Minnesota

Department of Human Services

November 2009 Forecast

St. Paul, Minnesota

December 2, 2009

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.
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> 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.
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> 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 (MSA). Changes in SSI eligibility may leave numbers of people eligible for General Assistance (GA) and General Assistance Medical Care (GAMC) instead of SSI and Medical Assistance.

The narrative section of this document provides brief explanations of the changes in forecast expenditures in the November 2009 forecast, compared to the end of session 2009 forecast. Generally, these changes are treated on a biennial basis, covering the 2008-2009 biennium ("last biennium"), the 2010-2011 biennium ("current biennium"), and the 2012-2013 biennium ("next biennium").

Tables One and Two provide the new and old forecasts and changes from the previous forecast for the 2008-2009 biennium, and Tables Three and Four provide the same information about the 2010-2011 biennium. Tables Five and Six provide the same information about the 2012-2013 biennium.

CURRENT BIENNIUM SUMMARY

General Fund Projections Unchanged

General Fund costs for DHS medical and economic support programs for the 2010-2011 biennium are projected to total $7.735 billion, practically unchanged from the end of session forecast.

TANF Forecast Higher

Projected expenditures of federal TANF (Temporary Assistance for Needy Families) funds for MFIP grants are $193 million, $7.5 million (4.1 percent) higher than the end of session forecast. All available TANF funding is spent in FY 2011, producing a similar reduction in General Fund spending on MFIP.

GAMC Veto Increases MinnesotaCare Forecast

Forecasted Health Care Access Fund costs for the MinnesotaCare program are $1.265 billion, $394 million (45 percent) higher than projected in the end of session forecast. Almost two-thirds of the added cost results from the end of funding for the GAMC program and the resulting enrollment increases in MinnesotaCare.

NEXT BIENNIUM SUMMARY

General Fund Costs Slightly Higher

General Fund costs for DHS medical and economic support programs for the 2012-2013 biennium are projected to total $10.249 billion, $80 million (0.8 percent) more than projected in the end of session forecast. $49 million of the added cost is for the effect of the GAMC veto on federal revenue dedicated to the MA account. This cost was identified in a fiscal note on the GAMC veto but not included in end of session projections.

TANF Forecast Lower

Projected expenditures of federal TANF (Temporary Assistance for Needy Families) funds for MFIP grants are $144 million, $21 million (13 percent) lower than the end of session forecast, due to more TANF spending in FY 2011 and corrections of an error in the end of session 2009 estimates.

GAMC Veto Increases MinnesotaCare Forecast

Forecasted Health Care Access Fund costs for the MinnesotaCare program are $1.939 billion, $684 million (55 percent) higher than projected in the end of session forecast. Three-quarters of the increase results from a projected shift of enrollment to MinnesotaCare with the end of funding for the GAMC program.

PROGRAM DETAIL

MEDICAL ASSISTANCE	'08-'09 Biennium	'10-'11 Biennium	'12-'13 Biennium
Share of DHS Gen. Fund programs forecast	81.8%	83.1%	89.2%
Total forecast change this item ($000)	(43,165)	34,749	73,722
Total forecast percentage change this item	-0.7%	0.5%	0.8%

The table above summarizes the forecast change for the entire Medical Assistance program. The two items which follow provide details on changes affecting the projections for all four budget activities:

The first change in the summary for each of the activities is a reallocation of the official end of session 2009 estimates (with the Governor's unallotments) following the end of the 2009 Session. These reallocations are unusually large because of an error in the assignment of unallotment values between the two basic care activities and because the 2009 Session changes were very large. The reallocations net to zero.

Reallocation of MA costs by activity

	'10-'11 Biennium ($000)	'12-'13 Biennium ($000)
Medical Assistance		
LTC Facilities	(970)	4,224
LTC Waivers	(4,779)	(5,647)
Elderly & Disabled Basic	17,938	(2,519)
Families w Children Basic	(12,189)	3,942
MA Total	0	0

The American Recovery and Reinvestment Act of 2009 increases the Federal Medical Assistance Percentage (FMAP), which is the federal share of most service cost in the Medical Assistance program. The increases are effective for nine calendar quarters, from October 2008 through December 2010. Minnesota's enhanced FMAP rate was 60.19% for October 2008 to March 2009 and will be 61.59% through December 2010. Under the previous law, our FMAP rate was 50.00%, the rate to which we expect it to return effective January 2011.

The enhanced matching rate of 61.59% was effective one quarter earlier than assumed in the previous forecast, resulting in the '08 - '09 biennium savings shown in the table which follows. The costs shown for the current biennium result from recognition that the enhanced matching rates do not apply to about $35 million per year of federal DSH funding used for hospital payments in the MA program. The difference for state share costs is about $8 million per year and about $12 million for the 18-month period of enhanced matching in the current biennium.

Adjustments to Federal Matching Rates

	'08-'09 Biennium	'10-'11 Biennium	'12-'13 Biennium
Medical Assistance			
LTC Facilities	(1,702)	2,889	0
LTC Waivers	(3,371)	3,391	0
Elderly & Disabled Basic	(3,101)	3,128	0
Families w Children Basic	(3,100)	3,128	0
MA Total	(11,274)	12,536	0

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

MA LTC FACILITIES	'08-'09 Biennium	'10-'11 Biennium	'12-'13 Biennium
Share of DHS Gen. Fund programs forecast	11.7%	10.1%	9.2%
Total forecast change this item ($000)	(6,029)	12,183	11,210
Total forecast percentage change this item	-0.7%	1.6%	1.2%

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 programs for the mentally ill (RTC-MI). (In the RTC-MI programs, Medical Assistance 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.

Change in Projected Costs	'08-'09 Biennium ($000)	'10-'11 Biennium ($000)	'12-'13 Biennium ($000)
Reallocate 2009 Session and unallotment changes among MA activities:	0	(970)	4,224
Alternative Care offset	(1,429)	(11,471)	(11,458)
NF average cost	420	16,693	27,354
NF caseload	(2,421)	4,453	(9,693)
ICF/MR & DTH	172	916	916
METO	(294)	0	0
RTC MI	251	(99)	0
County share	(1,026)	(228)	(133)
Federal share adjustments	(1,702)	2,889	0
Activity Total	(6,029)	12,183	11,210

Alternative Care Offset

Lower Alternative Care caseload projections account for reductions of $11.5 million for the current biennium and $11.5 million for the next biennium. The number of AC recipients has remained about the same for the last year, instead of growing modestly, as projected in the previous forecast. Recipient projections are reduced by about 15%.

Nursing Facilities (NF)

NF projected expenditures are 1.3% higher for the current biennium and 1.1% higher for the next biennium. The increases come from higher projections of the average cost per day for NF care. In FY 2009 the average charge per day was $1.56 (about 1%) over the previous forecast, and almost $2.00 higher by the last quarter of the fiscal year. An unusually large Social Security COLA in January 2009 (and increased recipient contributions) kept NF expenditures close to the previous forecast that year. For the current biennium, we are increasing the projected NF cost per day by about $3.20 (2.4%), but there will be no Social Security COLA in January 2010 to help cover the increased cost. The increase in the average cost per day for the next biennium is about $4.65 (3.5%), but the cost of this change is partially offset by a small (1.3%) decrease in the projected number of NF recipients.

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

This forecast is increased slightly (0.3%) for both this biennium and the next. The resulting increase is $0.9 million for the current biennium. ICF/MR caseloads are about 1% higher, but lower average costs largely offset the increases. DT&H caseloads are about 2% higher, with this increase partially offset by lower average costs.

RTC MI Program

Only small adjustments reflecting actual payments to date have been made to this forecast. FY 2009 expenditures were $251,000 under forecast, and projected expenditures for FY 2010 are reduced by $99,000.

County Share of LTC Facility Services

Small increases in projected county shares result in state share reductions of $228,000 for the current biennium and $133,000 for the next biennium.

MA LTC WAIVERS & HOME CARE	**'08-'09 Biennium**	**'10-'11 Biennium**	**'12-'13 Biennium**
Share of DHS Gen. Fund programs forecast	24.2%	24.4%	25.9%
Total forecast change this item ($000)	(16,996)	(37,921)	(46,502)
Total forecast percentage change this item	-0.9%	-2.0%	-1.8%

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 Assistance (PCA) and Private Duty Nursing (PDN) Services
- 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:

Change in Projected Costs	'08-'09 Biennium ($000)	'10-'11 Biennium ($000)	'12-'13 Biennium ($000)
Reallocate 2009 Session and unallotment changes among MA activities:	0	(4,779)	(5,647)
DD Waiver	(9,741)	(30,421)	(31,035)
EW Waiver FFS	(818)	(544)	(413)
CADI Waiver	(349)	(12,584)	(12,909)
CAC Waiver	(629)	(1,594)	(1,742)
TBI Waiver	(547)	(7,676)	(14,914)
Home Health	(430)	(1,755)	(1,143)
Private Duty Nursing	(1,072)	(662)	(1,117)
Personal Care Assistance	(39)	18,704	22,418
Transfer to CSG	0	0	0
Federal share adjustments	(3,371)	3,391	0
Activity Total	(16,996)	(37,921)	(46,502)
EW Total: FFS & Managed Care	(873)	(10,174)	2,169

Percent Change in Projected Costs

DD Waiver	-1.02%	-2.88%	-2.70%
EW Waiver FFS	-1.20%	-2.40%	-1.31%
CADI Waiver	-0.11%	-2.66%	-2.07%
CAC Waiver	-3.34%	-6.57%	-6.02%
TBI Waiver	-0.60%	-6.66%	-10.58%
Home Health	-1.72%	-6.83%	-4.02%
Private Duty Nursing	-1.55%	-0.79%	-1.08%
Personal Care Assistance	-0.01%	4.35%	4.65%
Transfer to CSG	0.00%	0.00%	0.00%
Activity Total	-0.94%	-1.76%	-1.56%
EW Total: FFS & Managed Care	-0.32%	-3.08%	0.62%

DD Waiver

DD waiver expenditures were 2.3% under forecast in FY 2009, the difference from the previous forecast being equally divided between lower caseload and lower average cost. Projected expenditures for the current biennium are reduced by 2.9% and by 2.7% for the next biennium. Projected caseload is reduced by approximately 2% and average costs by about 1%.

