2006-2007 biennium, and Tables Three and Four provide the same information about the 2008-2009 biennium. Tables Five and Six cover the 2010-2011 biennium.

CURRENT BIENNIUM SUMMARY

General Fund Costs Slightly Lower

General Fund costs for DHS medical and economic support programs for the 2006-2007 biennium are projected to total \$6.825 billion, \$5 million (0.1 percent) less than projected in the November forecast. The reduction comes from minor adjustments in various programs.

TANF Forecast Lower

Projected expenditures of federal TANF (Temporary Assistance for Needy Families) funds for MFIP grants are \$188 million, \$4 million (2.3 percent) lower than in the November forecast. The decrease reflects a lower MFIP caseload forecast and higher state maintenance-of-effort requirements.

MinnesotaCare Forecast Lower

Forecasted Health Care Access Fund costs for the MinnesotaCare program are \$530 million, \$21 million (3.8 percent) lower than projected in the November forecast. The main reason for the decrease is lower enrollment.

NEXT BIENNIUM SUMMARY

General Fund Costs Higher

General Fund costs for DHS medical and economic support programs for the 2008-2009 biennium are projected to total \$7.979 billion, \$91 million (1.2 percent) more than projected in the November forecast. The increase results from a substantial upward revision of the projected costs of inpatient hospital rate rebasing in Medical Assistance and General Assistance Medical Care.

TANF Forecast Lower

Projected expenditures of federal TANF (Temporary Assistance for Needy Families) funds for MFIP grants are \$147 million, \$5 million (3.5 percent) lower than in the November forecast. The decrease reflects higher state maintenance-of-effort requirements and lower projected MFIP caseloads.

82.28%

MinnesotaCare Forecast Lower

Forecasted Health Care Access Fund costs for the MinnesotaCare program are \$746 million, \$76 million (9.2 percent) lower than projected in the November forecast. The reasons for the decrease are lower enrollment, and lower projected costs for the GAMC group shifted to MinnesotaCare.

FY 2010 - FY 2011 BIENNIUM SUMMARY

General Fund Costs

General Fund costs for DHS medical and economic support programs for the 2010-2011 biennium are projected to total \$9.314 billion, \$117 million (1.3 percent) more than projected in the November forecast. As in the 2008-2009 biennium, the increase results from higher projected costs of inpatient hospital rate rebasing in Medical Assistance and General Assistance Medical Care.

TANF Forecast Lower

Projected expenditures of federal TANF (Temporary Assistance for Needy Families) funds for MFIP grants are \$140 million, \$3 million (2.4 percent) lower than in the November forecast. The decrease reflects higher state maintenance-of-effort requirements and lower projected MFIP caseloads.

MinnesotaCare Forecast

Forecasted Health Care Access Fund costs for the MinnesotaCare program are \$781 million, \$75 million (8.8 percent) lower than projected in the November forecast. The reasons for the decrease are lower enrollment, and lower projected costs for the GAMC group shifted to MinnesotaCare.

PROGRAM DETAIL

MEDICAL ASSISTANCE

	'06-'07 Biennium	'08-'09 Biennium	'10-'11 Biennium
Share of DHS Gen. Fund programs forecast	81.4%	83.3%	84.3%
Total forecast change this item (\$000)	(1,448)	66,708	94,618
Total forecast percentage change this item	-0.0%	1.0%	1.2%

The table above summarizes the forecast change for the entire Medical Assistance program.

The following sections explain the forecast change for each of four component budget activities of the Medical Assistance program.

MA LTC FACILITIES

	'06-'07 Biennium	'08-'09 Biennium	'10-'11 Biennium
Share of DHS Gen. Fund programs forecast	14.2%	12.1%	10.3%
Total forecast change this item (\$000)	4,459	12,334	17,279
Total forecast percentage change this item	0.5%	1.3%	1.8%

Nov 2003

This activity includes payments to nursing facilities, to community ICF/MR facilities, for day training and habilitation services for community ICF/MR residents, and for the Regional Treatment Center program for the mentally ill and chemically dependent (RTC-MI/CD). (In the RTC-MI/CD programs, Medical Assistance generally covers only those residents who are under age 21 or age 65 or over.)

The net cost of this activity is also affected by the amount of Alternative Care (AC) funds expected to cancel to the Medical Assistance account. Alternative Care is usually funded at a larger amount than expected expenditures, to allow for the fact that funds have to be allocated to the counties and, because each county treats its allocation as a ceiling for spending, there is always substantial underspending of Alternative Care funds. The amount which is expected to be unspent is deducted from the funding of the Medical Assistance program in the budget process.

Alternative Care Offset

Lower Alternative Care caseload projections account for reductions of \$2.3 million for the current biennium and \$3.8 million for the next biennium. Projected expenditures are 3.1% lower for the current biennium and 4.8% lower for the next biennium. These reductions reflect the fact that AC caseload ended FY 2006 about 100 cases lower than estimated in the November forecast.

-3.15%
-4.78%

Nursing Facilities (NF)

NF expenditure projections are \$3.1 million higher for the current biennium and \$12.5 million higher for the next biennium. Based on experience through January 2007 projections of average payment per day are 0.9% higher and recipient projections for the next biennium are 0.6% higher.

County Nursing Facilities

A correction to FY 2006 payments reduces the current biennium projection by \$14,000.

Community ICF/MR and Day Training & Habilitation (DT&H)

Combined costs for these two services are increased by \$1.4 million for the current biennium and increased by \$3.2 million for the next biennium. ICF-MR caseloads in the second quarter of FY 2007 were about 3% higher than projected in the November forecast. The revised caseload forecast is now about 2.5% higher for FY 2007 and the next biennium. The cost of the higher caseload projections is partially offset by a reduction of 0.9% in average cost projections.

The higher ICF/MR caseload projections cause parallel increases in caseload projections for DT&H.

Minnesota Extended Treatment Options (METO) Program

Forecasted expenditures are decreased by \$13,000 for the current biennium.

RTC MI-CD Program

Projected payments are increased by \$2.7 million for the current biennium and by \$0.2 million for the next biennium. These adjustments recognize a slower decline in patient populations on the RTC campuses than assumed in the November forecast, as the new 16-bed community hospitals replace services previously provided on the RTC campuses.

County Share for LTC Services

Projections of county-share payments are increased by \$400,000 for the current biennium and reduced by \$300,000 for the next biennium. The effects on the forecast are a decrease of \$400,000 for the current biennium and an increase of \$300,000 for the next biennium.

MA LTC WAIVERS & HOME CARE

	'06-'07 Biennium	'08-'09 Biennium	'10-'11 Biennium
Share of DHS Gen. Fund programs forecast	24.2%	24.8%	25.2%
Total forecast change this item (\$000)	3,587	25,066	26,831
Total forecast percentage change this item	0.2%	1.3%	1.2%

This activity includes the following components:

- Developmentally Disabled Waiver (DD Waiver)
- Elderly Waiver (EW): fee-for-service (FFS) segment
- Community Alternatives for Disabled Individuals (CADI Waiver)
- Community Alternative Care Waiver (CAC Waiver)
- Traumatic Brain Injury Waiver (TBI Waiver)
- Home Health Agency Services
- Personal Care and Private Duty Nursing Services (PCA & PDN).
- Fund transfer to Consumer Support Grants

The five waivers are special arrangements under federal Medicaid law, which provide federal Medicaid funding for services which would not normally be funded by Medicaid, when these services are provided as an alternative to institutional care (nursing facility, ICF/MR, or acute care hospital).

The following table provides a breakdown of the forecast changes in the waivers and home care:

	'06-'07 Biennium (\$000)	'08-'09 Biennium (\$000)	'10-'11 Biennium (\$000)
Change in Projected Costs			
DD Waiver	(2,144)	0	0
EW Waiver FFS	6,139	31,965	34,755
CADI Waiver	2,791	0	0
CAC Waiver	(311)	0	0
TBI Waiver	96	0	0
Home Health	(779)	(42)	(23)
PCA/PDN	(2,204)	(6,857)	(7,901)
Activity Total	3,587	25,066	26,832
EW Total:			
FFS & Managed Care	379	4,811	5,412

	'06-'07 Biennium	'08-'09 Biennium	'10-'11 Biennium
Percent Change in Projected Costs			
DD Waiver	-0.24%	0.00%	0.00%
EW Waiver FFS	6.41%	49.00%	47.92%
CADI Waiver	1.51%	0.00%	0.00%
CAC Waiver	-2.42%	0.00%	0.00%
TBI Waiver	0.13%	0.00%	0.00%
Home Health	-2.65%	-0.13%	-0.07%
PCA/PDN	-0.64%	-1.62%	-1.62%
Activity Total	0.22%	1.28%	1.16%
EW Total:			
FFS & Managed Care	0.10%	0.90%	0.81%

DD Waiver

Projected expenditures for the current biennium are reduced by \$2.1 million based on payment experience through January 2007. No other changes are made.

