

Health Care Access Fund

Governor's Revised Budget Recommendation

March 2025

	Actuals	Projected	Projected	Projected	Projected	Projected
	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29
Sources						
Balance Forward from Prior Year	953,921	868,652	482,090	249,519	156,528	115,399
Prior Year Adjustments	3,467					
Adjusted balance forward	957,388	868,652	482,090	249,519	156,528	115,399
Revenues:						
2%/1.8% Provider Tax [1.6% in CY 23]	751,121	829,600	875,900	921,400	965,100	1,013,200
1% Gross Premium Tax	137,161	147,260	151,880	157,780	165,350	173,360
Provider and Premium Tax Refunds	(18,597)	(30,630)	(30,610)	(19,800)	(19,830)	(19,860)
MinnesotaCare Enrollee Premiums	493	1,841	19,072	37,735	37,733	37,726
Investment Income	59,004	39,541	15,430	8,410	6,850	7,640
MinnesotaCare: Federal Basic Health Program ¹ [Non-Add]	[582,866]	[597,433]	[592,309]	[548,103]	[579,896]	[612,222]
Federal Match on Administrative Costs	10,997					
Total Revenues	940,179	987,612	1,031,672	1,105,525	1,155,203	1,212,066
Transfers In: ²						
Cancellation from Odyssey Fund to Health Care Access Fund						
Total Sources	1,897,567	1,856,264	1,513,762	1,355,044	1,311,731	1,327,465
Uses						
Expenditures:						
MinnesotaCare: Direct Appropriation	79,759	49,624	103,489	169,547	167,906	166,040
MinnesotaCare: Federal Basic Health Program Expenditures[Non-Add]	[582,866]	[597,433]	[592,309]	[548,103]	[579,896]	[612,222]
MinnesotaCare: State Share of Enrollee Premiums	391	1,841	19,072	37,735	37,732	37,726
Medical Assistance	776,054	1,193,661	1,002,715	864,495	864,496	864,495
Department of Human Services ³	40,806	68,379	42,877	42,877	42,877	42,877
Department of Health ³	47,321	62,062	53,354	50,962	50,962	50,962
University of Minnesota	2,157	2,157	2,157	2,157	2,157	2,157
Legislature						
Department of Revenue ³	1,674	1,846	1,760	1,760	1,760	1,760
MNsure ³	227	849				
Board of Pharmacy		114				
Interest on Tax Refunds	800	1,080	930	560	560	560
Department of Human Services Federal Reimbursement ⁴		(17,049)	(17,049)	(17,049)	(17,049)	(17,049)
Governor's Recommendations						
Operating Adjustments (Department of Human Services)	-	-	1,085	2,213	2,213	2,213
Operating Adjustments (Department of Health)	-	-	1,411	2,857	2,857	2,857
Extend Access to Audio-only Telehealth	-	-	1,072	1,326	228	-
Premium Security Plan	-	-	15,000	-	-	-
Increasing the Health Care Access Fund Share of Medical Assistance	-	-	25,000	25,000	25,000	25,000
Increasing HMO Surcharge	-	-	1,761	4,466	5,023	5,221
Total Expenditures	949,190	1,364,564	1,254,634	1,188,906	1,186,722	1,184,819
Transfers Out:						
To General Fund						
M.S. 16A.724 Subd 2(a) ^{5,6}	70,215					
Total General Fund Transfers	70,215					
Special Revenue Fund: DHS Systems and Other	9,510	9,510	9,510	9,510	9,510	9,510
Special Revenue Fund: MDH ITA Transfers						
Special Revenue Fund: Insulin Safety Net		100	100	100	100	100
Total Transfers Out	79,725	9,610	9,610	9,610	9,610	9,610
Total Uses	1,028,915	1,374,174	1,264,244	1,198,516	1,196,332	1,194,429
Structural Balance	(88,736)	(386,562)	(232,572)	(92,991)	(41,129)	17,637
Balance	868,652	482,090	249,519	156,528	115,399	133,035

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 if it occurs. Laws 2023, Chapter 57 transfers \$276 million from the Premium

³ FY 2025 figure includes funding carried forward from previous years.

⁴ Laws 2024, Ch 115 clarified federal reimbursement for administrative costs should be an expenditure reduction, this statement makes this change.

⁵ 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.

⁶ 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.