

Minnesota

Department of Human Services

November 2016 Forecast

St. Paul, Minnesota

December 2, 2016

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 budget forecasts which are released in November and February during each fiscal year. These forecasts are reviewed by Minnesota Management & Budget 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 forecast 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 (MSA). Changes in SSI eligibility may leave numbers of people eligible for General Assistance (GA) instead of SSI.

The narrative section of this document provides brief explanations of the changes in forecast expenditures in the November 2016 forecast as compared to the end-of-session 2016 forecast. The FY 2016-2017 biennium is referred to as "the current biennium" and FY 2018-2019 as "the next biennium."

Tables One and Two provide the new and old forecasts and changes from the previous forecast for the FY 2016-2017 biennium and Tables Three and Four provide the same information about the FY 2018-2019 biennium. Table Five contains the new forecast for the FY 2020-2021 biennium.

FY 2016-2017 BIENNIUM SUMMARY

General Fund Costs Lower

General Fund costs for DHS medical and economic support programs for the current biennium are projected to total \$9.960 billion, down \$203 million (2.0%) compared to the end-of-session 2016 forecast. More than 90% of the reduction comes from lower Medical Assistance costs.

TANF Forecast Lower

Projected expenditures of federal TANF (Temporary Assistance for Needy Families) funds for MFIP grants are \$149 million, \$1.3 million (0.8%) lower than the end-of-session forecast, due to reduced MFIP program expenditures.

Health Care Access Fund Lower

Health Care Access Fund costs for MinnesotaCare and Medical Assistance for the current biennium are projected to total \$953 million which is \$167 million (14.9%) lower than the end-of-session 2016 forecast due primarily to significant increases in federal BHP funding.

FY 2018-2019 BIENNIUM SUMMARY

General Fund Costs Lower

General Fund costs for DHS medical and economic support programs for the next biennium are projected to total \$12.367 billion, down \$175 million (1.4%) compared to the end-of-session 2016 forecast. All of the net reduction comes from lower Medical Assistance costs.

TANF Forecast Higher

Projected expenditures of federal TANF (Temporary Assistance for Needy Families) funds for MFIP grants are \$164 million, \$4 million (2.5%) higher than the end-of-session forecast. This results from less TANF being used outside MFIP.

Health Care Access Fund Slightly Much Lower

Health Care Access Fund costs for MinnesotaCare and Medical Assistance for the next biennium are projected to total \$455 million, \$285 million (39%) lower than the end-of-session 2016 forecast due primarily to significant increases in federal BHP funding.

FY 2020-2021 BIENNIUM SUMMARY

General Fund Costs

General Fund costs for DHS medical and economic support programs for the FY 2020-2021 biennium are projected to total \$14.077 billion.

TANF Forecast

Projected expenditures of federal TANF (Temporary Assistance for Needy Families) funds for MFIP grants are \$129 million.

Health Care Access Fund

Health Care Access Fund costs for MinnesotaCare and Medical Assistance for the FY 2020-2021 biennium are projected to total \$472 million.

PROGRAM DETAIL

MEDICAL ASSISTANCE

	'16-'17 Biennium	'18-'19 Biennium
Total forecast change for MA (\$000)	-195,605	-206,294
Total forecast percentage change this item	-2.0%	-1.8%

Adjustments to the Health Care Access Fund appropriations and planning estimates cause the above total MA forecast change to be divided into a General Fund change and a Health Care Access Fund change:

	'16-'17 Biennium	'18-'19 Biennium
MA General Fund change (\$000)	-194,896	-204,878
MA Health Care Access Fund change (\$000)	-709	-1,414
Total forecast change for MA (\$000)	-195,605	-206,292

The Health Care Access Fund changes in the current biennium and the next biennium represent an appropriation change pursuant to Minnesota Laws 2013, Chapter 108, Article 14, Section 12. This section in effect requires a portion of any forecast reduction in areas for which expansion costs were budgeted in the 2013 Session to be assigned to the Health Care Access Fund. This results in only minor changes in the November forecast.

The following sections explain the total forecast change for each of five component activities of the Medical Assistance program:

MA LTC FACILITIES

	'16-'17 Biennium	'18-'19 Biennium
Total forecast change this item (\$000)	-36,105	-43,852
Total forecast percentage change this item	-3.7%	-4.0%

This activity includes payments to nursing facilities, to community ICF/DD facilities, and for day training and habilitation services for community ICF/DD residents.

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 has historically been funded at a larger amount than expected expenditures. 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	'16-'17 Biennium (\$000)	'18-'19 Biennium (\$000)
NF recipients	-16,866	-19,187
NF average costs	-6,935	-6,427
NF Adults with no kids share	-5,615	-4,489
ICF/DD & DTH	-6,714	-13,215
County share	1,988	1,817
Alternative Care offset: AC program	-665	-444
Alternative Care offset: Essential Com. Supports	-1,296	-1,906
Activity Total	-36,105	-43,852

Nursing Facilities (NF)

The projected number of NF recipients is reduced by 1.9% for both the current biennium and the next biennium. In spite of the fact that the elderly population at risk of NF placement has begun to grow, no growth in the number of MA NF recipients has yet materialized. The average count of NF recipients in FY 2016 was 3.1% lower than in FY 2015, continuing a steady decline for more than 20 years.

Because of expected elderly population growth, the forecast assumes that this decline will level off, with NF recipient numbers remaining about the same through FY 2021. (Nearly all of the expected growth in elderly recipients of long term care services is accommodated in Elderly Waiver.)

NF average cost per day is reduced by 0.8% for the current biennium and 0.7% for the next biennium.

Increased NF utilization by MA adults with no kids provides enhanced federal matching for a larger share of NF costs.

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

ICF/DD recipients projections are reduced by 2.0% for the current biennium and by 5.9% for the next biennium. In combination with DT&H recipient reductions and slightly lower cost projections for both services, total costs for these two services are reduced by 3.9% for the current biennium and by 7.6% for the next biennium.

County Share of LTC Facility Services

Forecast reductions for NF and ICF/DD produce a reduced county share offset to state costs, and so increased state costs.

Alternative Care Offset Alternative Care Program

AC recipient projections are 3% to 4% lower, but the effect of fewer recipients is substantially offset by higher average payment projections, resulting in net reductions of 1.1% for the current biennium and 1.3% for the next biennium.

**Alternative Care Offset
Essential Community Supports (ECS)**

Based on recent experience, projected expenditures for ECS are reduced by 44% for both the current biennium and the next biennium, mostly due to average payment. Previous forecasts assumed average payments would be at the program's capped limit, but data show average payments have steadily been around 40% below the cap.

MA LTC WAIVERS & HOME CARE	'16-'17 Biennium	'18-'19 Biennium
Total forecast change this item (\$000)	-80,282	-92,922
Total forecast percentage change this item	-2.6%	-2.5%

This activity includes the following components:

- Developmentally Disabled Waiver (DD Waiver)
- Elderly Waiver (EW): fee-for-service (FFS) segment
- Community Access for Disability Inclusion (CADI Waiver)
- Community Alternative Care Waiver (CAC Waiver)
- Brain Injury Waiver (BI Waiver)
- Home Health Agency Services
- Home Care Nursing (HCN) Services
- Personal Care Assistance (PCA)
- Community First Services and Supports (CFSS): K
- Community First Services and Supports (CFSS): I
- Fund transfer to Consumer Support Grants
- Moving Home Minnesota (MHM) state funding and fund transfer

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/DD, or acute care hospital).

