

Minnesota Eligibility Technology System

Fiscal Report for Quarter Ending 12/31/2023

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.

Minnesota Eligibility Technology System

Fiscal Report for QE 09/30/2023

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	18,613,128	5,711,408
State Personnel	11,030,381	5,187,041	3,004,909	968,058
Staff Augmentation	4,264,770	1,163,248	193,000	0
Service Contracts	8,906,792	7,448,541	11,698,219	4,323,350
Hardware/Software	5,174,612	6,008,430	3,021,000	0
MNIT Central Services	545,197	455,158	560,900	420,000
General Administration	1,420,347	357,303	135,100	0
Operations - Total	34,250,133	35,441,510	38,749,980	38,482,688
State Personnel	12,316,989	15,078,879	14,001,298	13,782,006
Staff Augmentation	1,514,673	1,273,835	863,628	815,628
Service Contracts	7,035,607	6,038,025	7,919,554	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	57,363,108	44,194,096
State Personnel	23,347,370	20,265,920	17,006,207	14,750,064
Staff Augmentation	5,779,443	2,437,083	1,056,628	815,628
Service Contracts	15,942,399	13,486,565	19,617,773	12,242,904
Hardware/Software	9,907,069	11,755,992	10,371,500	7,350,500
MNIT Central Services	8,550,641	7,033,559	8,460,900	8,320,000
General Administration	2,065,310	1,082,111	850,100	715,000
Financing				
Development - Total	31,342,100	20,619,721	18,613,128	5,711,408
Federal Share	24,154,775	16,224,268	7,506,740	0
CCIO/ARPA	288,486	471,338	20,600	0
Medicaid	23,866,289	15,752,930	7,486,140	0
Non-Federal Share	7,187,325	4,395,453	11,106,388	5,711,408
MNsure	53,000	0	9,439,528	5,711,408
DHS	7,134,325	4,395,453	1,666,860	0
Operations - Total	34,250,133	35,441,510	38,749,980	38,482,688
Federal Share	19,727,339	19,944,165	22,792,544	22,622,286
CCIO/ARPA	0	0	0	0
Medicaid	19,727,339	19,944,165	22,792,544	22,622,286
Non-Federal Share	14,522,794	15,497,345	15,957,436	15,860,402
MNsure	5,515,977	5,199,642	5,657,877	5,657,877
DHS	9,006,816	10,297,703	10,299,559	10,202,525
Total Financing	65,592,233	56,061,231	57,363,108	44,194,096
Federal Share	43,882,114	36,168,433	30,299,284	22,622,286
CCIO/ARPA	288,486	471,338	20,600	0
Medicaid	43,593,628	35,697,095	30,278,684	22,622,286
Non-Federal Share	21,710,119	19,892,798	27,063,824	21,571,810
MNsure	5,568,977	5,199,642	15,097,405	11,369,285
DHS	16,141,141	14,693,156	11,966,419	10,202,525

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.