The caseload reduction approximately reverses a 2% increase which was added to the November 2008 forecast to allow for expected county efforts to maximize their use of waiver budget allocations as the five-year rebasing of DD waiver allocations approached.

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.

EW FFS recipient projections are reduced, but this change is mostly a shift of projected recipients to EW Managed Care.

Recipient projections for the whole EW program, fee-for-service and managed care, are about 1.4% lower. Overall expenditure projections are about 3.1% lower for the current biennium and 0.6% higher for the next biennium. The decrease for the current biennium occurs because the January 2010 rate increase is now expected to be about 5% compared to the 7.5% increase anticipated in the previous forecast. A 7.5% increase is now projected for January 2011, when EW managed care rates are rebased. This results in little net change in the expenditure projections for the next biennium.

CADI Waiver

Reductions in both the current biennium and the next biennium are produced by lower caseload projections. CADI caseload grew less in FY 2009 than permitted by the caseload growth limits currently in effect. This provides a lower base going into the current biennium. Because of the slower growth, we have also reduced and slowed the projected caseload growth in the next biennium after caseload growth caps expire.

CAC Waiver

CAC expenditures were about 6% under forecast in FY 2009, mainly because of lower average costs. Projected expenditures are reduced by about 8% for the current biennium and 6% for the next biennium based on lower average costs. Caseload projections are unchanged.

TBI Waiver

Caseload growth in the TBI waiver has remained well under the growth caps currently in effect. TBI caseload started the current biennium at a level about 8% lower than projected in the previous forecast. For this reason, caseload projections are reduced by about 9% for the current biennium and 12% for the next biennium. The cost effect of these reductions is offset by 1.0% to 1.5% higher average payment projections.

Home Health Agency Changes

Projected expenditures are reduced by 7% for the current biennium and 4% for the next biennium. Projected caseloads are 15% to 16% lower but higher average costs offset part of these reductions in the current biennium and most of the reductions in the next biennium.

Private Duty Nursing (PDN)

Decreases in projected PDN costs are approximately 1%.

Personal Care Assistance Changes (PCA)

PCA recipient projections are about 7.1% higher for the current biennium and 7.8% higher for the next biennium. Total expenditure projections are about 4.4% higher for the current biennium and 4.7% higher for the next biennium because lower average costs partially offset the effect of increased caseloads.

MA ELD. & DISABLED BASIC CARE	**'08-'09 Biennium**	**'10-'11 Biennium**	**'12-'13 Biennium**
Share of DHS Gen. Fund programs forecast	25.9%	26.7%	29.2%
Total forecast change this item ($000)	(4,493)	42,975	63,903
Total forecast percentage change this item	-0.2%	2.1%	2.2%

This activity funds general medical care for elderly and disabled Medical Assistance enrollees. For almost all of the elderly and for about 48 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 about two-thirds of enrollees in this activity.

This activity also pays the federal agency the "clawback" payments which are required by federal law to return most of the MA pharmacy savings resulting from implementation of Medicare Part D in January 2006. The federal agency bills the state monthly for each Medicare-MA dual eligible who is enrolled in a Part D plan. The proportion of estimated savings which the state is required to pay decreases by 1.67 percentage points each year until it reaches 75% in CY 2015. For CY 2010 it is 83.33%, and the amount billed per dual eligible each month is $134.01.

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

	'08-'09 Biennium ($000)	'10-'11 Biennium ($000)	'12-'13 Biennium ($000)
Reallocate 2009 Session and unallotment changes among MA activities:	0	17,938	(2,519)
Elderly Waiver Managed Care	(55)	(9,630)	2,581
Elderly Basic Caseload	(2,103)	(6,702)	(10,219)
Elderly Basic Avg. Cost:	3,771	15,266	6,728
Disabled Basic Caseload	728	21,199	37,627
Disabled Basic Avg. Cost	(6,913)	(172)	24,871
Disabled Basic: GAMC veto net effects	0	642	(6,400)
Disabled basic: MNDHO	(220)	(346)	2,022
Disabled basic: other managed care	1,748	(392)	2,067
Medicare Part D clawback payments	907	(2,929)	(2,703)
DMIE	(23)	4	0
IMD Program	388	3,814	6,786
Chemical Dependency Fund share	153	(35)	254
MH case management	227	1,190	2,808
Federal share adjustments	(3,101)	3,128	0
Total	(4,493)	42,975	63,903

Elderly Basic Changes

The decrease in Elderly Waiver managed care in the current biennium mostly represents lower than expected managed care rates in CY 2010, with little change thereafter, as explained under Elderly Waiver above.

Elderly basic enrollment projections are reduced by 1.0% for both the current biennium and the next biennium. Average cost projections are about 2.3% higher for the current biennium and 0.6% higher for the next biennium.

Disabled Basic Changes

Disabled basic enrollment projections are 2.0% higher for the current biennium and 2.5% higher for the next biennium.

Average disabled basic FFS cost projections are little changed for the current biennium, and about 1.7% higher for the next biennium. The likely reason for greater than expected enrollment growth is increased growth in the caseload of federal disability programs.

GAMC Veto Effects and Other Managed Care

Because of the GAMC veto, we are assuming small increases in MA disabled enrollment: an average of about 330 average enrollees in the current biennium and about 1500 average enrollees in the next biennium. (These increases would be much larger if potential MinnesotaCare coverage did not exist for most of those who would be eligible for GAMC in the absence of the veto.) The cost of these increases is partially offset in the current biennium and more than offset in the next biennium by projected reductions in the amount of past GAMC payments converted to MA payments. This reduces MA payments of the kind described in the next paragraph.

"Other Managed Care" consists of managed care payments originally made under GAMC or MinnesotaCare which are turned into MA payments when disability-based MA eligibility is established retroactively. This activity in FY 2009 amounted to $38 million.

This conversion activity cost $1.7 million more in FY 2009 than anticipated in the previous forecast. In the absence of the GAMC veto, the projected cost would be $0.4 million lower for the current biennium and $2.1 million higher for the next biennium.

MNDHO & SNBC

MNDHO projections are little changed in the current biennium and about 1.7% higher for the next biennium because of slightly higher overall projected enrollment.

We have added enrollment projections for the preferred integrated networks (PINs) to the SNBC forecast. These adjustments are treated as cost-neutral.

Medicare Part D Clawback Change

Clawback projections are 0.9% lower for the current biennium and 1.3% lower for the next biennium because the rate Minnesota is charged for Medicare enrollees in Part D plans for CY 2010 is $5.40 (3.9%) lower than anticipated in the previous forecast. Increased projections of the number of recipients for whom payments will be charged partially offset the 3.9% reduction.

Demonstration to Maintain Independence and Employment (DMIE)

This program has ended.

IMD Program

Based on experience through September 2009, projected IMD payments are about 20% higher for the current biennium and 37% higher for the next biennium.

CD Fund Share

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

MH Case Management Transfer

Lower than expected county participation in the preferred integrated networks (PINs) requires these increases in projected mental health transfers.

FAMILIES WITH CHILDREN BASIC CARE	**'08-'09 Biennium**	**'10-'11 Biennium**	**'12-'13 Biennium**
Share of DHS Gen. Fund programs forecast	19.9%	22.0%	24.9%
Total forecast change this item ($000)	(15,647)	17,512	45,111
Total forecast percentage change this item	-1.1%	1.0%	1.8%

This activity funds general medical care for children, parents, and pregnant women, including families receiving MFIP and those with transition coverage after exiting MFIP. It also includes 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:

	'08-'09 Biennium ($000)	'10-'11 Biennium ($000)	'12-'13 Biennium ($000)
Reallocate 2009 Session and unallotment changes among MA activities:	0	(12,189)	3,942
Families with Children			
Caseload: Economic scenario	(276)	33,888	58,263
Avg. cost:	3,500	(33,122)	(65,023)
HMO MERC changes	45	9,060	1,373
CD Fund share	(291)	(1,722)	(2,289)
CHIP enh. match for kids over 133% FPG	0	864	2,793
GAMC/CPE DSH dedicated revenue	6,373	37,515	57,153
Supplemental hospital payments	(1,312)	(25,961)	(8,316)
Non-citizen MA segment	(571)	10,667	7,459
Services w special funding	21	1,427	1,911
Family planning waiver & impact	(78)	127	(1,059)
Breast & cerv. cancer	14	18	(267)
Rx rebates	(12,844)	(8,977)	(9,074)
Federal share adjustments (FMAP)	(3,100)	3,128	0
Federal share adjustments (Disallowances)	(410)	2,103	0
Other changes	(6,718)	686	(1,755)
Total	(15,647)	17,512	45,111

Families with Children Basic Care

A slightly worse unemployment forecast than that used for the February 2009 forecast and actual enrollment experience which has slightly exceeded the previous forecast result in enrollment projections being 1.8% higher for the current biennium and 2.1% higher for the next biennium.