CFSS K and I services will replace PCA services in FY 2019. "K" services are for those who meet level of care requirements, "I" services for those who do not.

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

Change in Projected Costs	'16-'17 Biennium (\$000)	'18-'19 Biennium (\$000)
DD waiver	-27,033	-26,491
Elderly Waiver FFS	-3,006	-5,180
CADI Waiver	-28,505	-47,382
CAC Waiver	-754	-1,098
BI Waiver	-3,224	-4,149
Home Health	-1,975	-2,895
Home Care Nursing	-8,648	-12,726
Personal Care Assistance	73,122	656,299
CFSS K & I FFS	-87,336	-700,611
Transfer to CSG	7,122	52,495
Moving Home Minnesota	-46	-1,185
Activity Total	-80,282	-92,922
EW Total: FFS & Managed Care	-7,991	-20,478

Percent Change in Projected Costs	'16-'17 Biennium	'18-'19 Biennium
DD Waiver	-2.09%	-1.83%
Elderly Waiver FFS	-6.03%	-8.51%
CADI Waiver	-3.52%	-4.51%
CAC Waiver	-2.17%	-2.68%
BI Waiver	-3.08%	-3.63%
Home Health	-11.40%	-17.16%
Home Care Nursing	-6.50%	-7.89%
Personal Care Assistance (Total)	13.27%	
CFSS K & I FFS	-99.83%	-92.31%
Transfer to CSG	15.98%	
Moving Home Minnesota	-0.71%	-9.57%
Activity Total	-2.56%	-2.54%
EW Total: FFS & Managed Care	-2.02%	-4.05%

DD Waiver

DD Waiver recipient projections are reduced slightly: by 0.2% for the current biennium and by 0.5% for the next biennium.

Average cost projections are also reduced, by about 1.6% both for the current biennium and the next biennium.

Elderly Waiver Elderly Population Growth Accounted For

Recipient forecasts for EW and NF are constructed to ensure that the underlying projections (before adjustments for legislative changes) account for the increasing demand for long term care services which is expected to result from the growth of the elderly population in the coming years. Projected annual increments in the total number of elderly recipients of NF and EW together are approximately 1000 for FY 2017, 1200 for FY 2018 and FY 2019, and 1100 for FY 2020 and FY 2021. The current forecast assumes almost all of the annual increase will be in EW.

Beyond the current forecast horizon, projected annual population-driven growth rises to 1400 by FY 2023 and to 1600 by FY 2027 and stays in the range of 1400 - 1600 until 2035, when it begins a slow decline to 900 in FY 2039.

Elderly Waiver

Elderly waiver is forecasted in two segments, the fee for service (FFS) segment and the managed care segment. Roughly 90% of EW recipients and payments are in the managed care segment of the program. Forecast changes are described here for the total of the two segments, as well as the much smaller fee for service segment.

Recipient projections for EW-FFS are 2.2% lower for the current biennium and 1.4% lower for the next biennium. Combined recipient projections for FFS and managed care are about 0.3% higher for this biennium and 2.0% higher for the next biennium.

EW-FFS average payment projections are 3.7% lower for the current biennium and 7.2% lower for the next biennium. Combined average payment projections are 2.3% lower for the current biennium and 5.9% lower for the next biennium.

CADI Waiver

Projected numbers of CADI recipients are about 1.5% higher for the current biennium and 2.5% higher for the next biennium. This is a small adjustment to the substantial increase in recipients expected to follow the expiration of waiver enrollment caps at the end of the FY 2014 - FY 2015 biennium.

Average payment projections are about 5.8% lower for the current biennium and 6.8% lower for the next biennium, resulting in a net decrease in CADI expenditure projections.

CAC Waiver

CAC waiver expenditure projections are about 2.2% lower for the current biennium and 2.7% lower for the next biennium, with lower average cost projections partially offset by slightly higher recipient projections.

BI Waiver

BI waiver expenditure projections are reduced by 3.1% for the current biennium and 3.6% for the next biennium. The reductions come mainly from lower recipient projections.

Home Health Agency (HHA)

HHA expenditure projections are reduced by 11% for the current biennium and by 17% for the next biennium. Reductions are about equally divided between fewer recipients and lower average cost projections.

Home Care Nursing

The Home Care Nursing forecast is reduced by 6.5% for the current biennium and by 7.9%, with approximately equal contributions from fewer recipients and lower average costs.

Personal Care Assistance (PCA) / Community First Service and Supports (CFSS)

Based on 2013 Session changes, PCA will be replaced by CFSS K & I services. ("K" services are for those who meet institutional level of care requirements; "I" services for those who do not.) This forecast recognizes a delay in the expected implementation of this change from January 2017 to February 2019. The resulting increases in the PCA forecast and the Consumer Support Grants forecast and decreases in the CFSS K& I forecasts roughly offset each other in the current biennium.

Transfer to Consumer Support Grants (CSG)

The Consumer Support Grants program is funded through transfers from the MA account. Like PCA, the CSG caseload is to be folded into the CFSS K & I services. The increases in the current biennium and the next biennium result from delayed implementation of CFSS.

Moving Home Minnesota Waiver

Moving Home Minnesota (MHM) is a federal waiver, funded with federal grant money. Its purpose is to provide person-centered services to assist people to return to living in the community who have resided for at least 90 days in a nursing home or hospital. MHM began assisting with transitions to the community in 2014. Federal funding for MHM is special grant funding rather than Medicaid funding. State funding comes from the MA account.

MHM was added to the DHS forecast with the November 2015 forecast. State MA funding is treated as part of the LTC Waivers budget sub-activity. (This is only one aspect of MHM fiscal activity; others are managed by DHS outside of the forecast.)

Offsetting effects of MHM on other MA services are recognized only for the CADI and DD waivers, and only future expected effects on those waivers are explicitly estimated, some effects of past and current MHM services being already part of actual data through September 2016. We assume that MHM, to the extent that it substitutes for already available home and community-based services, will mainly affect CADI because MHM services are focused on the under-65 population. MHM aims to support people in moving out of nursing homes and hospitals. We have not explicitly accounted in the forecast for effects on these services because, with MHM's slow growth and modest number of recipients expected to be served at its peak (250 average monthly recipients in FY 2018), impacts on the month-by-month number of NF recipients are expected to be very subtle and not able to be tracked with any reliability.

State share cost projections for MHM are reduced by 0.7% for the current biennium and by 9.6% for the next biennium.

MA ELD. & DISABLED BASIC CARE

	'16-'17 Biennium	'18-'19 Biennium
Total forecast change this item (\$000)	-5,131	14,495
Total forecast percentage change this item	-0.2%	0.4%

This activity funds general medical care for elderly and disabled Medical Assistance enrollees. For almost all of the elderly and for about 50 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.

The disabled segment accounts for about two-thirds of enrollees in this activity.

Also included in this activity is the IMD group, which was part of GAMC until October 2003 and is funded without federal matching. Enrollees in this group are individuals who would be eligible for federally-matched MA 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 ineligible for federal matching.

