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DEPARTMENT OF HUMAN SERVICES

February 2022 Forecast

Executive Summary and Trend Data

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Executive summary

The Minnesota Department of Human Services (DHS) prepares a forecast of its expenditures in major programs twice annually. Forecasted programs include Medical Assistance (MA), MinnesotaCare, Minnesota Family Investment Program (MFIP), Child Care Assistance and others as described in the pages that follow. Projected expenditures are used in statewide budget forecasts that Minnesota Management and Budget releases in November and February each year. These forecasts are used to update fund balances and provide financial information to the Governor and the legislature as they work together to set budgets.

All February 2022 forecast highlights in this document represent changes from the November 2021 forecast.

February 2022 forecast highlights

General Fund (GF)

Changes from November 2021 forecast

- No change in 2020-2021 biennium (+0.0%)
- Decrease of $107.7 million in 2022-2023 biennium (-0.8%)
- Increase of $67.0 million in 2024-2025 biennium (+0.4%)
- Overall decrease of $40.7 million across the entire forecast horizon

Health Care Access Fund (HCAF)

Changes from November 2021 forecast

- No change in 2020-2021 biennium (+0.0%)
- Decrease of $53.2 million in 2022-2023 biennium (-4.2%)
- Increase of $7.7 million in 2024-2025 biennium (+0.4%)
- Overall decrease of $45.5 million across the entire forecast horizon

Who it serves

- Over 1.4 million people a year are served through DHS forecasted programs

How much it costs

- $15.4 billion total spending in DHS forecasted programs
- $6.0 billion state spending in DHS forecasted programs

Data for FY 2021

Reasons: The February forecast results in a General Fund reduction in the 2022-2023 biennium and a General Fund increase in the 2024-2025 biennium. The main drivers of savings in the 2022-2023 biennium are additional federal funding (which directly reduces state spending) and lower child care utilization due to the ongoing pandemic. The forecast increase in the 2024-2025 biennium is primarily the result of higher projected nursing facility payment rates.

Roughly 60% of the overall General Fund forecast reduction in the 2022-2023 biennium is due to a recent 90-day extension in the federal Public Health Emergency (PHE) to mid-April 2022. States are eligible for additional federal funding through a 6.2 percentage point increase in the state's Federal Medical Assistance Percentage (FMAP) throughout the quarter that includes the final day of the PHE. Since the PHE now officially extends into April, the state is eligible for this enhanced federal funding through June 2022. This additional quarter of enhanced federal funding directly replaces state spending and provides a forecast savings. These state savings are partially offset by the cost of continuous coverage policies which are required to claim the additional federal funds. The enhanced federal funding results in $146 million in projected state savings for the PHE extension. The federally required continuous coverage policies have a projected state cost of about $78 million, all accruing in the 2022-2023 biennium. Overall, the 90-day PHE extension results in a net General Fund reduction of $68 million in the 2022-2023 biennium.

The other notable forecast adjustments in the current biennium are further reductions in child care caseload and average payments due to lower than expected utilization during the ongoing COVID pandemic. These lower child care projections account for the remaining $40 million in projected General Fund savings in the 2022-2023 biennium.

The General Fund forecast increase in the 2024-2025 biennium is primarily the result of a change in expectations about nursing facility costs. Previous forecasts have assumed that nursing facility costs would escalate during the acute stages of the COVID pandemic and decrease over time. At this time, however,

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there is little evidence that there will be substantial operating cost decreases in the later stages of the pandemic. Therefore, this forecast adjusts 2024-2025 rate increases to more closely reflect expected skilled nursing facility inflation during the 2022-2023 cost years, without offsets for reduced pandemic-related costs. These higher nursing facility rate expectations produce a projected General Fund increase of $59 million in the 2024-2025 biennium.

Finally, the February forecast produces a reduction in HCAF spending in the 2022-2023 biennium and a small increase in the 2024-2025 biennium. The projected HCAF reduction is the result of additional federal funding in the Basic Health Program (BHP). The added federal BHP funding results from two separate federal settle-ups finalized since the November forecast. Similar to MA, this additional federal funding directly reduces the need for state spending in the 2022-2023 biennium. The slightly higher projected HCAF spending in the 2024-2025 biennium is due to a case mix adjustment resulting in higher projected average payments.

Summary of forecast changes

The following is a list of the large and/or noteworthy changes in this forecast. Further detail for each change can be found on the specific budget activity pages noted below.

Forecast Decreases:

- Enhanced federal match from April through June 2022 due to the PHE extension. (All MA budget activity pages; Chemical Dependency Treatment Fund; Northstar Care)
- Lower utilization of child-care services due to the ongoing pandemic. (Child Care Assistance Program)
- Increased federal BHP funding after finalizing two federal settle-ups. (MinnesotaCare)

Forecast Increases:

- Increased caseload from federally required continuous coverage policies during the PHE extension. (MA Long-Term Care: Waivers and Home Care; All MA Basic Care pages)
- Increased Nursing Facility payment rates. (MA Long-Term Care: Facilities)

FY 2022 and FY 2023 Forecasted Expenditures

	FY 2022		FY 2023	
Program	**Total Dollars**	**State Share**	**Total Dollars**	**State Share**
Medical Assistance (MA)	17,048,722,195	5,429,444,011	17,969,875,880	7,397,305,163
LTC Facilities	1,139,320,105	467,818,721	1,292,940,348	600,281,180
LTC Waivers	5,067,356,047	1,703,863,016	5,691,042,570	2,770,294,818
Elderly and Disabled Basic Care[1]	3,443,021,592	1,371,740,878	3,729,009,783	1,840,804,652
Adults without Children Basic Care	3,320,632,186	320,269,531	3,192,396,753	320,364,750
Families with Children Basic Care[2]	4,078,392,264	1,565,751,865	4,064,486,426	1,865,559,763
MinnesotaCare	681,673,190	69,859,052	671,233,608	194,440,886
Chemical Dependency Treatment Fund	163,271,224	84,363,333	197,871,446	95,257,741
Minnesota Family Investment Program (MFIP)[3]	352,741,355	169,953,536	351,802,566	82,378,797
MFIP/TY Child Care Assistance	126,811,273	0	227,781,225	36,957,368
Northstar Care for Children	251,724,920	100,970,444	275,958,098	116,380,646
General Assistance	49,398,722	49,398,722	51,296,863	51,296,863
Housing Support	183,364,286	181,364,286	203,697,266	201,697,266
Minnesota Supplemental Aid	52,096,903	52,096,903	54,098,633	54,098,633
Total	18,909,804,068	6,137,450,286	20,003,615,584	8,229,813,362

1 Includes Elderly Waiver managed care

2 Includes family planning, breast and cervical cancer coverage, pharmacy rebates, special funding items and adjustments

3 Includes cash and food assistance

Medical Assistance

Medical Assistance (MA), Minnesota's Medicaid program, provides preventive and primary health care coverage for low-income Minnesotans. MA has lower income eligibility guidelines and has no premiums, which differentiates it from the state's other health care program, MinnesotaCare. Additionally, MA can pay for nursing facility care for older adults and intermediate care facilities for people with developmental disabilities. It can also cover long-term care services and supports for people with disabilities and older adults so that they can continue living in the community.

Minnesota receives federal matching funds for MA. By accepting matching funds, states are subject to federal Medicaid regulations. States have some flexibility in determining what services are covered, what groups are covered and payment rates to providers. The Minnesota Department of Human Services partners with all 87 Minnesota counties to administer the MA program and contracts with health plans and health care providers across the state to deliver basic health care to MA enrollees.

Medical Assistance is forecasted in five segments: Long-Term Care Facilities, Long-Term Care Waivers, Elderly and Disabled Basic Care, Adults without Children Basic Care and Families with Children Basic Care. Each of these segments is discussed in the following pages.

Who it serves

- 1.2 million average monthly enrollees

How much it costs

- $13.7 billion total spending
- $5.2 billion state funds

Data for FY 2021

February 2022 forecast highlights

General Fund

Changes from November 2021 forecast

- No change in 2020-2021 biennium (+0.0%)
- Decrease of $58.7 million in 2022-2023 biennium (-0.4%)
- Increase of $82.0 million in 2024-2025 biennium (+0.5%)

Health Care Access Fund

Changes from November 2021 forecast

- There are no changes to the HCAF share of MA in the February forecast.

Reasons: The February forecast produces an MA General Fund decrease in the 2022-2023 biennium and an increase in the 2024-2025 biennium. The MA forecast reduction in the 2022-2023 biennium is the result of a recent 90-day extension of the federal PHE to mid-April. The MA forecast increase in the 2024-2025 biennium is mostly due to an increase in projected nursing facility payment rates.

The entire MA General Fund forecast reduction in the 2022-2023 biennium can be explained by a recent 90-day extension in the federal Public Health Emergency (PHE) to mid-April 2022. States are eligible for additional federal funding through a 6.2 percentage point increase in the state's Federal Medical Assistance Percentage (FMAP) throughout the quarter that includes the final day of the PHE. Since the PHE now officially extends into April, the state is eligible for this enhanced federal funding through June 2022. This additional quarter of enhanced federal funding directly replaces state spending and provides a forecast savings. These state savings are partially offset by the cost of continuous coverage policies which are required to claim the additional federal funds. The enhanced federal funding results in $143 million in projected MA state savings for the PHE extension. The federally required continuous coverage policies have a projected state cost of about $78 million, all accruing in the 2022-2023 biennium. Overall, the 90-day PHE extension results in a net MA General Fund reduction of $65 million in the 2022-2023 biennium.