Overall enrollment experience suggests that the movement from MinnesotaCare to MA which was expected based on changes in the application process has affected MA enrollment approximately as expected, although the reduction expected in MinnesotaCare enrollment seems to have been offset by other effects of the change in the enrollment process. We believe that the greatest impacts of these changes are already incorporated in enrollment experience to date, so we are no longer identifying specific enrollment-shift assumptions.

The average cost of coverage was slightly higher (0.5%) in FY 2009. The projected average cost is 1.9% lower for the current biennium and 2.4% lower for the next biennium because CY 2010 managed care rates are now expected to be about 2% lower than anticipated in the previous forecast.

The MERC increase in the current biennium mainly corrects an error in the fiscal note on MERC changes in the 2009 Session. The fiscal note projected a $6.2 million cash-flow benefit to the MA account in FY 2010, but this effect occurred in FY 2009 instead, accounting for $6.2 million of the reduction under "Other Changes."

A higher projection of the share of overall MA payments made to the CD Fund results in cost decreases because payments to the CD Fund draw no state share from the MA account.

CHIP Enhanced Funding for MA Children Over 133% FPG

The increase results from a small reduction in the proportion of payments projected to qualify for the enhanced matching.

CPE DSH Dedicated Revenue and Supplemental 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 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).

Changes in the 2007 Session extended this requirement to the FY 2010-2011 biennium. GAMC FFS hospital payments and losses certified by Hennepin County Medical Center constitute the Certified Public Expenditures.

Forecast changes in FY 2011 through FY 2013 are the result of the Governor's veto of GAMC funding beginning in FY 2011. The loss of DSH revenue in these years is partially offset by the reduction in the state share cost of supplemental hospital payments, which depend on the amount of available DSH revenue.

Projected DSH Revenue

	End of Session 2009 Forecast	November 2009 Forecast	Change
FY 2008	28,793,000	28,793,000	0
FY 2009	32,547,000	26,174,000	(6,373,000)
Biennium	61,340,000	54,967,000	(6,373,000)
FY 2010	36,708,000	36,273,000	(435,000)
FY 2011	37,080,000	0	(37,080,000)
Biennium	73,788,000	36,273,000	(37,515,000)
FY 2012	29,253,000	0	(29,253,000)
FY 2013	27,900,000	0	(27,900,000)
Biennium	57,153,000	0	(57,153,000)

State Share of Supplemental Hospital Payments

	End of Session 2009 Forecast	November 2009 Forecast	Change
FY 2008	0	0	0
FY 2009	21,387,000	20,075,000	(1,312,000)
Biennium	21,387,000	20,075,000	(1,312,000)
FY 2010	22,245,000	7,133,000	(15,112,000)
FY 2011	18,925,000	8,076,000	(10,849,000)
Biennium	41,170,000	15,209,000	(25,961,000)
FY 2012	5,731,000	0	(5,731,000)
FY 2013	2,585,000	0	(2,585,000)
Biennium	8,316,000	0	(8,316,000)

Non-Citizen MA

The Non-Citizen segment of MA includes federal Childrens' Health Insurance Program (CHIP) coverage for pregnant women through the month in which they give birth. Two months of post-partum coverage were at 100% state cost until July 2009, when CHIP coverage of those months became available. (This fiscal effect of this change was included in 2009 Session changes.)

Enrollment projections are about 10% higher for both the current biennium and the next biennium. Higher enrollment is being produced by the same economic factors that are increasing enrollment in the larger MA program. Because most of the increase is in enrollment of non-pregnant parents (for whom no federal share is available), the increase in state share expenditures is 23% in the current biennium and 14% in 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. Some services have state and federal funding, but are administrative costs from the federal perspective and so have federal matching at a fixed 50%, rather than funding at the Federal Medical Assistance Percentage (FMAP) which applies to medical services and can vary from 50%, although 50% is Minnesota's current FMAP. Services which have state funding are access services (transportation to medical care), child and teen checkup outreach, and DD waiver screenings.

The increases in this forecast are modest changes in child and teen checkup outreach.

Family Planning Waiver

This forecast recognizes higher enrollment in the family planning waiver, but lower projections of average service costs offset those increases, resulting in a very small increase for the current biennium. The decrease in the next biennium comes from dropping large projected enrollment increases which were expected to result from auto-enrollment of many recipients who were denied or who ended enrollment in MA or other state programs. This auto-enrollment was planned to take place under a new, automated eligibility system, which is not expected in the forseeable future.

Breast & Cervical Cancer

Projected costs for the next biennium are reduced by 4%. Lower enrollment projections are partially offset by higher average cost projections.

Pharmacy Rebates

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

Rebate receipts for FY 2009 were 32% higher than projected in the previous forecast. Based on this experience and current rebate billings to the Rx manufacturers, we are now projecting that the effective rate of rebates on FFS Rx payments will be 40% compared to 35% in the previous forecast. Projected receipts are 10.5% higher for the current biennium and about 7% higher for the next biennium.

Federal Disallowance

The cost in the current biennium recognizes settlement of a federal disallowance resulting from a 2007 review of targeted case management.

GENERAL ASSISTANCE MED. CARE	'08-'09 Biennium	'10-'11 Biennium	'12-'13 Biennium
Share of DHS Gen. Fund programs forecast	7.4%	4.3%	0.0%
Forecast change this item ($000)	(4,722)	0	0
Forecast percentage change this item	-0.8%	0.0%	0.0%

Summary of Forecast Changes	'08-'09 Biennium ($000)	'10-'11 Biennium ($000)	'12-'13 Biennium ($000)
Higher enrollment	325	16,441	23,888
January 2009 HMO rate increase	321	473	992
Total changes	646	16,914	24,880

During the 2009 legislative session, the Governor line-item vetoed GAMC funding for FY 2011. The November forecast assumes that the veto also eliminates GAMC funding for the next biennium. Following the 2009 session, the Governor used unallotment authority to reduce the FY 2010 GAMC appropriation by $15 million. These actions leave the GAMC appropriation for FY 2010 at $329.028 million, and this appropriation amount is held unchanged in the November 2009 forecast.

Given the line-item veto of FY 2011 funding, we assume that GAMC coverage can only continue for a period such that all resulting financial obligations can be covered from the available FY 2010 obligation. For practical reasons, we also assume the GAMC coverage needs to be terminated at the end of a month. Based on the November forecast, the appropriation of $329 million is sufficient to pay for obligations that would be incurred through the end of February but insufficient to cover obligations that would be incurred through the end of March. (The projected deficit in funding for March coverage is $8.7 million.) For these reasons, we assume that GAMC coverage ends at the end of February 2010.

The projected termination of GAMC coverage is assumed in this forecast to result in a large movement into MinnesotaCare of enrollees who would otherwise be covered by GAMC.

CHEMICAL DEPENDENCY FUND	'08-'09 Biennium	'10-'11 Biennium	'12-'13 Biennium
Share of DHS Gen. Fund programs forecast	2.2%	2.9%	2.7%
Forecast change this item ($000)	(8,926)	(28,279)	(29,365)
Forecast percentage change this item	-5.5%	-12.5%	-10.9%

A reduction in the number of placements which was assumed to be temporary in previous forecasts has been recognized as having more lasting effects. The number of placements in FY 2009 was 15% less than anticipated in the previous forecast. Projected placements are reduced by 16% for the current biennium and by 13% for the next biennium.

Overall expenditure projections are reduced by smaller percentages than placements because other factors, including the average cost of placements in the current biennium, and changes in projected county share payments, partially offset the reductions.

This forecast includes additional placements because of the line-item veto of GAMC funding. Currently GAMC managed care contracts include coverage of CD treatment. With the end of GAMC funding, these treatment costs will revert to the CD Fund. The additional CD Fund costs are $5.6 million for the current biennium and $11.3 million for the next biennium. If not for the veto, these amounts would have been added to the forecast reductions for this program.

MFIP NET CASH (STATE AND FEDERAL)	'08-'09 Biennium	'10-'11 Biennium	'12-'13 Biennium
Forecast change this item ($000)	(158)	1,064	8,293
Forecast percentage change this item	-0.1%	0.3%	2.4%
GENERAL FUND SHARE OF MFIP			
Share of DHS Gen. Fund programs forecast	1.3%	2.0%	1.8%
Forecast change this item ($000)	(908)	(6,452)	29,722
Forecast percentage change this item	-0.9%	-4.2%	16.5%
FEDERAL TANF FUNDS FOR MFIP			
Forecast change this item ($000)	750	7,516	(21,429)
Forecast percentage change this item	0.4%	4.1%	-13.0%

This activity provides cash and food for families with children until they reach approximately 115% of the federal poverty guidelines (FPG). The MFIP program is Minnesota's TANF program. MFIP cash is therefore funded with a mixture of federal TANF Block Grant and state General Fund dollars.