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 2016 the amount billed per dual eligible each month is approximately \$144.

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

	'16-'17 Biennium (\$000)	'18-'19 Biennium (\$000)
Elderly Waiver Managed Care: Average recipients	1,900	10,456
Elderly Waiver Managed Care: Average cost	-6,885	-25,755
CFSS K & I Managed Care: CFSS delay	-22,705	-196,221
PCA Managed Care: CFSS delay	21,459	206,517
Elderly Basic: Enrollment	16,841	33,050
Elderly Basic: Avg. cost	-8,852	33,193
Disabled Basic: FFS (and overall) enrollment lower	-22,850	-70,802
Disabled Basic: FFS average payment lower	-18,067	-22,857
Disabled Basic: SNBC enrollment	871	-36,481
Disabled Basic: SNBC avg. cost	-10,131	-11,708
Disabled Basic: CFSS delay affects eligibility	-1,784	-14,329
Disabled Basic: Adjust enhanced fed. share for dis. in adult expansion	913	1,450
Disabled Basic: Managed care payments reassigned to MA disabled	-4,597	0
Chemical Dependency Fund share	1,847	2,570
IMD Program: CD facility IMD declarations	10,729	17,993
IMD Program: 15-day Rule	1,547	4,301
IMD Program: Federal funding settlement	0	21,336
Medicare Part B premiums +10%	4,341	18,716
Medicare Part D clawback payments	30,292	43,066
Total	-5,131	14,495

Elderly Waiver Managed Care

Based on recent experience, recipient projections for EW managed care are 0.5% higher for the current biennium and 2.3% higher for the next biennium.

Based mainly on a lower than expected rate increase for CY 2017, average payments for EW managed care are reduced by about 2.0% for the current biennium and by 5.8% for the next biennium.

Community Choice Services and Supports (CFSS) K & I and PCA in Managed Care

Delay in the implementation of CFSS from January 2017 to February 2019 results in increased PCA costs, substantially offset by decreased CFSS costs, in the current biennium, with a small net cost in the next biennium because of the reduction of enhanced federal matching for CFSS.

Elderly Basic Changes

Elderly basic enrollment projections are 3.5% higher for the current biennium and about 6.0% higher for the next biennium. This forecast recognizes a separate, earlier impact of elderly population growth on the MA elderly population who do not use long-term care (LTC) services (NF or EW) compared to the MA elderly population using these services. Previously growth in the non-LTC group was assumed to parallel the increase in demand for LTC services already anticipated in the forecast. The non-LTC group is younger, and so elderly population growth has a different, earlier effect on this group. The effect of this change is to allow for added growth of about 800 per year in non-LTC elderly enrollment compared with the previous forecast.

Average cost projections for elderly basic care are reduced about 1.2% for the current biennium and increased by about 3.7% for the next biennium. The increases are the result of higher than expected managed care costs effective for CY 2017 (9% increase over 2016 rates compared with an expected 5% increase) and slightly higher projections for future increases because the growing non-LTC enrollment receives higher rates than the institutional (NF) population.

Disabled Basic Enrollment

Projected overall disabled basic enrollment is 1.8% lower for the current biennium and about 6.6% lower for the next biennium. This change results from continued diversion of new MA enrollees, who in the past would have needed a disability determination before becoming eligible for MA. Instead, these enrollees have been entering MA as adults with no children since the January 2014 expansion of the income limit for adults with no children to 138% FPG (nominal 133% FPG). These are individuals who may have an application for Social Security Disability pending but have not yet had disability certified. Accumulated forecast reductions for disabled MA enrollees for this reason now amount to more than 20,000 average enrollees.

Small additional reductions in overall disabled basic enrollment (less than 0.5% in the next biennium) are related to the delay in the implementation date for CFSS. CFSS applies Spousal Impoverishment policy to an increased number of recipients, resulting in a small increase in the number of eligibles associated with implementation of CFSS.

Disabled Basic Average Payment

Based on recent cost experience, fee for service average payment projections are 2.4% lower in the current biennium and 2.6% lower in the next biennium. SNBC average costs are also lower, by about 1.4% for the current biennium and 1.3% for the next biennium.

Enhanced Federal Share for Disabled with Adult Expansion Eligibility

After individuals have disability certified, they can continue to take advantage of the higher income standard of the MA adult expansion until they get Medicare coverage (which happens after two years on Social Security Disability). We categorize individuals in this status as MA disabled enrollees, but Minnesota receives enhanced federal matching on this group, at 75% federal share in CY 2014 to CY 2016 and gradually climbing to the same 90% federal share as the adult expansion in CY 2020.

This item in the table represents a downward adjustment in the expected value of enhanced federal share funds due to fewer than expected enrollees in this status.

Managed Care Payments Reassigned to MA Disabled

In the past this activity consisted mainly of GAMC payments reassigned to MA when GAMC recipients got retroactive disability certifications. Currently this activity results from payment reassignment within MA, either to or from MA disabled status, based on changes in individuals' disability status. The changes shown in the table reflect updated actual data through September 2016.

CD Fund Share

Decreases in the forecast of MA funding of services covered by the CD Fund produce corresponding increases in state share costs funded from the MA account because, for services covered by the CD Fund, the CD Fund pays the non-federal share rather than MA.

IMD Program: CD facility IMD Declarations

In 2016, DHS declared that about two-dozen CD treatment facilities were IMDs, in compliance with federal law. This means that residents of those facilities were ineligible for federal Medicaid matching thereby shifting the cost of their medical services to the state-funded IMD program. The previous forecast, which recognized the effect of the declarations on the CD Fund forecast, failed to account for the effect on the IMD program. This forecast accounts for the effects of the 2016 declarations and allows for a small number of future IMD declarations.

IMD Program: 15-Day Rule

Until recently, the federal Medicaid agency permitted managed care plans to use IMDs as alternatives to other types of facilities without loss of federal Medicaid matching. New federal policy eliminates federal funding for IMD stays paid by managed care plans of more than 15 days in a calendar month. This change allows for loss of federal funding on an average of about 300 managed care recipients each month who are residents of an IMD.

IMD Program: Federal Funding Settlement

Current systems are not able to properly categorize some recipients who are ineligible for federal Medicaid matching because of residence in an IMD, resulting in Minnesota overclaiming federal match. This adjustment anticipates correction of this situation and retroactive repayment of federal funding in the next biennium.

Medicare Part D Clawback

The MA cost for the clawback is increased by 7.8% in the current biennium and 9.7% in the next biennium because per-capita charges to the state for Part D coverage of MA enrollees will go up 11% in January 2017, compared to the 2% increase anticipated in the previous forecast. The current biennium change also includes a one-month cash-flow cost resulting from a change in how DHS accounts for the clawback, now including the cost of the clawback for June in the same fiscal year instead of the next fiscal year.

ADULTS WITHOUT CHILDREN

	'16-'17 Biennium	'18-'19 Biennium
Total forecast change this item (\$000)	-5,886	-26,148
Total forecast percentage change this item	-10.5%	-10.88%

Nearly all payments in this activity are 100% federally funded from CY 2014 through CY 2016. In CY 2017 the federal share for this group is 95%, then 94% in CY 2018, 93% in CY 2019, and it is fixed at 90% in CY 2020 and beyond.