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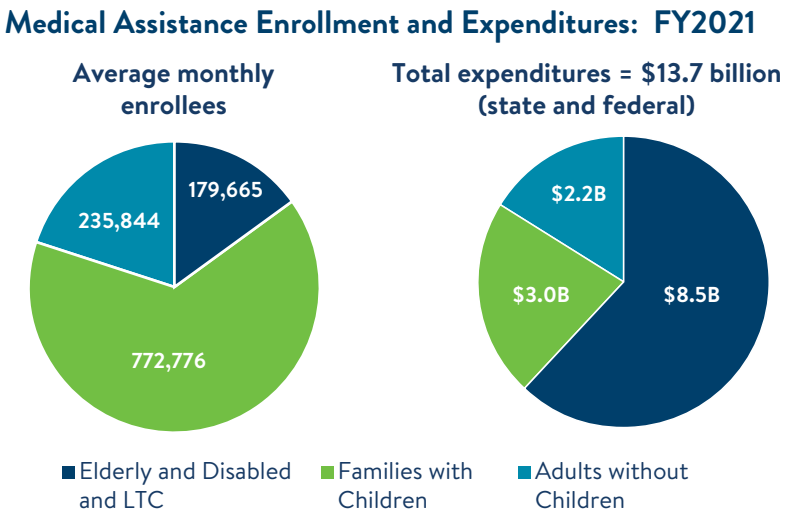
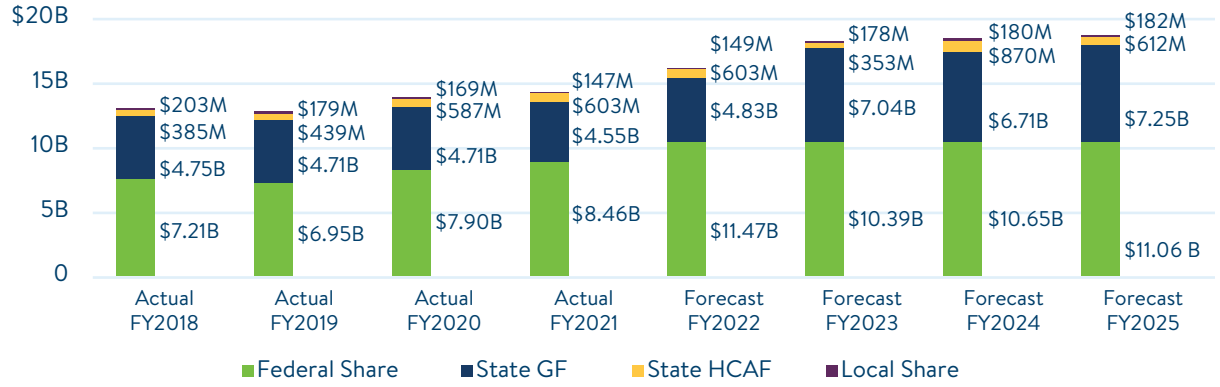
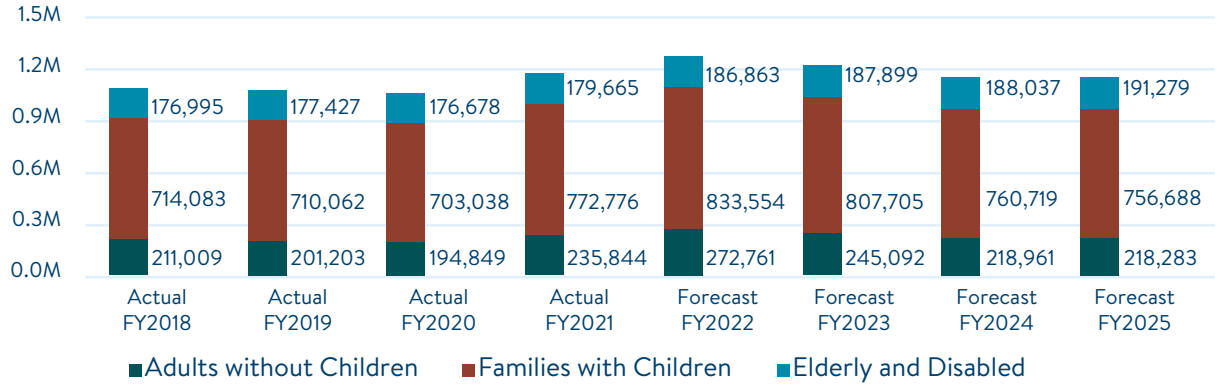
The MA General Fund forecast increase in the 2024-2025 biennium is primarily the result of a change in expectations about nursing facility costs. Previous forecasts have assumed that nursing facility costs would escalate during the acute stages of the COVID pandemic and decrease over time. At this time, however, there is little evidence that there will be substantial operating cost decreases in the later stages of the pandemic. Therefore, this forecast adjusts 2024-2025 rate increases to more closely reflect expected skilled nursing facility inflation during the 2022-2023 cost years, without offsets for reduced pandemic-related costs. These higher nursing facility rate expectations produce a projected General Fund increase of $59 million in the 2024-2025 biennium. The remaining MA forecast increase in the 2024-2025 biennium is driven by adjustments to projected CADI recipients and average payments. These forecast model adjustments are based on comparisons of recent data to projected trends and add $18 million in MA General Fund costs to the 2024-2025 biennium.



Total MA expenditures by fund



MA enrollment by eligibility category



Historical table

	Medical Assistance Program: Total Expenditures (All Funds)	
FY	Total $	% Change
2010	$7,235,667,652	
2011	7,530,059,117	4.07%
2012	8,241,120,196	9.44%
2013	8,045,603,494	(2.37%)
2014	9,265,114,945	15.16%
2015	10,584,571,411	14.24%
2016	11,225,214,682	6.05%
2017	10,888,487,327	(3.00%)
2018	12,548,729,798	15.25%
2019	12,280,201,965	(2.14%)
2020	13,368,736,350	8.86%
2021	13,763,155,263	2.95%
2022*	17,048,722,195	23.87%
2023*	17,969,875,880	5.40%
2024*	18,409,006,747	2.44%
2025*	19,103,678,680	3.77%
Avg. Annual Increase 2010-2021		6.37%

**Projected*

Beginning in FY 2011 there are managed care payment delays from odd years to even years which impact the annual percent change.

Medical Assistance Long-Term Care:
Facilities

Medical Assistance pays for long-term care services for people who live in facilities that provide 24-hour care and supervision. Nursing facilities across Minnesota provide all-inclusive packages of services including nursing care, help with activities of daily living, medication administration, meals and housing. Care provided under this segment of MA also includes intermediate care facilities and day training and habilitation for people with developmental disabilities.

Alternative Care

The Alternative Care (AC) waiver provides home and community based services for people age 65 and older at risk of Nursing Facility placement who do not currently meet financial eligibility requirements for MA, but would be expected to spend down to MA eligibility within 135 days after entering a Nursing Facility. The state share of AC is financed through a fixed appropriation with unspent funds canceling to MA.

Who it serves

- 13,200 average monthly recipients

How much it costs

- $1.1 billion total spending
- $460 million state funds

Data for FY 2021

February 2022 forecast highlights

General Fund

Changes from November 2021 forecast

- No change in 2020-2021 biennium (+0.0%)
- Decrease of $23.5 million in 2022-2023 biennium (-2.3%)
- Increase of $56.2 million in 2024-2025 biennium (+4.6%)

Reasons: The forecast reduction for MA Facilities in the 2022-2023 biennium is due to a downward adjustment in nursing facility caseload and additional federal funding from a recent extension of the federal PHE, partially offset by increases in nursing facility average payments. The forecast increase for MA Facilities in the 2024-2025 biennium is driven by an increase in projected nursing facility payment rates.

From the beginning of the pandemic, a disproportionate impact on nursing facilities has been expected. The actual impact in terms of MA data to date has mostly been substantial reductions in nursing home caseloads served through MA. The previous forecast assumed moderate growth in nursing facility caseloads as they recover from their low in early 2021. In this forecast, the nursing facility caseload is about 3% lower in the short-term based on recent data showing that growth has been slower than expected. This results in a $27 million forecast reduction in the 2022-2023 biennium. Long-term growth expectations are basically unchanged, with a projected $1 million increase in the 2024-2025 biennium.

Increased federal funding from the recent 90-day extension in the federal PHE also contributes to the overall MA facilities forecast reduction in the current biennium. The additional quarter of enhanced federal match, which directly replaces state spending, adds $17 million in MA General Fund savings in the 2022-2023 biennium.

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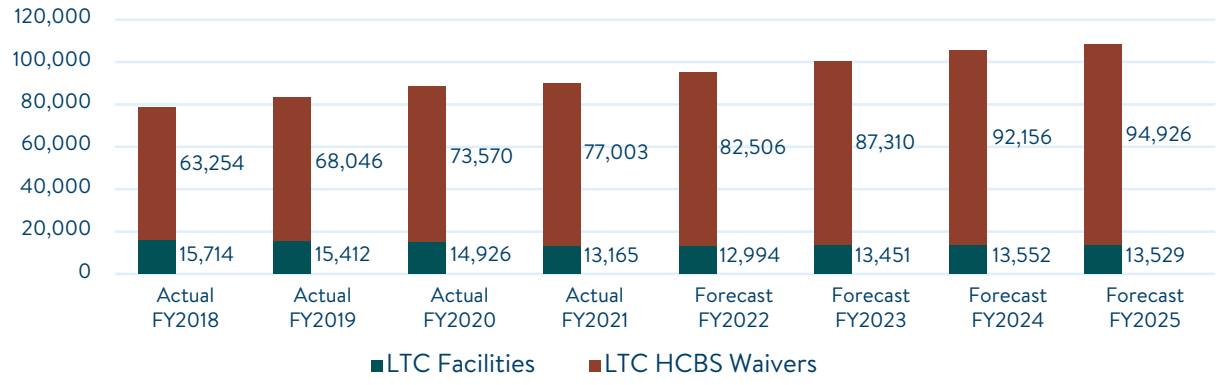
While actual impacts on MA nursing facility payments due to the pandemic have mostly been on the caseload side, it was also expected that there would be higher average payments paid by MA due to nursing facilities facing higher costs per resident. These increased operating costs mostly have a delayed impact on the MA forecast as the rates that MA pays nursing facilities are based on the facility-reported costs two years prior. Thus 2022 rates are the first rates to be affected by pandemic costs. These rates have not been finalized yet, but preliminary analysis of the 2020 cost reports indicates that nursing facility cost increases were higher than expected in the previous forecast. The February forecast estimates that average operating rates paid by MA will increase by 9.6% over the previous year, compared to 6.7% from the previous forecast. This updated 2022 rate estimate leads to an $18 million General Fund increase in the FY 2022-2023 biennium. An additional $3.5 million increase is due to new emergency funding available for nursing facilities under Minn. Stat. §12A.10 authority.