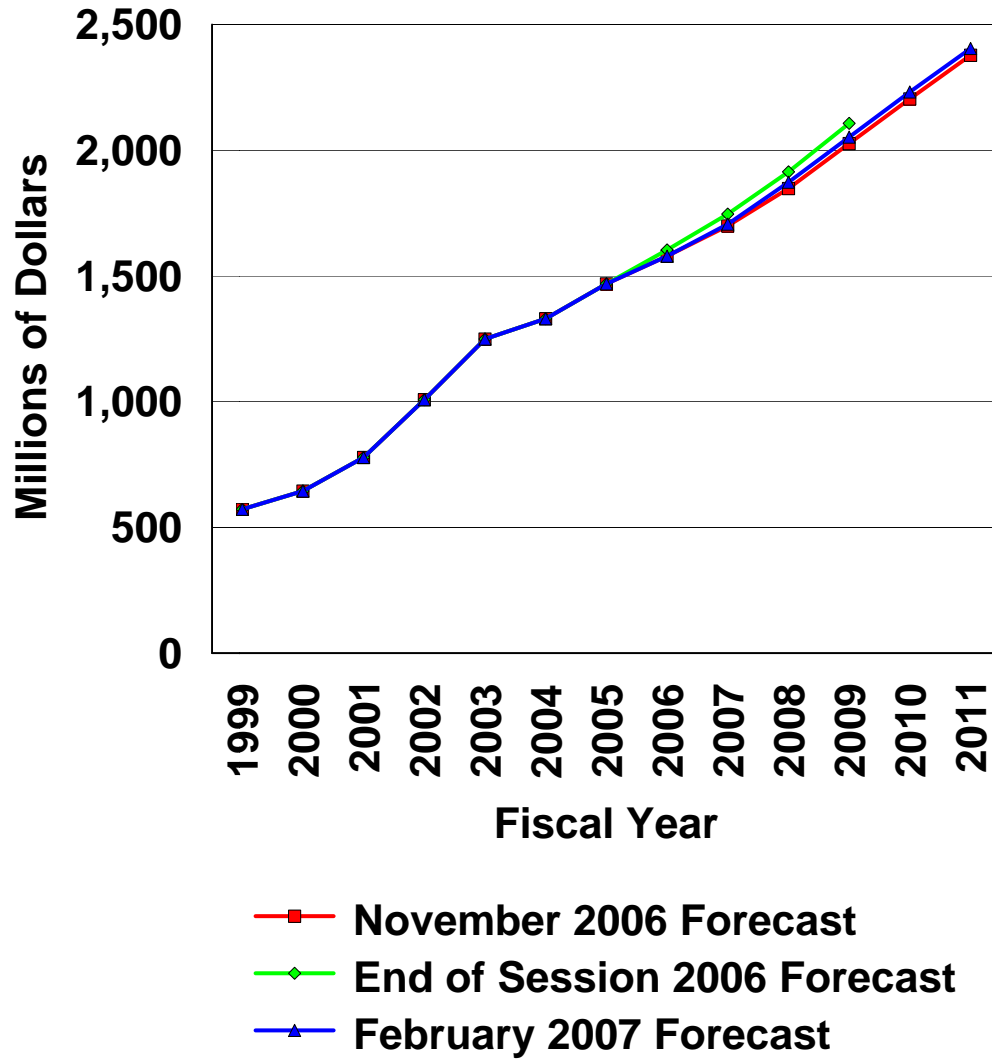
Elderly Waiver FFS & Managed Care

Elderly waiver is forecasted in two segments, the fee-for-service segment and the managed care segment. Forecast changes are described for the total of the two segments, since changes in the two parts tend to result from differences in timing in the expected shift of many fee-for-service EW recipients to the managed care segment.

We have reversed about two-thirds of the movement from fee-for-service EW to managed which was added to the November forecast. Further movement into managed care had been anticipated to take place in January 2007, but it did not. (The timing for added movement into managed care is uncertain.) This change causes a very large increase in the EW fee-for-service forecast, but little change for the combined EW forecast.

Recipient projections for the whole EW program, fee-for-service and managed care, are about 1.5% higher. These increases are offset by slightly lower average cost projections, resulting in net forecast increases of less than 1%.

MA LTC Waivers & Home Care Total Dollar Expenditures



CADI, TBI, and CAC Waiver Changes

Only minor changes in FY 2007 projections are made, based on payment experience through January 2007.

Personal Care Changes

Expenditure projections for personal care are reduced by about 1.6% because of slightly lower average cost projections.

Home Health Agency Changes

Home health agency expenditures are reduced by about \$800,000 for the current biennium based on payment experience through January 2007. The forecast is practically unchanged for the next biennium.

MA ELD. & DISABLED BASIC CARE

	'06-'07 Biennium	'08-'09 Biennium	'10-'11 Biennium
Share of DHS Gen. Fund programs forecast	24.9%	27.0%	28.2%
Total forecast change this item (\$000)	(14,194)	(30,443)	(27,626)
Total forecast percentage change this item	-0.8%	-1.4%	-1.1%

This activity funds general medical care for elderly and disabled Medical Assistance enrollees. For almost all of the elderly and for about 45 percent of the disabled who have Medicare coverage, Medical Assistance acts as a Medicare supplement. For those who are not eligible for Medicare, Medical Assistance pays for all their medical care. Also included in this activity is the IMD group, which was part of GAMC until October 2003 and is funded without federal match. Enrollees in this group are individuals who would be eligible as MA disabled but for the fact of residence in a facility which is designated by federal regulations as an "Institute for Mental Diseases." Residents of such facilities are barred from MA eligibility unless they are under age 21 or age 65 or older.

The disabled segment accounts for 64 percent of enrollees and 64 percent of costs in this activity, with the elderly segment accounting for most of the remainder.

The following table summarizes the areas of forecast changes in this activity:

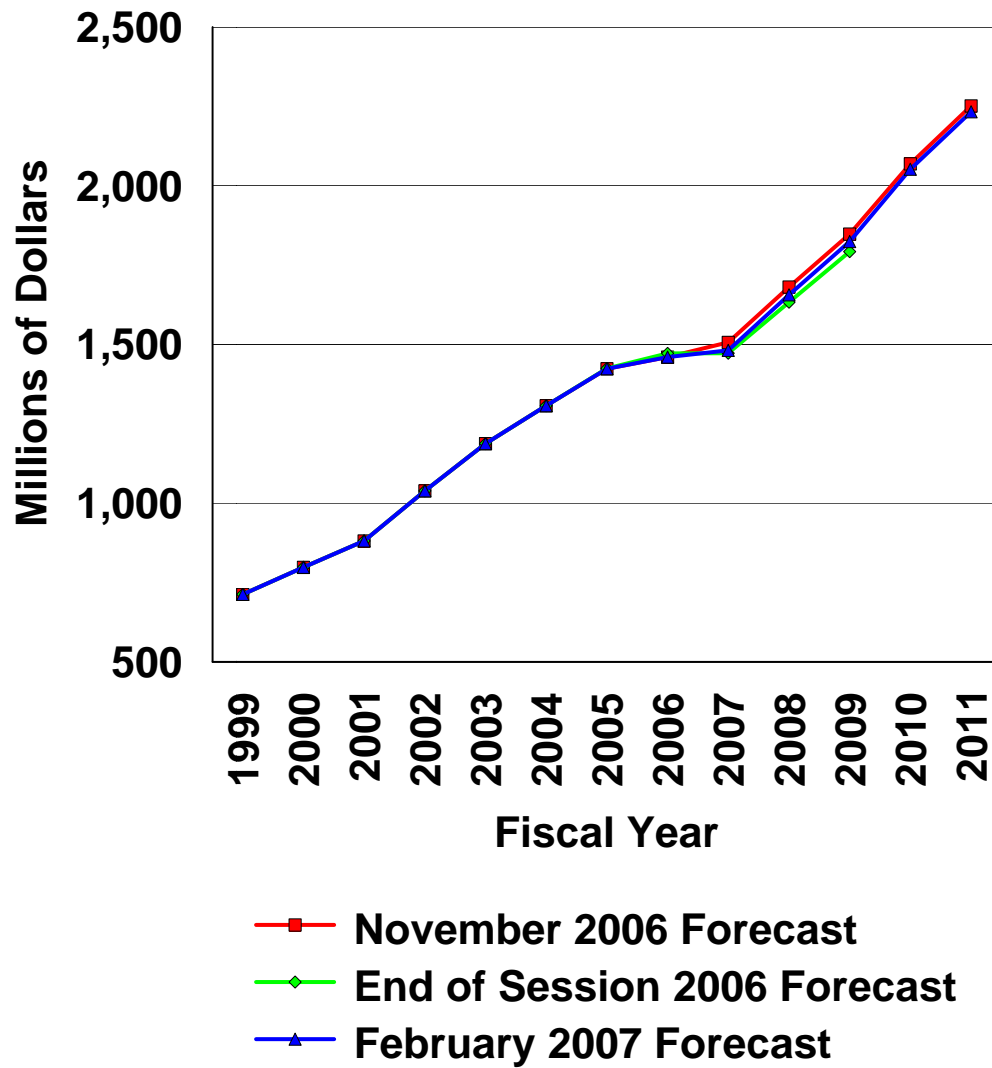
	'06-'07 Biennium (\$000)	'08-'09 Biennium (\$000)	'10-'11 Biennium (\$000)
Elderly Waiver Managed Care	(5,949)	(29,559)	(32,049)
Elderly Basic Caseload	(2,323)	(5,066)	(11,754)
Elderly Basic Avg. Cost	(1,925)	(10,295)	(11,936)
Disabled Basic Caseload	(2,336)	(7,862)	(8,932)
Disabled Basic Avg. Cost: Inpat rebasing	3,781	36,312	54,343
Disabled Basic Avg. Cost	(2,889)	(5,997)	(6,636)
Disabled basic: MNDHO	(726)	(1,673)	(809)
Medicare Part D clawback payments	(818)	(3,635)	(6,275)
Transfer to Mental Health	0	(3,328)	(5,693)
IMD Program	(1,073)	478	1,899
Chemical Dependency Fund share	64	182	216
Total	(14,194)	(30,443)	(27,626)

Elderly Basic Changes

Elderly enrollment projections are about 0.5% lower for both FY 2007 and the next biennium.

