

Minnesota Eligibility Technology System

Fiscal Report for QE 6/30/2022

Introduction

1. The METS fiscal report is a product of the METS Executive Steering Committee Finance Work Group. This group includes financial management from MNIT, DHS and MNSure.
2. The report is produced quarterly, in accordance with M.S. 62V.055, Subdivision 3, and is available approximately 45 days following quarter-end.
3. The report includes two tables:

Table 1: Overall View of METS Budget. This table provides a four year view of the METS budget, including: actual for FY 2020, estimated actual for FY 2021, budget for FY 2022 and preliminary budget for FY 2023. The FY 2023 preliminary budget for development reflects the last quarter of the current federal award. The FY 2023 preliminary operations budgets are assumed to continue at the current level, but will be re-evaluated annually.

Table 2: Budget vs Est. YTD (expenditures & est. remaining encumbrances) Table 2 shows the fiscal year 2022 budget, quarterly actual expenditures, and estimated encumbrances. Note that this table includes an Expenditures After FY End column to report on the fiscal year expenditures that will be recognized after June 30th due to the standard procedural lag between invoicing and payments.

Note: Expenditures often lag, i.e. do not occur at a steady rate throughout the year. Examples may include:

- a. State Personnel, due to payroll processing and interagency billing.
- b. Staff Augmentation and Service Contracts, due to billing lag, timing of various projects based on development roadmap, and associated deadlines throughout the year.
- c. Hardware/Software, due to processing time and the execution of payments throughout the year (not shown as accruals).
- b. MNIT Central Services, due to processing and interagency billing.

4. The tables are based on the following standard reporting conventions:

Development v. Operations. Within both the Expenditure and Financing sections, development is distinguished from operations. Development includes federally defined and applicable work, and MNSure development contributions. All other expenses are considered operations.

Expenditure Categories. Within the Expenditure section, the costs are reported in standard categories.

State Personnel	Developers, architects, project managers, business analysts, quality assurance, release management, security, and other MNIT staff, along with necessary business subject matter experts. Includes total compensation (salaries and fringe).
Staff Augmentation	Contracted individuals or companies to increase capacity.
Service Contracts	Major vendor agreements that provide expertise and enhanced functionality to the system.
Hardware/Software	Initial purchases and ongoing support costs for licensing/software and hardware.
MNIT Central Services	System infrastructure components including, but not limited to, server capacity, data storage, networking, routing, and bandwidth, provided as a service from MNIT. Also includes staff equipment.
General Administration	Training, supplies, travel, occupancy, and other miscellaneous administrative costs.

Financing Categories. Within the Financing section, the revenues (by funding source) associated with the fiscal years' expenditures is estimated based on the standing federal Public Assistance Cost Allocation Plan (PACAP) methodology. Note that actual revenues lag behind the expenditures by approximately 45 days due to the standard timing of the federal PACAP process.

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TABLE 1: Overall Budget View	FY 2020 Actual Spend	FY 2021 Est. Actual Spend	FY 2022 Budget	FY 2023 Preliminary
Expenditures				
Development	33,433,872	30,765,831	38,338,284	8,757,867
State Personnel	11,146,316	12,096,161	13,233,739	2,801,599
Staff Augmentation	6,927,147	6,172,711	5,467,713	1,097,646
Service Contracts	11,761,760	8,850,250	10,846,870	2,270,553
Hardware/Software	2,449,852	3,110,538	7,152,894	2,146,320
MNIT Central Services	951,011	497,696	864,569	184,250
General Administration	197,787	38,474	772,500	257,500
Operations	29,403,061	30,155,382	37,594,259	32,527,765
State Personnel	10,744,913	11,041,516	12,566,938	12,502,880
Staff Augmentation	2,238,888	983,302	1,968,049	1,006,677
Service Contracts	4,647,946	5,773,003	9,320,472	5,279,408
Hardware/Software	4,133,011	3,778,175	5,201,500	5,201,500
MNIT Central Services	7,027,383	7,913,919	7,812,300	7,812,300
General Administration	610,919	665,467	725,000	725,000
Total Expenditures	62,836,933	60,921,214	75,932,543	41,285,632
State Personnel	21,891,229	23,137,677	25,800,677	15,304,479
Staff Augmentation	9,166,035	7,156,013	7,435,762	2,104,323
Service Contracts	16,409,706	14,623,253	20,167,342	7,549,961
Hardware/Software	6,582,863	6,888,713	12,354,394	7,347,820
MNIT Central Services	7,978,394	8,411,616	8,676,869	7,996,550
General Administration	808,706	703,940	1,497,500	982,500
Financing				
Development - TOTAL	33,433,873	30,765,831	38,338,284	8,757,867
Federal Share	23,298,204	23,537,874	29,940,383	6,797,762
CCIIO/ARPA	0	1,525,555	732,169	0
Medicaid	23,298,204	22,012,319	29,208,214	6,797,762
Non-Federal Share	10,135,669	7,227,957	8,397,901	1,960,105
MNsure	2,870,696	94,348	53,000	0
DHS	7,264,973	7,133,609	8,344,901	1,960,105
Operations - TOTAL	29,403,061	30,155,382	37,594,259	32,527,765
Federal Share	16,607,893	16,603,530	22,000,333	18,299,094
CCIIO/ARPA	0	0	0	0
Medicaid	16,607,893	16,603,530	22,000,333	18,299,094
Non-Federal Share	12,795,168	13,551,852	15,593,926	14,228,671
MNsure	4,889,529	5,828,428	5,606,894	5,583,552
DHS	7,905,639	7,723,424	9,987,032	8,645,119
TOTAL FINANCING	62,836,934	60,921,213	75,932,543	41,285,632
Federal Share	39,906,097	40,141,404	51,940,716	25,096,856
CCIIO/ARPA	0	1,525,555	732,169	0
Medicaid	39,906,097	38,615,849	51,208,547	25,096,856
Non-Federal Share	22,930,837	20,779,809	23,991,827	16,188,776
MNsure	7,760,225	5,922,776	5,659,894	5,583,552
DHS	15,170,612	14,857,033	18,331,934	10,605,224