Minnesota Eligibility Technology System

Fiscal Report for QE 09/30/2023

Table 2A: FY 2023 vs. Year to Date

Category	FY 2023 Budget	QE 9/30/22 Expenditures	QE 12/31/22 Expenditures	QE 3/31/23 Expenditures	QE 6/30/23 Expenditures	Expenditures After FY End	YTD Expenditures	Exp %	Anticipated Encumbrances	Est. FY Exp & Enc	Est. Exp & Enc %	Estimated Balance	Balance %
Expenditures													
Development - Total	22,609,732	4,063,293	6,637,450	5,260,798	3,749,844	870,787	20,582,170	91%	37,550	20,619,721	91%	1,990,011	9%
State Personnel	5,761,705	306,297	2,571,577	965,078	690,613	653,476	5,187,041	90%	0	5,187,041	90%	574,664	10%
Staff Augmentation	2,195,000	0	668,889	197,368	216,941	80,050	1,163,248	53%	0	1,163,248	53%	1,031,752	47%
Service Contracts	6,677,510	33,024	2,585,587	1,934,670	2,528,357	366,901	7,448,540	112%	0	7,448,541	112%	(771,031)	-12%
Hardware/Software	6,968,614	3,563,986	470,324	1,921,764	20,817	5,418	5,982,308	86%	26,122	6,008,430	86%	960,184	14%
MNIT Central Services	306,000	0	179,690	71,312	125,144	79,012	455,158	149%	0	455,158	149%	(149,158)	-49%
General Administration	700,903	159,986	161,382	170,606	167,972	(314,070)	345,875	49%	11,428	357,303	51%	343,600	49%
Operations - Total	37,152,541	4,940,591	11,035,605	6,581,902	4,539,201	8,308,034	35,405,333	95%	36,177	35,441,510	95%	1,711,031	5%
State Personnel	15,596,241	0	5,836,143	2,908,953	2,330,726	4,003,056	15,078,879	97%	0	15,078,879	97%	517,362	3%
Staff Augmentation	1,367,221	59,542	602,894	178,817	250,117	182,464	1,273,834	93%	1	1,273,835	93%	93,386	7%
Service Contracts	6,262,547	634,052	1,375,235	1,342,447	1,767,261	919,031	6,038,025	96%	0	6,038,025	96%	224,522	4%
Hardware/Software	5,205,500	4,098,369	361,263	1,244,430	11,288	6,773	5,722,121	110%	25,441	5,747,562	110%	(542,062)	-10%
MNIT Central Services	8,006,032	0	2,706,852	720,122	14,669	3,136,758	6,578,401	82%	0	6,578,401	82%	1,427,631	18%
General Administration	715,000	148,629	153,220	187,133	165,140	59,951	714,074	100%	0	724,808	101%	(9,808)	-1%
Total Expenditures	59,762,273	9,003,884	17,673,055	11,842,700	8,289,045	9,178,820	55,987,503	94%	73,727	56,061,231	94%	3,701,042	6%
State Personnel	21,357,946	306,297	8,407,719	3,874,032	3,021,339	4,656,532	20,265,919	95%	1	20,265,920	95%	1,092,026	5%
Staff Augmentation	3,562,221	59,542	1,271,783	376,185	467,058	262,514	2,437,082	68%	1	2,437,083	68%	1,125,138	32%
Service Contracts	12,940,057	667,076	3,960,822	3,277,117	4,295,618	1,285,932	13,486,565	104%	0	13,486,565	104%	(546,508)	-4%
Hardware/Software	12,174,114	7,662,354	831,586	3,166,193	32,104	12,191	11,704,429	96%	51,563	11,755,992	97%	418,122	3%
MNIT Central Services	8,312,032	0	2,886,542	791,434	139,814	3,215,770	7,033,559	85%	0	7,033,559	85%	1,278,473	15%
General Administration	1,415,903	308,615	314,602	357,738	333,113	(254,119)	1,059,949	75%	22,162	1,082,111	76%	333,792	24%
Financing													
Development - Total	22,609,732	4,063,293	6,637,450	5,260,798	3,749,844	870,787	20,582,170		37,550	20,619,721		1,990,011	
Federal Share	17,823,782	3,068,365	5,170,511	4,138,326	3,092,763	726,081	16,196,046		28,222	16,224,268		1,599,514	
CCIO/ARPA	471,338	0	9,898	(2,360)	303,800	160,000	471,338		0	471,338		0	
Medicaid	17,352,444	3,068,365	5,160,613	4,140,686	2,788,963	566,081	15,724,708		28,222	15,752,930		1,599,514	
Non-Federal Share	4,785,950	994,927	1,466,938	1,122,472	657,081	144,706	4,386,124		9,329	4,395,453		390,497	
MNSure	0	0	0	0	0	0	0		0	0		0	
DHS	4,785,950	994,927	1,466,938	1,122,472	657,081	144,706	4,386,124		9,329	4,395,453		390,497	
Operations - Total	37,152,541	4,940,591	11,035,605	6,581,902	4,539,201	8,308,034	35,405,333		36,177	35,441,510		1,711,031	
Federal Share	20,707,445	2,697,086	6,142,189	3,511,420	2,409,237	5,161,574	19,921,507		22,658	19,944,165		763,280	
CCIO/ARPA	0	0	0	0	0	0	0		0	0		0	
Medicaid	20,707,445	2,697,086	6,142,189	3,511,420	2,409,237	5,161,574	19,921,507		22,658	19,944,165		763,280	
Non-Federal Share	16,445,096	2,243,505	4,893,416	3,070,482	2,129,964	3,146,460	15,483,826		13,518	15,497,345		947,751	
MNSure	5,642,782	988,130	1,456,223	1,101,557	919,797	730,963	5,196,670		2,971	5,199,642		443,140	
DHS	10,802,314	1,255,375	3,437,193	1,968,925	1,210,167	2,415,496	10,287,156		10,547	10,297,703		504,611	
Total Financing	59,762,273	9,003,884	17,673,055	11,842,700	8,289,045	9,178,820	55,987,503		73,727	56,061,231		3,701,042	
Federal Share	38,531,227	5,765,451	11,312,700	7,649,746	5,502,000	5,887,655	36,117,553		50,880	36,168,433		2,362,794	
CCIO/ARPA	471,338	0	9,898	(2,360)	303,800	160,000	471,338		0	471,338		0	
Medicaid	38,059,889	5,765,451	11,302,802	7,652,106	5,198,200	5,727,655	35,646,215		50,880	35,697,095		2,362,794	
Non-Federal Share	21,231,046	3,238,432	6,360,355	4,192,954	2,787,045	3,291,165	19,869,951		22,847	19,892,798		1,338,248	
MNSure	5,642,782	988,130	1,456,223	1,101,557	919,797	730,963	5,196,670		2,971	5,199,642		443,140	
DHS	15,588,264	2,250,302	4,904,131	3,091,397	1,867,248	2,560,202	14,673,281		19,875	14,693,156		895,108	

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.