Average cost projections are about 0.7% lower for the current biennium and 1.5% lower for the next biennium because a greater proportion of enrollees are projected to be in managed care, where the expected monthly cost is lower.

MA Elderly & Disabled Basic Care Total Dollar Expenditures



Disabled Basic Changes: Inpatient Hospital Rate Rebasing

Projected costs are \$3.8 million higher for the current biennium and \$36.3 million higher for the next biennium because of inpatient hospital rate rebasing effective January 2007. By law inpatient rates are rebased every two years, but the rebasing scheduled for 2005 was delayed until and incorporated in the 2007 rebasing. The 2007 rebasing brought hospital rates from 1998 costs to 2002 costs.

The anticipated effect of the 2007 rebasing had been an increase of about 4% for each of the four years, minus about 8 percentage points of inflation which was added to inpatient rates from FY 2000 to FY 2002, for a net increase of 8 percent. The actual change in hospital base rates was 26%, 18 percentage points higher than expected. The reason for the unexpectedly high increase appears to be changes in the acuity of MA hospital admissions between 1998 and 2002.

Except for the inpatient rate rebasing increase, average cost projections are lower by 0.3% for the current biennium and 0.5% for the next biennium. Enrollment projections are 0.2% lower for the current biennium and about 0.7% lower for the next biennium.

Medicare Part D Clawback Change

Projections of clawback payments to the federal government are lower because fee-for-service projections for both elderly and disabled segments are lower, resulting in lower projections of fee-for-service pharmacy payments.

Transfer to Mental Health Grants

Based on updated data on the number of recipients receiving mental health targeted case management, projected transfers to mental health grants for the next biennium are reduced by about 15%.

IMD Program

Projected costs are reduced by \$1.1 million for the current biennium based on payment experience through January 2007. Slightly higher costs are projected for the next biennium because of inpatient hospital rate rebasing.

CD Fund Share

Increases in MA-funded services covered by the CD Fund produce corresponding reductions in state share costs funded from the MA account, because the state share of these costs comes from the CD Fund.

FAMILIES WITH CHILDREN BASIC CARE	'06-'07 Biennium	'08-'09 Biennium	'10-'11 Biennium
Share of DHS Gen. Fund programs forecast	18.1%	19.4%	20.6%
Total forecast change this item (\$000)	4,700	59,751	78,134
Total forecast percentage change this item	0.4%	3.9%	4.1%

This activity funds general medical care for MFIP recipients, including those with MA transition year coverage, for other families with children who are eligible for Medical Assistance, and for non-citizens who are ineligible for federal matching. The non-citizen segment is treated as part of this activity because non-citizen enrollment and costs are dominated by costs for pregnant women.

The components of the overall forecast change in this activity are summarized in the following table:

	'06-'07 Biennium (\$000)	'08-'09 Biennium (\$000)	'10-'11 Biennium (\$000)
Families with Children			
Caseload	(1,962)	(3,989)	(8,744)
Avg. cost: 2007 inpat. rate rebasing	2,968	49,426	68,673
Avg. cost: other	6,943	19,324	21,872
CD Fund share	(150)	(289)	(1,254)
Revised caseload shift from MinnesotaCare	0	(910)	(2,757)
Contingent DSH payments	0	19,997	0
CPE DSH dedicated revenue	0	(24,447)	0
Non-citizen MA segment	(1,040)	(418)	179
Services w special funding	428	0	0
Rx rebates	(2,487)	1,057	165
Other changes	0	0	0
Total	4,700	59,751	78,134

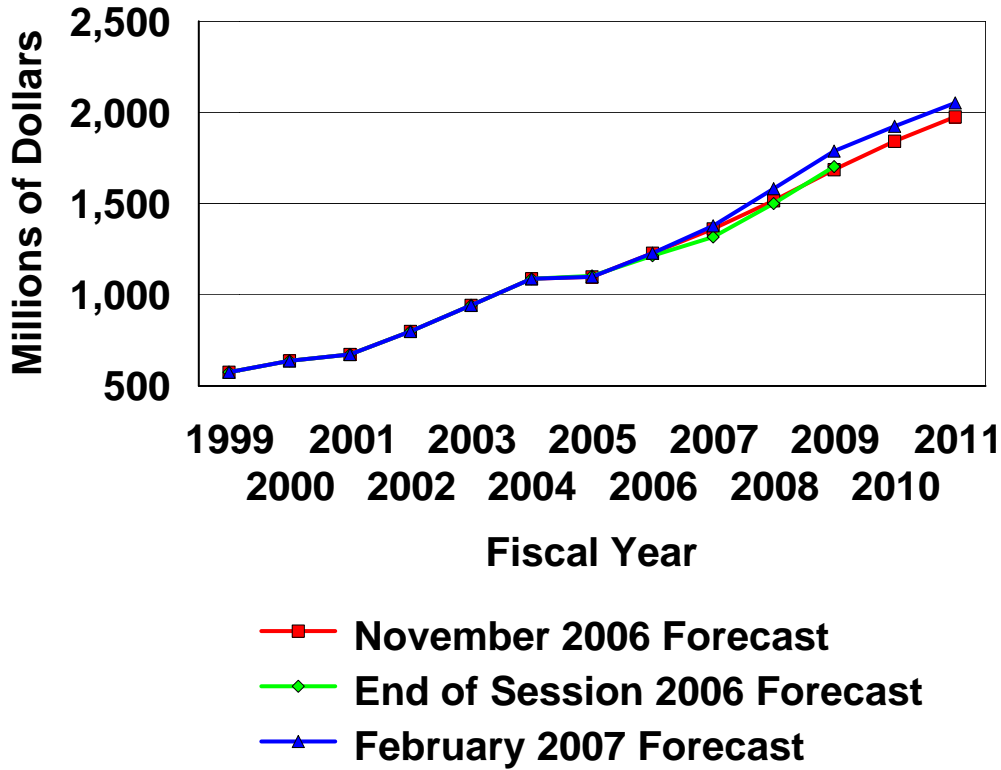
Families with Children Basic Care

Caseload projections are about 0.3% lower for the both current biennium and the next biennium.

Inpatient hospital rate rebasing (explained above under Disabled Basic), effective in January 2007, will increase fee-for-service inpatient hospital payments by 26%, rather than the 8% projected in the November forecast. This increase is the reason for most of the net forecast increase in this activity.

Other than the effects of inpatient rebasing, average cost projections are about 1.2% higher because of slightly higher managed care payments. The January 2007 rate change produced increases about 0.5 percentage points higher than expected in the November forecast. The remainder of the increase results from higher average payments in the payment data through January 2007.

MA Families with Children Basic Care Total Dollar Expenditures



A slightly higher projection of the share of payments made to the CD Fund results in a small cost reduction because payments to the CD Fund draw no state share from the MA account.

Enrollment Shift from MinnesotaCare

The enrollment shift from MinnesotaCare is projected to result from implementation of HealthMatch, the new eligibility system for the medical programs. The new system is expected to identify for applicants the program which offers them the greatest benefit from among the programs for which they qualify. Currently there are about 42,000 children and parents enrolled in MinnesotaCare who could equally be on the MA program. It is expected that the new system, when it is implemented statewide early in 2008, will cause 60% of this group to shift to MA by November 2008, 80% by November 2009, and 90% by November 2010.

Enrollment projections for the shift are now about 4% lower than in the November forecast, owing to lower MinnesotaCare caseload projections. Cost projections for the shift are about 2% lower.

The following table summarizes the projected MA effects of the shift of children and parents from MinnesotaCare to MA in the February 2007 forecast compared to the previous forecast:

**Projected Enrollment Shift from MinnesotaCare
Effect of Forecast Change on Medical Assistance**

	February 2007	November 2006	Difference	Percentage Difference
	Average Enrollees	Average Enrollees	Average Enrollees	
FY 2007	0	0	0	
FY 2008	2,433	2,534	(102)	-4.0%
FY 2009	25,127	26,293	(1,166)	-4.4%
FY 2010	34,728	36,267	(1,539)	-4.2%
FY 2011	38,473	40,186	(1,713)	-4.3%
	State Share Costs	State Share Costs	State Share Costs	
FY 2007	0	0	0	
FY 2008	2,616,160	2,665,085	(48,925)	-1.8%
FY 2009	41,301,124	42,161,830	(860,706)	-2.0%
FY 2010	64,550,109	65,833,780	(1,283,671)	-1.9%
FY 2011	78,487,350	79,960,721	(1,473,371)	-1.8%

CPE DSH Dedicated Revenue and Contingent Hospital Payments

Legislation from the 2005 Session directs DHS to seek Medicaid Disproportionate Share Hospital (DSH) matching for Certified Public Expenditures (CPE) during the FY 2008-2009 biennium. The same legislation required the CPE DSH revenue to be used for MA DSH hospital payments, after offsetting the cost of reducing hospital payments by 4 percentage points less (6% ratable reduction rather than 10% ratable reduction: a budget decision made in the 2005 Session).