The following table summarizes the changes in MFIP cash expenditures by source, relative to the end of session forecast:

Summary of Forecast Changes	**'08-'09 Biennium ($000)**	**'10-'11 Biennium ($000)**	**'12-'13 Biennium ($000)**
Gross MFIP cash grant forecast change	(613)	(1,857)	6,371
Gross General Fund forecast change	(1,110)	(8,434)	28,933
Child Support/recoveries offset	201	1,982	789
Net General Fund forecast change	(908)	(6,452)	29,722
Gross TANF forecast change	497	6,577	(22,562)
Child Support pass-through/recoveries offset	253	939	1,133
Net TANF forecast change	750	7,516	(21,429)

Small Changes in Gross MFIP Cash Grants

The $1.9 million (0.5%) decrease in gross MFIP cash grant expenditures in the current biennium is due to decreased caseload projections of 2.1%, offset somewhat by increased average payment projections of 1.7%. These changes reflect trends in recent data. In the next biennium, slighly higher unemployment projections lead to less caseload change, for an overall increase in gross cash expenditures of $6.4 million (1.7%).

Changes in General Fund used in MFIP

Most of the MFIP caseload is funded with a mixture of state and federal block grant funds. The amount of state funds in this mixture is determined by the 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 gross General Fund spending in the MFIP forecast will vary with the forecasted expenditure levels in these external MOE components, though it must be at least 16% of the MOE requirement. In addition, if there are not enough TANF funds available to pay the portion of expenditures which do not have to be paid from the General Fund, then General Fund is used to make up the difference. The General Fund must also fund "non-MOE" cases: cases with two parents and cases eligible for Family Stabilization Services. These expenditures cannot be used as MOE and cannot be funded with federal funds. Net General Fund expenditures are adjusted for child support collections and the counties' share of recoveries.

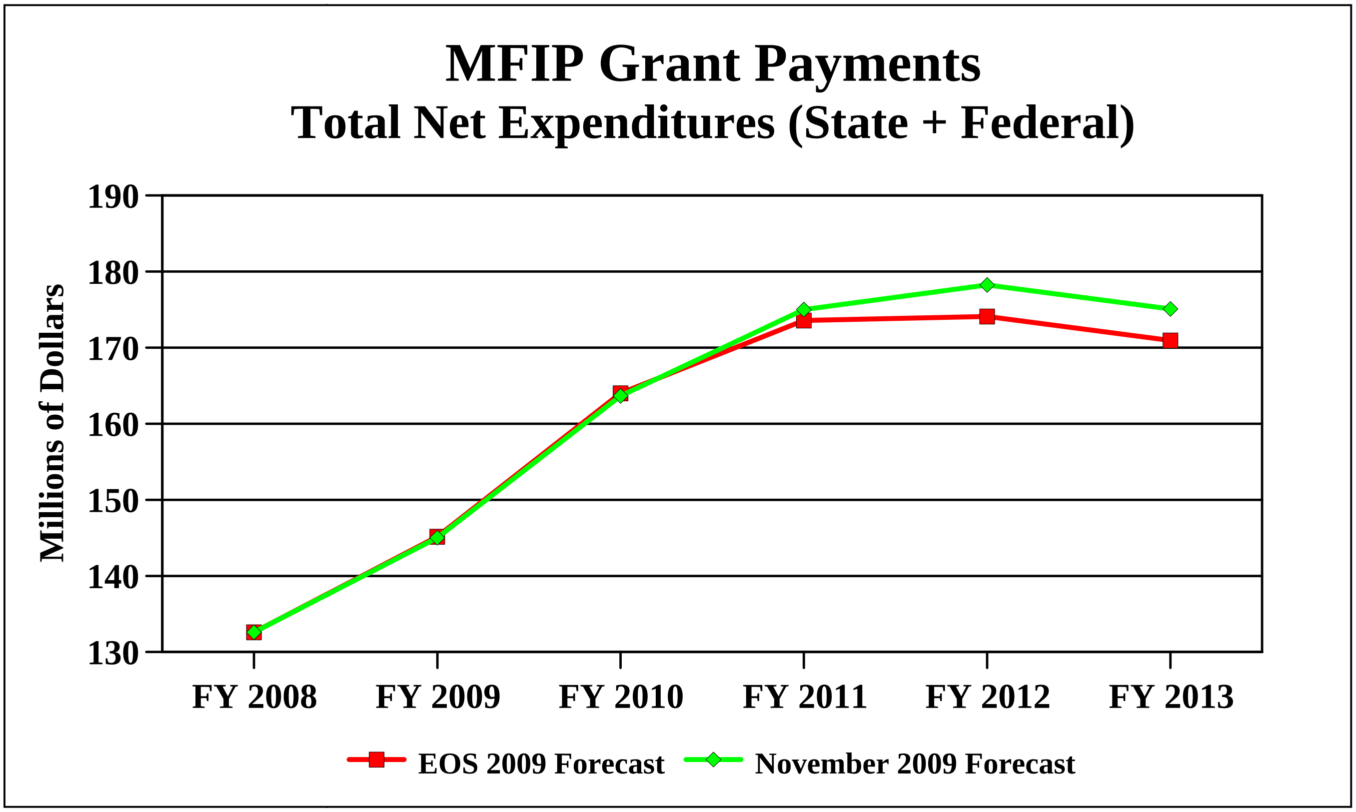
In order to keep General Fund expenditures in MFIP at the minimum needed to maintain MOE requirements and fund the MFIP forecast, all available TANF funds, including the ARRA TANF basic assistance emergency funds expected in 2010-2011, are being used in FY 2011. This decreases General Fund gross MFIP cash expenditures by $8.4 million. Child support collections used to offset General Fund expenditures are projected to be $2 million lower, based on recent data and on lower caseload projections. This results in a decrease of net General Fund MFIP cash expenditures for the current biennium of $6.5 million, a 4.2% decrease.

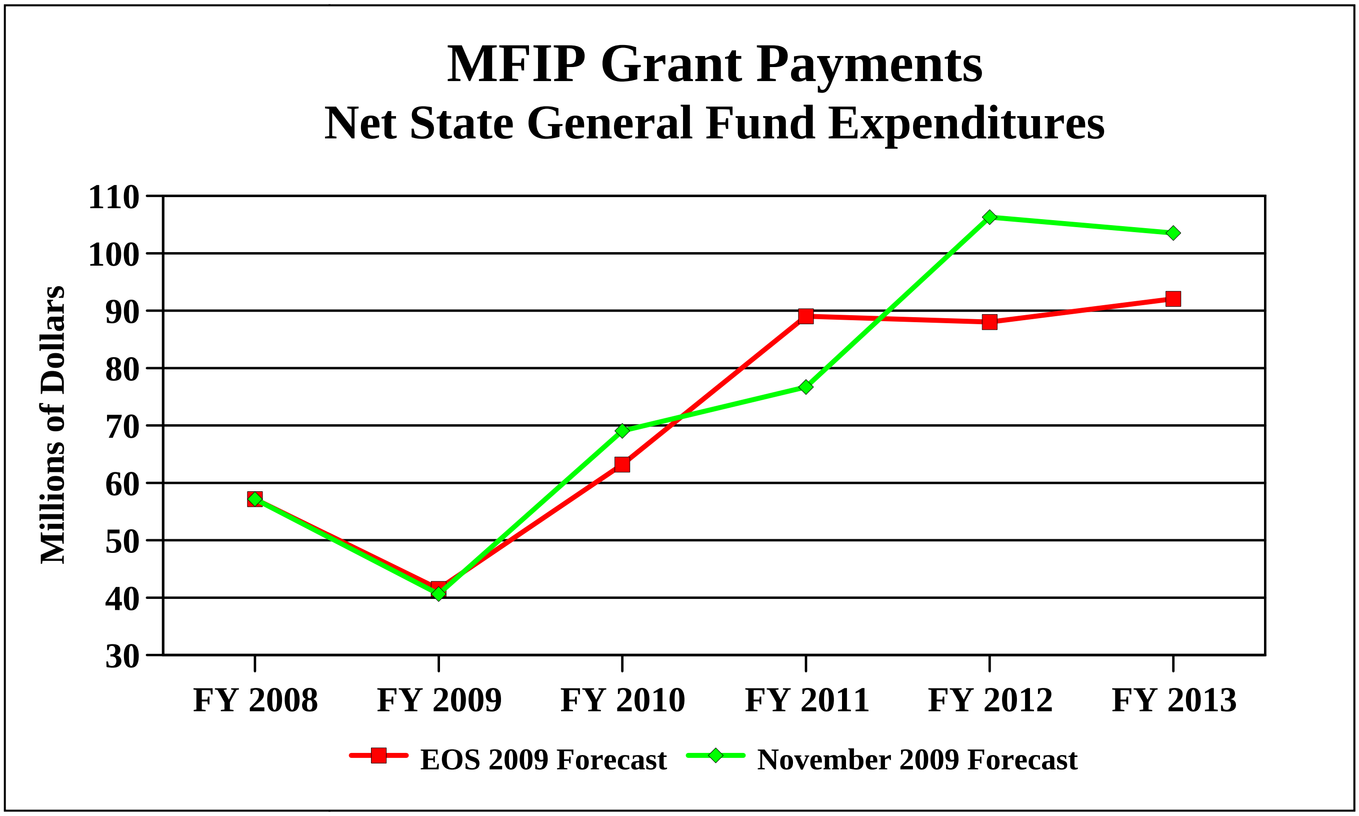
In the next biennium, there is reduced TANF available to spend on MFIP cash grants due to the accelerated use of TANF in the current biennium, increased non-MFIP TANF obligations, decreased projections for ARRA TANF basic assistance emergency funds, and a $10.3 million TANF deficit left at the end of session. This lack of available TANF accounts for most of the increase in General Fund gross MFIP cash of $28.9 million in the next biennium. Child support collections are projected to be $0.8 million lower, resulting in an increase of net General Fund MFIP cash expenditures of $29.7 million, a 16.5% increase.