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

	'16-'17 Biennium (\$000)	'18-'19 Biennium (\$000)
Average enrollees	-7,551	-31,530
Average cost	642	-410
Periodic data matching delay	1,023	5,792
Total	-5,886	-26,148
Target	-5,886	-26,148

Projected enrollment is decreased by 8.9% for the current biennium and 12.9% for the next biennium. There is little effect on state costs until January 2017, when the federal share begins to be less than 100%.

Average cost projections are practically unchanged for the current biennium and less than 0.5% lower in the next biennium.

The end-of-session forecast assumed a July 1, 2016, implementation date for the periodic data matching process. Relative to an annual review, this process is expected to provide earlier identification of changes in circumstance that makes a person ineligible. The November forecast assumes a delayed implementation date of July 1, 2017 for the periodic data matching process, which results in additional enrollee months relative to the end-of-session forecast assumptions.

FAMILIES WITH CHILDREN BASIC CARE	'16-'17 Biennium	'18-'19 Biennium
Total forecast change this item (\$000)	-68,201	-57,867
Total forecast percentage change this item	-2.7%	-2.0%

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 Medicaid matching, but almost all of whom are eligible for federal CHIP funding at 65% (88% effective January 2016).

Enhanced federal CHIP matching is available for children with family income over 133% of the federal poverty level. This funding supplements the regular 50% Medicaid matching with an additional enhanced federal match, within the limits of Minnesota's CHIP allocation from the federal government.

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

	'16-'17 Biennium (\$000)	'18-'19 Biennium (\$000)
Families with Children		
Enrollment	-67,619	-66,020
Average cost of basic care	-39,252	-31,829
Periodic data matching delay	10,681	27,891
Acuity adjustment: 2015 managed care rates	9,947	0
Managed care: PCA & CFSS K & I	201	2,891
CHIP enhanced federal funding	-296	6,633
Value of cap on HMO payment delays in 2017	6,139	-6,139
CD Fund share	4,954	7,538
Non-citizen MA segment	430	-11
Services w special funding	7,271	9,088
Family planning waiver	-304	-446
Breast & cerv. cancer	-1,620	-2,263
Rx Rebates	-23,675	-5,186
Dedicated revenue	5,685	-14
Other adjustments	19,257	0
Total	-68,201	-57,867

Families with Children

Enrollment projections are about 2.3% lower for the current biennium and 2.0% lower for the next biennium. These changes represent a lower base enrollment in data through September 2016 due primarily to program eligibility reviews.

Average cost projections, in the aggregate, are about 1.3% lower for the current biennium and 1.0% lower for the next biennium. About three-quarters of these adjustments result from correction of a technical error in the forecast spreadsheet.

Periodic Data Matching Delay

The end-of-session forecast assumed a July 1, 2016 implementation date for the periodic data matching process. Relative to an annual review, this process is expected to provide earlier identification of changes in circumstance that makes a person ineligible. The November forecast assumes a delayed implementation date of July 1, 2017 for the periodic data matching process, which results in additional enrollee months relative to the end-of-session forecast assumptions.

Community Choice Services and Supports (CFSS) K & I and PCA in Managed Care

Delay in the implementation of CFSS from January 2017 to February 2019 results in minimal net change in the current biennium, with a net cost in the next biennium because of the reduction of enhanced federal matching for CFSS.

CHIP Enhanced Funding for MA Children Over 133% FPG

Minnesota is able to claim federal CHIP funds as enhanced matching on costs for children with family income over 133% FPG in MA. The enhancement is the difference between the current 88% federal CHIP share and the current 50% Medicaid share.

There is little change in the current biennium forecast. For the next biennium, the projected offset to state costs is reduced by 4.1% due to a technical change.

Cap on HMO Payment Delay

Legislation in 2011 delayed capitation payments for May 2013 and May 2015 until the following July. For managed care for the disabled, which already had May and June payments delayed in law, payments for April 2013 and April 2015 were delayed until the following July. The value of each year's delay was capped at \$135 million of state funds for MA and MinnesotaCare combined. Legislation in 2015 extended this capped payment delay to include April / May 2017 to be paid in July 2017.

For the 2017 delay an overall increase in projected managed care spending (not limited to MA Families) results in an increase in the amount not delayed due to the cap, which leads to a corresponding shift of costs from FY 2018.

	State Share (\$000)		State Share (\$000)
FY 2016	0		
FY 2017	6,139	Biennium	6,139
FY 2018	-6,139		
FY 2019	0	Biennium	-6,139

CD Fund Share

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

Pharmacy Rebates

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

Higher than expected actual rebates in FY 2016 and increases in the expected state proportion of rebate receipts produce increases in projected state share rebates of 7.8% in the current biennium and 1.7% in the next biennium.

Non-Citizen MA

The Non-Citizen segment of MA includes federal Children's 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 Minnesota began to claim CHIP coverage for those months.

Modestly higher enrollment in FY 2016, partially offset by lower average costs, produces an increase of 3.4% for the current biennium. The forecast for the next biennium is practically unchanged.

Services with Special Funding

This is a forecast category which includes several services that 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. As administrative costs, these services have federal matching at a fixed 50% rather than at the Federal Medical Assistance Percentage (FMAP) which applies to medical services and can vary from 50%, as was recently the case with enhanced FMAP rates. Services which have state funding are access services (transportation to medical care), child and teen checkup outreach, and MnChoices (taking the place of DD waiver screenings and other LTC screenings).

This segment of the forecast is increased by 4.9% for the current biennium and by 5.8% for the next biennium mainly because of higher projected costs for MnChoices (LTC screening activity) based on higher actual costs in FY 2016.

Family Planning Waiver

Most of the services provided under this waiver have 90% federal funding.

Based on recent cost experience, these projections are about 13% lower for the current biennium and 17% lower for the next biennium. Reductions are produced by lower enrollment, partially offset by higher average costs.

Breast & Cervical Cancer

This coverage applies currently to between 200 and 300 women.

Projected expenditures are about 31% lower for the current biennium and 36% lower for the next biennium. Lower enrollment and lower average costs contribute about equally to these reductions.

It seems likely that continued reductions in enrollment in both this segment and the Family Planning Waiver are the result of eligibility expansions in other MA coverage. Enrollment in both peaked in FY 2011 and has declined steadily since then.

Other Adjustments

The MA forecast allows for the net effect of payment transactions that occur outside of the MMIS claims payment system. These transactions have historically amounted to a substantial negative adjustment, in recent years averaging about \$36 million. The forecast assumes the state share of this net adjustment is 50%. In FY 2016, the total net negative adjustment was approximately \$29 million and was entirely in federal dollars. The result in terms of state funds is that an expected negative \$18 million state share was adjusted to a cost of \$0.257 million, resulting in a state share increase of \$18.257 million in FY 2016, and \$19.257 million for the current biennium.

ALTERNATIVE CARE

	'16-'17 Biennium	'18-'19 Biennium
Forecast change this item (\$000)	0	0
Forecast percentage change this item	0.0%	0.0%

Changes in the AC budget activity forecast are represented as changes in the expected cancellation to MA, and so affect the bottom line of the MA forecast.