In the February forecast, projections of dedicated revenue are \$24.4 million higher based on the amounts that we estimate can be certified by Hennepin County Medical Center. The offset for 4 percentage points less inpatient hospital rate reduction is also higher, because of the 2007 inpatient rate rebasing, resulting in a net increase of \$20 million in contingent payments in the next biennium.

	CPE DSH Dedicated Revenue	Offset 4% Hospital Reduction (State Share)	Net = Contingent Hospital Payments (State Share)
Budgeted in 2005 Session:			
FY 2008	32,089,000	(14,172,000)	17,917,000
FY 2009	34,497,000	(18,482,000)	16,015,000
			33,932,000
November 2006 Forecast:			
FY 2008	19,270,000	(17,562,000)	1,708,000
FY 2009	22,001,000	(18,367,000)	3,634,000
Biennium	41,271,000		5,342,000
February 2007 Forecast:			
FY 2008	27,933,000	(19,248,000)	8,685,000
FY 2009	37,785,000	(20,615,000)	17,170,000
Biennium	65,718,000		25,855,000
Difference: February vs. November:			
FY 2008	8,663,000	(1,686,000)	6,947,000
FY 2009	15,784,000	(2,248,000)	13,050,000
Biennium	24,447,000		19,997,000

Non-Citizen MA

The Non-Citizen segment of MA includes federal State Childrens' Health Insurance (SCHIP) coverage for pregnant women through the month in which they give birth. Two months of post-partum coverage are at 100% state cost.

Slightly lower average cost projections produce small decreases in both the current biennium and the next biennium.

Services with Special Funding

This is a forecast category which includes several services which have only federal and county share funding, such as child welfare targeted case management. It also includes some services which are administrative rather than medical services from the point of view of the federal agency, such as waiver access services.

The only change in this category is for the current biennium, reflecting slightly higher payments in actual data through January 2007.

Pharmacy Rebates

(Higher rebates reduce MA cost projections; lower rebates increase net costs.)

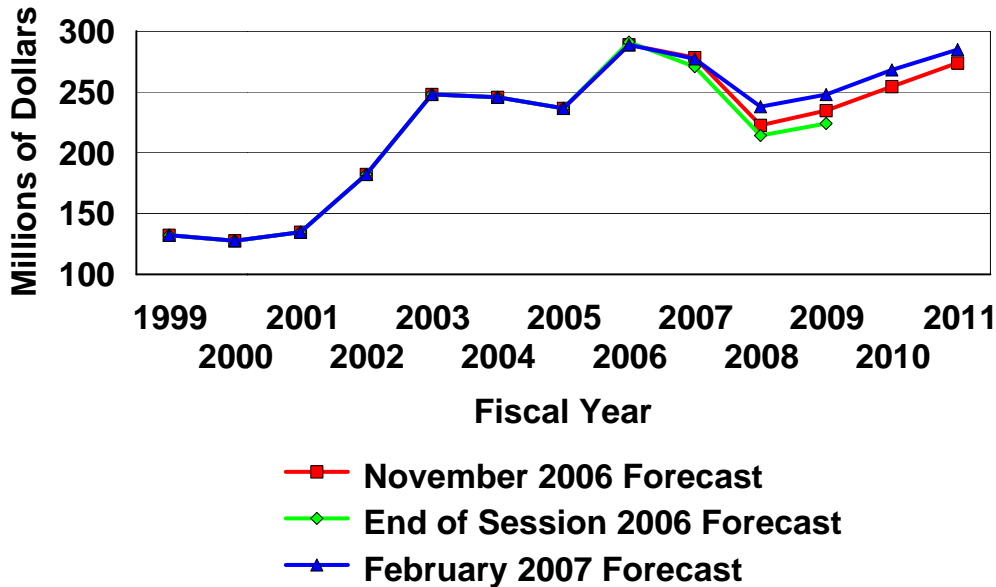
The decrease for the current biennium reflects higher than expected rebates in the first half of FY 2007. The increase for the next biennium reflects slightly lower rebates based on small reductions in projected pharmacy costs, resulting from lower disabled basic care projections.

GENERAL ASSISTANCE MED. CARE

	'06-'07 Biennium	'08-'09 Biennium	'10-'11 Biennium
Share of DHS Gen. Fund programs forecast	8.3%	5.8%	5.7%
Forecast change this item (\$000)	(1,056)	28,366	24,479
Forecast percentage change this item	-0.2%	6.2%	4.6%

Summary of Forecast Changes	'06-'07 Biennium (\$000)	'08-'09 Biennium (\$000)	'10-'11 Biennium (\$000)
Higher caseload	(718)	2,228	2,878
Average cost	(5,787)	1,256	919
Inpatient hospital rebasing	877	9,968	12,906
Change in shift to MinnesotaCare	4,572	14,914	7,776
Total changes	(1,056)	28,366	24,479

General Assistance Medical Care Total Dollar Expenditures



GAMC caseload for FY 2006 was only 0.3% over the end-of-session forecast. However, in the last quarter of FY 2006 caseload was 1.1% over forecast due almost exclusively to an increase in the GA segment of GAMC. This diverging caseload in the final quarter of FY 2006 drove a small projected increase in GAMC caseload in the November forecast. In the February update, there is a slight downward adjustment in FY 2007 followed by an increase of less than 1% in the '08-'09 biennium.

Average monthly cost projections are mostly unchanged from the November forecast. Specifically, the change in average costs for the next biennium is an increase of less than 0.5%. The notable exception to this is a one-time \$3.7 million adjustment to inpatient hospital payments in the September 2006 data, which explains most of the average payment decrease for the current biennium.

Inpatient hospital rate rebasing (explained above under Disabled Basic), effective in January 2007, increased fee-for-service GAMC inpatient hospital payments by 24.2%, rather than the 17.1% projected in the November forecast. This increase in hospital rates is also expected to increase January 2008 HMO rate increases by 1.5 percentage points relative to the increase assumed in the November forecast.

The 2005 Legislature adopted a requirement to shift most GAMC-only enrollees to MinnesotaCare after their first few months of GAMC enrollment. This new policy took effect in September 2006. Based on data through December 2006, the February forecast projects that about 1000 fewer average monthly enrollees will ultimately shift to MinnesotaCare. This results in additional costs in GAMC relative to the November forecast. Further, the phase-in for the shift is now expected to be slightly longer resulting in additional GAMC costs during FY 2008.

The following table compares the projected shift from GAMC in the November forecast with the shift in the previous forecast:

**Projected Enrollment Shift to MinnesotaCare
Effect of Forecast Change on GAMC**

	February 2007	November 2006	Difference
	Average Enrollees	Average Enrollees	Average Enrollees
FY 2007	(7,758)	(8,266)	507
FY 2008	(17,190)	(18,338)	1,148
FY 2009	(17,324)	(18,353)	1,029
FY 2010	(17,543)	(18,586)	1,042
FY 2011	(17,644)	(18,693)	1,048

**Projected Enrollment Shift to MinnesotaCare
Effect of Forecast Change on GAMC**

	February 2007	November 2006	Difference
	State Share Costs	State Share Costs	State Share Costs
FY 2007	(\$48,825,724)	(\$53,398,315)	\$4,572,591
FY 2008	(136,186,984)	(145,917,553)	9,730,569
FY 2009	(156,024,026)	(161,207,774)	5,183,748
FY 2010	(171,047,201)	(175,411,419)	4,364,218
FY 2011	(185,260,521)	(188,672,121)	3,411,600

CHEMICAL DEPENDENCY FUND

	'06-'07	'08-'09	'10-'11
	Biennium	Biennium	Biennium
Share of DHS Gen. Fund programs forecast	2.0%	2.1%	2.0%
Forecast change this item (\$000)	(719)	(1,345)	(1,510)
Forecast percentage change this item	-0.5%	-0.8%	-0.8%

The small reductions in this activity are the result of higher projections of reimbursement from the federal share of MA.

MFIP NET CASH (STATE AND FEDERAL)	'06-'07 Biennium	'08-'09 Biennium	'10-'11 Biennium
Forecast change this item (\$000)	(2,875)	(3,509)	(2,552)
Forecast percentage change this item	-1.0%	-1.3%	-0.9%
GENERAL FUND SHARE OF MFIP			
Share of DHS Gen. Fund programs forecast	1.2%	1.5%	1.4%
Forecast change this item (\$000)	1,543	1,805	868
Forecast percentage change this item	1.8%	1.5%	0.7%
FEDERAL TANF FUNDS FOR MFIP			
Forecast change this item (\$000)	(4,418)	(5,314)	(3,420)
Forecast percentage change this item	-2.3%	-3.5%	-2.4%

This activity provides cash assistance for families with children until they reach approximately 115 percent of the federal poverty guidelines (FPG). The MFIP program is Minnesota's TANF program. MFIP is therefore funded with a mixture of federal TANF Block Grant and state General Fund dollars. Forecasts of state General Fund expenditures are offset by the state share of child support collections on behalf of MFIP custodial parents.