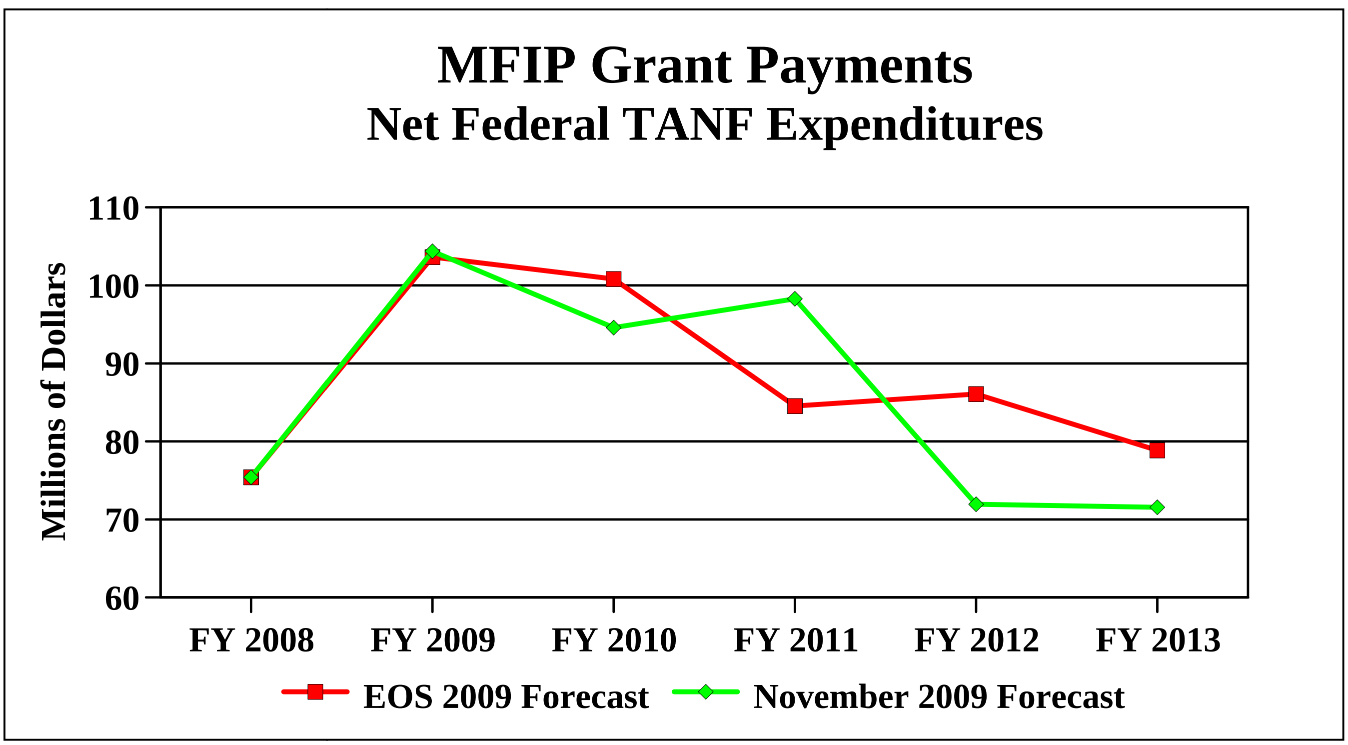
Changes in TANF used in MFIP

In the current biennium, the gross MFIP cash grant forecast decreases $1.9 million, while General Fund expenditures on gross MFIP cash grants decrease by $8.4 million. Together with a projected increase of $0.9 million in TANF expenditures for Child Support pass-through, this leads to an increase of $7.5 million in TANF expenditures in MFIP for the current biennium, a 4.1% increase.

For the next biennium, the gross MFIP cash grant forecast increases $6.4 million, while General Fund expenditures on gross MFIP cash grants increase by $28.9 million. With a projected increase in TANF expenditures for Child Support pass-through of $1.1 million, expenditures from TANF funds are projected to decrease $21.4 million, a 13% decrease.




MFIP Grant Payments
Net State General Fund Expenditures
Millions of Dollars
110
100
90
80
70
60
50
40
30
FY 2008
FY 2009
FY 2010
FY 2011
FY 2012
FY 2013
EOS 2009 Forecast
November 2009 Forecast


MFIP Grant Payments
Net Federal TANF Expenditures
Millions of Dollars
110
100
90
80
70
60
FY 2008
FY 2009
FY 2010
FY 2011
FY 2012
FY 2013
EOS 2009 Forecast
November 2009 Forecast

MFIP CHILD CARE ASSISTANCE	**'08-'09 Biennium**	**'10-'11 Biennium**	**'12-'13 Biennium**
Share of DHS Gen. Fund programs forecast	1.5%	1.6%	1.3%
Forecast change this item ($000)	0	(3,043)	4,592
Forecast percentage change this item	0.0%	-2.4%	3.4%

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).

Increases in CCAP Projected Payments

MFIP Child Care payments increase by $4.2 million (1.7%) in the current biennium This increase is based on recent data showing increased MFIP/TY child care caseload, offset somewhat by decreased average payments. Actual expenditures in FY 2009 were less than forecast, resulting in $7.3 million in additional CCDF available to spend in FY 2010. This leads to decreased General Fund expenditures of $3 million.

MFIP Child Care payments increase by $4.6 million (1.9%) in the next biennium, again based on recent data trends. Federal funds used for MFIP Child Care are unchanged in the next biennium.

GENERAL ASSISTANCE	**'08-'09 Biennium**	**'10-'11 Biennium**	**'12-'13 Biennium**
Share of DHS Gen. Fund programs forecast	1.1%	1.1%	0.9%
Forecast change this item ($000)	(560)	1,626	2,580
Forecast percentage change this item	-0.7%	1.9%	2.7%

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.

In the current biennium, the forecast increase results mainly from technical adjustments to the monthly average payment. In the next biennium, the forecast increase results from higher projected caseload, a result of less favorable economic conditions.

GROUP RESIDENTIAL HOUSING

	'08-'09 Biennium	'10-'11 Biennium	'12-'13 Biennium
Share of DHS Gen. Fund programs forecast	2.5%	2.9%	2.4%
Forecast change this item ($000)	(2,699)	856	(1,607)
Forecast percentage change this item	-1.5%	0.4%	-0.6%

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 decrease in the last biennium comes from slightly lower caseload and lower than anticipated cost for MSA-type recipients. The small increase for the current biennium is the net effect of an increase of about 2% in GA-Type caseload offset by slightly lower costs for MSA-type recipients. The small increase for the next biennium results from slightly lower costs for both groups.

MINNESOTA SUPPLEMENTAL AID

	'08-'09 Biennium	'10-'11 Biennium	'12-'13 Biennium
Share of DHS Gen. Fund programs forecast	0.8%	0.8%	0.7%
Forecast change this item ($000)	3	(198)	(58)
Forecast percentage change this item	0.0%	-0.3%	-0.1%

