

Minnesota Eligibility Technology System

Fiscal Report for Quarter Ending 09/30/2025

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 expenses for FY 2024, estimated actuals for FY 2025, proposed budget for FY 2026, and preliminary budget FY2027. The preliminary operations budgets are assumed to continue at the same level as the current year but are re-evaluated annually.

Table 2: Budget vs Est. YTD (expenditures & est. remaining encumbrances) Table 2A (for FY 2025) and Table 2B (for FY 2026) shows the fiscal year budgets, quarterly actual expenditures, and estimated encumbrances. Note that these tables include 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; 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 2024 Actual	FY 2025 Estimated Actual	FY 2026 Proposed Budget
Expenditures			
Development - Total	23,075,423	23,210,833	37,800,392
State Personnel	3,733,343	4,439,871	7,508,016
Staff Augmentation	411,987	1,440,264	4,072,265
Service Contracts	12,932,890	13,658,153	23,445,489
Hardware/Software	5,774,753	3,355,015	2,335,489
MNIT Central Services	90,953	92,121	144,577
General Administration	131,496	225,411	294,556
Operations - Total	39,697,170	40,552,666	43,552,053
State Personnel	14,226,779	14,317,986	15,342,990
Staff Augmentation	1,305,876	1,154,200	2,099,324
Service Contracts	8,909,763	9,214,923	10,224,785
Hardware/Software	6,855,499	7,888,916	5,652,855
MNIT Central Services	7,764,578	7,268,500	9,432,000
General Administration	634,675	708,141	800,100
Total Expenditures	62,772,593	63,763,500	81,352,445
State Personnel	17,960,122	18,757,856	22,851,006
Staff Augmentation	1,717,863	2,594,464	6,171,589
Service Contracts	21,842,653	22,873,076	33,670,274
Hardware/Software	12,630,252	11,243,931	7,988,344
MNIT Central Services	7,855,531	7,360,621	9,576,577
General Administration	766,171	933,552	1,094,656
Financing			
Development - Total	23,075,423	23,210,833	37,800,392
Federal Share	13,127,171	11,385,566	19,676,967
CCIO/ARPA	20,600	0	0
Medicaid	13,106,571	11,385,566	19,676,967
Non-Federal Share	9,948,252	11,825,268	18,123,425
MNsure	6,800,506	9,284,958	13,804,943
DHS	3,147,746	2,540,310	4,318,482
Operations - Total	39,697,170	40,552,666	43,552,053
Federal Share	23,442,821	21,590,494	23,541,716
CCIO/ARPA	0	0	0
Medicaid	23,442,821	21,590,494	23,541,716
Non-Federal Share	16,254,349	18,962,172	20,010,338
MNsure	5,391,396	6,675,438	8,248,787
DHS	10,862,953	12,286,734	11,761,551
Total Financing	62,772,593	63,763,500	81,352,445
Federal Share	36,569,991	32,976,060	43,218,682
CCIO/ARPA	20,600	0	0
Medicaid	36,549,391	32,976,060	43,218,682
Non-Federal Share	26,202,601	30,787,440	38,133,763
MNsure	12,191,902	15,960,396	22,053,730
DHS	14,010,699	14,827,044	16,080,033

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).
- CCIO/ARPA category within the Financing section represents federal grants used to fund METS development. The CCIO 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 2A: FY 2025 vs. Year to Date