Small Declines in Projected MFIP Caseload

The changes in forecasted gross MFIP cash grant expenditures are caused mostly by changes in the average monthly MFIP caseload forecast. This forecast decreases the projected caseload on the basis of actual data in the first half of FY 2007. Compared to the November forecast, this is a decrease in projected average monthly caseload of about 1% each year. Forecasted payments were also adjusted for lower average payments in the first half of FY 2007. Together these effects decrease projected cash payments by 2% in the FY 2007 and 1% each year after.

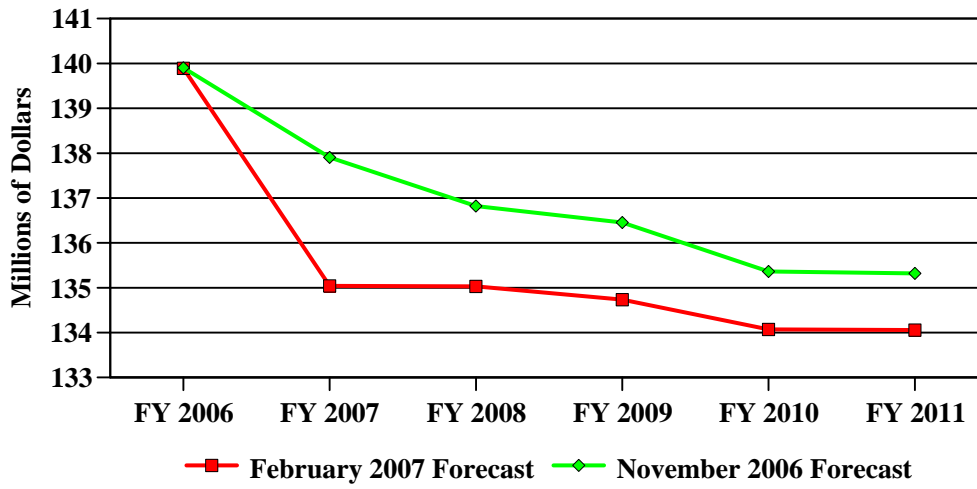
Maintenance of Effort Requirement for General Fund Expenditures in MFIP

The mixture of state and federal block grant funds used to finance MFIP is determined by a federally mandated Maintenance of Effort (MOE) requirement for state (i.e. General Fund) spending on its TANF program. The state must meet this minimum MOE requirement to draw its entire federal TANF block grant allotment. Certain components of the overall MOE requirement are forecasted separately from MFIP (child care is the primary example). Required General Fund spending in the MFIP forecast will vary with the forecasted expenditure levels in these external MOE components.

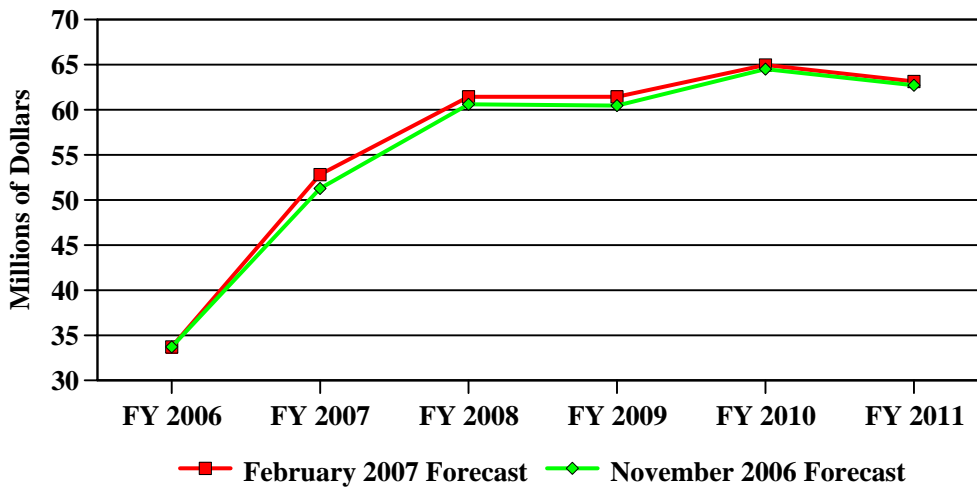
Decreases in TANF Expenditures

For the current biennium, the total gross MFIP cash grant forecast change from November is a decrease of \$2.8 million. Based on forecasted values of external MOE components, the General Fund MFIP forecast increases by about \$1.6 million. This combination of MFIP cash grant decrease, the effects of MOE on the General Fund, and a slight projected

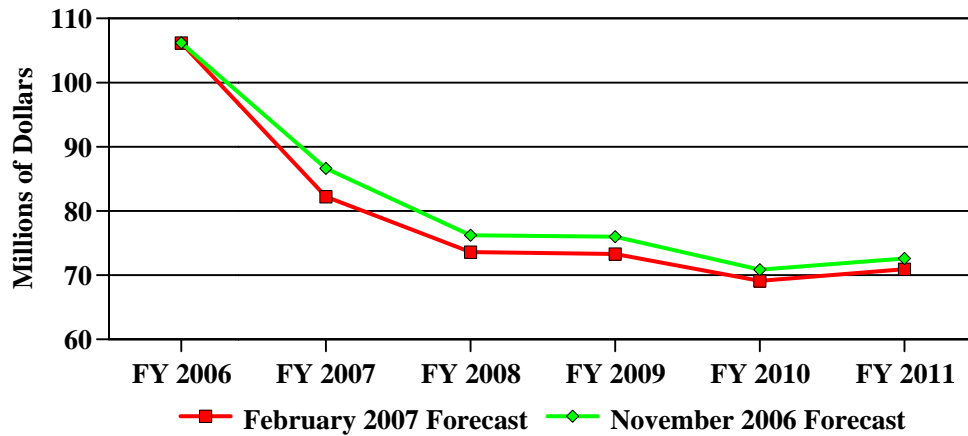
MFIP Grant Payments Total Net Expenditures (State + Federal)



MFIP Grant Payments Net State General Fund Expenditures



MFIP Grant Payments Net Federal TANF Expenditures



net increase in TANF expenditures for Child Support pass-through results in a net forecast decrease for federal TANF funds of \$4.4 million for the current biennium. This change represents a 2.3% decrease from the November forecast.

For the next biennium, the gross MFIP cash grant forecast change is a decrease of \$3.8 million. The General Fund forecast increases by \$1.6 million to maintain minimum MOE expenditures. These projected changes, together with a slight projected net increase in TANF expenditures for Child Support pass-through result in a forecast decrease for federal TANF fund expenditures of \$5.3 million for the next biennium. This change represents a 3.5% decrease from the November forecast.

Increases in General Fund Expenditures

Gross General Fund expenditures are adjusted for recoveries, child support collections, and the counties' share of recoveries. For the current biennium, child support collections are projected to increase by less than \$0.1 million. Combined with the increased MFIP cash spending due to MOE requirements, the net General Fund change for the current biennium is an increase of \$1.5 million, or 1.8% over the November forecast.

For the next biennium, child support collections are projected to decrease by \$0.2 million. Combined with the increase in MFIP cash spending due to MOE requirements, the net General Fund change for the next biennium is an increase of \$1.8 million, a 1.5% increase over the November forecast.

MFIP CHILD CARE ASSISTANCE	'06-'07 Biennium	'08-'09 Biennium	'10-'11 Biennium
Share of DHS Gen. Fund programs forecast	1.2%	1.9%	1.6%
Forecast change this item (\$000)	(1,739)	(1,981)	(974)
Forecast percentage change this item	-2.1%	-1.3%	-0.7%

This activity provides child care assistance to MFIP families who are employed or are engaged in other work activities or education as part of their MFIP employment plan. This activity also provides transition year (TY) child care assistance for former MFIP families. As with the MFIP grant program, child care assistance is funded with a mixture of federal and state General Fund dollars. The federal child care funding comes from the Child Care & Development Fund (CCDF). There are no changes in federal expenditures in this forecast.

Declines in MFIP/TY Forecasted Expenditures

A projected decrease in MFIP/TY caseload mainly driven by actual MFIP/TY caseload data from the first half of FY 2007 leads to a reduction in forecasted MFIP/TY child care expenditures of about \$2.1 million in the current biennium relative to the November forecast. An increase in projected average child care payments based on new data leads to an offsetting increase in expenditures of about \$0.4 million. The result is a decrease in General Fund spending in this biennium of \$1.7 million, a 2.1% decrease from the November forecast.

The decrease in MFIP/TY caseload continues through the next biennium, due mainly to the reduced forecasted MFIP adult caseload. This decrease is projected to result in decreased MFIP/TY child care expenditures of about \$2.8 million relative to the November forecast. Increased projected average child care payments increase expenditures by \$0.8 million. The net forecast change for the next biennium is a decrease of \$2.0 million, a 1.3% decrease from the November forecast.