Notes:

- Development includes federally defined and applicable work, and MNsure development contributions. All other expenses considered operations.
- Fiscal year Financing numbers are based on the federally-approved cost allocation methodology that is generally applicable to each fiscal year (i.e. the report reflects a reasonable matching of expenditures and revenue).
- CCIIO/ARPA category within the Financing section represents federal grants used to fund METS development. The CCIIO grant was used to set up the METS system and concluded on 12/31/17. Beginning March 15, 2021, The American Rescue Plan Act (ARPA) is being used for system enhancements related to COVID-19 response.

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TABLE 2: FY 2022 Budget vs YTD	FY 2022 Budget	QE 9/30/21 Expenditures	QE 12/31/21 Expenditures	QE 3/31/22 Expenditures	QE 6/30/22 Expenditures	Expenditures After FY End	YTD Expenditures	%	Anticipated Encumbrances	Est. FY Exp & Enc	%	Estimated Balance	%
Expenditures													
Development - Total	38,338,284	4,757,346	7,724,785	8,714,813	5,813,725	0	27,010,668	70%	4,381,693	31,392,361	82%	6,945,923	18%
State Personnel	13,233,739	253,691	3,173,375	4,041,820	1,284,364	0	8,753,251	66%	2,349,350	11,102,601	84%	2,131,138	16%
Staff Augmentation	5,467,713	348,833	1,367,422	1,142,018	1,077,461	0	3,935,734	72%	240,777	4,176,511	76%	1,291,202	24%
Service Contracts	10,846,870	1,201,535	2,632,512	1,771,032	2,407,471	0	8,012,550	74%	1,353,529	9,366,079	86%	1,480,791	14%
Hardware/Software	7,152,894	2,949,501	538,797	1,478,429	53,329	0	5,020,056	70%	389,900	5,409,956	76%	1,742,938	24%
MNIT Central Services	864,569	0	4,396	274,805	184,695	0	463,895	54%	48,137	512,032	59%	352,537	41%
General Administration	772,500	3,785	8,283	6,710	806,405	0	825,183	107%	0	825,183	107%	(52,683)	-7%
Operations - Total	37,594,259	4,637,336	6,677,419	11,850,983	6,578,026	0	29,743,764	79%	4,346,086	34,089,849	91%	3,504,410	9%
State Personnel	12,566,938	0	2,609,387	5,102,635	1,370,497	0	9,082,520	72%	2,829,332	11,911,852	95%	655,086	5%
Staff Augmentation	1,968,049	77,019	239,438	584,170	385,944	0	1,286,570	65%	329,249	1,615,819	82%	352,230	18%
Service Contracts	9,320,472	1,054,097	2,081,721	1,739,930	1,792,286	0	6,668,033	72%	305,954	6,973,987	75%	2,346,485	25%
Hardware/Software	5,201,500	3,373,259	519,946	814,911	94,169	0	4,802,285	92%	214,266	5,016,551	96%	184,949	4%
MNIT Central Services	7,812,300	0	1,087,483	3,445,720	2,740,096	0	7,273,298	93%	667,286	7,940,584	102%	(128,284)	-2%
General Administration	725,000	132,962	139,444	163,617	195,034	0	631,057	87%	0	631,057	87%	93,943	13%
Total Expenditures	75,932,543	9,394,682	14,402,203	20,565,796	12,391,751	0	56,754,432	75%	8,727,778	65,482,210	86%	10,450,333	14%
State Personnel	25,800,677	253,691	5,782,762	9,144,455	2,654,862	0	17,835,770	69%	5,178,682	23,014,453	89%	2,786,224	11%
Staff Augmentation	7,435,762	425,852	1,606,860	1,726,188	1,463,405	0	5,222,304	70%	570,026	5,792,330	78%	1,643,432	22%
Service Contracts	20,167,342	2,255,632	4,714,233	3,510,962	4,199,757	0	14,680,584	73%	1,659,482	16,340,066	81%	3,827,276	19%
