

# Minnesota Eligibility Technology System

## Fiscal Report for QE 12/31/2025

### 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, 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 2 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, i.e. do not occur at a steady rate throughout the year. Examples may include:**

- a. State Personnel, due to payroll processing and interagency billing.
- b. Staff Augmentation and Service Contracts, due to billing lag, timing of various projects based on development roadmap, and associated deadlines throughout the year.
- c. Hardware/Software, due to processing time and the execution of payments throughout the year (not shown as accruals).
- b. MNIT Central Services, due to processing and interagency billing.

4. The tables are based on the following standard reporting conventions:

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.

Expenditure Categories. Within the Expenditure section, the costs are reported in standard categories.

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

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	FY 2024 Actual	FY 2025 Estimated Actual	FY 2026 Budget	FY 2027 Preliminary
<b>Expenditures</b>				
<b>Development</b>	<b>23,075,423</b>	<b>23,116,729</b>	<b>39,571,623</b>	<b>9,034,000</b>
State Personnel	3,733,343	4,439,871	7,508,016	1,173,000
Staff Augmentation	411,987	1,440,264	4,072,265	538,000
Service Contracts	12,932,890	13,658,153	23,445,489	3,263,000
Hardware/Software	5,774,753	3,355,015	4,106,720	3,947,000
MNIT Central Services	90,953	92,121	144,577	40,000
General Administration	131,496	131,306	294,556	73,000
<b>Operations</b>	<b>39,697,170</b>	<b>40,394,944</b>	<b>43,552,053</b>	<b>42,875,510</b>
State Personnel	14,226,779	14,317,985	15,342,990	14,896,447
Staff Augmentation	1,305,876	1,154,200	2,099,324	2,099,324
Service Contracts	8,909,763	9,213,922	10,224,785	9,994,785
Hardware/Software	6,855,499	7,888,916	5,652,855	5,652,855
MNIT Central Services	7,764,578	7,268,500	9,432,000	9,432,000
General Administration	634,675	551,420	800,100	800,100
<b>Total Expenditures</b>	<b>62,772,593</b>	<b>63,511,673</b>	<b>83,123,676</b>	<b>51,909,510</b>
State Personnel	17,960,122	18,757,856	22,851,006	16,069,447
Staff Augmentation	1,717,863	2,594,464	6,171,589	2,637,324
Service Contracts	21,842,653	22,872,076	33,670,274	13,257,785
Hardware/Software	12,630,252	11,243,931	9,759,575	9,599,855
MNIT Central Services	7,855,531	7,360,621	9,576,577	9,472,000
General Administration	766,171	682,726	1,094,656	873,100
<b>Financing</b>				
<b>Development - TOTAL</b>	<b>23,075,423</b>	<b>23,116,729</b>	<b>39,571,623</b>	<b>9,034,000</b>
Federal Share	13,127,171	11,314,782	20,963,826	0
CCIIO/ARPA	20,600	0	0	0
Medicaid	13,106,571	11,314,782	20,963,826	0
Non-Federal Share	9,948,252	11,801,947	18,607,797	9,034,000
MNsure	6,800,506	9,284,958	13,804,943	0
DHS	3,147,746	2,516,989	4,802,854	9,034,000
<b>Operations - TOTAL</b>	<b>39,697,170</b>	<b>40,394,944</b>	<b>43,552,053</b>	<b>42,875,510</b>
Federal Share	23,442,821	21,495,033	23,541,716	23,541,716
CCIIO/ARPA	0	0	0	0
Medicaid	23,442,821	21,495,033	23,541,716	23,541,716
Non-Federal Share	16,254,349	18,899,911	20,010,338	19,333,795
MNsure	5,391,396	6,657,931	8,248,787	8,248,787
DHS	10,862,953	12,241,980	11,761,551	11,085,008
<b>TOTAL FINANCING</b>	<b>62,772,593</b>	<b>63,511,673</b>	<b>83,123,676</b>	<b>51,909,510</b>
Federal Share	36,569,991	32,809,815	44,505,542	23,541,716
CCIIO/ARPA	20,600	0	0	0
Medicaid	36,549,391	32,809,815	44,505,542	23,541,716
Non-Federal Share	26,202,601	30,701,858	38,618,134	28,367,795
MNsure	12,191,902	15,942,889	22,053,730	8,248,787
DHS	14,010,699	14,758,969	16,564,405	20,119,008

