

Minnesota Eligibility Technology System

Fiscal Report for Quarter Ending 03/31/2024

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 preliminary budget for FY 2025. The FY 2025 preliminary budget for development reflects the last quarter of the current federal award. The FY 2025 preliminary operations budgets are assumed to continue at the current level, but will be re-evaluated annually.
 - Table 2: Budget vs Est. YTD (expenditures & estimated remaining encumbrances). Table 2 shows the fiscal year 2024 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 30, due to the standard procedural lag between invoicing and payments.

Note: Expenditures often lag; that is, they do not occur at a steady rate throughout the year. Examples may include:

- State Personnel, due to payroll processing and interagency billing.
 - Staff Augmentation and Service Contracts, due to billing lag, timing of various projects based on development roadmap, and associated deadlines throughout the year.
 - Hardware/Software, due to processing time and the execution of payments throughout the year (not shown as accruals).
 - MNIT Central Services, due to processing and interagency billing.
4. The tables are based on the following standard reporting conventions:
 - a. 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.
 - b. Expenditure Categories. Within the Expenditure section, the costs are reported in standard categories.
 - i. 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).

- ii. Staff Augmentation. Contracted individuals or companies to increase capacity.
 - iii. Service Contracts. Major vendor agreements that provide expertise and enhanced functionality to the system.
 - iv. Hardware/Software. Initial purchases and ongoing support costs for licensing/software and hardware.
 - v. 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.
 - vi. General Administration. Training, supplies, travel, occupancy, and other miscellaneous administrative costs.
- c. 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

Category	FY 2022 Actual Spend	FY 2023 Est. Actual Spend	FY 2024 Budget	FY 2025 Preliminary
Expenditures				
Development - Total	31,342,100	20,619,721	28,092,128	5,711,408
State Personnel	11,030,381	5,187,041	5,575,909	968,058
Staff Augmentation	4,264,770	1,163,248	776,000	0
Service Contracts	8,906,792	7,448,541	15,191,219	4,323,350
Hardware/Software	5,174,612	6,008,430	5,736,000	0
MNIT Central Services	545,197	455,158	550,900	420,000
General Administration	1,420,347	357,303	262,100	0
Operations - Total	34,250,133	35,441,510	40,852,658	38,482,688
State Personnel	12,316,989	15,078,879	14,553,876	13,782,006
Staff Augmentation	1,514,673	1,273,835	1,117,307	815,628
Service Contracts	7,035,607	6,038,025	9,215,975	7,919,554
Hardware/Software	4,732,457	5,747,562	7,350,500	7,350,500
MNIT Central Services	8,005,444	6,578,401	7,900,000	7,900,000
General Administration	644,963	724,808	715,000	715,000
Total Expenditures	65,592,233	56,061,231	68,944,786	44,194,096
State Personnel	23,347,370	20,265,920	20,129,785	14,750,064
Staff Augmentation	5,779,443	2,437,083	1,893,307	815,628
Service Contracts	15,942,399	13,486,565	24,407,194	12,242,904
Hardware/Software	9,907,069	11,755,992	13,086,500	7,350,500
MNIT Central Services	8,550,641	7,033,559	8,450,900	8,320,000
General Administration	2,065,310	1,082,111	977,100	715,000
Financing				
Development - Total	31,342,100	20,619,721	28,092,128	5,711,408
Federal Share	26,809,554	16,224,268	14,524,783	0
CCIIO/ARPA	288,486	471,338	20,600	0
Medicaid	26,521,068	15,752,930	14,504,183	0
Non-Federal Share	4,532,546	4,395,453	13,567,345	5,711,408
MNsure	53,000	0	9,989,528	5,711,408
DHS	4,479,546	4,395,453	3,577,817	0
Operations - Total	34,250,133	35,441,510	40,852,658	38,482,688
Federal Share	22,832,537	19,944,165	24,241,949	22,622,286
CCIIO/ARPA	0	0	0	0
Medicaid	22,832,537	19,944,165	24,241,949	22,622,286
Non-Federal Share	11,417,596	15,497,345	16,610,709	15,860,402
MNsure	3,292,525	5,199,642	5,657,877	5,657,877
DHS	8,125,071	10,297,703	10,952,832	10,855,798
Total Financing	65,592,233	56,061,231	68,944,786	44,194,096
Federal Share	49,642,091	36,168,433	38,766,733	22,622,286
CCIIO/ARPA	288,486	471,338	20,600	0
Medicaid	49,353,605	35,697,095	38,746,133	22,622,286
Non-Federal Share	15,950,142	19,892,798	30,178,053	21,571,810
MNsure	3,345,525	5,199,642	15,647,405	11,369,285
DHS	12,604,617	14,693,156	14,530,649	10,855,798