Previous forecasts hypothesized that much of the increased cost faced by nursing facilities during the pandemic would phase out as the acute stages of the pandemic passed. At this time there is little evidence that there will be substantial cost decreases in the later stages of the pandemic. Therefore the February forecast updates assumptions about nursing facility rate increases in 2024-2025. Projected operating rate increases are now based primarily on Skilled Nursing Facility cost indices in the 2022-2023 cost report years. It is no longer assumed that there are substantial offsets from falling costs due to a reduction in pandemic impacts. This is the primary reason for a 5% average payment increase leading to a projected $59 million General Fund increase in the 2024-2025 biennium.

Long-term care facilities and waivers: Average monthly recipients



Medical Assistance Long-Term Care: Waivers and Home Care

Medical Assistance also pays for people to receive long-term care waivers, long-term care services and supports, or home care services in their homes and communities. Long-Term Care waivers, also known as Home and Community-Based Services (HCBS) waivers, are an alternative for people who need long-term care services but who do not choose to live in a nursing facility, intermediate care facility or hospital. The federal government allows states to apply for long-term care waivers, which provide a variety of services that help people live in the community instead of in a facility or institution. Waivers include the Elderly Waiver (EW) and the four disability waivers: Developmental Disabilities (DD), Community Access for Disability Inclusion (CADI), Community Alternative Care (CAC) and Brain Injury (BI). Care provided under this segment of MA also includes Personal Care Assistance (PCA), Home Care Nursing, Housing Stabilization Services and Home Health Agency.

Who it serves

- 78,500 average monthly recipients

How much it costs

- $4.5 billion total spending
- $2.0 billion state funds

Data for FY 2021

February 2022 forecast highlights

General Fund

Changes from November 2021 forecast

- No change in 2020-2021 biennium (+0.0%)
- Decrease of $33.8 million in 2022-2023 biennium (-0.7%)
- Increase of $13.7 million in 2024-2025 biennium (+0.2%)

Reasons: The forecast reduction for MA Waivers and Home Care in the 2022-2023 biennium is due to additional federal funding from a recent extension in the federal PHE, which is partially offset by a temporary rate increase for disability services. The forecast increase for MA Waivers and Home Care in the 2024-2025 biennium is the result of projected increases in CADI recipients and average payments.

The February forecast includes additional federal funding in MA due to a 90-day extension of the federal PHE. States are eligible for a 6.2 percentage point increase in the state's FMAP throughout the quarter which includes the final day of the PHE. The recent extension means that the PHE now officially extends into mid-April 2022. As a result, the state is now eligible for the 6.2 percentage point enhanced federal funding, which directly replaces General Fund spending, through June 2022. These forecast savings are partially offset by the cost of continuous coverage policies which are required to claim the additional federal funds. Overall, the net impact of the PHE extension for MA Waivers and Home Care is a $75 million General Fund reduction in the 2022-2023 biennium.

This forecast reduction is offset by a temporary rate increase for disability services. Under Minn. Stat. §12A.10 authority, a five percent rate increase will be applied to community residential services, customized living services, and related services under the disability waivers, ICF/DD residential services, and personal care services. The rate increase will be applied to services between April 1 and June 30, 2022. The state cost across MA is about $24 million, a little over $21 million of which occurs in MA Waivers and Home Care, and a little more than $2 million of which occurs in MA Elderly and Disabled Basic Care. An additional forecast increase results from a delay in implementation of Community First Services and Supports (CFSS), which will replace PCA in the 2022-2023 biennium. The February forecast recognizes a delay in implementation to August 2022, resulting in an estimated $11 million General Fund increase through FY2025. Most of this cost (about $7 million in the 2022-2023 biennium) is in MA Waivers and Home Care, with the remainder in MA Elderly and Disabled Basic Care.

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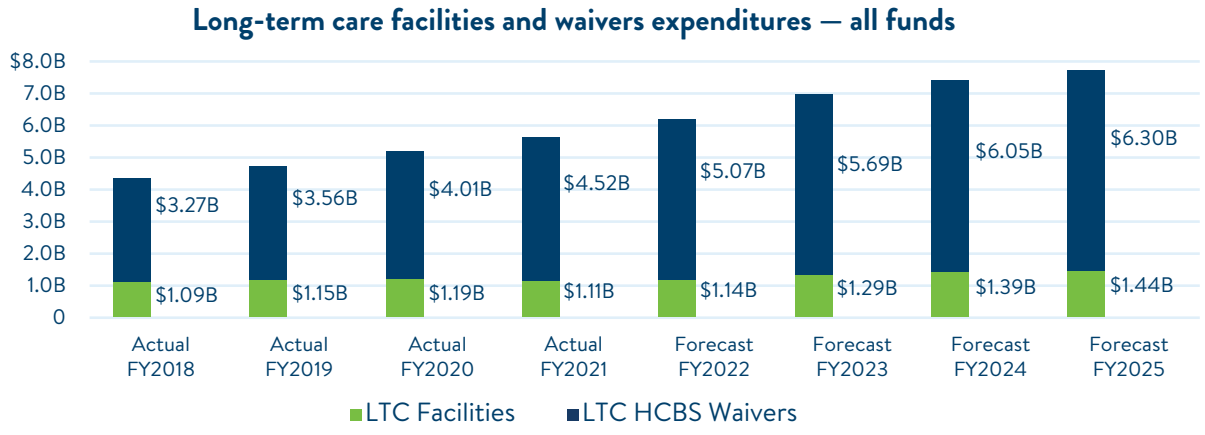
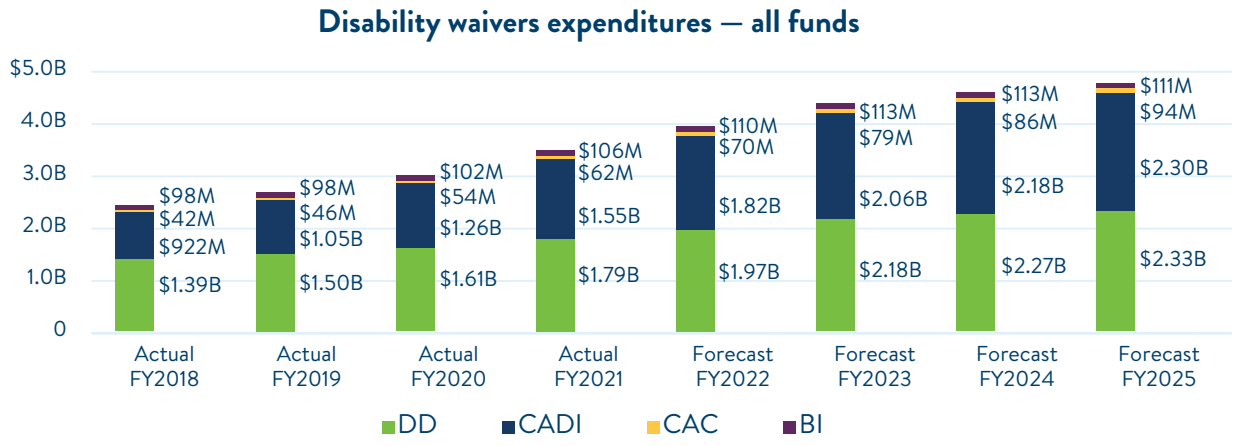
The growth in MA Waivers and Home Care in the 2024-2025 biennium is driven by small adjustments to projected CADI recipients and average payments. These forecast model adjustments are based on comparisons of recent data to projected trends and add $9 million in MA General Fund costs to the 2022-2023 biennium and $18 million to the 2024-2025 biennium.





Historical table

	A: Long Term Care (LTC) Facilities		B: LTC Waivers (Home & Community Based Services)		A + B = Total LTC	
FY	Total $	% Change	Total $	% Change	Total $	% Change
2010	$1,000,836,209		$2,053,318,327		$3,054,154,537	
2011	964,666,727	(3.61%)	2,179,651,151	6.15%	3,144,317,878	2.95%
2012	945,566,280	(1.98%)	2,223,655,096	2.02%	3,169,221,376	0.79%
2013	920,580,121	(2.64%)	2,260,064,090	1.64%	3,180,644,211	0.36%
2014	928,436,824	0.85%	2,446,905,605	8.27%	3,375,342,429	6.12%
2015	924,087,037	(0.47%)	2,797,274,346	14.32%	3,721,361,383	10.25%
2016	974,634,622	5.47%	2,878,037,420	2.89%	3,852,672,043	3.53%
2017	1,078,833,590	10.69%	3,040,609,756	5.65%	4,119,443,345	6.92%
2018	1,087,985,308	0.85%	3,270,556,814	7.56%	4,358,542,122	5.80%
2019	1,154,228,650	6.09%	3,558,835,259	8.81%	4,713,063,909	8.13%
2020	1,190,569,963	3.15%	4,009,994,313	12.68%	5,200,564,275	10.34%
2021	1,110,015,824	(6.77%)	4,518,911,142	12.69%	5,628,926,967	8.24%
2022*	1,139,320,105	2.64%	5,067,356,047	12.14%	6,206,676,152	10.26%
2023*	1,292,940,348	13.48%	5,691,042,570	12.31%	6,983,982,919	12.52%
2024*	1,391,809,486	7.65%	6,048,670,248	6.28%	7,440,479,733	6.54%
2025*	1,441,919,027	3.60%	6,304,667,828	4.23%	7,746,586,855	4.11%
Avg. Annual Increase 2010-2021		0.95%		7.43%		5.72%

**Projected*

Medical Assistance Basic Care:
Elderly and Disabled

This program covers general medical care for elderly and disabled Medical Assistance enrollees. People eligible to receive basic care services are 65 years or older, blind or have a disability. Their income and assets must also fall below allowable limits. 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 paying premiums and cost sharing. For those who are not eligible for Medicare, Medical Assistance pays for all their medical care. Also included in this segment are MA enrollees who are residents in an Institute for Mental Disease (IMD). Covered services for these individuals would be eligible for federally-matched MA if they did not reside in a facility which is designated by federal regulations as an IMD. Being a resident in an IMD makes covered services for these individuals ineligible for federal matching. Elderly Waiver managed care is also included in this section because it is paid as an add-on to the Elderly Basic Care capitation payment.