CHEMICAL DEPENDENCY FUND

	'16-'17 Biennium	'18-'19 Biennium
Forecast change this item (\$000)	2,046	21,277
Forecast percentage change this item	1.0%	9.5%

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

	'16-'17 Biennium (\$000)	'18-'19 Biennium (\$000)
CD Placements	20,434	22,955
Avg. cost per placement	-12,871	-17,551
Room & board for managed care lower by 10% in current biennium 4% in next biennium	-5,517	-2,459
Future CD IMD declarations	0	693
Federal funding settlement and trend correction	0	17,639
Total	2,046	21,277

Projections of CD Fund placements are 7.5% higher for the current biennium and 7.9% higher for the next biennium. The costs of these increases are offset by reductions in the average cost of placements of 5.5% for the current biennium and 7.5% for the next biennium.

Payment projections for room and board for managed care recipients are reduced by 10.2% for the current biennium and by 4.2% for the next biennium.

Current systems are not able to properly categorize some CD Fund recipients who are ineligible for federal Medicaid matching because of residence in an IMD, resulting in Minnesota overclaiming federal revenue to the CD Fund. This adjustment anticipates correction of the problem and retroactive repayment of federal funding in the next biennium.

MFIP NET CASH (STATE AND FEDERAL)	'16-'17 Biennium	'18-'19 Biennium
Forecast change this item (\$000)	-2,591	12,907
Forecast percentage change this item	-0.8%	3.7%
GENERAL FUND SHARE OF MFIP		
Forecast change this item (\$000)	-1,332	8,838
Forecast percentage change this item	-0.7%	4.7%
FEDERAL TANF FUNDS FOR MFIP		
Forecast change this item (\$000)	-1,259	4,069
Forecast percentage change this item	-0.8%	2.5%

This activity provides cash and food for low-income families with children. 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 2016 forecast:

Summary of Forecast Changes	'16-'17 Biennium (\$000)	'18-'19 Biennium (\$000)
Gross MFIP cash grant forecast change	-4,369	10,975
Gross General Fund forecast change	-1,731	9,078
Child Support/recoveries offset	399	-240
Net General Fund forecast change	-1,332	8,838
Gross TANF forecast change	-2,638	1,897
Child Support pass-through/recoveries offset	1,379	2,172
Net TANF forecast change	-1,259	4,069

Change in Program Expenditures

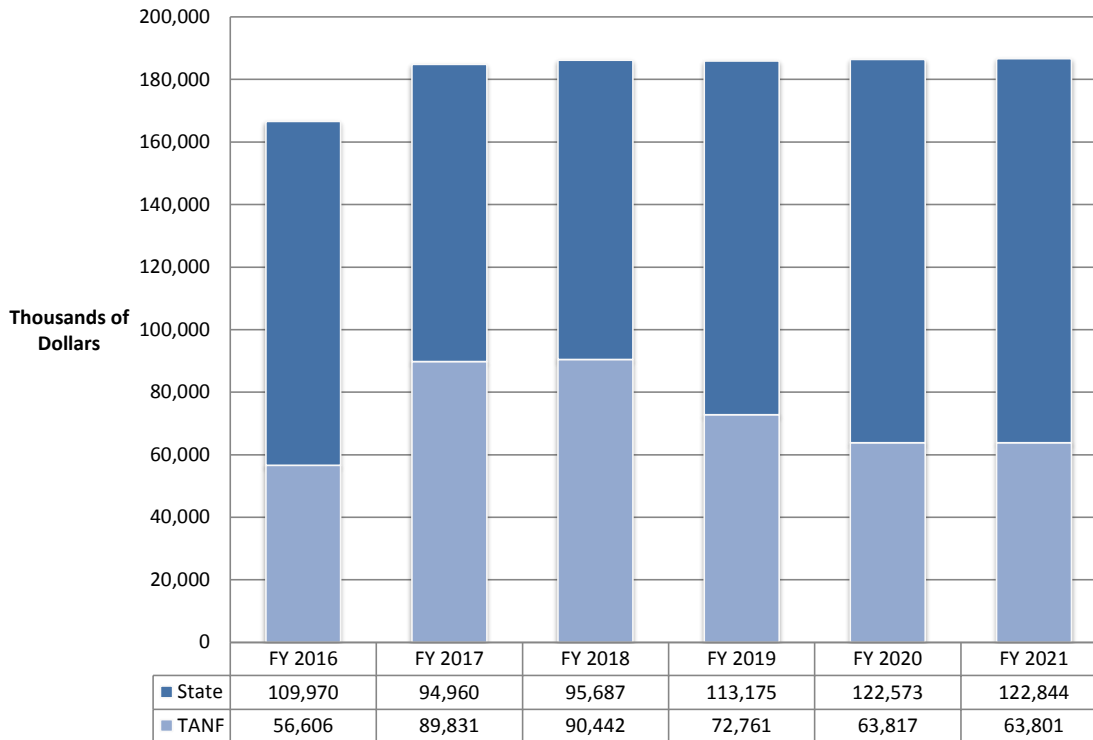
Based on recent data, the MFIP forecast for the current biennium has been adjusted downward due to lower caseload and average payment, this results in a decrease in gross expenditures of \$4.3 million (-1.3%) in the current biennium. In the '18-'19 biennium, MFIP forecast is adjusted upward due to higher housing assistance expenditures and higher caseload, resulting in an increase in gross expenditures of \$11 million (3.0%).

Increases in General Fund Expenditures

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 primarily 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 MOE 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.

MFIP Cash Expenditures



Gross General Fund expenditures are reduced by \$1.7 million in the '16-'17 biennium and are increased by \$9 million in the '18-'19 biennium. Decreases in Gross General Fund expenditures in the current biennium are due to decreased non-MOE expenditures. In the 18-19 biennium, increases in General Fund are mostly due to the need to use General Fund to cover MFIP forecast increases because not enough TANF is available. Child support arrearage collections are expected to increase by \$0.4 million in the current biennium but reduced by \$0.2 million in the next biennium. This results in net General Fund decrease of 0.7% in the current biennium and increase of 4.7% in the '18-'19 biennium.

In the current biennium, decreases in General Fund expenditures are smaller than the decrease in gross forecast, this results in a decline in TANF expenditures in MFIP of \$2.6 million. In the '18-'19 biennium, General Fund expenditures are used to fund most of the forecast increase and TANF expenditures are increased by \$1.9 million. Child support pass-through is higher in both biennia but not high enough to offset the decrease in TANF expenditures in the current biennium. Net TANF expenditures decrease 0.8% in the current biennium and increase 2.5% in the '18-'19 biennium.

MFIP / TY CHILD CARE ASSISTANCE

	'16-'17 Biennium	'18-'19 Biennium
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Forecast change this item (\$000)	-4,608	928
Forecast percentage change this item	-2.6%	0.4%

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).

MFIP/TY forecasted expenditures decrease 1.4% in the current biennium and increase 0.3% in the '18-'19 biennium. The decrease in the current biennium is due to decrease in TY caseload and average payments. In the '18-'19 biennium, increase in MFIP child care caseload and average payments offset the reduction in TY. There is no change in CCDF funding; therefore General fund expenditures decrease in the current biennium and increase in the next biennium.