GENERAL ASSISTANCE	'06-'07 Biennium	'08-'09 Biennium	'10-'11 Biennium
Share of DHS Gen. Fund programs forecast	1.0%	1.0%	0.8%
Forecast change this item (\$000)	(118)	(18)	(18)
Forecast percentage change this item	-0.2%	-0.0%	-0.0%

This activity provides state-funded cash assistance for single adults and couples without children, provided they meet one of the specific General Assistance (GA) eligibility criteria. Typically, meeting one or more of the GA eligibility criteria indicates that the individual is mentally or physically unable to participate long-term in the labor market.

Caseload projections are about 0.2% lower for the current biennium due to actual data from the first half of FY 2007. The remainder of the forecast reduction in this activity comes from slightly lower average payment projections.

GROUP RESIDENTIAL HOUSING

	'06-'07 Biennium	'08-'09 Biennium	'10-'11 Biennium
Share of DHS Gen. Fund programs forecast	2.4%	2.4%	2.3%
Forecast change this item (\$000)	(2,015)	(2,647)	0
Forecast percentage change this item	-1.2%	-1.4%	0.0%

This activity pays for housing and some services for individuals placed by the local agencies in a variety of residential settings. Two types of eligibility are distinguished, reflecting the fact that prior to FY 1995 this benefit used to be part of the MSA and GA programs. MSA-type recipients are elderly or disabled, with the same definitions as used for MA eligibility. GA-type recipients are other adults.

The forecast changes for this biennium and next biennium are technical corrections eliminating after-the-model adjustments for two legislative changes which were implemented in 2005. These adjustments should have been dropped from the November forecast.

MINNESOTA SUPPLEMENTAL AID

	'06-'07 Biennium	'08-'09 Biennium	'10-'11 Biennium
Share of DHS Gen. Fund programs forecast	0.9%	0.8%	0.7%
Forecast change this item (\$000)	106	20	(171)
Forecast percentage change this item	0.2%	0.0%	0.0%

For most recipients, this activity provides a supplement of approximately \$81 per month to federal Supplemental Security Income (SSI) grants.

No consequential changes have been made to this forecast.

MINNESOTACARE	'06-'07 Biennium	'08-'09 Biennium	'10-'11 Biennium
Forecast change this item (\$000)	(20,773)	(75,945)	(75,003)
Forecast percentage change this item	-3.8%	-9.2%	-8.8%

Summary of Forecast Changes	'06-'07 Biennium (\$000)	'08-'09 Biennium (\$000)	'10-'11 Biennium (\$000)
<i>Families with Children</i>			
Lower enrollment	(6,182)	(14,917)	(10,500)
Average cost	(23)	4,076	5,159
Premium revenue	0	1,859	2,513
Revised shift to MA	0	891	2,698
Families with Children Subtotal	(6,205)	(8,091)	(130)
<i>Adults without Children</i>			
Lower enrollment	(3,659)	(9,191)	(11,230)
Average cost	(1,808)	(8,913)	(9,052)
Premium revenue	0	686	229
Revised shift from GAMC	(9,101)	(50,436)	(54,820)
Adults without Children Subtotal	(14,568)	(67,854)	(74,873)
Total Program	(20,773)	(75,945)	(75,003)

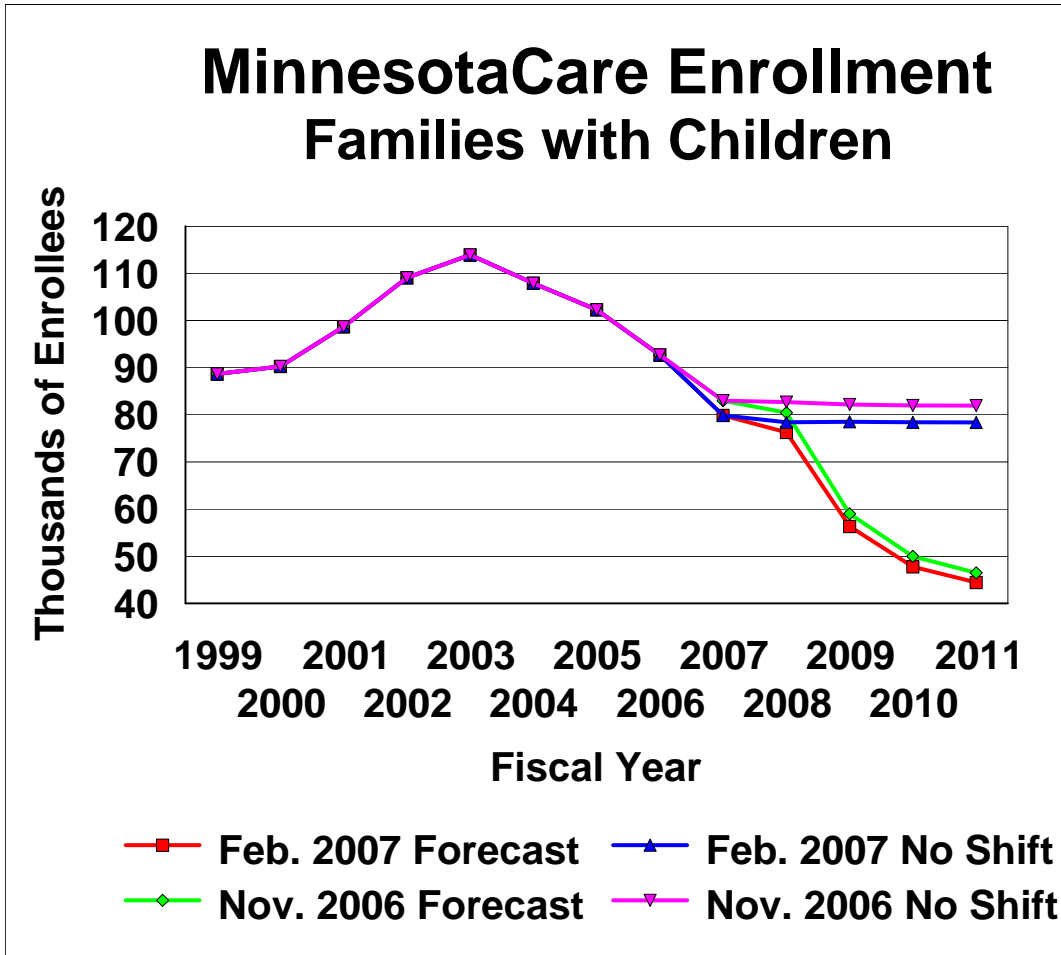
Families with Children

Enrollment of children and parents fell by 9.5% in FY 2006 compared with the previous fiscal year. Another decrease of 13.7% is projected for FY 2007, after which enrollment (absent the expected enrollment shift to MA) is projected to remain relatively constant through the next biennium. The November forecast assumed a 10.4% decrease in children and parents caseload in FY 2007. Thus, compared to the previous forecast, the February forecast includes enrollment projections that are about 1.8% lower for the current biennium and about 4.8% lower for the next biennium.

Due to the January 2007 inpatient hospital rebasing, January 2008 managed care rate increases for MinnesotaCare children and parents are projected to be 3.0 percentage points higher than in the previous forecast. Managed care rate increases for 2008 are now projected to be about 10.5% for families with children instead of 7.5%. Adding to this managed care rate increase are small increases in projected fee-for-service costs of about \$300,000 per year.

In January, Minnesota received federal approval to implement an 8% MinnesotaCare premium increase for families with children above 200% FPG. In the November forecast, it was assumed that this premium increase would apply to all families with children. The partial federal approval implies that there is a small increase in the February forecast due to the loss of premium revenue from families with children enrollees above 200% FPG. Further, the partial approval delays implementation from July 2007 to January 2008. These changes result in a forecast increase of about \$1.9 million in the next biennium.

Due to the falling MnCare caseload, the February forecast projects fewer enrollees will shift to MA relative to the November forecast. However, the managed care rate increase due to inpatient hospital rebasing implies that each shifted enrollee would have been relatively more expensive in MinnesotaCare. These effects offset each other resulting in a small increase in MinnesotaCare cost relative to the shift effects in the November forecast.