Who it serves

- 179,700 average monthly enrollees

How much it costs

- $2.9 billion total spending
- $1.3 billion state funds

Data for FY 2021

February 2022 forecast highlights

General Fund

Changes from November 2021 forecast

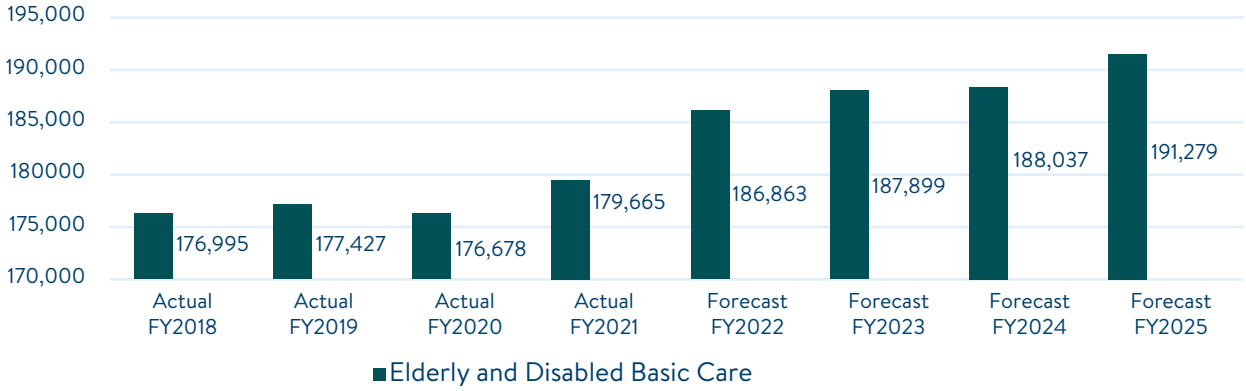
- No change in 2020-2021 biennium (+0.0%)
- Decrease of $24.7 million in 2022-2023 biennium (-0.6%)
- Increase of $6.0 million in 2024-2025 biennium (+0.1%)

Reasons: The February forecast for MA Elderly and Disabled Basic Care results in a decrease in the 2022-2023 biennium and a small increase in the 2024-2025 biennium. The decrease in the current biennium is the result of additional federal funding and lower federal Part D clawback payments during the federal PHE. The increase in the 2024-2025 biennium is the result of higher projected Part D clawback payments post-pandemic.

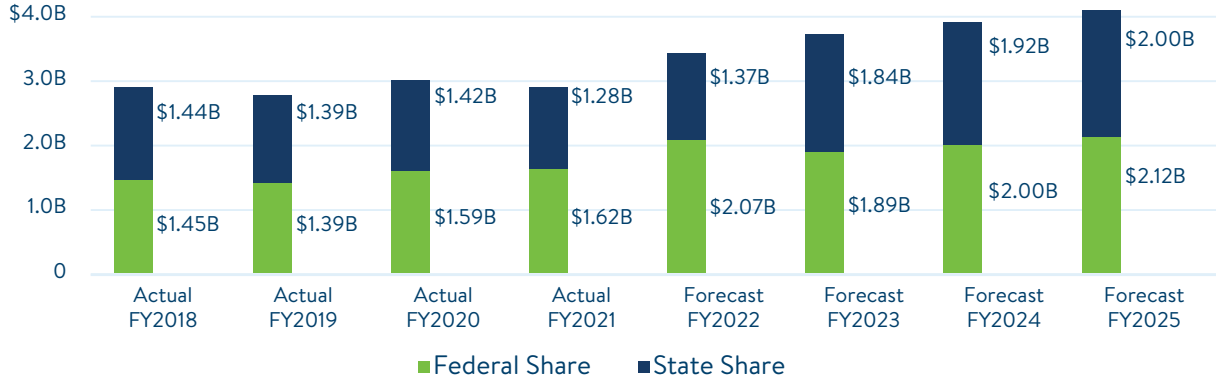
The February forecast for MA Elderly and Disabled includes additional federal funding due to a recent extension of the federal PHE. States are eligible for a 6.2 percentage point increase in the state's FMAP throughout the quarter which includes the final day of the PHE. The recent 90-day extension means that it now officially extends into mid-April 2022. As a result, the state is now eligible for the 6.2 percentage point enhanced federal funding, which directly replaces General Fund spending, through June 2022. These forecast savings are partially offset by the cost of continuous coverage policies which are required to claim the additional federal funds. For this population, the impact of the continuous coverage policies is relatively small. Overall, the PHE extension results in a $5 million net General Fund reduction for MA Elderly and Disabled in the 2022-2023 biennium.

The primary driver of MA Elderly and Disabled forecast savings in the 2022-2023 biennium is lower projected federal Part D clawback payments during the PHE. Beginning in 2006, the Medicare benefit set expanded to include prescription drug coverage. For dual eligibles (i.e. individuals enrolled in both Medicaid and Medicare), prescription drug coverage had previously been provided through Medicaid with federal and state shares. To help pay for this expanded Medicare coverage, the federal government bills each state an amount roughly equal to what the state would have paid if prescription drug coverage were still provided through Medicaid for dual eligibles. These payments from states to the federal government are known as Part D clawback payments. During the PHE, the federal per-person Part D clawback charge rate is reduced, meaning the state pays less for each dual eligible subject to the clawback charge. This results in lower federal clawback payments of $16 million in the 2022-2023 biennium. However, the February forecast also reflects a higher-than-expected per-person Part D clawback charge rate once the PHE ends. This higher charge rate results in an $8 million forecast increase in the 2024-2025 biennium.

Elderly and Disabled Basic Care: Average monthly enrollees



Elderly and Disabled Basic Care expenditures



Historical Table

	Elderly & Disabled Basic Care	
FY	Total $	% Change
2010	$2,002,677,746	
2011	2,010,217,822	0.38%
2012	2,118,181,376	5.37%
2013	2,087,793,116	(1.43%)
2014	2,500,339,126	19.76%
2015	2,343,980,418	(6.25%)
2016	2,580,811,749	10.10%
2017	2,525,666,619	(2.14%)
2018	2,894,549,433	14.61%
2019	2,780,093,762	(3.95%)
2020	3,011,306,799	8.32%
2021	2,903,228,285	(3.59%)
2022*	3,443,021,592	18.59%
2023*	3,729,009,783	8.31%
2024*	3,919,761,517	5.12%
2025*	4,112,964,079	4.93%
Avg. Annual Increase 2010-2021		3.64%

**Projected*

Beginning in FY 2011 there are managed care payment delays from odd years to even years which impact the annual percent change.

Medical Assistance Basic Care:
Adults without Children

In March 2011, Minnesota elected to implement the early expansion of MA eligibility for Adults without Children with income up to 75% of the federal poverty level under the Affordable Care Act. In January 2014, Minnesota implemented full expansion of MA eligibility up to 138% of the federal poverty level for this population. Currently, at 138% federal poverty levels, the income eligibility limit for a single adult to be covered under this program is $17,774 per year.

As Minnesota's newly eligible expansion population under the Affordable Care Act, this segment of MA received 100% federal match from Calendar Year (CY) 2014 through CY 2016. Beginning in CY 2017, the federal match rate stepped down each year until it hit 90% in CY 2020. This now becomes the ongoing fixed federal match rate for this expansion population.

Who it serves

- 235,800 average monthly enrollees

How much it costs

- $2.2 billion total spending
- $217 million state funds

Data for FY 2021

February 2022 forecast highlights

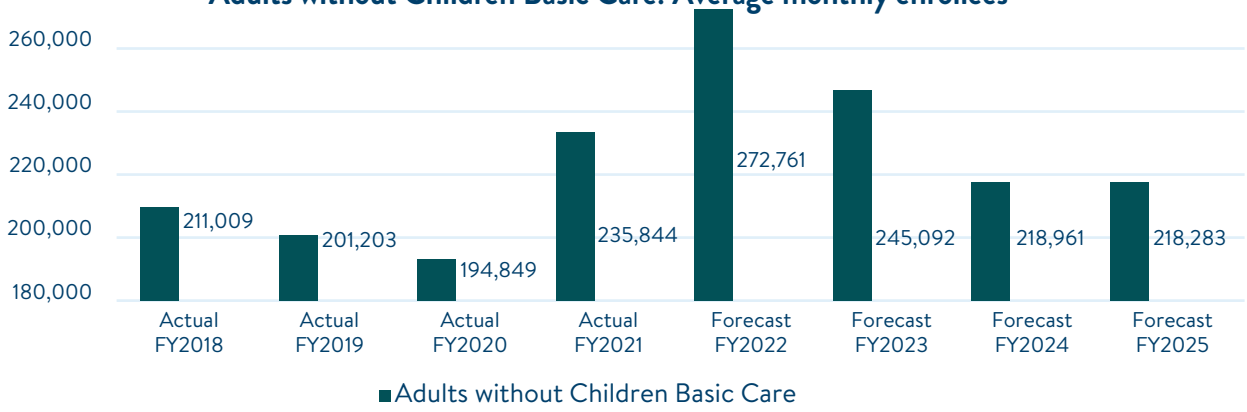
General Fund

Changes from November 2021 forecast

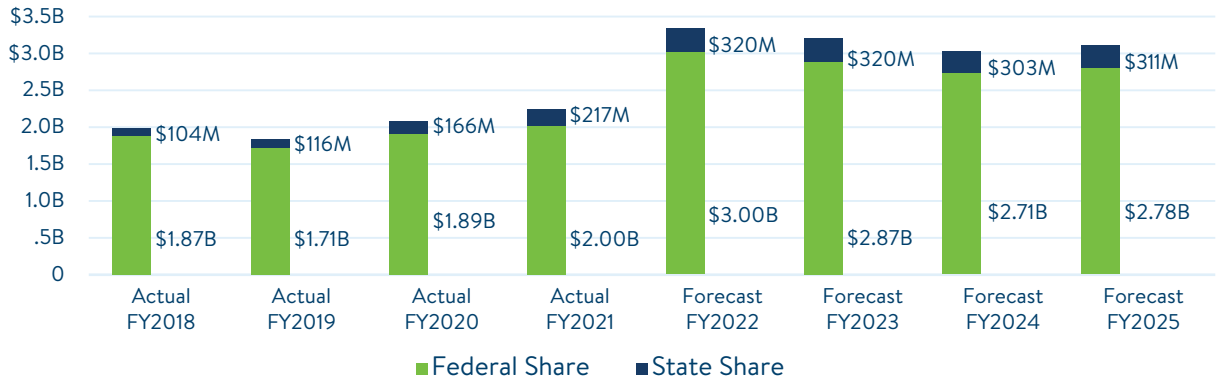
- No change in 2020-2021 biennium (+0.0%)
- Increase of $20.7 million in 2022-2023 biennium (+3.4%)
- Increase of $5.8 million in 2024-2025 biennium (+1.0%)

Reasons: The February forecast increases for MA Adults without Children Basic Care are the result of two upward adjustments to enrollment. Actual enrollment data from the past few months are higher than expected leading to a 1% upward base adjustment that accounts for about a quarter of the 2022-2023 increase and the entire 2024-2025 increase. An additional enrollment adjustment was made in the current biennium due to the PHE extension. The recent 90-day PHE extension leads to a further delay in the eligibility impact of resuming annual renewals, resulting in higher enrollment in FY 2022 and FY 2023. This PHE-related enrollment adjustment accounts for about three-quarters of the forecast increase in the 2022-2023 biennium. Note that, since federal funding for this expansion group is fixed at 90% of total costs, there is no enhanced federal match for this population from the PHE extension.