Category	FY 2025 Budget	QE 9/30/24 Expenditures	QE 12/31/24 Expenditures	QE 3/31/25 Expenditures	QE 6/30/25 Expenditures	Expenditures After FY End	YTD Expenditures	Exp %	Anticipated Encumbrances	Est. FY Exp & Enc	Est. Exp & Enc %	Estimated Balance	Balance %
Expenditures													
Development - Total	29,770,779	3,712,795	4,590,680	5,565,281	4,001,733	3,822,109	21,692,598	73%	1,518,236	23,210,833	78%	6,559,946	22%
State Personnel	6,566,647	50,078	1,491,488	85,447	1,507,366	1,305,492	4,439,871	68%	(0)	4,439,871	68%	2,126,776	32%
Staff Augmentation	2,197,000	53,213	157,448	365,519	444,528	419,555	1,440,264	66%	0	1,440,264	66%	756,736	34%
Service Contracts	15,447,132	1,729,598	2,547,138	3,861,802	2,010,274	2,086,442	12,235,254	79%	1,422,899	13,658,153	88%	1,788,979	12%
Hardware/Software	4,371,000	1,835,945	353,126	1,191,125	(25,181)	0	3,355,015	77%	(0)	3,355,015	77%	1,015,985	23%
MNIT Central Services	942,000	16,385	24,578	24,578	18,388	8,193	92,121	10%	0	92,121	10%	849,879	90%
General Administration	247,000	27,576	16,903	36,810	46,357	2,428	130,074	53%	95,337	225,411	91%	21,589	9%
Operations - Total	45,493,934	7,908,813	11,640,541	6,772,490	6,377,214	7,689,832	40,388,891	89%	163,776	40,552,666	89%	4,941,268	11%
State Personnel	16,292,376	0	5,880,972	97,013	3,549,870	4,790,129	14,317,985	88%	1	14,317,986	88%	1,974,390	12%
Staff Augmentation	3,136,879	174,086	283,624	262,049	227,289	207,152	1,154,200	37%	0	1,154,200	37%	1,982,679	63%
Service Contracts	9,175,224	1,031,558	2,317,865	2,712,078	1,658,714	1,493,706	9,213,922	100%	1,001	9,214,923	100%	(39,699)	0%
Hardware/Software	8,094,455	5,277,886	1,012,531	1,522,427	76,072	0	7,888,916	97%	0	7,888,916	97%	205,539	3%
MNIT Central Services	8,070,000	1,293,947	2,009,755	2,046,615	706,324	1,211,860	7,268,500	90%	0	7,268,500	90%	801,500	10%
General Administration	725,000	131,337	135,794	132,308	158,944	(13,016)	545,367	75%	162,774	708,141	98%	16,859	2%
Total Expenditures	75,264,713	11,621,608	16,231,221	12,337,771	10,378,947	11,511,941	62,081,488	82%	1,682,011	63,763,500	85%	11,501,213	15%
State Personnel	22,859,023	50,078	7,372,460	182,460	5,057,236	6,095,621	18,757,856	82%	1	18,757,856	82%	4,101,167	18%
Staff Augmentation	5,333,879	227,299	441,072	627,568	671,817	626,708	2,594,464	49%	0	2,594,464	49%	2,739,416	51%
Service Contracts	24,622,356	2,761,156	4,865,003	6,573,881	3,668,989	3,580,148	21,449,176	87%	1,423,899	22,873,076	93%	1,749,280	7%
Hardware/Software	12,465,455	7,113,831	1,365,657	2,713,552	50,891	0	11,243,931	90%	(0)	11,243,931	90%	1,221,524	10%
MNIT Central Services	9,012,000	1,310,332	2,034,332	2,071,192	724,713	1,220,052	7,360,621	82%	0	7,360,621	82%	1,651,379	18%
General Administration	972,000	158,913	152,696	169,118	205,301	(10,588)	675,441	69%	258,111	933,552	96%	38,448	4%
Financing													
Development - Total	29,770,779	3,712,795	4,590,680	5,565,281	4,001,733	3,822,109	21,692,598		1,518,236	23,210,833		6,559,946	
Federal Share	15,304,310	1,761,773	2,310,849	2,665,748	2,417,990	2,157,495	11,313,855		71,710	11,385,566		3,918,745	
CCIIO/ARPA	0	0	0	0	0	0	0		0	0		0	
Medicaid	15,304,310	1,761,773	2,310,849	2,665,748	2,417,990	2,157,495	11,313,855		71,710	11,385,566		3,918,745	
Non-Federal Share	14,466,469	1,951,022	2,279,831	2,899,533	1,583,743	1,664,614	10,378,743		1,446,525	11,825,268		2,641,201	
MNsure	11,263,329	1,416,789	1,793,267	2,255,509	1,120,384	1,276,110	7,862,059		1,422,899	9,284,958		1,978,371	
DHS	3,203,140	534,233	486,565	644,023	463,359	388,504	2,516,684		23,626	2,540,310		662,830	
Operations - Total	45,493,934	7,908,813	11,640,541	6,772,490	6,377,214	7,689,832	40,388,891		163,776	40,552,666		4,941,268	
Federal Share	24,427,129	4,352,392	6,091,245	3,491,109	3,213,222	4,343,401	21,491,369		99,125	21,590,494		2,836,635	
CCIIO/ARPA	0	0	0	0	0	0	0		0	0		0	
Medicaid	24,427,129	4,352,392	6,091,245	3,491,109	3,213,222	4,343,401	21,491,369		99,125	21,590,494		2,836,635	
Non-Federal Share	21,066,805	3,556,421	5,549,296	3,281,381	3,163,992	3,346,431	18,897,521		64,651	18,962,172		2,104,633	
MNsure	7,232,239	1,397,856	1,859,464	1,269,016	1,294,701	836,221	6,657,259		18,180	6,675,438		556,800	
DHS	13,834,566	2,158,565	3,689,832	2,012,365	1,869,291	2,510,209	12,240,263		46,471	12,286,734		1,547,833	
Total Financing	75,264,713	11,621,608	16,231,221	12,337,771	10,378,947	11,511,941	62,081,488		1,682,011	63,763,500		11,501,213	
Federal Share	39,731,439	6,114,166	8,402,094	6,156,857	5,631,212	6,500,896	32,805,224		170,835	32,976,060		6,755,379	
CCIIO/ARPA	0	0	0	0	0	0	0		0	0		0	
Medicaid	39,731,439	6,114,166	8,402,094	6,156,857	5,631,212	6,500,896	32,805,224		170,835	32,976,060		6,755,379	
Non-Federal Share	35,533,274	5,507,443	7,829,127	6,180,914	4,747,735	5,011,045	29,276,264		1,511,176	30,787,440		4,745,834	
MNsure	18,495,568	2,814,645	3,652,730	3,524,525	2,415,085	2,112,331	14,519,317		1,441,079	15,960,396		2,535,172	
DHS	17,037,706	2,692,797	4,176,397	2,656,389	2,332,650	2,898,714	14,756,947		70,097	14,827,044		2,210,662	

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.