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

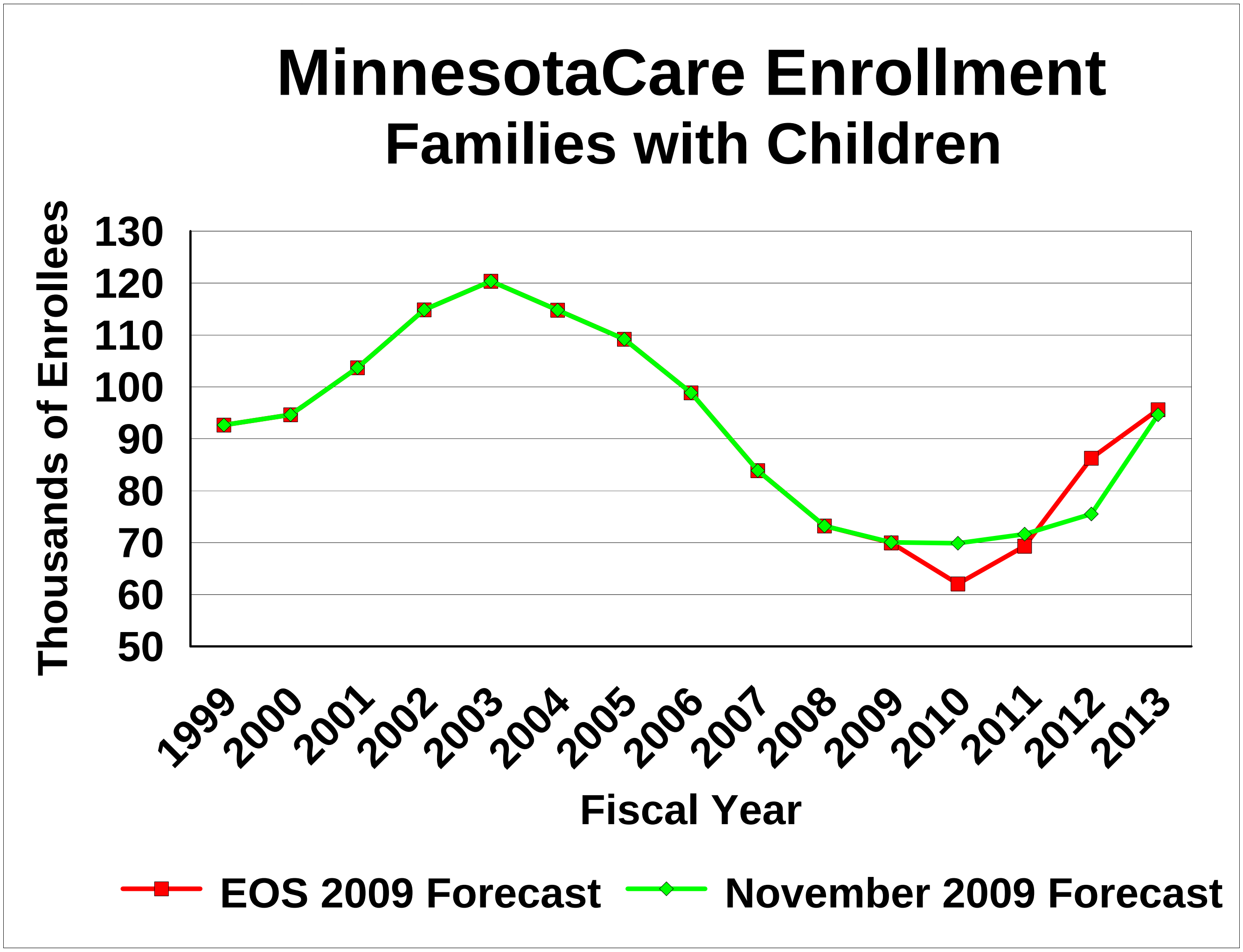
The small decreases in this activity come from slightly lower average cost projections.

MINNESOTACARE	'08-'09 Biennium	'10-'11 Biennium	'12-'13 Biennium
Forecast change this item ($000)	(3,463)	394,230	683,872
Forecast percentage change this item	-0.5%	45.3%	54.5%

Summary of Forecast Changes	'08-'09 Biennium ($000)	'10-'11 Biennium ($000)	'12-'13 Biennium ($000)
Families with Children			
Enrollment changes	(973)	18,916	(5,347)
Average payment changes	(144)	(23,581)	(53,925)
Premium revenue changes	0	(5,711)	(2,975)
Remove 3% withhold not included in statute	0	5,797	3,245
Families with Children Subtotal	(1,117)	(4,579)	(59,002)
Adults without Children			
Enrollment changes	(1,810)	51,589	75,890
GAMC veto shift	0	253,725	519,705
Average payment changes	(536)	81,515	149,129
Premium revenue changes	0	(4,034)	(5,552)
Remove 3% withhold not included in statute	0	16,014	3,702
Adults without Children Subtotal	(2,346)	398,809	742,874
Total Program	(3,463)	394,230	683,872

Families with Children

Average monthly enrollment of children and parents fell by 4% in FY 2009 compared with the previous fiscal year. Despite this drop, enrollment bottomed out at about 70,000 enrollees during the last half of CY 2008 and started a subtle rise in the first half of CY 2009. This enrollment growth is projected to increase gradually until FY 2012 when enrollment jumps upward due to eligibility expansions primarily affecting children. Noteworthy is that implementation of these eligibility expansions is delayed in the November forecast due to delays in obtaining federal approval and systems implementation timeframes. A later start for these expansions results in lower enrollment projections for the next biennium. Thus, relative to the end-of-session forecast, enrollment projections for children and parents in the November forecast are about 7% higher for the current biennium but about 6% lower in the next biennium.



HMO rates effective January 2010 are about 10% lower than CY2009 rates for MinnesotaCare families with children. This rate change is substantially lower than the 7.5% increase anticipated in the end of session forecast. These lower HMO rates are partially offset by higher than anticipated average payments during the last half of CY 2009. The net result is a reduction in projected average payments for MinnesotaCare families with children of about 10% in the current biennium and about 14% in the next biennium.

Average monthly premium revenue for MinnesotaCare families with children was slightly higher than anticipated during the first few months of FY 2010. This results in small cost savings due to slightly higher projected premium revenue of about 2% in the current biennium and about 1% in the next biennium.

Finally, the 2009 legislature budgeted savings for increasing the HMO withhold in MinnesotaCare by 3 percentage points, resulting in an 8% withhold effective January 2010 and savings of about 2-3% in the current biennium and about 1% in the next biennium. However, the language for this policy was not included in statute at the end of the 2009 session. As a result, this change is eliminated from the November forecast resulting in a cost relative to the end of session forecast.

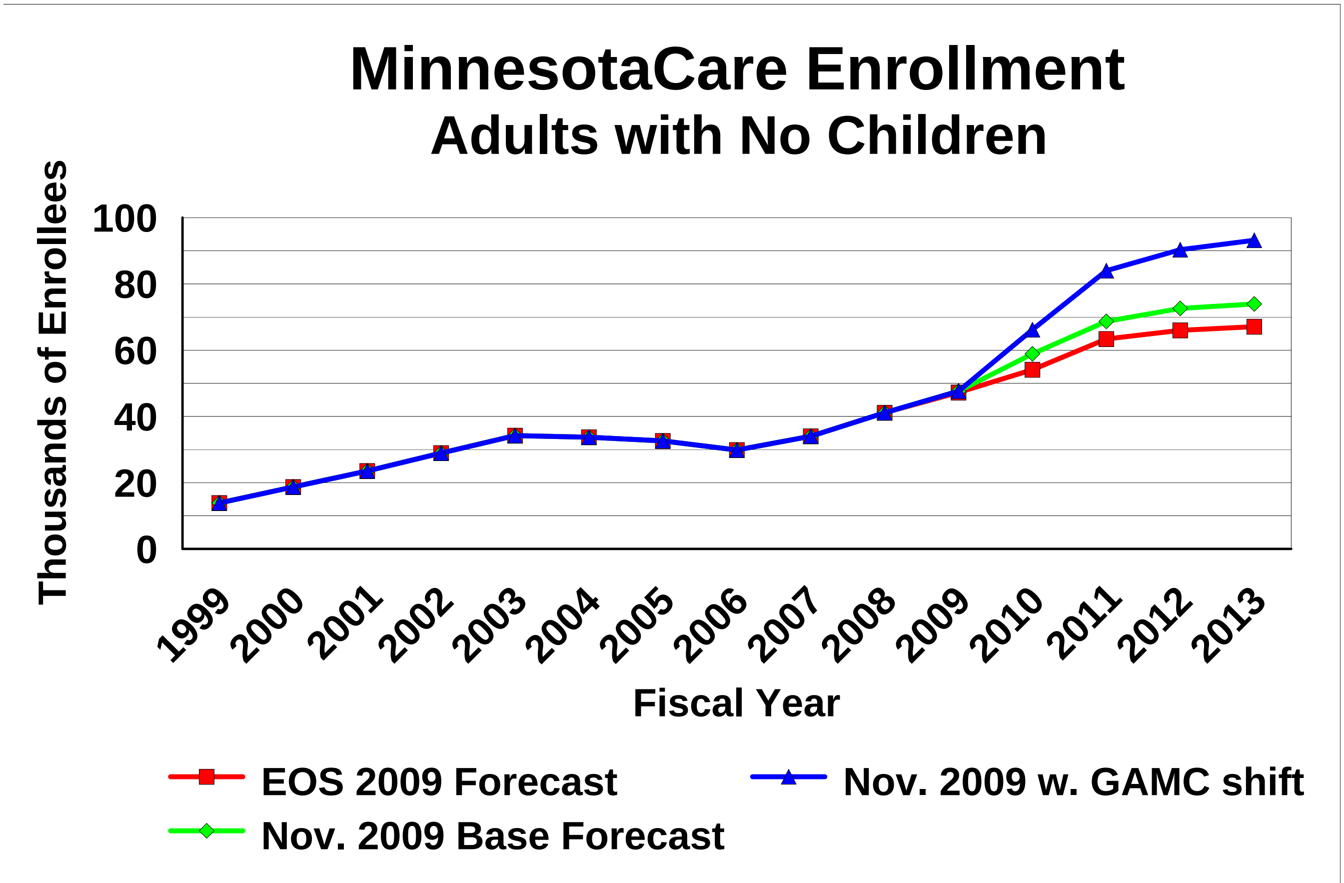
Adults without Children

The 2005 Legislature adopted a requirement to shift most GAMC-only enrollees to MinnesotaCare after their initial months of GAMC enrollment. This new policy took effect in September 2006 and is referred to as Transitional MinnesotaCare. Transitional MinnesotaCare enrollees receive six months of eligibility, of which on average two months of FFS coverage are funded by GAMC and four months of managed care coverage are covered by MinnesotaCare. (The term "Transitional MinnesotaCare" is used in this section for the months of MinnesotaCare coverage.) Certain "qualifiers" in the law exempt other GAMC recipients from enrollment in Transitional MinnesotaCare and permit them to remain in regular GAMC.