Adults without Children Basic Care: Average monthly enrollees



Adults without Children Basic Care expenditures



Historical table

	Adults without Children Basic Care	
FY	Total $	% Change
2011	$106,865,468	
2012	819,539,240	666.89%
2013	792,232,465	(3.33%)
2014[1]	1,063,752,126	34.27%
2015	1,694,519,567	59.30%
2016	1,658,897,539	(2.10%)
2017	1,756,135,556	5.86%
2018	1,970,490,317	12.21%
2019	1,823,780,554	(7.45%)
2020	2,060,499,313	12.98%
2021	2,221,469,075	7.81%
2022*	3,320,632,186	49.48%
2023*	3,192,396,753	(3.86%)
2024*	3,013,068,771	(5.62%)
2025*	3,095,830,503	2.75%
Avg. Annual Increase 2012-2021		12.76%

**Projected*

1 2014 and 2015 reflect increases due to implementation of full expansion for this population

Beginning in FY 2011 there are managed care payment delays from odd years to even years which impact the annual percent change.

Medical Assistance Basic Care:
Families with Children

This activity funds general medical care for children, parents and pregnant women, including families receiving Minnesota Family Investment Program (MFIP) and those with transition coverage after exiting MFIP. This segment also includes funding for Family Planning Services and for Breast and Cervical Cancer coverage. This segment also includes non-citizens who are ineligible for federal Medicaid match, but almost all of whom are eligible for enhanced federal Children's Health Insurance Program (CHIP) funding.

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

Who it serves

- 772,800 average monthly enrollees

How much it costs

- $3.0 billion total spending
- $1.2 billion state funds

Data for FY 2021

February 2022 forecast highlights

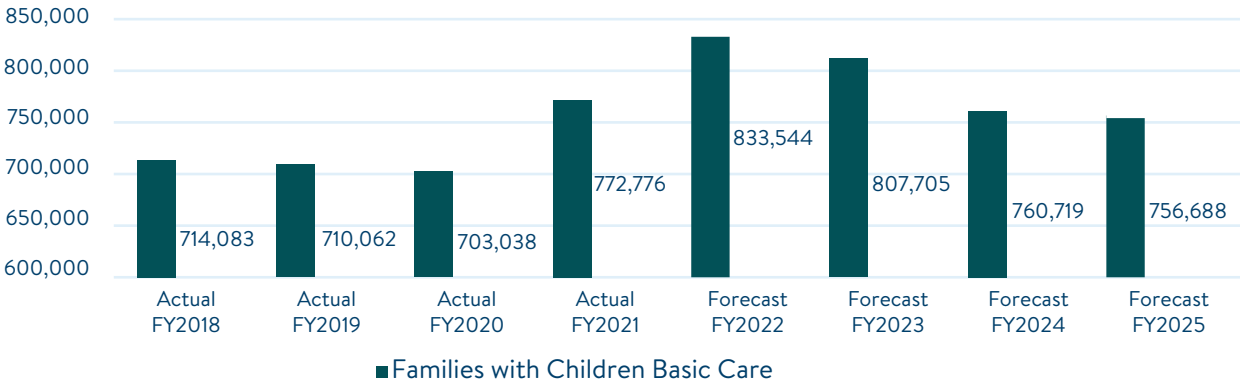
General Fund

Changes from November 2021 forecast

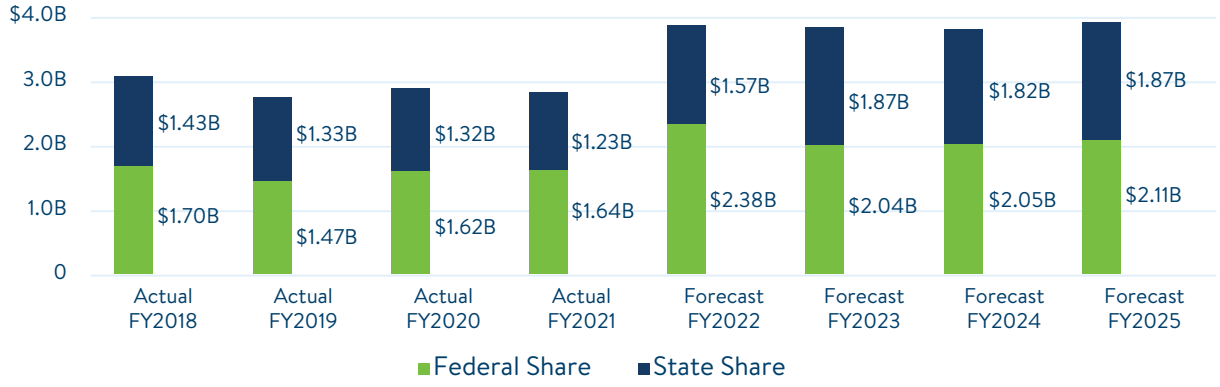
- No change in 2020-2021 biennium (+0.0%)
- Increase of $2.5 million in 2022-2023 biennium (+0.1%)
- Increase of $0.3 million in 2024-2025 biennium (+0.0%)

Reasons: The relatively small February forecast increase in the 2022-2023 biennium for MA Families with Children Basic Care is driven by the recent 90-day PHE extension. This PHE extension leads to a further delay in the eligibility impact of resuming annual renewals, resulting in state costs due to higher enrollment in FY 2022 and FY 2023. Partially offsetting this state cost is additional federal funding through a 6.2 percentage point increase in the state's FMAP throughout the quarter which includes the final day of the PHE. Following the PHE extension, the state is now eligible for this enhanced federal funding, which directly replaces General Fund spending, for an additional three months through June 2022. However, the additional three months of enhanced federal funding only partially offsets the enrollment cost for MA Families with Children. This occurs because the continuous coverage enrollment impact is relatively large for this population and there is only one month of managed care capitations paid in the June 2022 quarter providing relatively few payments to apply the enhanced federal funding. The net result is a small forecast increase for MA Families with Children in the 2022-2023 biennium.

Families with Children Basic Care: Average monthly enrollees



Families with Children Basic Care expenditures



Historical table

	Families with Children Basic Care	
FY	Total $	% Change
2010	$2,178,835,369	
2011	2,268,657,949	4.12%
2012	2,134,178,204	(5.93%)
2013	1,984,933,703	(6.99%)
2014	2,325,681,264	17.17%
2015	2,824,710,042	21.46%
2016	3,132,833,352	10.91%
2017	2,487,241,806	(20.61%)
2018	3,325,147,926	33.69%
2019	2,963,263,740	(10.88%)
2020	3,096,365,963	4.49%
2021	3,009,530,937	(2.80%)
2022*	4,078,392,264	35.52%
2023*	4,064,486,426	(0.34%)
2024*	4,035,696,725	(0.71%)
2025*	4,148,297,242	2.79%
Avg. Annual Increase 2010-2021		3.72%

**Projected*

Includes family planning, breast and cervical cancer coverage, pharmacy rebates, special funding items and adjustments

Beginning in FY 2011 there are managed care payment delays from odd years to even years which impact the annual percent change.

MinnesotaCare

MinnesotaCare provides health care coverage for low-income parents and adults without children who have higher income than those served on the Medical Assistance program as well as legal noncitizens who are ineligible for MA. Unlike MA, MinnesotaCare requires enrollee premiums and does not include coverage for long-term care services or supports.

Effective January 2015, MinnesotaCare operates 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 each BHP enrollee would have received through MNsure had the state opted against running a BHP.

MinnesotaCare also provides state-only funded coverage for people with Deferred Action for Childhood Arrivals (DACA) status and certain elderly individuals who do not qualify for Medicare and are not MA or BHP eligible. Overall, MinnesotaCare is funded with a mix of enrollee premiums, Health Care Access Fund (HCAF) appropriations, and federal BHP funds (for the BHP eligible population).