NORTHSTAR CARE FOR CHILDREN

	'16-'17 Biennium	'18-'19 Biennium
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Forecast change this item (\$000)	1,895	4,604
Forecast percentage change this item	2.0%	2.7%

This activity combines Foster Care, Adoption Assistance, and Kinship Assistance/Relative Custody Assistance programs into a single program Northstar Care for Children, to support permanency for children. The Northstar Care program is funded with a mixture of federal, state General Fund dollars, county and tribal dollars.

Northstar Care forecasted expenditures increase in both biennia. The increase in the current biennium is due mostly to increased Adoption Assistance payments and increase in the '18-'19 biennium is due to caseload increase across all Northstar Care components.

GENERAL ASSISTANCE

	'16-'17 Biennium	'18-'19 Biennium
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Forecast change this item (\$000)	-5,673	-4,810
Forecast percentage change this item	-5.2%	-4.0%

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.

The GA forecast decreases mainly due to adjustments in the caseload forecast based on recent data. The projected GA caseload is decreased by 3.9% in the current and 4.7% in the next biennium.

GROUP RESIDENTIAL HOUSING

	'16-'17 Biennium	'18-'19 Biennium
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Forecast change this item (\$000)	259	-308
Forecast percentage change this item	0.1%	-0.1%

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.

Based on recent data, GA-type payments are adjusted upward due to increased caseload and MSA-type payments are lowered due to decreased caseload. In the current biennium, higher GA-type payments offset the decrease in MSA-type payments and adjustments resulting in a small increase in GRH cash while this interaction is reversed in the next biennium resulting in a slight decrease in GRH cash.

MINNESOTA SUPPLEMENTAL AID

	'16-'17 Biennium	'18-'19 Biennium
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Forecast change this item (\$000)	-536	-636
Forecast percentage change this item	-0.7%	-0.8%

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

The projected MSA caseload and average payments are decreased based on recent data, resulting in decreased MSA cash payments in the current biennium. In the '18-'19 biennium, decrease in MSA cash payments is due mostly to a decrease in MSA caseload.

MINNESOTACARE	'16-'17 Biennium	'18-'19 Biennium
Forecast change this item (\$000)	-166,079	-283,152
Forecast percentage change this item	-57.2%	-93.4%

Summary of Forecast Changes	'16-'17 Biennium (\$000)	'18-'19 Biennium (\$000)
Enrollment	-32,620	-56,340
Premium revenue	-833	-23,230
Delay periodic data matching	1,139	6,099
Lower payments to MCOs	-21,828	0
Higher federal BHP funding	-111,937	-209,681
Total Program	-166,079	-283,152

During the 2013 legislative session, significant changes were made to MinnesotaCare program eligibility effective January 2014. These changes included requiring all MA eligible populations to shift to MA and eliminating income eligibility above 200% FPG for populations not MA eligible (thereby shifting those populations over 200% FPG to the state's exchange, MNsure, for their health coverage). Given the concurrent expansion of MA income eligibility for children under 19 years old to 275% FPG and adults to 133% FPG (plus a 5% income disregard), the only remaining MinnesotaCare eligibility groups are 19-20 year olds, parents, and adults without children with income between 138%-200% FPG and legal noncitizens with income under 200% FPG.

In addition to the eligibility changes, significant changes were made to MinnesotaCare funding as well. Effective January 2015, MinnesotaCare is designated as the state's Basic Health Program (BHP). As a BHP, MinnesotaCare no longer receives federal funding in the form of a percentage expenditure match. Instead, the state receives a per person subsidy equal to 95% of the premium tax credits and cost sharing reductions that person would have received through MnSure had the state opted against running a BHP. Calculation of the exchange subsidy involves a comparison between the benchmark premium in MNsure and the individual's expected maximum contribution toward health insurance.

Enrollment

MinnesotaCare enrollment projections are down about 15% due to a base adjustment caused by lower actual enrollment in CY2016 data through September. This reduced enrollment in CY2016 was the result of stricter enforcement of premium collections once the premium collection process was moved back to MMIS and a systems reconciliation process that occurred in September. This enrollment reduction leads to a \$32.6 million forecast reduction in the current biennium and a \$56.3 million forecast reduction in the next biennium.

Premium Revenue

As mentioned above, the premium collection process was moved back to MMIS effective June 2016, which has led to more reliable billing and stricter enforcement of premium collections. This has resulted in an increase of \$10 per member per month in premium collections (from \$29 to \$39) which is reflected in the forecast projections. This higher level of projected premium collections leads to a \$0.8 million forecast reduction in the current biennium (in which the increased premium collections after June 2016 are partially offset by lower than expected collections prior to June 2016) and a \$23.2 million forecast reduction in the next biennium.

Lower Payments to MCOs

This category is comprised by two one-time adjustments based on actual payments. The first is a \$17.1 million higher than expected take-back from the managed care organizations due to the 2015 acuity of MinnesotaCare enrollees. The second is \$4.7 million lower than expected payments to managed care organizations for the HMO withhold return paid in July 2016. These two one-time adjustments lead to a forecast reduction of \$21.8 million in the current biennium.

Delay Periodic Data Matching

The end-of-session forecast assumed a July 1, 2016 implementation date for the periodic data matching process. Relative to an annual review, this process is expected to provide earlier identification of changes in circumstance that makes a person ineligible. The November forecast assumes a delayed implementation date of July 1, 2017 for the periodic data matching process, which results in additional enrollee months relative to the end-of-session forecast assumptions.

BHP Federal Funding

As explained above, effective January 2015, federal funding in MinnesotaCare shifts from a percentage expenditure match to a per person subsidy. This per person BHP funding is equal to 95% of what the individual would have received in subsidies through MNsure. Calculation of the exchange subsidy involves a comparison between the benchmark premium in MNsure and the individual's maximum contribution toward health coverage.

The primary reason for the increase in projected federal BHP funding is that 2017 benchmark premiums in the private market are about 60% higher than 2016 benchmark premiums. Based on estimated trend in the 2017 federal BHP payment methodology, the end-of-session forecast assumed a 4.4% increase in benchmark premiums between the 2016 and 2017 calendar years. Given very little increase in the required individual contribution toward health coverage, the relatively higher benchmark premiums result in a substantial increase in exchange subsidies and corresponding federal BHP funding.

The increase in federal BHP funding leads to a \$111.9 million forecast reduction in the current biennium and a \$209.7 million forecast reduction in the next biennium.

As a result of this significant increase in federal BHP funding, all projected BHP enrollees in MinnesotaCare are fully covered with federal BHP funding in the November forecast. The only enrollee population in MinnesotaCare funded with Health Care Access Funds are the elderly population who are not BHP eligible and are entirely state-funded. This elderly population consists of individuals who do not qualify for premium-free Part A Medicare and have income too high to qualify for Medicaid to buy them into Part A coverage.