Excluding Transitional MinnesotaCare enrollment, average monthly enrollment of adults without children increased by 22% in FY 2009 as compared to the previous fiscal year. Noteworthy is that this increase appears to be driven by an increase in newly added enrollment each month with little change in monthly enrollment drops. This is consistent with the projected lagged effects of the challenging labor market on MinnesotaCare enrollment of adults without children. However, the economic impacts on enrollment appear to be greater than anticipated in the previous forecast. In addition to the economy, MinnesotaCare enrollment growth of adults can be at least partly attributed to additional enrollees who have remained on MinnesotaCare following six months in Transitional MinnesotaCare. (We refer to these enrollees as "graduates" of Transitional MinnesotaCare.) Also affecting enrollment growth is an increase in income eligibility for adults to 200% FPG effective January 2008 and to 250% FPG effective July 2009. Relative to the end of session forecast, base enrollment projections for adults without children (excluding Transitional MinnesotaCare) in the November forecast are about 8% higher in the current and about 10% higher in the next biennium. Due to the continued poor outlook for Minnesota's labor market, similar base enrollment increases are projected for Transitional MinnesotaCare HMO enrollees.

In addition to base enrollment changes, the November forecast recognizes an enrollment shift from GAMC due to the Governor's veto of GAMC funding during the 2009 legislative session. This enrollment shift is expected to begin March 2010. All current regular GAMC enrollees (those with a qualifier) will be enrolled in Transitional MinnesotaCare for the remainder of their six-month GAMC eligibility period. At that time, their eligibility for regular MinnesotaCare will be reviewed. Also beginning March 2010 new applicants who would have been approved for GAMC will be enrolled in Transitional MinnesotaCare instead.

The shift of enrollment from GAMC is expected to increase Transitional MinnesotaCare enrollment by about 70% and MinnesotaCare adults without children enrollment by about 7% in this biennium and about 20% in the next biennium. Since the GAMC enrollees who are shifting to MinnesotaCare are in general more expensive than current MinnesotaCare enrollees and GAMC managed care rates much higher than Transitional MinnesotaCare rates, the relative cost of the shift is greater than the relative enrollment effect. The GAMC shift is projected to increase base Transitional MinnesotaCare costs by about 150% and MinnesotaCare adults without children costs by about 20% in the current biennium and about 44% in the next biennium.



Apart from the enrollment shift from GAMC, managed care rates for MinnesotaCare adults without children will be considerably higher for CY 2010 than expected in the previous forecast. The new rates reflect actual health plan experience in CY 2008 and revised trend assumptions. In general, the upward movement of rates appears to be the result of sicker people entering MinnesotaCare from GAMC by way of Transitional MinnesotaCare. (The following sections address what the change in rates would be, if not for the expected shift of enrollment of regular GAMC enrollees after GAMC coverage ends. The anticipated costs of the additional GAMC population will result in substantial added rate increases.)

HMO rates effective January 2010 for Transitional MinnesotaCare enrollees would be about 28% higher than CY 2009 rates. This is a direct reflection of higher costs experienced by the health plans for Transitional MinnesotaCare enrollees. Allowing for the 7.5% increase anticipated in the previous forecast, this represents an increase of about 21% in expected costs.

HMO rates effective January 2010 for MinnesotaCare adults without children (excluding Transitional MinnesotaCare enrollees) would be about 19% higher than CY 2009 rates. Rate increases of 7.5% were anticipated in the CY 2010 rates, which would put the new rates about 11.5% higher than anticipated; but other adjustments reflecting actual experience in CY 2009 put the net increase in average costs at about 16%.

Average monthly premium revenue for MinnesotaCare adults without children was slightly higher than anticipated during the first few months of FY 2010. This results in small cost savings due to slightly higher projected premium revenue of about 1% in both the current and the next biennium.

Finally, the same legislative issue of the managed care withhold as mentioned above applies to the MinnesotaCare adults without children also.

Projecting the Shift of GAMC Recipients to MinnesotaCare

The effect of the end of GAMC coverage on MinnesotaCare enrollment has been projected by monthly cohorts. The cohorts of those who have months of GAMC eligibility remaining when GAMC coverage ends were distinguished from cohorts of new applicants. Those with remaining months of eligibility were assumed to be transferred to Transitional MinnesotaCare for varying numbers of months depending on their remaining GAMC eligibility. New applicants were assumed to get an average of 3.5 months of Transitional MinnesotaCare coverage.

Each cohort, at the end of its Transitional MinnesotaCare coverage was assumed to be reviewed for regular MinnesotaCare eligibility. Based on experience with the current Transitional MinnesotaCare group, 25% of those coming to the end of Transitional MinnesotaCare were assumed to transition to regular MinnesotaCare. Of these, about 67% were assumed to remain on MinnesotaCare after their first 12-month eligibility review (month 13 of regular MinnesotaCare) and 41% to remain after their second 12-month eligibility review (month 25 of regular MinnesotaCare).

The following table shows the projected increase in MinnesotaCare enrollment as a percentage of projected GAMC enrollment and as a percentage of projected GAMC managed care enrollment:

	Average Added MinnesotaCare Enrollment	**% of GAMC with Qualifier Total Enrollment**	**% of GAMC with Qualifier Man. Care Enrollment**
FY 2010 (4 months)	21,913	73.1%	98.1%
FY 2011	15,274	50.9%	68.3%
FY 2012	17,702	59.1%	79.3%
FY 2013	19,226	64.4%	86.5%

Proportions are relatively large for four months of FY 2010 because of the automatic shift of current GAMC enrollees when GAMC coverage ends. Proportions fall off somewhat in FY 2011 as the effect of the initial automatic shift declines. Then they rise in the next biennium based on the projected survival of earlier cohorts in regular MinnesotaCare.

TABLE ONE
LAST BIENNIUM SUMMARY

GENERAL FUND	End of Session 2009 Plus Unallotments FY 2008 - FY 2009 Biennium ($ in thousands)			November 2009 Forecast FY 2008 - FY 2009 Biennium ($ in thousands)		
	FY 2008	FY 2009	Biennium	FY 2008	FY 2009	Biennium
Medical Assistance						
LTC Facilities	471,813	403,469	875,282	471,813	397,440	869,253
LTC Waivers	925,598	881,906	1,807,504	925,598	864,910	1,790,508
Elderly & Disabled Basic	974,672	960,706	1,935,378	974,672	956,213	1,930,885
Families w. Children Basic	762,669	724,887	1,487,556	762,669	709,240	1,471,909
Total	3,134,752	2,970,968	6,105,720	3,134,752	2,927,803	6,062,555
Alternative Care Program	49,858	51,560	101,418	49,858	51,560	101,418
General Assistance Medical Care	262,835	292,855	555,690	262,835	288,133	550,968
Chemical Dependency Fund	81,909	80,191	162,100	81,909	71,265	153,174
Subtotal: Health Care	3,529,354	3,395,574	6,924,928	3,529,354	3,338,761	6,868,115
Minnesota Family Inv. Program	57,190	41,540	98,730	57,190	40,632	97,822
Child Care Assistance	45,833	66,174	112,007	45,833	66,174	112,007
General Assistance	39,263	45,744	85,007	39,263	45,184	84,447
Group Residential Housing	83,984	99,543	183,527	83,984	96,844	180,828
Minnesota Supplemental Aid	30,830	32,026	62,856	30,830	32,029	62,859
Subtotal: Economic Support	257,100	285,027	542,127	257,100	280,863	537,963
Total General Fund	3,786,454	3,680,600	7,467,054	3,786,454	3,619,624	7,406,078
TANF funds for MFIP Grants	75,406	103,628	179,034	75,406	104,378	179,784
MinnesotaCare	303,929	345,809	649,738	303,929	342,346	646,275

TABLE TWO
CURRENT BIENNIUM SUMMARY

GENERAL FUND	November 2009 Forecast Change from End of Session 2009 FY 2008 - FY 2009 Biennium ($ in thousands)			November 2009 Forecast Change from End of Session 2009 FY 2008 - FY 2009 Biennium (Percent Change)		
	FY 2008	FY 2009	Biennium	FY 2008	FY 2009	Biennium
Medical Assistance						
LTC Facilities	0	(6,029)	(6,029)	0.0%	-1.5%	-0.7%
LTC Waivers	0	(16,996)	(16,996)	0.0%	-1.9%	-0.9%
Elderly & Disabled Basic	0	(4,493)	(4,493)	0.0%	-0.5%	-0.2%
Families w. Children Basic	0	(15,647)	(15,647)	0.0%	-2.2%	-1.1%
Total	0	(43,165)	(43,165)	0.0%	-1.5%	-0.7%
Alternative Care program	0	0	0	0.0%	0.0%	0.0%
General Assistance Medical Care	0	(4,722)	(4,722)	0.0%	-1.6%	-0.8%
Chemical Dependency Fund	0	(8,926)	(8,926)	0.0%	-11.1%	-5.5%
Subtotal: Health Care	0	(56,813)	(56,813)	0.0%	-1.7%	-0.8%
Minnesota Family Inv. Program	0	(908)	(908)	0.0%	-2.2%	-0.9%
Child Care Assistance	0	0	0	0.0%	0.0%	0.0%
General Assistance	0	(560)	(560)	0.0%	-1.2%	-0.7%
Group Residential Housing	0	(2,699)	(2,699)	0.0%	-2.7%	-1.5%
Minnesota Supplemental Aid	0	3	3	0.0%	0.0%	0.0%
Subtotal: Economic Support	0	(4,164)	(4,164)	0.0%	-1.5%	-0.8%
Total General Fund	0	(60,976)	(60,976)	0.0%	-1.7%	-0.8%
TANF funds for MFIP Grants	0	750	750	0.0%	0.7%	0.4%
MinnesotaCare	0	(3,463)	(3,463)	0.0%	-1.0%	-0.5%