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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<b>TABLE 2: FY 2026 Budget vs YTD</b>	<b>FY 2026 Budget</b>	<b>QE 9/30/25 Expenditures</b>	<b>QE 12/31/25 Expenditures</b>	<b>QE 3/31/26 Expenditures</b>	<b>QE 6/30/26 Expenditures</b>	<b>Expenditures After FY End</b>	<b>YTD Expenditures</b>	<b>%</b>	<b>Projected Spend</b>	<b>Estimated Spend thru Year End</b>	<b>%</b>	<b>Estimated Balance</b>	<b>%</b>
<b>Expenditures</b>													
<b>Development - Total</b>	<b>39,571,623</b>	<b>1,960,982</b>	<b>4,958,478</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,919,459</b>	<b>17%</b>	<b>24,068,509</b>	<b>30,987,969</b>	<b>78%</b>	<b>8,583,654</b>	<b>22%</b>
State Personnel	7,508,016	79,849	725,139	0	0	0	804,988	11%	4,473,103	5,278,091	70%	2,229,925	30%
Staff Augmentation	4,072,265	0	601,945	0	0	0	601,945	15%	1,568,756	2,170,701	53%	1,901,564	47%
Service Contracts	23,445,489	866,645	3,556,176	0	0	0	4,422,821	19%	13,930,212	18,353,033	78%	5,092,456	22%
Hardware/Software	4,106,720	1,014,488	0	0	0	0	1,014,488	25%	3,757,754	4,772,242	116%	(665,522)	-16%
MNIT Central Services	144,577	0	49,728	0	0	0	49,728	34%	69,619	119,346	83%	25,231	17%
General Administration	294,556	0	25,490	0	0	0	25,490	9%	269,066	294,556	100%	(0)	0%
<b>Operations - Total</b>	<b>43,558,053</b>	<b>2,734,962</b>	<b>9,713,236</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,448,198</b>	<b>29%</b>	<b>32,284,960</b>	<b>44,733,159</b>	<b>103%</b>	<b>(1,175,106)</b>	<b>-3%</b>
State Personnel	15,348,990	0	2,200,069	0	0	0	2,200,069	14%	11,720,903	13,920,971	91%	1,428,018	9%
Staff Augmentation	2,099,324	4,945	455,536	0	0	0	460,481	22%	1,704,667	2,165,148	103%	(65,825)	-3%
Service Contracts	10,224,785	1,087,933	2,536,464	0	0	0	3,624,397	35%	7,080,583	10,704,980	105%	(480,195)	-5%
Hardware/Software	5,652,855	1,542,848	49,707	0	0	0	1,592,555	28%	3,862,894	5,455,449	97%	197,406	3%
MNIT Central Services	9,432,000	0	4,349,142	0	0	0	4,349,142	46%	7,456,852	11,805,994	125%	(2,373,994)	-25%
General Administration	800,100	99,236	122,318	0	0	0	221,555	28%	459,061	680,616	85%	119,484	15%
<b>Total Expenditures</b>	<b>83,129,676</b>	<b>4,695,944</b>	<b>14,671,714</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,367,658</b>	<b>23%</b>	<b>56,353,470</b>	<b>75,721,127</b>	<b>91%</b>	<b>7,408,549</b>	<b>9%</b>
State Personnel	22,857,006	79,849	2,925,208	0	0	0	3,005,056	13%	16,194,006	19,199,062	84%	3,657,943	16%
Staff Augmentation	6,171,589	4,945	1,057,481	0	0	0	1,062,426	17%	3,273,423	4,335,849	70%	1,835,739	30%
Service Contracts	33,670,274	1,954,578	6,092,640	0	0	0	8,047,218	24%	21,010,795	29,058,013	86%	4,612,261	14%