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Table 2B: FY 2026 vs. Year to Date

Category	QE 9/30/25 Expenditures	QE 12/31/25 Expenditures	QE 3/31/26 Expenditures	QE 6/30/26 Expenditures	Expenditures After FY End	YTD Expenditures	Exp %	Anticipated Encumbrances	Est. FY Exp & Enc	Est. Exp & Enc %	Estimated Balance	Balance %
Expenditures												
Development - Total	1,960,982	0	0	0	0	1,960,982	5%	32,655,307	34,616,288	92%	3,184,104	8%
State Personnel	79,849	0	0	0	0	79,849	1%	6,629,161	6,709,010	89%	799,006	11%
Staff Augmentation	0	0	0	0	0	0	0%	3,517,165	3,517,165	86%	555,100	14%
Service Contracts	866,645	0	0	0	0	866,645	4%	20,585,766	21,452,411	91%	1,993,078	9%
Hardware/Software	1,014,488	0	0	0	0	1,014,488	43%	1,528,148	2,542,636	109%	(207,147)	-9%
MNIT Central Services	0	0	0	0	0	0	0%	119,352	119,352	83%	25,225	17%
General Administration	0	0	0	0	0	0	0%	275,714	275,714	94%	18,842	6%
Operations - Total	2,734,962	0	0	0	0	2,734,962	6%	40,587,211	43,322,173	99%	235,880	1%
State Personnel	0	0	0	0	0	0	0%	14,369,785	14,369,785	94%	979,204	6%
Staff Augmentation	4,945	0	0	0	0	4,945	0%	2,270,702	2,275,647	108%	(176,324)	-8%
Service Contracts	1,087,933	0	0	0	0	1,087,933	11%	9,396,778	10,484,711	103%	(259,926)	-3%
Hardware/Software	1,542,848	0	0	0	0	1,542,848	27%	3,749,175	5,292,023	94%	360,832	6%
MNIT Central Services	0	0	0	0	0	0	0%	10,227,450	10,227,450	108%	(795,450)	-8%
General Administration	99,236	0	0	0	0	99,236	12%	573,321	672,557	84%	127,543	16%
Total Expenditures	4,695,944	0	0	0	0	4,695,944	6%	73,242,518	77,938,462	96%	3,419,983	4%
State Personnel	79,849	0	0	0	0	79,849	0%	20,998,947	21,078,795	92%	1,778,210	8%
Staff Augmentation	4,945	0	0	0	0	4,945	0%	5,787,867	5,792,812	94%	378,777	6%
Service Contracts	1,954,578	0	0	0	0	1,954,578	6%	29,982,544	31,937,122	95%	1,733,152	5%
Hardware/Software	2,557,336	0	0	0	0	2,557,336	32%	5,277,323	7,834,659	98%	153,685	2%
MNIT Central Services	0	0	0	0	0	0	0%	10,346,802	10,346,802	108%	(770,225)	-8%
General Administration	99,236	0	0	0	0	99,236	9%	849,035	948,271	87%	146,385	13%
Financing												
Development - Total	0	0	0	0	0	0		0	0		0	
Federal Share	336,556	0	0	0	0	336,556		1,993,250	2,329,806		98,547	
CCIO/ARPA	0	0	0	0	0	0		0	0		0	
Medicaid	0	0	0	0	0	0		3,985,058	3,985,058		498,844	
Non-Federal Share	0	0	0	0	0	0		3,255,083	3,255,083		407,467	
MNsure	0	0	0	0	0	0		0	0		0	
DHS	0	0	0	0	0	0		3,255,083	3,255,083		407,467	
Operations - Total	784,911	0	0	0	0	784,911		13,601,333	14,386,244		726,490	
Federal Share	219,971	0	0	0	0	219,971		3,811,772	4,031,743		203,599	
CCIO/ARPA	564,940	0	0	0	0	564,940		9,789,561	10,354,501		522,891	
Medicaid	0	0	0	0	0	0		0	0		0	
Non-Federal Share	75,126	0	0	0	0	75,126		1,613,031	1,688,157		(1,286,007)	
MNsure	51,157	0	0	0	0	51,157		1,098,392	1,149,549		(875,705)	
DHS	0	0	0	0	0	0		0	0		0	
Total Financing	23,969	0	0	0	0	23,969		514,639	538,608		(410,302)	
Federal Share	0	0	0	0	0	0		0	0		0	
CCIO/ARPA	23,969	0	0	0	0	23,969		514,639	538,608		(410,302)	
Medicaid	0	0	0	0	0	0		0	0		0	
Non-Federal Share	0	0	0	0	0	0		117,088	117,088		(48,108)	
MNsure	0	0	0	0	0	0		87,793	87,793		(36,071)	
DHS	0	0	0	0	0	0		0	0		0	

Notes:

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