**Projected Enrollment Shift to MA
Effect of Forecast Change on MinnesotaCare**

	February 2007	November 2006	Difference
	Average Enrollees	Average Enrollees	Average Enrollees
FY 2007	0	0	0
FY 2008	(2,433)	(2,534)	102
FY 2009	(25,127)	(26,293)	1,166
FY 2010	(34,728)	(36,267)	1,539
FY 2011	(38,473)	(40,186)	1,713
	State Share Costs	State Share Costs	State Share Costs
FY 2007	\$0	\$0	\$0
FY 2008	(2,559,886)	(2,606,918)	47,031
FY 2009	(41,025,694)	(41,869,773)	844,079
FY 2010	(64,268,716)	(65,523,756)	1,255,040
FY 2011	(78,255,799)	(79,698,479)	1,442,680

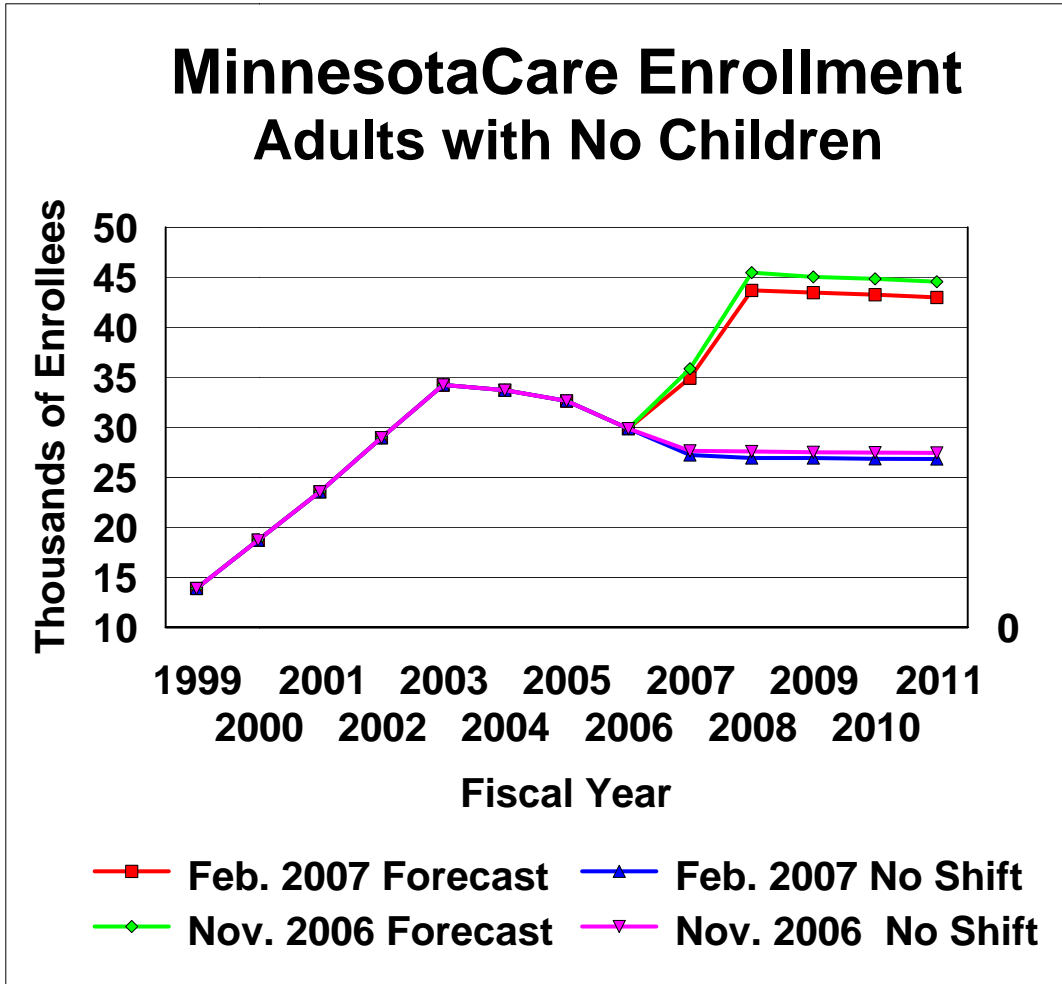
Adults without Children

Enrollment of adults without children fell by 8.5% in FY 2006 compared with the previous fiscal year. Absent the expected caseload shift from GAMC, another decrease of 8.8% is projected for FY 2007 after which enrollment is projected to remain relatively constant. The November forecast assumed a 7.5% decrease in adults without children caseload in FY 2007. Thus, compared to the previous forecast, this produces enrollment projections which are about 0.7% lower for the current biennium and about 2.2% lower for the next biennium.

Due to the January 2007 inpatient hospital rebasing, January 2008 managed care rate increases for MinnesotaCare adults without children are projected to be 1.0 percentage points higher than in the previous forecast. Managed care rate increases for 2008 are now projected to be about 8.5% for adults without children instead of 7.5%. The impact of this increase is to add about \$1.5 million per year. Offsetting this managed care rate increase is a downward adjustment to the 2007 managed care rates. In the November forecast, the 2007 managed care rate increase was assumed to be 10.1%. However, this rate increase erroneously included the creation of a distinct capitation rate for the transitional MinnesotaCare enrollees effective January 2007. When the transitional MinnesotaCare group is broken out of the managed care rates for 2007, actual rate growth is 5.5% for adults without children. The impact of this reduction in managed care rates is about \$6 million per year.

The delay in implementation of the 8% premium increase from July 2007 to January 2008 due to partial federal approval results in a small cost for adults without children.

The 2005 Legislature adopted a requirement to shift most GAMC-only enrollees to MinnesotaCare after their first few months of GAMC enrollment. This new policy took effect in September 2006. Based on data through December 2006, the February forecast projects that about 1000 fewer average monthly enrollees will ultimately shift to MinnesotaCare. This results in savings in MinnesotaCare relative to the November forecast. Further, based on actual expenditure data from January 2007, the capitation rate for the the transitional MinnesotaCare group is reduced in the February forecast. The November forecast has assumed a capitation rate of \$587 while the February forecast reduces this rate to \$530. This reduction in the capitation rate accounts for about 60% of the relative savings for the GAMC to MinnesotaCare shift in this forecast.



**Projected Enrollment Shift from GAMC
Effect of Forecast Change on MinnesotaCare**

	February 2007	November 2006	Difference
	Average Enrollees	Average Enrollees	Average Enrollees
FY 2007	7,691	8,207	(516)
FY 2008	16,759	17,879	(1,120)
FY 2009	16,544	17,527	(983)
FY 2010	16,403	17,377	(975)
FY 2011	16,144	17,103	(959)
	State Share Costs	State Share Costs	State Share Costs
FY 2007	\$38,029,619	\$47,131,082	(\$9,101,463)
FY 2008	109,040,344	133,801,926	(24,761,582)
FY 2009	121,993,031	147,667,338	(25,674,307)
FY 2010	130,590,801	157,538,145	(26,947,344)
FY 2011	138,479,750	166,352,778	(27,873,029)

**TABLE ONE
CURRENT BIENNIUM SUMMARY**

GENERAL FUND	November 2006 Forecast FY 2006 - FY 2007 Biennium (\$ in thousands)			February 2007 Forecast FY 2006 - FY 2007 Biennium (\$ in thousands)		
	FY 2006	FY 2007	Biennium	FY 2006	FY 2007	Biennium
Medical Assistance						
LTC Facilities	491,669	481,534	973,203	491,669	485,993	977,662
LTC Waivers	797,364	858,532	1,655,896	797,364	862,119	1,659,483
Elderly & Disabled Basic	794,341	905,650	1,699,991	794,341	891,456	1,685,797
Families w. Children Basic	579,437	654,135	1,233,572	579,437	658,835	1,238,272
Total	2,662,811	2,899,851	5,562,662	2,662,811	2,898,403	5,561,214
Alternative Care Program	58,278	47,613	105,891	58,278	47,613	105,891
General Assistance Medical Care	288,785	278,223	567,008	288,785	277,167	565,952
Chemical Dependency Fund	66,834	70,411	137,245	66,834	69,692	136,526
Subtotal: Health Care	3,076,708	3,296,098	6,372,806	3,076,708	3,292,875	6,369,583
Minnesota Family Inv. Program	33,709	51,277	84,986	33,709	52,820	86,529
Child Care Assistance	49,944	33,374	83,318	49,944	31,635	81,579
General Assistance	31,292	36,303	67,595	31,292	36,185	67,477
Group Residential Housing	76,787	85,290	162,077	76,787	83,275	160,062
Minnesota Supplemental Aid	29,948	30,147	60,095	29,948	30,253	60,201
Subtotal: Economic Support	221,680	236,391	458,071	221,680	234,168	455,848
Total General Fund	3,298,388	3,532,489	6,830,877	3,298,388	3,527,043	6,825,431
TANF funds for MFIP Grants	106,194	86,628	192,822	106,183	82,221	188,404
MinnesotaCare	251,614	299,766	551,380	251,614	278,993	530,607

**TABLE TWO
CURRENT BIENNIUM SUMMARY**

GENERAL FUND	February 2007 Forecast Change from November 2006 Forecast FY 2006 - FY 2007 Biennium (\$ in thousands)			February 2007 Forecast Change from November 2006 Forecast FY 2006 - FY 2007 Biennium (Percent Change)		
	FY 2006	FY 2007	Biennium	FY 2006	FY 2007	Biennium
Medical Assistance						
LTC Facilities	0	4,459	4,459	0.0%	0.9%	0.5%
LTC Waivers	0	3,587	3,587	0.0%	0.4%	0.2%
Elderly & Disabled Basic	0	(14,194)	(14,194)	0.0%	-1.6%	-0.8%
Families w. Children Basic	0	4,700	4,700	0.0%	0.7%	0.4%
Total	0	(1,448)	(1,448)	0.0%	-0.0%	-0.0%
Alternative Care program	0	0	0	0.0%	0.0%	0.0%
General Assistance Medical Care	0	(1,056)	(1,056)	0.0%	-0.4%	-0.2%
Chemical Dependency Fund	0	(719)	(719)	0.0%	-1.0%	-0.5%
Subtotal: Health Care	0	(3,223)	(3,223)	0.0%	-0.1%	-0.1%
Minnesota Family Inv. Program	0	1,543	1,543	0.0%	3.0%	1.8%
Child Care Assistance	0	(1,739)	(1,739)	0.0%	-5.2%	-2.1%
General Assistance	0	(118)	(118)	0.0%	-0.3%	-0.2%
Group Residential Housing	0	(2,015)	(2,015)	0.0%	-2.4%	-1.2%
Minnesota Supplemental Aid	0	106	106	0.0%	0.4%	0.2%
Subtotal: Economic Support	0	(2,223)	(2,223)	0.0%	-0.9%	-0.5%
Total General Fund	0	(5,446)	(5,446)	0.0%	-0.2%	-0.1%
TANF funds for MFIP Grants	(11)	(4,407)	(4,418)	-0.0%	-5.1%	-2.3%
MinnesotaCare	0	(20,773)	(20,773)	0.0%	-6.9%	-3.8%