Hardware/Software	9,759,575	2,557,336	49,707	0	0	0	2,607,043	27%	7,620,648	10,227,691	105%	(468,116)	-5%
MNIT Central Services	9,576,577	0	4,398,870	0	0	0	4,398,870	46%	7,526,470	11,925,340	125%	(2,348,763)	-25%
General Administration	1,094,656	99,236	147,809	0	0	0	247,045	23%	728,127	975,172	89%	119,484	11%
<b>Financing - Development</b>													
<b>Development - TOTAL</b>	<b>39,571,623</b>	<b>1,960,982</b>	<b>4,958,478</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,919,459</b>		<b>24,068,509</b>	<b>30,987,969</b>		<b>8,583,654</b>	
Federal Share	20,966,091	1,213,145	2,716,177	0	0	0	3,929,322		9,339,305	13,268,628		7,697,463	
A	0	0	0	0	0	0	0		0	0		0	
CCIC/ARP	20,966,091	1,213,145	2,716,177	0	0	0	3,929,322		9,339,305	13,268,628		7,697,463	
Medicaid	18,605,532	747,836	2,242,301	0	0	0	2,990,137		14,729,204	17,719,341		886,191	
Non-Federal Share	13,804,943	375,712	1,671,091	0	0	0	2,046,803		11,936,052	13,982,855		(177,912)	
MNSure	4,800,589	372,124	571,210	0	0	0	943,335		2,793,152	3,736,486		1,064,103	
DHS													
<b>Operations - TOTAL</b>	<b>43,558,053</b>	<b>2,734,962</b>	<b>9,713,236</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,448,198</b>		<b>32,284,960</b>	<b>44,733,159</b>		<b>(1,175,106)</b>	
Federal Share	23,541,716	1,256,935	5,283,530	0	0	0	6,540,465		17,940,452	24,480,918		(939,202)	
A	0	0	0	0	0	0	0		0	0		0	
CCIC/ARP	23,541,716	1,256,935	5,283,530	0	0	0	6,540,465		17,940,452	24,480,918		(939,202)	
Medicaid	20,016,337	1,478,027	4,429,706	0	0	0	5,907,733		14,344,508	20,252,241		(235,903)	
Non-Federal Share	8,254,787	801,854	1,612,681	0	0	0	2,414,535		5,741,991	8,156,526		98,261	
MNSure	11,761,551	676,173	2,817,025	0	0	0	3,493,198		8,602,517	12,095,715		(334,164)	
DHS													
<b>TOTAL FINANCING</b>	<b>83,129,676</b>	<b>4,695,944</b>	<b>14,671,714</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,367,658</b>	<b>0</b>	<b>56,353,470</b>	<b>75,721,127</b>		<b>7,408,549</b>	
Federal Share	44,507,806	2,470,081	7,999,707	0	0	0	10,469,788	0	27,279,758	37,749,545		6,758,261	
A	0	0	0	0	0	0	0	0	0	0		0	
CCIC/ARP	44,507,806	2,470,081	7,999,707	0	0	0	10,469,788	0	27,279,758	37,749,545		6,758,261	
Medicaid	38,621,870	2,225,863	6,672,007	0	0	0	8,897,870	0	29,073,712	37,971,582		650,288	
Non-Federal Share	22,059,730	1,177,566	3,283,772	0	0	0	4,461,338	0	17,678,043	22,139,381		(79,651)	
MNSure	16,562,140	1,048,297	3,388,235	0	0	0	4,436,532	0	11,395,669	15,832,201		729,939	
DHS													
<b>Notes:</b>													
- Development includes federally defined and applicable work, and MNSure development contributions. All other expenses considered contributions.													
- 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 (i.e. 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 30th.													