TABLE ONE
FY 2016-2017 BIENNIUM SUMMARY

	End Of Session 2016 Forecast			November 2016 Forecast		
	FY 2016 - FY 2017 Biennium			FY 2016 - FY 2017 Biennium		
	(\$ in thousands)			(\$ in thousands)		
GENERAL FUND	FY 2016	FY 2017	Biennium	FY 2016	FY 2017	Biennium
Medical Assistance						
LTC Facilities	450,614	521,471	972,085	434,317	501,663	935,980
LTC Waivers	1,487,245	1,648,476	3,135,721	1,463,088	1,592,351	3,055,439
Elderly & Disabled Basic	1,505,123	1,512,503	3,017,626	1,514,850	1,497,645	3,012,495
Adults with No Children	4,735	51,433	56,168	1,932	48,350	50,282
Families w. Children Basic	1,313,789	1,246,173	2,559,962	1,303,569	1,188,192	2,491,761
MA Total	4,761,506	4,980,056	9,741,562	4,717,756	4,828,201	9,545,957
General Fund	4,173,316	4,738,629	8,911,945	4,129,568	4,587,481	8,717,049
HCA Fund	588,190	241,427	829,617	588,188	240,720	828,908
Alternative Care	43,997	43,590	87,587	43,997	43,590	87,587
Chemical Dependency Fund	93,699	109,482	203,181	94,853	110,374	205,227
Minnesota Family Inv. Program	103,453	89,653	193,106	103,453	88,321	191,774
Child Care Assistance	78,221	100,761	178,982	78,221	96,153	174,374
Northstar Care for Children	43,327	50,833	94,160	42,250	53,805	96,055
General Assistance	52,997	56,769	109,766	50,444	53,649	104,093
Group Residential Housing	147,652	159,240	306,892	147,461	159,690	307,151
Minnesota Supplemental Aid	38,055	39,519	77,574	37,735	39,303	77,038
Total General Fund	4,774,717	5,388,476	10,163,193	4,727,982	5,232,366	9,960,348
TANF funds for MFIP Grants	65,041	85,183	150,224	58,558	90,407	148,965
MinnesotaCare	133,293	157,087	290,380	114,907	9,394	124,301
MA funding from HCA Fund	588,190	241,427	829,617	588,188	240,720	828,908
T. HCA Fund Expenditures	721,483	398,514	1,119,997	703,095	250,114	953,209

**TABLE TWO
FY 2016-2017 BIENNIUM SUMMARY**

	November 2016 Forecast Change from End Of Session 2016 Forecast FY 2016 - FY 2017 Biennium (\$ in thousands)			November 2016 Forecast Change from End Of Session 2016 Forecast FY 2016 - FY 2017 Biennium (Percent Change)		
	FY 2016	FY 2017	Biennium	FY 2016	FY 2017	Biennium
GENERAL FUND						
Medical Assistance						
LTC Facilities	-16,297	-19,808	-36,105	-3.6%	-3.8%	-3.7%
LTC Waivers	-24,157	-56,125	-80,282	-1.6%	-3.4%	-2.6%
Elderly & Disabled Basic	9,727	-14,858	-5,131	0.6%	-1.0%	-0.2%
Adults with No Children	-2,803	-3,083	-5,886	-59.2%	-6.0%	-10.5%
Families w. Children Basic	-10,220	-57,981	-68,201	-0.8%	-4.7%	-2.7%
MA Total	-43,750	-151,855	-195,605	-0.9%	-3.0%	-2.0%
General Fund	-43,748	-151,148	-194,896	-1.0%	-3.2%	-2.2%
HCA Fund	-2	-707	-709	0.0%	-0.3%	-0.1%
Alternative Care	0	0	0	0.0%	0.0%	0.0%
Chemical Dependency Fund	1,154	892	2,046	1.2%	0.8%	1.0%
Minnesota Family Inv. Program	0	-1,332	-1,332	0.0%	-1.5%	-0.7%
Child Care Assistance	0	-4,608	-4,608	0.0%	-4.6%	-2.6%
Northstar Care for Children	-1,077	2,972	1,895	-2.5%	5.8%	2.0%
General Assistance	-2,553	-3,120	-5,673	-4.8%	-5.5%	-5.2%
Group Residential Housing	-191	450	259	-0.1%	0.3%	0.1%
Minnesota Supplemental Aid	-320	-216	-536	-0.8%	-0.5%	-0.7%
Total General Fund	-46,735	-156,110	-202,845	-1.0%	-2.9%	-2.0%
TANF funds for MFIP Grants	-6,483	5,224	-1,259	-10.0%	6.1%	-0.8%
MinnesotaCare	-18,386	-147,693	-166,079	-13.8%	-94.0%	-57.2%
MA funding from HCA Fund	-2	-707	-709	0.0%	-0.3%	-0.1%
T. HCA Fund Expenditures	-18,388	-148,400	-166,788	-2.5%	-37.2%	-14.9%

TABLE THREE
FY 2018-2019 BIENNIUM SUMMARY

	End Of Session 2016 Forecast			November 2016 Forecast		
	FY 2018 - FY 2019 Biennium			FY 2018 - FY 2019 Biennium		
	(\$ in thousands)			(\$ in thousands)		
GENERAL FUND	FY 2018	FY 2019	Biennium	FY 2018	FY 2019	Biennium
Medical Assistance						
LTC Facilities	538,374	562,112	1,100,486	517,905	538,729	1,056,634
LTC Waivers	1,773,435	1,889,893	3,663,328	1,728,765	1,841,641	3,570,406
Elderly & Disabled Basic	1,779,500	1,834,432	3,613,932	1,776,170	1,852,257	3,628,427
Adults with No Children	107,731	132,684	240,415	98,147	116,120	214,267
Families w. Children Basic	1,451,841	1,464,580	2,916,421	1,417,470	1,441,084	2,858,554
MA Total	5,650,881	5,883,701	11,534,582	5,538,457	5,789,831	11,328,288
General Fund	5,440,015	5,658,065	11,098,080	5,328,299	5,564,903	10,893,202
HCA Fund	210,866	225,636	436,502	210,159	224,929	435,088
Alternative Care	44,250	44,833	89,083	44,250	44,833	89,083
Chemical Dependency Fund	110,367	113,076	223,443	111,844	132,876	244,720
Minnesota Family Inv. Program	90,076	96,356	186,432	88,930	106,340	195,270
Child Care Assistance	107,699	113,048	220,747	108,428	113,247	221,675
Northstar Care for Children	77,684	94,960	172,644	80,679	96,569	177,248
General Assistance	58,957	60,868	119,825	56,650	58,365	115,015
Group Residential Housing	169,328	179,536	348,864	169,261	179,295	348,556
Minnesota Supplemental Aid	40,735	42,019	82,754	40,484	41,634	82,118
Total General Fund	6,139,111	6,402,761	12,541,872	6,028,825	6,338,061	12,366,886
TANF funds for MFIP Grants	83,524	76,564	160,088	90,932	73,225	164,157
MinnesotaCare	150,235	152,820	303,055	9,665	10,238	19,903
MA funding from HCA Fund	210,866	225,636	436,502	210,159	224,929	435,088
T. HCA Fund Expenditures	361,101	378,456	739,557	219,824	235,167	454,991