Who it serves

- 92,900 average monthly enrollees

How much it costs

- $536 million total spending
- $33 million state funds

Data for FY 2021

February 2022 forecast highlights

Health Care Access Fund

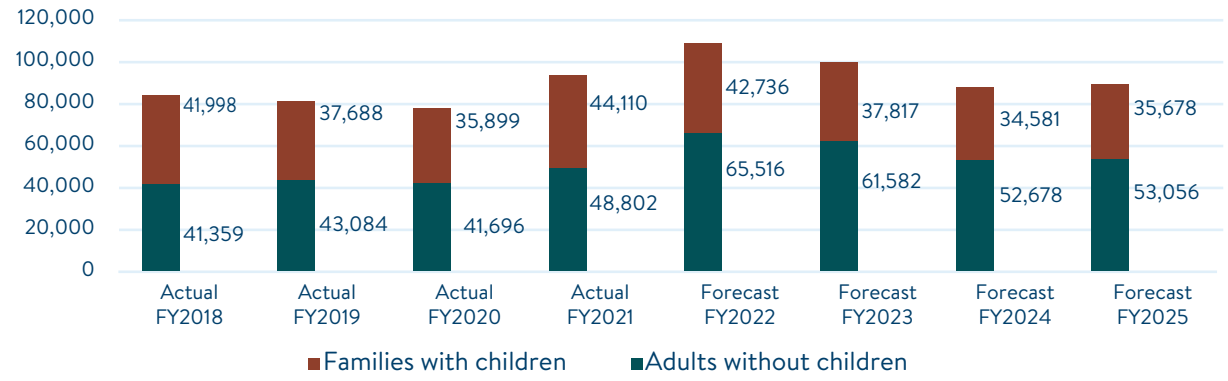
Changes from November 2021 forecast

- No change in 2020-2021 biennium (+0.0%)
- Decrease of $53.2 million in 2022-2023 biennium (-16.8%)
- Increase of $7.7 million in 2024-2025 biennium (+2.7%)

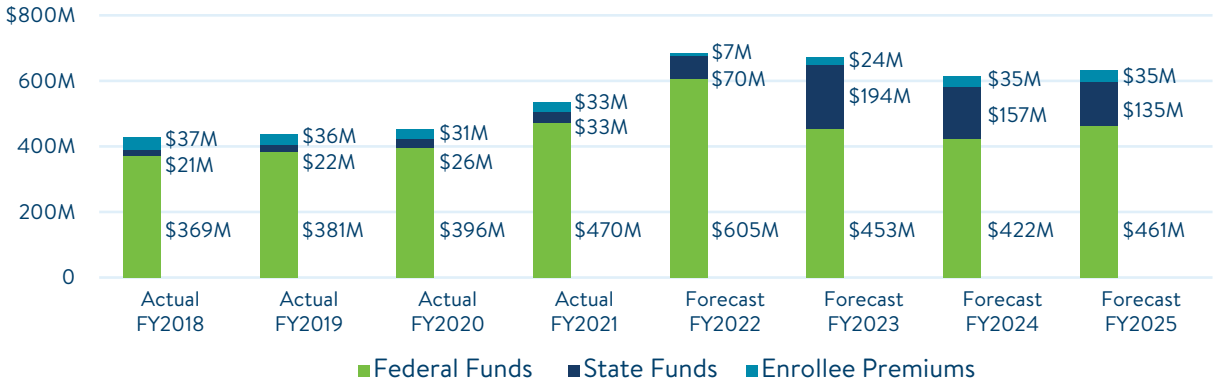
Reasons: The February forecast reduction in projected HCAF spending in the 2022-2023 biennium results from additional federal funding in the BHP, which directly reduces the need for state HCAF funding. This additional federal funding results from two separate federal settle-ups finalized since the November forecast. The first is with respect to the American Rescue Plan Act (ARPA). The ARPA was passed during 2021, but the state had already received all prospective quarterly federal BHP payments in 2021 before the new law was actually implemented. As a result, the state's 2021 prospective payments were too low relative to what they should have been under the ARPA. In December, the ARPA changes were settled-up and the state received more federal BHP funding than was anticipated in the November forecast. The second source of additional federal BHP funding in this forecast is the historical settle-up of actual program enrollment for the first two quarters of 2019. After the state submitted demographic data on actual BHP enrollment for these two quarters, the Centers for Medicare and Medicaid Services (CMS) calculated the actual amount of federal BHP funding due to the state and compared this amount to the prospective award the state received back in 2019. This comparison was more favorable to the state than was anticipated in the November forecast resulting in additional federal BHP revenue recognized in the February forecast.

The slightly higher projected HCAF spending in the 2024-2025 biennium is due to a BHP case mix adjustment resulting in higher projected average payments.

MinnesotaCare Enrollment



MinnesotaCare/BHP funding by source



Historical table

	MinnesotaCare Total Expenditures	
FY	Total $	% Change
2010	$665,498,191	
2011	737,952,071	10.89%
2012	551,090,615	(25.32%)
2013	569,928,239	3.42%
2014	520,005,344	(8.76%)
2015	509,709,341	(1.98%)
2016	479,909,046	(5.85%)
2017	397,211,084	(17.23%)
2018	426,581,871	7.39%
2019	438,234,552	2.73%
2020	452,643,878	3.29%
2021	536,099,023	18.44%
2022*	681,673,190	27.15%
2023*	671,233,608	(1.53%)
2024*	614,070,987	(8.52%)
2025*	631,512,960	2.84%
Avg. Annual Decrease 2010-2021		(1.95%)

**Projected*

Chemical Dependency Treatment Fund

The Chemical Dependency (CD) Treatment Fund pays for residential and outpatient substance use disorder treatment services for eligible low-income Minnesotans. To access treatment services paid by the fund, individuals must first be assessed for treatment need and meet financial eligibility guidelines similar to those for Medical Assistance. As part of substance use disorder reform efforts passed in the 2017 legislature, the State is currently transitioning from the previous system of counties and tribes providing "Rule 25" assessments and authorizing treatment, to offering "direct access to treatment," where qualified treatment providers provide comprehensive assessments to determine medical necessity.

Who it serves

- 26,700 unique recipients

How much it costs

- $150 million total spending
- $107 million state funds

Data for FY 2021

February 2022 forecast highlights

General Fund

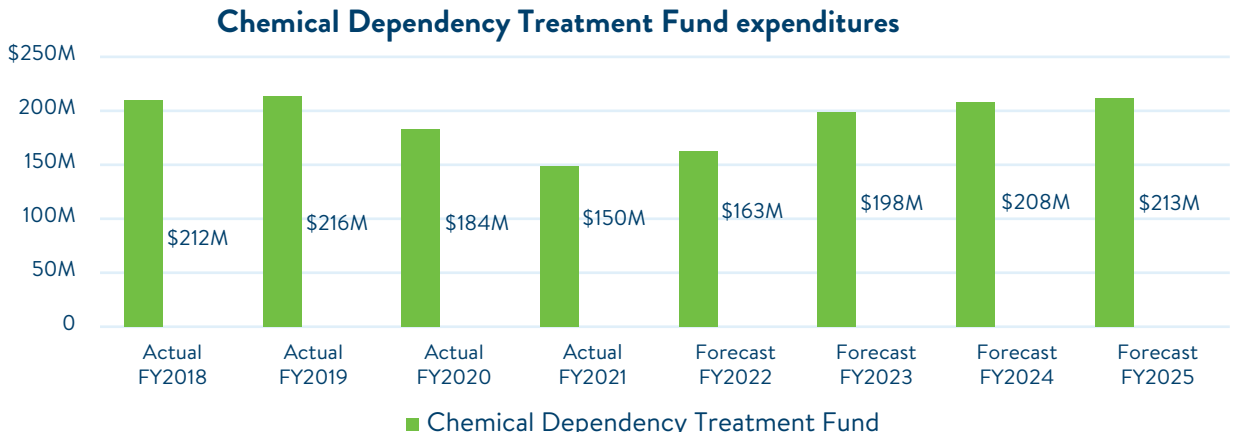
Changes from November 2021 forecast

- No change in 2020-2021 biennium (+0.0%)
- Increase of $2.8 million in 2022-2023 biennium (+1.6%)
- Decrease of $1.8 million in 2024-2025 biennium (-0.9%)

Reasons: The November forecast included substantial reductions in the CD Fund forecast because of the shift of FFS treatment costs to Medical Assistance managed care, where managed care enrollment of adults without children (the primary users of CD treatment services) has increased dramatically in the last 18 months due to continuous coverage requirements under the PHE. The February forecast makes two additional changes related to this phenomenon. First, projected costs for the room and board of recipients of CD residential treatment paid for under managed care are increased about $6 million in both the 2022-2023 and 2024-2025 biennia. This is a consequence of an increase in the number of recipients of residential CD treatment covered under managed care. Second, average costs for fee-for-service CD residential treatment are increased by $1 million for the 2022-2023 biennium and $2 million for the 2024-2025 biennium. These higher average costs are believed to result from the shift of coverage to managed care, leaving a modestly more expensive mix of residential care cases in fee-for-service coverage.

These increases are partially offset in the 2022-2023 biennium and more than offset in the 2024-2025 biennium by reductions in projected room and board costs for Withdrawal Management (WM). Overall WM projections are reduced by approximately 34%: $4 million in the 2022-2023 biennium and $10 million in the 2024-2025 biennium. This change results from corrected data regarding the quantity of room and board days used by recipients of WM.

Finally, the additional federal matching made available due to the extension of the federal PHE provides an additional reduction of $0.2 million in General Fund spending in the 2022-2023 biennium.



Historical table

	Chemical Dependency Treatment Fund Total Expenditures	
FY	Total $	% Change
2011	$143,499,246	
2012	132,221,922	(7.86%)
2013	138,539,414	4.78%
2014	138,744,237	0.15%
2015	169,583,060	22.23%
2016	159,611,752	(5.88%)
2017	186,287,061	16.71%
2018	211,925,848	13.76%
2019	215,706,572	1.78%
2020	184,310,877	(14.55%)
2021	149,925,383	(18.66%)
2022*	163,271,224	8.90%
2023*	197,871,446	21.19%
2024*	207,899,305	5.07%
2025*	212,936,166	2.42%
Avg. Annual Increase 2011-2021		0.44%

**Projected*

Minnesota Family Investment Program

The Minnesota Family Investment Program (MFIP) provides cash and food assistance for low-income families with children. MFIP operates as Minnesota's federal Temporary Assistance for Needy Families (TANF) program. As such, MFIP cash assistance is funded with a mixture of federal TANF Block Grant and state General Fund dollars determined primarily by the federally mandated Maintenance of Effort (MOE) requirement for state spending on its TANF program.