**TABLE THREE
NEXT BIENNIUM SUMMARY**

GENERAL FUND	November 2006 Forecast FY 2008 - FY 2009 Biennium (\$ in thousands)			February 2007 Forecast FY 2008 - FY 2009 Biennium (\$ in thousands)		
	FY 2008	FY 2009	Biennium	FY 2008	FY 2009	Biennium
Medical Assistance						
LTC Facilities	479,875	476,887	956,762	487,072	482,024	969,096
LTC Waivers	934,099	1,024,352	1,958,451	946,333	1,037,184	1,983,517
Elderly & Disabled Basic	1,011,580	1,118,901	2,130,481	996,172	1,103,866	2,100,038
Families w. Children Basic	716,436	810,281	1,526,717	740,986	845,482	1,586,468
Total	3,141,990	3,430,421	6,572,411	3,170,563	3,468,556	6,639,119
Alternative Care Program	49,448	50,269	99,717	49,448	50,269	99,717
General Assistance Medical Care	222,616	234,707	457,323	237,886	247,803	485,689
Chemical Dependency Fund	77,824	85,270	163,094	77,178	84,571	161,749
Subtotal: Health Care	3,491,878	3,800,667	7,292,545	3,535,075	3,851,199	7,386,274
Minnesota Family Inv. Program	60,612	60,468	121,080	61,445	61,440	122,885
Child Care Assistance	74,988	72,654	147,642	74,029	71,632	145,661
General Assistance	37,885	38,262	76,147	37,876	38,253	76,129
Group Residential Housing	91,397	97,667	189,064	90,084	96,333	186,417
Minnesota Supplemental Aid	30,468	30,829	61,297	30,505	30,812	61,317
Subtotal: Economic Support	295,350	299,880	595,230	293,939	298,470	592,409
Total General Fund	3,787,228	4,100,547	7,887,775	3,829,014	4,149,669	7,978,683
TANF funds for MFIP Grants	76,210	75,986	152,196	73,587	73,295	146,882
MinnesotaCare	411,813	410,309	822,122	372,827	373,350	746,177

**TABLE FOUR
NEXT BIENNIUM SUMMARY**

GENERAL FUND	February 2007 Forecast Change from November 2006 Forecast FY 2008 - FY 2009 Biennium (\$ in thousands)			February 2007 Forecast Change from November 2006 Forecast FY 2008 - FY 2009 Biennium (Percent Change)		
	FY 2008	FY 2009	Biennium	FY 2008	FY 2009	Biennium
Medical Assistance						
LTC Facilities	7,197	5,137	12,334	1.5%	1.1%	1.3%
LTC Waivers	12,234	12,832	25,066	1.3%	1.3%	1.3%
Elderly & Disabled Basic	(15,408)	(15,035)	(30,443)	-1.5%	-1.3%	-1.4%
Families w. Children Basic	24,550	35,201	59,751	3.4%	4.3%	3.9%
Total	28,573	38,135	66,708	0.9%	1.1%	1.0%
Alternative Care program	0	0	0	0.0%	0.0%	0.0%
General Assistance Medical Care	15,270	13,096	28,366	6.9%	5.6%	6.2%
Chemical Dependency Fund	(646)	(699)	(1,345)	-0.8%	-0.8%	-0.8%
Subtotal: Health Care	43,197	50,532	93,729	1.2%	1.3%	1.3%
Minnesota Family Inv. Program	833	972	1,805	1.4%	1.6%	1.5%
Child Care Assistance	(959)	(1,022)	(1,981)	-1.3%	-1.4%	-1.3%
General Assistance	(9)	(9)	(18)	-0.0%	-0.0%	-0.0%
Group Residential Housing	(1,313)	(1,334)	(2,647)	-1.4%	-1.4%	-1.4%
Minnesota Supplemental Aid	37	(17)	20	0.1%	-0.1%	0.0%
Subtotal: Economic Support	(1,411)	(1,410)	(2,821)	-0.5%	-0.5%	-0.5%
Total General Fund	41,786	49,122	90,908	1.1%	1.2%	1.2%
TANF funds for MFIP Grants	(2,623)	(2,691)	(5,314)	-3.4%	-3.5%	-3.5%
MinnesotaCare	(38,986)	(36,959)	(75,945)	-9.5%	-9.0%	-9.2%

**TABLE FIVE
FY 2010 - FY 2011 BIENNIUM SUMMARY**

GENERAL FUND	November 2006 Forecast FY 2010 - FY 2011 Biennium (\$ in thousands)			February 2007 Forecast FY 2010 - FY 2011 Biennium (\$ in thousands)		
	FY 2010	FY 2011	Biennium	FY 2010	FY 2011	Biennium
Medical Assistance						
LTC Facilities	475,531	472,328	947,859	482,583	482,555	965,138
LTC Waivers	1,114,086	1,201,924	2,316,010	1,127,632	1,215,209	2,342,841
Elderly & Disabled Basic	1,242,656	1,354,508	2,597,164	1,229,675	1,339,863	2,569,538
Families w. Children Basic	912,383	980,290	1,892,673	953,079	1,017,728	1,970,807
Total	3,744,656	4,009,050	7,753,706	3,792,969	4,055,355	7,848,324
Alternative Care Program	50,269	50,269	100,538	50,269	50,269	100,538
General Assistance Medical Care	254,435	273,963	528,398	268,084	284,793	552,877
Chemical Dependency Fund	90,335	96,015	186,350	89,600	95,240	184,840
Subtotal: Health Care	4,139,695	4,429,297	8,568,992	4,200,922	4,485,657	8,686,579
Minnesota Family Inv. Program	64,518	62,723	127,241	64,968	63,141	128,109
Child Care Assistance	73,435	75,260	148,695	72,930	74,791	147,721
General Assistance	38,489	38,707	77,196	38,480	38,698	77,178
Group Residential Housing	102,754	109,508	212,262	102,754	109,508	212,262
Minnesota Supplemental Aid	31,175	31,543	62,718	31,113	31,434	62,547
Subtotal: Economic Support	310,371	317,741	628,112	310,245	317,572	627,817
Total General Fund	4,450,066	4,747,038	9,197,104	4,511,167	4,803,229	9,314,396
TANF funds for MFIP Grants	70,846	72,596	143,442	69,104	70,918	140,022
MinnesotaCare	418,601	436,988	855,589	381,103	399,483	780,586

**TABLE SIX
FY 2010 - FY 2011 BIENNIUM SUMMARY**

GENERAL FUND	February 2007 Forecast Change from November 2006 Forecast FY 2010 - FY 2011 Biennium (\$ in thousands)			February 2007 Forecast Change from November 2006 Forecast FY 2010 - FY 2011 Biennium (Percent Change)		
	FY 2010	FY 2011	Biennium	FY 2010	FY 2011	Biennium
Medical Assistance						
LTC Facilities	7,052	10,227	17,279	1.5%	2.2%	1.8%
LTC Waivers	13,546	13,285	26,831	1.2%	1.1%	1.2%
Elderly & Disabled Basic	(12,981)	(14,645)	(27,626)	-1.0%	-1.1%	-1.1%
Families w. Children Basic	40,696	37,438	78,134	4.5%	3.8%	4.1%
Total	48,313	46,305	94,618	1.3%	1.2%	1.2%
Alternative Care program	0	0	0	0.0%	0.0%	0.0%
General Assistance Medical Care	13,649	10,830	24,479	5.4%	4.0%	4.6%
Chemical Dependency Fund	(735)	(775)	(1,510)	-0.8%	-0.8%	-0.8%
Subtotal: Health Care	61,227	56,360	117,587	1.5%	1.3%	1.4%
Minnesota Family Inv. Program	450	418	868	0.7%	0.7%	0.7%
Child Care Assistance	(505)	(469)	(974)	-0.7%	-0.6%	-0.7%
General Assistance	(9)	(9)	(18)	-0.0%	-0.0%	-0.0%
Group Residential Housing	0	0	0	0.0%	0.0%	0.0%
Minnesota Supplemental Aid	(62)	(109)	(171)	-0.2%	-0.3%	-0.3%
Subtotal: Economic Support	(126)	(169)	(295)	-0.0%	-0.1%	-0.0%
Total General Fund	61,101	56,191	117,292	1.4%	1.2%	1.3%
TANF funds for MFIP Grants	(1,742)	(1,678)	(3,420)	-2.5%	-2.3%	-2.4%
MinnesotaCare	(37,498)	(37,505)	(75,003)	-9.0%	-8.6%	-8.8%