TABLE THREE
CURRENT BIENNIUM SUMMARY

GENERAL FUND	End of Session 2009 Plus Unallotments FY 2010 - FY 2011 Biennium ($ in thousands)			November 2009 Forecast FY 2010 - FY 2011 Biennium ($ in thousands)		
	FY 2010	FY 2011	Biennium	FY 2010	FY 2011	Biennium
Medical Assistance						
LTC Facilities	363,617	416,304	779,922	369,192	422,913	792,105
LTC Waivers	851,249	1,033,710	1,884,959	833,120	1,013,918	1,847,038
Elderly & Disabled Basic	964,393	1,103,842	2,068,235	969,502	1,141,708	2,111,210
Families w. Children Basic	748,834	949,787	1,698,621	740,948	975,185	1,716,133
Total	2,928,093	3,503,643	6,431,737	2,912,762	3,553,724	6,466,486
Alternative Care Program	50,234	48,576	98,810	50,234	48,576	98,810
General Assistance Medical Care	329,028	0	329,028	329,028	0	329,028
Chemical Dependency Fund	107,683	119,202	226,885	92,591	106,015	198,606
Subtotal: Health Care	3,415,038	3,671,421	7,086,460	3,384,615	3,708,315	7,092,930
Minnesota Family Inv. Program	63,205	89,033	152,238	69,067	76,719	145,786
Child Care Assistance	61,171	65,214	126,385	56,615	66,727	123,342
General Assistance	42,948	40,708	83,656	43,816	41,466	85,282
Group Residential Housing	111,311	113,328	224,639	111,889	113,606	225,495
Minnesota Supplemental Aid	31,064	30,891	61,955	31,015	30,742	61,757
Subtotal: Economic Support	309,699	339,174	648,873	312,402	329,260	641,662
Total General Fund	3,724,737	4,010,595	7,735,333	3,697,017	4,037,575	7,734,592
TANF funds for MFIP Grants	100,818	84,538	185,356	94,595	98,277	192,872
MinnesotaCare	391,785	479,052	870,837	513,274	751,793	1,265,067

TABLE FOUR
CURRENT BIENNIUM SUMMARY

GENERAL FUND	November 2009 Forecast Change from End of Session 2009 FY 2010 - FY 2011 Biennium ($ in thousands)			November 2009 Forecast Change from End of Session 2009 FY 2010 - FY 2011 Biennium (Percent Change)		
	FY 2010	FY 2011	Biennium	FY 2010	FY 2011	Biennium
Medical Assistance						
LTC Facilities	5,575	6,609	12,183	1.5%	1.6%	1.6%
LTC Waivers	(18,129)	(19,792)	(37,921)	-2.1%	-1.9%	-2.0%
Elderly & Disabled Basic	5,109	37,866	42,975	0.5%	3.4%	2.1%
Families w. Children Basic	(7,886)	25,398	17,512	-1.1%	2.7%	1.0%
Total	(15,331)	50,081	34,749	-0.5%	1.4%	0.5%
Alternative Care program	0	0	0	0.0%	0.0%	0.0%
General Assistance Medical Care	0	0	0	0.0%	ERR	0.0%
Chemical Dependency Fund	(15,092)	(13,187)	(28,279)	-14.0%	-11.1%	-12.5%
Subtotal: Health Care	(30,423)	36,894	6,470	-0.9%	1.0%	0.1%
Minnesota Family Inv. Program	5,862	(12,314)	(6,452)	9.3%	-13.8%	-4.2%
Child Care Assistance	(4,556)	1,513	(3,043)	-7.4%	2.3%	-2.4%
General Assistance	868	758	1,626	2.0%	1.9%	1.9%
Group Residential Housing	578	278	856	0.5%	0.2%	0.4%
Minnesota Supplemental Aid	(49)	(149)	(198)	-0.2%	-0.5%	-0.3%
Subtotal: Economic Support	2,703	(9,914)	(7,211)	0.9%	-2.9%	-1.1%
Total General Fund	(27,720)	26,980	(741)	-0.7%	0.7%	-0.0%
TANF funds for MFIP Grants	(6,223)	13,739	7,516	-6.2%	16.3%	4.1%
MinnesotaCare	121,489	272,741	394,230	31.0%	56.9%	45.3%

TABLE FIVE
NEXT BIENNIUM SUMMARY

GENERAL FUND	End of Session 2009 Plus Unallotments FY 2012 - FY 2013 Biennium ($ in thousands)			November 2009 Forecast FY 2012 - FY 2013 Biennium ($ in thousands)		
	FY 2012	FY 2013	Biennium	FY 2012	FY 2013	Biennium
Medical Assistance						
LTC Facilities	473,508	465,348	938,856	478,782	471,284	950,066
LTC Waivers	1,262,216	1,367,834	2,630,050	1,234,672	1,348,876	2,583,548
Elderly & Disabled Basic	1,440,067	1,531,983	2,972,050	1,467,718	1,568,235	3,035,953
Families w. Children Basic	1,238,125	1,296,790	2,534,915	1,252,527	1,327,499	2,580,026
Total	4,413,916	4,661,955	9,075,871	4,433,699	4,715,894	9,149,593
Alternative Care Program	44,978	45,106	90,084	44,978	45,106	90,084
General Assistance Medical Care	0	0	0	0	0	0
Chemical Dependency Fund	132,090	138,080	270,170	117,055	123,750	240,805
Subtotal: Health Care	4,590,984	4,845,141	9,436,125	4,595,732	4,884,750	9,480,482
Minnesota Family Inv. Program	88,021	92,089	180,110	106,291	103,541	209,832
Child Care Assistance	68,955	67,780	136,735	71,230	70,097	141,327
General Assistance	48,300	47,924	96,224	49,336	49,468	98,804
Group Residential Housing	119,891	127,399	247,290	119,037	126,646	245,683
Minnesota Supplemental Aid	36,095	37,012	73,107	36,206	36,843	73,049
Subtotal: Economic Support	361,262	372,204	733,466	382,100	386,595	768,695
Total General Fund	4,952,246	5,217,345	10,169,591	4,977,832	5,271,345	10,249,177
TANF funds for MFIP Grants	86,074	78,858	164,932	71,949	71,554	143,503
MinnesotaCare	592,206	663,033	1,255,239	904,819	1,034,292	1,939,111

TABLE SIX
NEXT BIENNIUM SUMMARY

GENERAL FUND	November 2009 Forecast Change from End of Session 2009 FY 2012 - FY 2013 Biennium ($ in thousands)			November 2009 Forecast Change from End of Session 2009 FY 2012 - FY 2013 Biennium (Percent Change)		
	FY 2012	FY 2013	Biennium	FY 2012	FY 2013	Biennium
Medical Assistance						
LTC Facilities	5,274	5,936	11,210	1.1%	1.3%	1.2%
LTC Waivers	(27,544)	(18,958)	(46,502)	-2.2%	-1.4%	-1.8%
Elderly & Disabled Basic	27,651	36,252	63,903	1.9%	2.4%	2.2%
Families w. Children Basic	14,402	30,709	45,111	1.2%	2.4%	1.8%
Total	19,783	53,939	73,722	0.4%	1.2%	0.8%
Alternative Care program	0	0	0	0.0%	0.0%	0.0%
General Assistance Medical Care	0	0	0	0.0%	0.0%	0.0%
Chemical Dependency Fund	(15,035)	(14,330)	(29,365)	-11.4%	-10.4%	-10.9%
Subtotal: Health Care	4,748	39,609	44,357	0.1%	0.8%	0.5%
Minnesota Family Inv. Program	18,270	11,452	29,722	20.8%	12.4%	16.5%
Child Care Assistance	2,275	2,317	4,592	3.3%	3.4%	3.4%
General Assistance	1,036	1,544	2,580	2.1%	3.2%	2.7%
Group Residential Housing	(854)	(753)	(1,607)	-0.7%	-0.6%	-0.6%
Minnesota Supplemental Aid	111	(169)	(58)	0.3%	-0.5%	-0.1%
Subtotal: Economic Support	20,838	14,391	35,229	5.8%	3.9%	4.8%
Total General Fund	25,586	54,000	79,586	0.5%	1.0%	0.8%
TANF funds for MFIP Grants	(14,125)	(7,304)	(21,429)	-16.4%	-9.3%	-13.0%
MinnesotaCare	312,613	371,259	683,872	52.8%	56.0%	54.5%