Who it serves

- 91,500 average monthly recipients

How much it costs

- $384 million total spending
- $139 million state funds

Data for FY 2021

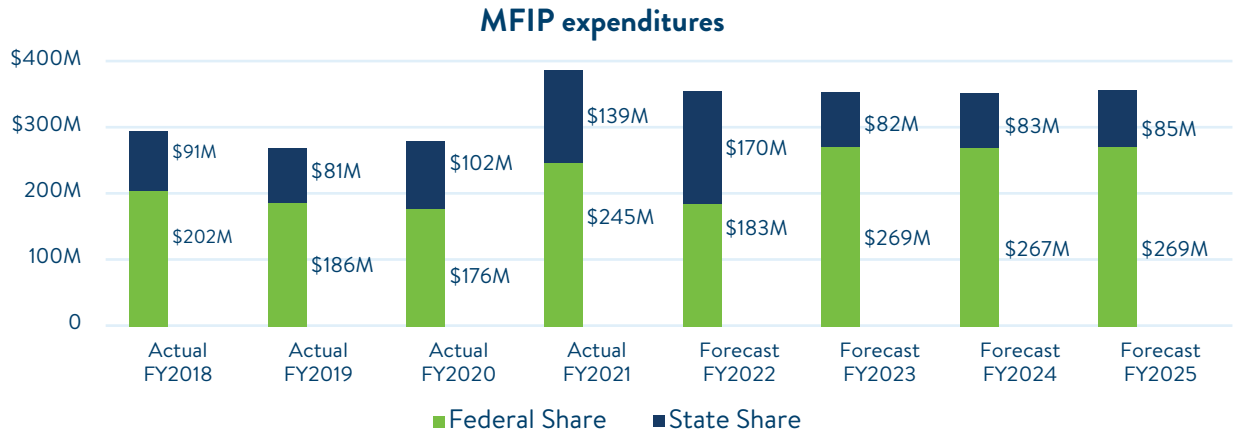
February 2022 forecast highlights

General Fund

Changes from November 2021 forecast

- No change in 2020-2021 biennium (+0.0%)
- Decrease of $14.2 million in 2022-2023 biennium (-5.6%)
- Decrease of $27.5 million in 2024-2025 biennium (-14.8%)

Reasons: The February MFIP forecast is reduced in both the 2022-2023 and 2024-2025 biennia due primarily to financing adjustments around how the state meets its maintenance of effort (MOE) for accessing federal funding from the state's Temporary Assistance for Needy Families (TANF) fund. Annually, the state has a requirement to spend $175 million in qualified non-federal spending to meet this TANF MOE obligation. This forecast reflects a higher level of Working Family Tax Credit spending as TANF MOE in the 2022-2023 biennium, which directly reduces the need for General Fund MFIP spending and explains the forecast reduction in the current biennium. The February forecast also reflects the removal of a legacy 16% floor on General Fund MFIP spending towards the TANF MOE requirement, which also reduces projected MFIP General Fund spending and explains the forecast savings in the 2024-2025 biennium.



Historical table

	Minnesota Family Investment Program (MFIP)	
FY	Total $	% Change
2010	$329,544,523	
2011	340,792,915	3.41%
2012	333,591,354	(2.11%)
2013	322,457,424	(3.34%)
2014	297,431,102	(7.76%)
2015	279,723,824	(5.95%)
2016	301,750,210	7.87%
2017	312,674,443	3.62%
2018	293,095,053	(6.26%)
2019	266,620,941	(9.03%)
2020	277,577,083	4.11%
2021	383,876,457	38.30%
2022*	352,741,355	(8.11%)
2023*	351,802,566	(0.27%)
2024*	350,148,855	(0.47%)
2025*	354,486,557	1.24%
Avg. Annual Increase 2010-2021		1.40%

**Projected*

Child Care Assistance

This program 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). The forecast does not include the Basic Sliding Fee child care program.

Who it serves

MFIP/TY Child Care

- 5,200 average monthly families served

How much it costs

MFIP/TY Child Care

- $114 million in total spending
- $39 million state funds

Data for FY 2021

February 2022 forecast highlights

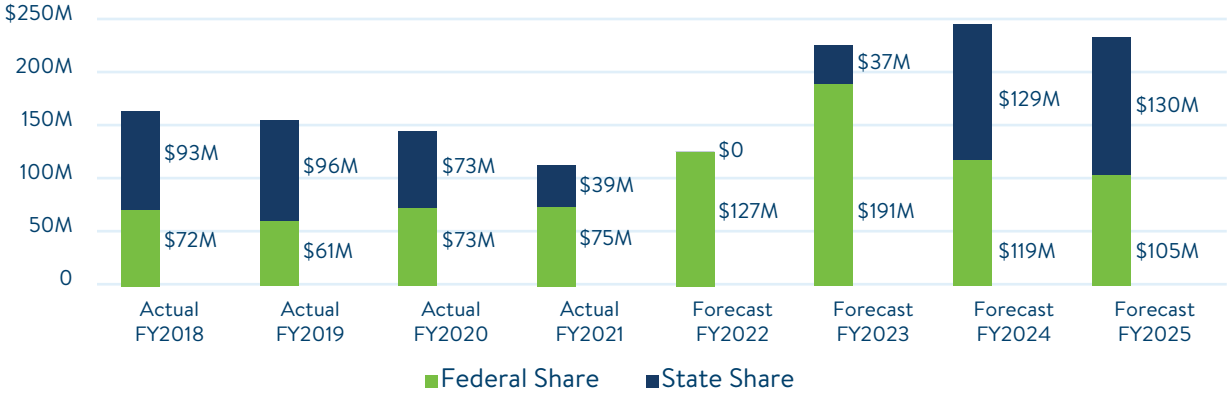
General Fund

Changes from November 2021 forecast

- No change in 2020-2021 biennium (+0.0%)
- Decrease of $40.2 million in 2022-2023 biennium (-52.1%)
- No change in 2024-2025 biennium (+0.0%)

Reasons: The February forecast reduction in Child Care Assistance in the 2022-2023 biennium is driven by continued caseload decline and a reduction in average payments due to lower-than-expected utilization during the COVID pandemic. Lower caseload explains about 85% of the General Fund forecast reduction while a reduction in average payments accounts for the rest. Utilization of child care services is expected to revert back to normal levels in 2023.

MFIP/TY Child Care expenditures



Historical table

	MFIP/TY Child Care Assistance	
FY	Total $	% Change
2010	$113,435,302	
2011	118,621,823	4.57%
2012	116,728,218	(1.60%)
2013	118,035,920	1.12%
2014	128,982,296	9.27%
2015	141,994,040	10.09%
2016	150,602,122	6.06%
2017	161,122,098	6.99%
2018	165,175,205	2.52%
2019	157,475,004	(4.66%)
2020	146,909,847	(6.71%)
2021	114,044,955	(22.37%)
2022*	126,811,273	11.19%
2023*	227,781,225	79.62%
2024*	247,515,984	8.66%
2025*	234,884,335	(5.10%)
Avg. Annual Increase 2010-2021		0.05%

**Projected*

Northstar Care for Children

Northstar Care for Children is designed to help children who are removed from their homes and supports permanency through adoption or transfer of custody to a relative if the child cannot be safely reunified with parents. Financial support is provided to adoptive and foster parents to encourage permanent placement of children in safe homes. Northstar Care for Children consolidates and simplifies administration of three existing programs: Family Foster Care, Kinship Assistance and Adoption Assistance.

Who it serves

- 18,900 average monthly recipients

How much it costs

- $235 million total spending
- $88 million state funds

Data for FY 2021

February 2022 forecast highlights

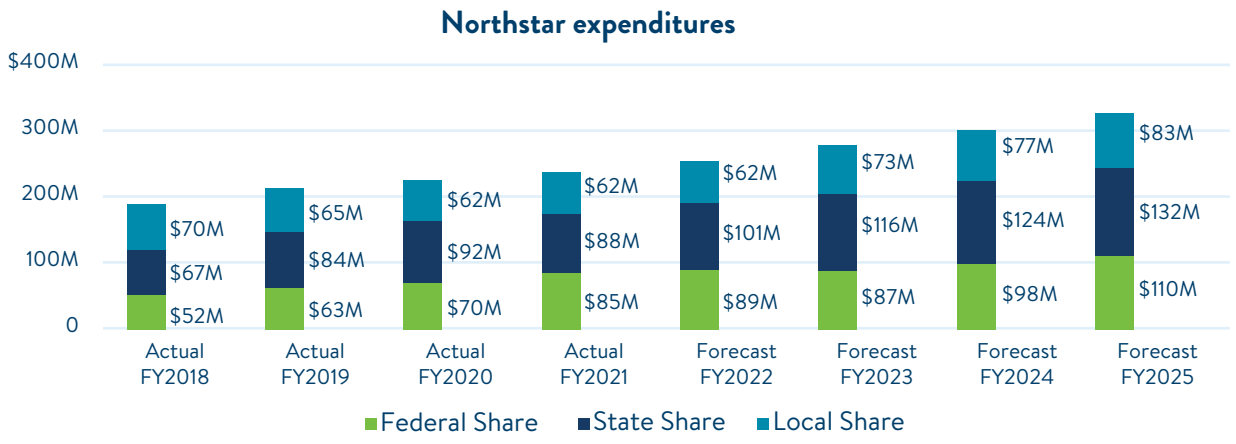
General Fund

Changes from November 2021 forecast

- No change in 2020-2021 biennium (+0.0%)
- Decrease of $2.8 million in 2022-2023 biennium (-1.3%)
- Increase of $2.5 million in 2024-2025 biennium (+1.0%)

Reasons: The February forecast reduction in the Northstar Care program in the 2022-2023 biennium is due to the extension of the federal PHE into mid-April. This extension provides an additional quarter of enhanced federal funding in the Northstar Care program, which leads to a projected $2 million General Fund forecast savings. The remaining forecast savings in the current biennium results from a technical adjustment to the estimates of PHE-related enhanced match in prior quarters of the pandemic.

The Northstar Care forecast increase in the 2024-2025 biennium is due to an upward spending adjustment to meet the state's adoption savings reinvestment required by federal law.



Historical table

	Northstar Care for Children	
FY	Total $	% Change
2016	$132,201,226	
2017	155,510,705	17.63%
2018	187,750,651	20.73%
2019	211,165,176	12.47%
2020	223,705,208	5.94%
2021	235,489,829	5.27%
2022*	251,724,920	6.89%
2023*	275,958,098	9.63%
2024*	299,215,266	8.43%
2025*	324,052,719	8.30%
Avg. Annual Increase 2016-2021		12.24%

**Projected*

The program began being forecasted in 2016.

General Assistance, Housing Support and Minnesota Supplemental Aid

General Assistance (GA) provides state-funded cash assistance for single adults and couples without children, provided they meet one of the specific GA eligibility criteria. The most common reason people are GA eligible is illness or incapacity. The program is the primary safety net for very low income people and helps meet some of their basic and emergency needs. Housing Support (HS) pays for housing and some services for individuals placed by the local agencies in a variety of residential settings. The program, formerly called Group Residential Housing, is a state-funded income supplement program that pays for room and board in approved locations. Two types of eligibility are distinguished: MSA-type recipients are elderly or disabled, with the same definitions as used for MA eligibility, while GA-type recipients include all other adults. Minnesota Supplemental Aid (MSA) supplements the incomes of Minnesotans who are eligible for the federal Supplemental Security Income program. MSA benefits cover basic daily or special needs.