Hardware/Software	12,354,394	6,322,760	1,058,743	2,293,339	147,498	0	9,822,340	80%	604,166	10,426,506	84%	1,927,888	16%
MNIT Central Services	8,676,869	0	1,091,879	3,720,524	2,924,791	0	7,737,194	89%	715,422	8,452,616	97%	224,253	3%
General Administration	1,497,500	136,747	147,727	170,327	1,001,439	0	1,456,240	97%	0	1,456,240	97%	41,260	3%
Financing													
Development - TOTAL	38,338,284	4,757,346	7,724,785	8,714,813	5,813,725	0	27,010,668		4,381,693	31,392,361		6,945,923	
Federal Share	29,940,383	4,007,249	6,643,606	7,479,325	5,013,742	0	23,143,921		3,713,029	26,844,769		6,314,760	
CCIIO/ARPA	732,169	40,248	6,311	87,071	45,233	0	178,863		113,079	291,941		440,228	
Medicaid	29,208,214	3,967,001	6,637,295	7,392,255	4,968,509	0	22,965,059		3,599,951	26,552,828		5,874,533	
Non-Federal Share	8,397,901	750,097	1,081,179	1,235,488	799,983	0	3,866,747		668,663	4,547,592		631,163	
MNSure	53,000	0	0	0	0	0	0		53,000	53,000		0	
DHS	8,344,901	750,097	1,081,179	1,235,488	799,983	0	3,866,747		615,663	4,494,592		631,163	
Operations - TOTAL	37,594,259	4,637,336	6,677,419	11,850,983	6,578,026	0	29,743,764		4,346,086	34,089,849		3,504,410	
Federal Share	22,000,333	3,335,869	4,016,050	7,953,680	4,225,982	0	19,531,581		3,181,017	22,712,597		1,932,500	
CCIIO/ARPA	0	0	0	0	0	0	0		0	0		0	
Medicaid	22,000,333	3,335,869	4,016,050	7,953,680	4,225,982	0	19,531,581		3,181,017	22,712,597		1,932,500	
Non-Federal Share	15,593,926	1,301,467	2,661,369	3,897,303	2,352,045	0	10,212,183		1,165,069	11,377,252		1,571,909	
MNSure	5,606,894	950,623	1,245,180	1,814,667	1,178,979	0	5,189,449		55,206	3,291,549		129,264	
DHS	9,987,032	350,844	1,416,189	2,082,636	1,173,066	0	5,022,734		1,109,863	8,085,703		1,442,645	
TOTAL FINANCING	75,932,543	9,394,682	14,402,203	20,565,796	12,391,751	0	56,754,432		8,727,778	65,482,210		10,450,333	
Federal Share	51,940,716	7,343,118	10,659,655	15,433,005	9,239,724	0	42,675,502		6,894,046	49,557,367		8,247,261	
CCIIO/ARPA	732,169	40,248	6,311	87,071	45,233	0	178,863		113,079	291,941		440,228	
Medicaid	51,208,547	7,302,870	10,653,344	15,345,934	9,194,490	0	42,496,639		6,780,968	49,265,425		7,807,033	
Non-Federal Share	23,991,827	2,051,564	3,742,548	5,132,791	3,152,027	0	14,078,930		1,833,732	15,924,844		2,203,072	
MNSure	5,659,894	950,623	1,245,180	1,814,667	1,178,979	0	5,189,449		108,206	3,344,549		129,264	
DHS	18,331,934	1,100,941	2,497,368	3,318,124	1,973,048	0	8,889,481		1,725,526	12,580,294		2,073,808	

Notes:
 - Development includes federally defined and applicable work, and MNSure development contributions. All other expenses considered operations.
 - Expended includes actual fiscal year expenditures. Due to normal processing and invoicing time, some expenditure reporting may lag.
 - Fiscal year Financing numbers are based on the federally-approved cost allocation methodology that is generally applicable to each fiscal year (i.e. the report reflects a reasonable matching of expenditures and revenue).
 - Expenditures After Fiscal Year (FY) End: Due to the standard lag between invoicing and payments, fiscal year expenditures may be recognized after June 30th.