**TABLE FOUR
FY 2018-2019 BIENNIUM SUMMARY**

GENERAL FUND	November 2016 Forecast Change from End Of Session 2016 Forecast FY 2018 - FY 2019 Biennium (\$ in thousands)			November 2016 Forecast Change from End Of Session 2016 Forecast FY 2018 - FY 2019 Biennium (Percent Change)		
	FY 2018	FY 2019	Biennium	FY 2018	FY 2019	Biennium
Medical Assistance						
LTC Facilities	-20,469	-23,383	-43,852	-3.8%	-4.2%	-4.0%
LTC Waivers	-44,670	-48,252	-92,922	-2.5%	-2.6%	-2.5%
Elderly & Disabled Basic	-3,330	17,825	14,495	-0.2%	1.0%	0.4%
Adults with No Children	-9,584	-16,564	-26,148	0.0%	-12.5%	-10.9%
Families w. Children Basic	-34,371	-23,496	-57,867	-2.4%	-1.6%	-2.0%
MA Total	-112,424	-93,870	-206,294	-2.0%	-1.6%	-1.8%
General Fund	-111,716	-93,162	-204,878	-2.1%	-1.6%	-1.8%
HCA Fund	-707	-707	-1,414	-0.3%	-0.3%	-0.3%
Alternative Care	0	0	0	0.0%	0.0%	0.0%
Chemical Dependency Fund	1,477	19,800	21,277	1.3%	17.5%	9.5%
Minnesota Family Inv. Program	-1,146	9,984	8,838	-1.3%	10.4%	4.7%
Child Care Assistance	729	199	928	0.7%	0.2%	0.4%
Northstar Care for Children	2,995	1,609	4,604	3.9%	1.7%	2.7%
General Assistance	-2,307	-2,503	-4,810	-3.9%	-4.1%	-4.0%
Group Residential Housing	-67	-241	-308	0.0%	-0.1%	-0.1%
Minnesota Supplemental Aid	-251	-385	-636	-0.6%	-0.9%	-0.8%
Total General Fund	-110,286	-64,700	-174,986	-1.8%	-1.0%	-1.4%
TANF funds for MFIP Grants	7,408	-3,339	4,069	8.9%	-4.4%	2.5%
MinnesotaCare	-140,570	-142,582	-283,152	-93.6%	-93.3%	-93.4%
MA funding from HCA Fund	-707	-707	-1,414	-0.3%	-0.3%	-0.3%
T. HCA Fund Expenditures	-141,277	-143,289	-284,566	-39.1%	-37.9%	-38.5%

**TABLE FIVE
FY 2020-2021 BIENNIUM SUMMARY**

GENERAL FUND	End Of Session 2016 Forecast FY 2020 - FY 2021 Biennium (\$ in thousands)			November 2016 Forecast FY 2020 - FY 2021 Biennium (\$ in thousands)		
	FY 2020	FY 2021	Biennium	FY 2020	FY 2021	Biennium
Medical Assistance						
LTC Facilities	0	0	0	558,008	577,198	1,135,206
LTC Waivers	0	0	0	1,961,349	2,098,170	4,059,519
Elderly & Disabled Basic	0	0	0	1,971,053	2,088,245	4,059,298
Adults with No Children	0	0	0	160,164	197,595	357,759
Families w. Children Basic	0	0	0	1,600,024	1,677,109	3,277,133
MA Total	0	0	0	6,250,598	6,638,317	12,888,915
General Fund	0	0	0	6,025,669	6,413,387	12,439,056
HCA Fund	0	0	0	224,929	224,929	449,858
Alternative Care	0	0	0	44,833	44,833	89,666
Chemical Dependency Fund	0	0	0	123,932	127,823	251,755
Minnesota Family Inv. Program	0	0	0	115,714	115,982	231,696
Child Care Assistance	0	0	0	120,222	126,060	246,282
Northstar Care for Children	0	0	0	108,335	114,300	222,635
General Assistance	0	0	0	59,907	61,341	121,248
Group Residential Housing	0	0	0	189,116	198,825	387,941
Minnesota Supplemental Aid	0	0	0	42,843	44,064	86,907
Total General Fund	0	0	0	6,830,571	7,246,615	14,077,186
TANF funds for MFIP Grants	0	0	0	64,289	64,281	128,570
MinnesotaCare	0	0	0	10,783	11,360	22,143
MA funding from HCA Fund	0	0	0	224,929	224,929	449,858
T. HCA Fund Expenditures	0	0	0	235,712	236,289	472,001

**TABLE SIX
FY 2020-2021 BIENNIUM SUMMARY**

	November 2016 Forecast Change from End Of Session 2016 Forecast FY 2020 - FY 2021 Biennium (\$ in thousands)			November 2016 Forecast Change from End Of Session 2016 Forecast FY 2020 - FY 2021 Biennium (Percent Change)		
	FY 2020	FY 2021	Biennium	FY 2020	FY 2021	Biennium
GENERAL FUND						
Medical Assistance						
LTC Facilities	558,008	577,198	1,135,206	#DIV/0!	#DIV/0!	#DIV/0!
LTC Waivers	1,961,349	2,098,170	4,059,519	#DIV/0!	#DIV/0!	#DIV/0!
Elderly & Disabled Basic	1,971,053	2,088,245	4,059,298	#DIV/0!	#DIV/0!	#DIV/0!
Adults with No Children	160,164	197,595	357,759	0.0%	#DIV/0!	#DIV/0!
Families w. Children Basic	1,600,024	1,677,109	3,277,133	#DIV/0!	#DIV/0!	#DIV/0!
MA Total	6,250,598	6,638,317	12,888,915	#DIV/0!	#DIV/0!	#DIV/0!
General Fund	6,025,669	6,413,387	12,439,056	#DIV/0!	#DIV/0!	#DIV/0!
HCA Fund	224,929	224,929	449,858	#DIV/0!	#DIV/0!	#DIV/0!
Alternative Care	44,833	44,833	89,666	#DIV/0!	#DIV/0!	#DIV/0!
Chemical Dependency Fund	123,932	127,823	251,755	#DIV/0!	#DIV/0!	#DIV/0!
Minnesota Family Inv. Program	115,714	115,982	231,696	#DIV/0!	#DIV/0!	#DIV/0!
Child Care Assistance	120,222	126,060	246,282	#DIV/0!	#DIV/0!	#DIV/0!
Northstar Care for Children	108,335	114,300	222,635	#DIV/0!	#DIV/0!	#DIV/0!
General Assistance	59,907	61,341	121,248	#DIV/0!	#DIV/0!	#DIV/0!
Group Residential Housing	189,116	198,825	387,941	#DIV/0!	#DIV/0!	#DIV/0!
Minnesota Supplemental Aid	42,843	44,064	86,907	#DIV/0!	#DIV/0!	#DIV/0!
Total General Fund	6,830,571	7,246,615	14,077,186	#DIV/0!	#DIV/0!	#DIV/0!
TANF funds for MFIP Grants	64,289	64,281	128,570	#DIV/0!	#DIV/0!	#DIV/0!
MinnesotaCare	10,783	11,360	22,143	#DIV/0!	#DIV/0!	#DIV/0!
MA funding from HCA Fund	224,929	224,929	449,858	#DIV/0!	#DIV/0!	#DIV/0!
T. HCA Fund Expenditures	235,712	236,289	472,001	#DIV/0!	#DIV/0!	#DIV/0!