February 2022 forecast highlights

General Assistance, General Fund

Changes from November 2021 forecast

- No change in 2020-2021 biennium (+0.0%)
- Decrease of $1.6 million in 2022-2023 biennium (-1.5%)
- No change in 2024-2025 biennium (+0.0%)

Reasons: The February forecast reduction in General Assistance is driven by continued lower-than-expected actual caseload due to the resumption of the recertification process at the end of FY 2021.

Housing Support, General Fund

Changes from November 2021 forecast

- No change in 2020-2021 biennium (+0.0%)
- Increase of $4.3 million in 2022-2023 biennium (+1.1%)
- Increase of $9.1 million in 2024-2025 biennium (+2.2%)

Reasons: The February forecast increase in Housing Support is primarily due to higher average payment projections. This results from an increase in the 2022 Federal Benefit Rate (FBR) by approximately 6%, which directly affects the room and board rate for the HS program. These average payment increases impact both the 2022-2023 and 2024-2025 biennia.

Continued on next page

Who it serves

GA

- 25,500 average monthly cases

HS

- 20,800 average monthly recipients

MSA

- 32,500 average monthly recipients

How much it costs

GA

- $56 million total spending, all state funds

HS

- $181 million total spending
- $181 million state funds

MSA

- $50 million total spending, all state funds

Data for FY 2021

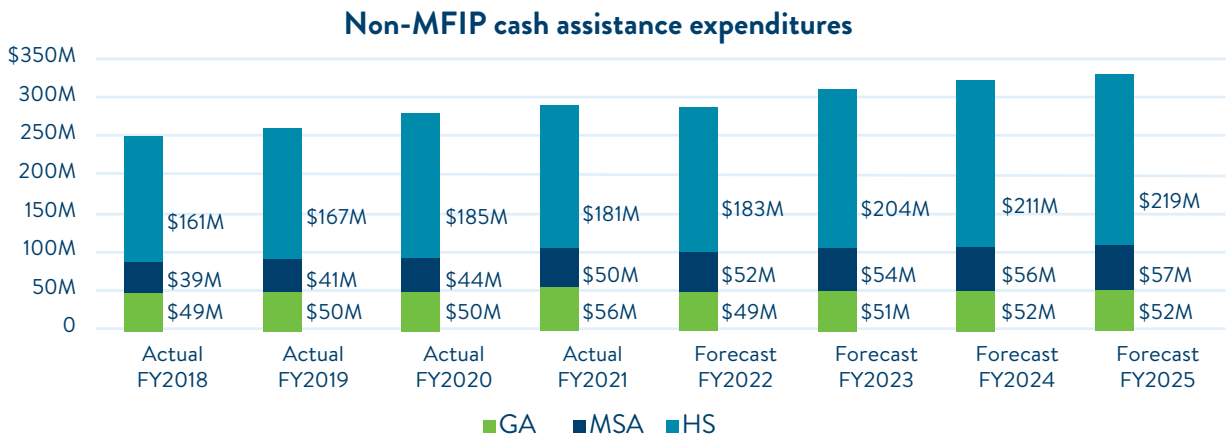
Continued from previous page

Minnesota Supplemental Aid, General Fund

Changes from November 2021 forecast

- No change in 2020-2021 biennium (+0.0%)
- Increase of $2.7 million in 2022-2023 biennium (+2.6%)
- Increase of $2.7 million in 2024-2025 biennium (+2.5%)

Reasons: The February forecast increase in Minnesota Supplemental Aid is primarily due to higher average payment projections. This results from an increase in the 2022 Federal Benefit Rate (FBR) by approximately 6%, which directly affects the payment standard for the Housing Assistance portion of the MSA program. These average payment increases impact both the 2022-2023 and 2024-2025 biennia.



Historical table

	General Assistance (GA)		Minnesota Supplemental Aid (MSA)		Housing Support (HS)	
FY	Total $	% Change	Total $	% Change	Total $	% Change
2010	$42,712,048		$33,296,630		$112,922,066	
2011	48,045,075	12.49%	35,748,140	7.36%	117,140,667	3.74%
2012	49,552,612	3.14%	35,767,568	0.05%	121,678,773	3.87%
2013	51,620,198	4.17%	36,038,980	0.76%	130,187,929	6.99%
2014	51,124,719	(0.96%)	36,478,561	1.22%	138,708,619	6.54%
2015	51,435,727	0.61%	37,066,951	1.61%	141,396,622	1.94%
2016	50,443,730	(1.93%)	37,735,036	1.80%	149,460,915	5.70%
2017	49,556,022	(1.76%)	38,309,226	1.52%	159,456,706	6.69%
2018	48,883,093	(1.36%)	39,065,624	1.97%	160,535,838	0.68%
2019	50,301,759	2.90%	41,128,443	5.28%	166,972,636	4.01%
2020	49,778,343	(1.04%)	43,502,787	5.77%	184,631,491	10.58%
2021	56,011,116	12.52%	50,075,641	15.11%	180,881,960	(2.03%)
2022*	49,398,722	(11.81%)	52,096,903	4.04%	183,364,286	1.37%
2023*	51,296,863	3.84%	54,098,633	3.84%	203,697,266	11.09%
2024*	51,637,907	0.66%	55,662,848	2.89%	211,435,661	3.80%
2025*	51,963,796	0.63%	57,259,835	2.87%	218,863,215	3.51%
Avg. Annual Increase 2010-2021		2.49%		3.78%		4.38%

**Projected*

February 2022 forecast changes: In a nutshell

Millions of dollars

	2020-2021 Biennium	2022-2023 Biennium	2024-2025 Biennium
General Fund Total Change	0.0	(107.7)	67.0
General Fund Percent Change	0.0%	(0.8%)	0.4%
Summary Changes Across All Budget Activities			
Extend Public Health Emergency (Jan - Apr 2022)	0.0	(67.8)	0.0
Other changes	0.0	(40.0)	67.0
Detail Changes By Budget Activity			
MA LTC Facilities:	0.0	(23.5)	56.2
Extend Public Health Emergency (Jan - Apr 2022)	0.0	(16.6)	0.0
Nursing Facilities: lower recipients -2.7%; +0.1%	0.0	(27.1)	0.9
Nursing Facilities: average payment +1.7%; +5.0%	0.0	17.6	58.8
12A.10 Nursing Facility Emergency Funding	0.0	3.5	(2.3)
Other changes	0.0	(0.8)	(1.1)
MA LTC Waivers:	0.0	(33.8)	13.7
Extend Public Health Emergency (Jan - Apr 2022)	0.0	(74.5)	0.0
12A.10 Rate Increase for Disability Services	0.0	21.4	0.0
CFSS delay to August 2022	0.0	6.9	0.5
CADI waiver +0.8%	0.0	8.8	17.9
Other changes	0.0	3.6	(4.7)
MA Elderly and Disabled Basic:	0.0	(24.7)	6.0
Extend Public Health Emergency (Jan - Apr 2022)	0.0	(5.1)	0.0
12A.10 Rate Increase for Disability Services	0.0	2.2	0.0
Average cost for disabled	0.0	(7.1)	(2.1)
Federal Part D clawback payments	0.0	(16.2)	7.6
Other changes	0.0	1.6	0.4
MA Adults with No Children	0.0	20.7	5.8
Extend Public Health Emergency (Jan - Apr 2022)	0.0	15.6	0.0
Enrollment +1.0%	0.0	5.1	6.5
Other changes	0.0	(0.1)	(0.7)
MA Families with Children Basic:	0.0	2.5	0.3
Extend Public Health Emergency (Jan - Apr 2022)	0.0	15.8	0.0
Enrollment -0.2%	0.0	(6.7)	(5.8)
Other changes	0.0	(6.5)	6.1

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	2020-2021 Biennium	2022-2023 Biennium	2024-2025 Biennium
February 2022 Forecast Changes			
Chemical Dependency Fund	0.0	2.8	(1.8)
Extend Public Health Emergency (Jan - Apr 2022)	0.0	(0.2)	0.0
Residential Treatment: Avg cost +6%	0.0	1.2	1.6
Managed Care room and board cases +7%	0.0	5.5	6.1
Withdrawal Management room & board data revision	0.0	(4.2)	(9.5)
Other changes	0.0	0.5	0.0
Minnesota Family Investment Program	0.0	(14.2)	(27.5)
TANF MOE adjustments	0.0	(13.8)	(27.5)
Other changes	0.0	(0.4)	0.0
Child Care Assistance	0.0	(40.2)	0.0
Lower utilization due to COVID	0.0	(34.8)	0.0
Average cost	0.0	(5.4)	0.0
Northstar Care for Children	0.0	(2.8)	2.5
Extend Public Health Emergency (Jan - Apr 2022)	0.0	(2.8)	0.0
Other changes	0.0	0.0	2.5
General Assistance	0.0	(1.6)	0.0
Housing Support	0.0	4.3	9.1
Minnesota Supplemental Aid	0.0	2.7	2.7
Health Care Access Fund Total Change	0.0	(53.2)	7.7
Health Care Access Fund Percent Change	0.0%	(4.2%)	0.4%
MinnesotaCare HCAF Funding	0.0	(53.2)	7.7
Extend Public Health Emergency (Jan - Apr 2022)	0.0	8.1	0.0
BHP federal funding changes	0.0	(61.4)	(5.2)
BHP expenditure changes	0.0	(0.6)	12.7
Other changes	0.0	0.7	0.2
MA HCAF Funding	0.0	0.0	0.0
TANF Total Change	0.0	10.1	27.5
TANF Percentage Change	0.0%	9.3%	13.9%
Minnesota Family Investment Program	0.0	10.1	27.5

Note: Represents the change from the November 2021 forecast.

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Resources

Minnesota Department of Human Services Reports and Forecasts Division
https://mn.gov/dhs/reports-and-forecasts/

Minnesota Department of Human Services current biennium budget activities
https://mn.gov/dhs/budget-activities/

State of Minnesota forecast
https://mn.gov/mmb/forecast/

DEPARTMENT OF HUMAN SERVICES