

Health Care Access Fund

Governor's Recommendations
January 2023

| Sources | Actuals FY 22 | Projected FY 23 | Projected FY 24 | Projected FY 25 | Projected FY 26 | Projected FY 27 |
|--|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Balance Forward from Prior Year | 551,558 | 663,547 | 924,300 | 693,315 | 12,071 | 260,912 |
| Prior Year Adjustments | 1,280 | - | - | - | - | - |
| Adjusted balance forward | 552,838 | 663,547 | 924,300 | 693,315 | 12,071 | 260,912 |
| Revenues: | | | | | | |
| 2%/1.8% Provider Tax [1.6% in CY 23] | 787,926 | 757,142 | 755,137 | 846,028 | 882,013 | 918,918 |
| 1% Gross Premium Tax | 122,708 | 132,307 | 139,489 | 146,563 | 153,745 | 161,015 |
| Provider and Premium Tax Refunds | (40,484) | (22,875) | (18,484) | (21,000) | (22,170) | (23,223) |
| MinnesotaCare Enrollee Premiums | 6,152 | 6,227 | 5,700 | 5,715 | 20,950 | 37,790 |
| Investment Income | 3,387 | 7,770 | 7,980 | 8,140 | 10,730 | 13,630 |
| MinnesotaCare: Federal Basic Health Program ¹ [Non-Add] | [542,893] | [622,337] | [597,148] | [612,303] | [597,655] | [578,753] |
| Federal Match on Administrative Costs | 17,049 | 17,049 | 17,049 | 17,049 | 17,049 | 17,049 |
| Total Revenues | 896,738 | 897,620 | 906,871 | 1,002,495 | 1,062,317 | 1,125,179 |
| Transfers In: ² | | | | | | |
| General Fund: Laws of MN 2021, Special Session, Ch. 7 | 79,101 | | | | | |
| Premium Security Plan Acct: Laws of MN 2021, Special Session, Ch. 7 | 5,948 | | | | | |
| Total Sources | 1,534,625 | 1,561,167 | 1,831,171 | 1,695,810 | 1,074,388 | 1,386,091 |
| Uses | | | | | | |
| Expenditures: | | | | | | |
| MinnesotaCare: Direct Appropriation | 55,074 | 51,747 | 81,017 | 48,153 | 50,110 | 72,609 |
| MinnesotaCare: Federal Basic Health Program Expenditures[Non-Add] | [575,436] | [652,965] | [597,148] | [590,031] | [599,967] | [598,713] |
| MinnesotaCare: State Share of Enrollee Premiums | 6,152 | 6,227 | 5,700 | 5,715 | 20,950 | 37,790 |
| Medical Assistance | 602,596 | 353,265 | 869,524 | 612,099 | 612,099 | 612,099 |
| Department of Human Services ³ | 35,218 | 43,978 | 39,308 | 39,308 | 39,308 | 39,308 |
| Department of Health ³ | 34,645 | 43,561 | 38,385 | 40,644 | 41,244 | 40,644 |
| University of Minnesota | 2,157 | 2,157 | 2,157 | 2,157 | 2,157 | 2,157 |
| Legislature ³ | - | - | - | - | - | - |
| Department of Revenue | 1,756 | 1,764 | 1,760 | 1,760 | 1,760 | 1,760 |
| MNsurre ³ | 72 | 347 | - | - | - | - |
| Board of Pharmacy | | 152 | 76 | 38 | - | - |
| Interest on Tax Refunds | 1,271 | 223 | 221 | 227 | 251 | 262 |
| Governor's Recommendation: | | | | | | |
| Chronic Conditions Spending Report | | | (185) | (185) | (185) | (185) |
| Maintain Current Service Levels | | | 657 | 1,098 | 1,098 | 1,098 |
| Revitalize Health Care Workforce | | | 13,350 | 15,364 | 14,819 | 14,818 |
| Continued Improvements to Access to Oral Health | | | 2,985 | 6,740 | 7,632 | 8,030 |
| DHS Central Office Maintain Current Service Levels | | | 1,286 | 2,576 | 2,576 | 2,576 |
| Increase the Health Care Access Fund Medical Assistance Appropriation | | | | 897,400 | | 522,486 |
| Increasing Health Care Access for Minnesotans | | | | 1,077 | 10,082 | 12,000 |
| Rate Increase for Reproductive Health Services in Minnesota Health Care Programs | | | 26 | 58 | 65 | 68 |
| Responding to COVID-19 in Minnesota Health Care Programs | | 1,936 | 1,064 | | | |
| Expanding Public Awareness of the Minnesota Insulin Safety Net Program | | | 800 | | | |
| Total Expenditures | 738,941 | 505,357 | 1,058,131 | 1,674,229 | 803,966 | 1,367,520 |
| Transfers Out: | | | | | | |
| To General Fund | | | | | | |
| M.S. 16A.724 Subd 2(a) ^{4,5} | 122,000 | 122,000 | 70,215 | | | |
| Total General Fund Transfers | 122,000 | 122,000 | 70,215 | - | - | - |
| Special Revenue Fund: DHS Systems and Other | 10,137 | 9,510 | 9,510 | 9,510 | 9,510 | 9,510 |
| Special Revenue Fund: MDH ITA Transfers | - | - | - | - | - | - |
| Total Transfers Out | 132,137 | 131,510 | 79,725 | 9,510 | 9,510 | 9,510 |
| Total Uses | 871,078 | 636,867 | 1,137,856 | 1,683,739 | 813,476 | 1,377,030 |
| Structural Balance | 110,709 | 260,753 | (230,985) | (681,244) | 248,841 | (251,851) |
| Balance | 663,547 | 924,300 | 693,315 | 12,071 | 260,912 | 9,061 |

¹ Federal funding for MinnesotaCare is received through the Basic Health Program and is deposited in a Trust Fund within the state's Federal Fund for use for eligible expenditures.

² Laws 2017, chapter 13, article 1, section 15, as amended by Laws 2022, Chapter 44, Section 5 requires, requires the balance of the Premium Security Plan Account to be transferred to the HCAF at the end of FY 2029. The HCAF statement will recognize that transfer once it occurs.

³ FY 2023 figure includes funding carried forward from previous years.

⁴ Laws 2021, Special Session 1, chapter 7, article 1, Sec. 40, paragraph (b) as amended by Laws 2022, Chapter 44, Sec. 6, repeals this transfer starting in FY 2025.

⁵ Laws 2022, Chapter 44, Section 1 limits the amount to be transferred from the HCAF to the general fund at \$70.215 million in fiscal year 2024.