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 2024 vs. Year to Date

Category	FY 2024 Budget	QE 9/30/23 Expenditures	QE 12/31/23 Expenditures	QE 3/31/24 Expenditures	QE 6/30/24 Expenditures	Expenditures After FY End	YTD Expenditures	Exp %	Anticipated Encumbrances	Est. FY Exp & Enc	Est. Exp & Enc %	Estimated Balance	Balance %
Expenditures													
Development - Total	28,092,128	1,705,798	5,030,313	7,913,118	0	0	14,649,229	52%	11,062,914	25,712,143	92%	2,379,985	8%
State Personnel	5,575,909	23,022	739,605	1,693,845	0	0	2,456,472	44%	2,651,119	5,107,590	92%	468,319	8%
Staff Augmentation	776,000	3,107	20,069	70,989	0	0	94,164	12%	395,823	489,987	63%	286,013	37%
Service Contracts	15,191,219	392,112	2,103,907	4,640,175	0	0	7,136,194	47%	6,701,346	13,837,540	91%	1,353,679	9%
Hardware/Software	5,736,000	1,277,772	2,133,488	1,435,712	0	0	4,846,972	85%	1,049,626	5,896,598	103%	(160,598)	-3%
MNIT Central Services	550,900	8,193	32,770	24,578	0	0	65,540	12%	55,042	120,582	22%	430,318	78%
General Administration	262,100	1,593	475	47,819	0	0	49,887	19%	209,959	259,846	99%	2,254	1%
Operations - Total	40,852,658	6,471,693	12,970,709	7,982,894	0	0	27,425,297	67%	12,687,644	40,112,941	98%	739,717	2%
State Personnel	14,553,876	0	5,069,978	4,374,030	0	0	9,444,008	65%	4,675,266	14,119,274	97%	434,602	3%
Staff Augmentation	1,117,307	157,077	440,954	313,637	0	0	911,667	82%	340,706	1,252,373	112%	(135,066)	-12%
Service Contracts	9,215,975	1,931,290	1,937,103	2,115,971	0	0	5,984,363	65%	3,275,344	9,259,707	100%	(43,732)	0%
Hardware/Software	7,350,500	4,038,152	2,287,130	(951,152)	0	0	5,374,130	73%	1,677,080	7,051,210	96%	299,290	4%
MNIT Central Services	7,900,000	198,432	3,056,598	1,976,376	0	0	5,231,405	66%	2,494,774	7,726,179	98%	173,821	2%
General Administration	715,000	146,743	178,948	154,032	0	0	479,724	67%	0	704,198	98%	10,802	2%
Total Expenditures	68,944,786	8,177,491	18,001,023	15,896,012	0	0	42,074,526	61%	23,750,558	65,825,084	95%	3,119,702	5%
State Personnel	20,129,785	23,022	5,809,582	6,067,875	0	0	11,900,479	59%	7,326,385	19,226,864	96%	902,921	4%
Staff Augmentation	1,893,307	160,184	461,022	384,625	0	0	1,005,832	53%	736,528	1,742,360	92%	150,947	8%
Service Contracts	24,407,194	2,323,402	4,041,010	6,756,146	0	0	13,120,558	54%	9,976,689	23,097,247	95%	1,309,947	5%
Hardware/Software	13,086,500	5,315,924	4,420,618	484,560	0	0	10,221,102	78%	2,726,706	12,947,808	99%	138,692	1%
MNIT Central Services	8,450,900	206,624	3,089,368	2,000,954	0	0	5,296,945	63%	2,549,816	7,846,761	93%	604,139	7%
General Administration	977,100	148,336	179,423	201,852	0	0	529,611	54%	434,433	964,044	99%	13,056	1%
Financing													
Development - Total	28,092,128	1,705,798	5,030,313	7,913,118	0	0	14,649,229		11,062,914	25,712,143		2,379,985	
Federal Share	14,524,783	1,358,889	2,859,569	4,687,916	0	0	8,906,374		5,881,101	14,787,475		(262,692)	
CCIIO/ARPA	20,600	12,000	8,600	0	0	0	20,600		0	20,600		0	
Medicaid	14,504,183	1,346,889	2,850,969	4,687,916	0	0	8,885,774		5,881,101	14,766,875		(262,692)	
Non-Federal Share	13,567,345	346,909	2,170,744	3,225,202	0	0	5,742,855		5,181,813	10,924,668		2,642,676	
MNSure	9,989,528	0	1,457,623	2,112,784	0	0	3,570,408		3,900,461	7,470,869		2,518,659	
DHS	3,577,817	346,909	713,121	1,112,417	0	0	2,172,447		1,281,352	3,453,799		124,018	
Operations - Total	40,852,658	6,471,693	12,970,709	7,982,894	0	0	27,425,297		12,687,644	40,112,941		739,717	
Federal Share	24,241,949	3,768,432	7,868,294	4,628,805	0	0	16,265,531		7,296,904	23,562,434		679,515	
CCIIO/ARPA	0	0	0	0	0	0	0		0	0		0	
Medicaid	24,241,949	3,768,432	7,868,294	4,628,805	0	0	16,265,531		7,296,904	23,562,434		679,515	
Non-Federal Share	16,610,709	2,703,262	5,102,416	3,354,089	0	0	11,159,766		5,390,741	16,550,507		60,202	
MNSure	5,657,877	1,003,799	1,538,297	1,273,733	0	0	3,815,829		1,788,175	5,604,004		53,873	
DHS	10,952,832	1,699,463	3,564,119	2,080,356	0	0	7,343,937		3,602,566	10,946,503		6,329	
Total Financing	68,944,786	8,177,491	18,001,023	15,896,012	0	0	42,074,526		23,750,558	65,825,084		3,119,702	
Federal Share	38,766,733	5,127,320	10,727,863	9,316,722	0	0	25,171,905		13,178,005	38,349,909		416,823	
CCIIO/ARPA	20,600	12,000	8,600	0	0	0	20,600		0	20,600		0	
Medicaid	38,746,133	5,115,320	10,719,263	9,316,722	0	0	25,151,305		13,178,005	38,329,309		416,823	
Non-Federal Share	30,178,053	3,050,171	7,273,159	6,579,290	0	0	16,902,621		10,572,554	27,475,175		2,702,879	
MNSure	15,647,405	1,003,799	2,995,920	3,386,517	0	0	7,386,236		5,688,636	13,074,873		2,572,532	
DHS	14,530,649	2,046,372	4,277,239	3,192,773	0	0	9,516,385		4,883,917	14,400,302		130,347	

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 (that is, 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 30.