

Minnesota Eligibility Technology System

Fiscal Report for QE 9-30-2019

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 FY 2018, est. actual FY 2019 budget, current FY 2020 budget and a preliminary plan for FY 2021. The FY 2021 preliminary budget for development reflects the last quarter of the current federal award. The FY 2021 preliminary operations budget is assumed to continue at the current level, but will be re-evaluated annually.

Table 2: Budget vs Est. YTD (expenditures & est. remaining encumbrances) Table 2A (for FY 2019) and Table 2B (for FY 2020) show 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 2018 Actual	FY 2019 Est. Actual	FY 2020 Budget	FY 2021 Preliminary
Expenditures				
Development	45,621,894	42,732,105	39,490,436	9,349,549
State Personnel	12,382,333	13,016,263	15,259,040	4,114,999
Staff Augmentation	10,885,345	9,562,680	7,876,079	1,794,500
Service Contracts	17,592,645	17,000,269	11,770,525	2,297,750
Hardware/Software	2,147,730	1,480,280	1,553,862	450,500
MNIT Central Services	916,436	701,292	1,682,624	410,750
General Administration	1,697,405	971,321	1,348,306	281,050
Operations	27,213,959	27,666,372	31,217,744	32,204,700
State Personnel	8,719,910	9,844,913	10,803,023	10,803,023
Staff Augmentation	2,620,429	3,499,642	2,994,281	2,994,281
Service Contracts	993,081	2,232,444	3,939,090	4,926,046
Hardware/Software	6,148,204	3,491,724	4,175,560	4,175,560
MNIT Central Services	7,876,110	7,963,891	8,542,820	8,542,820
General Administration	856,225	633,758	762,970	762,970
Total Expenditures	72,835,853	70,398,478	70,708,180	41,554,249
State Personnel	21,102,243	22,861,177	26,062,063	14,918,022
Staff Augmentation	13,505,774	13,062,322	10,870,360	4,788,781
Service Contracts	18,585,726	19,232,713	15,709,615	7,223,796
Hardware/Software	8,295,934	4,972,004	5,729,422	4,626,060
MNIT Central Services	8,792,546	8,665,183	10,225,444	8,953,570
General Administration	2,553,630	1,605,079	2,111,276	1,044,020
Financing				
Development - TOTAL	45,621,894	42,732,105	39,490,436	9,349,549
Federal Share	37,983,031	31,571,852	28,632,940	7,361,690
CCIIO	2,698,912	0	0	0
Medicaid	35,284,119	31,571,852	28,632,940	7,361,690
Non-Federal Share	7,638,863	11,160,253	10,857,496	1,987,859
MNsurre	3,706,016	4,225,098	2,646,954	0
DHS	3,932,847	6,935,155	8,210,542	1,987,859
Operations - TOTAL	27,213,959	27,666,372	31,217,744	32,204,700
Federal Share	17,175,878	17,066,453	17,244,223	17,244,223
CCIIO	0	0	0	0
Medicaid	17,175,878	17,066,453	17,244,223	17,244,223
Non-Federal Share	10,038,081	10,599,919	13,973,521	14,960,477
MNsurre	3,889,815	3,551,474	5,695,189	6,682,145
DHS	6,148,267	7,048,445	8,278,332	8,278,332
TOTAL FINANCING	72,835,853	70,398,478	70,708,180	41,554,249
Federal Share	55,158,909	48,638,305	45,877,163	24,605,913
CCIIO	2,698,912	0	0	0
Medicaid	52,459,997	48,638,305	45,877,163	24,605,913
Non-Federal Share	17,676,944	21,760,173	24,831,017	16,948,336
MNsurre	7,595,830	7,776,572	8,342,143	6,682,145
DHS	10,081,114	13,983,600	16,488,874	10,266,191

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).

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TABLE 2A: FY 2019 Budget vs YTD	FY 2019 Budget	QE 9/30/18 Expenditures	QE 12/31/18 Expenditures	QE 3/31/19 Expenditures	QE 6/30/19 Expenditures	Expenditures After FY End	YTD Expenditures	%	Estimated Encumbrances	Est. FY Exp & Enc	%	Estimated Balance	%
Expenditures													
Development	45,446,942	5,929,350	10,388,959	9,885,086	10,264,242	5,923,161	42,708,105	94%	24,000	42,732,105	94%	2,714,837	6%
State Personnel	14,435,437	2,335,925	3,314,012	2,791,510	2,293,396	2,281,420	13,016,263	90%	0	13,016,263	90%	1,419,174	10%
Staff Augmentation	9,975,676	1,123,291	2,427,575	1,989,950	2,536,397	1,483,467	9,560,680	96%	2,000	9,562,680	96%	412,996	4%
Service Contracts	16,229,605	1,970,106	4,321,521	3,952,680	4,674,595	2,081,367	17,000,269	105%	0	17,000,269	105%	(770,664)	-5%
Hardware/Software	1,754,296	567,315	21,932	532,240	298,772	45,021	1,465,280	84%	15,000	1,480,280	84%	274,016	16%
MNIT Central Services	1,503,011	0	37,078	373,571	140,467	150,176	701,292	47%	0	701,292	47%	801,719	53%
General Administration	1,548,917	250,020	266,841	245,135	320,615	(118,290)	964,321	62%	7,000	971,321	63%	577,596	37%
Operations	29,992,251	2,793,653	7,179,532	8,989,940	4,220,464	4,475,783	27,659,372	92%	7,000	27,666,372	92%	2,325,879	8%
State Personnel	10,126,768	1,089,599	2,562,717	2,535,821	2,118,496	1,538,280	9,844,913	97%	0	9,844,913	97%	281,855	3%
Staff Augmentation	4,774,558	287,177	1,035,749	1,020,619	787,645	366,452	3,497,642	73%	2,000	3,499,642	73%	1,274,916	27%
Service Contracts	1,660,000	93,604	607,291	1,191,321	42,252	297,976	2,232,444	134%	0	2,232,444	134%	(572,444)	-34%
Hardware/Software	4,341,575	1,163,856	40,477	1,886,546	347,110	53,735	3,491,724	80%	0	3,491,724	80%	849,851	20%
MNIT Central Services	8,297,100	0	2,747,134	2,200,421	720,387	2,295,949	7,963,891	96%	0	7,963,891	96%	333,209	4%
General Administration	792,250	159,417	186,164	155,212	204,574	(76,609)	628,758	79%	5,000	633,758	80%	158,492	20%
Total Expenditures	75,439,193	8,723,003	17,568,492	18,875,026	14,484,706	10,398,944	70,050,170	93%	31,000	70,398,478	93%	5,040,715	7%
State Personnel	24,562,205	3,108,217	5,876,730	5,327,331	4,411,892	3,819,700	22,543,869	92%	0	22,861,177	93%	1,701,028	7%
Staff Augmentation	14,750,234	1,410,468	3,463,324	3,010,569	3,324,042	1,849,919	13,058,322	89%	4,000	13,062,322	89%	1,687,912	11%
Service Contracts	17,889,605	2,063,710	4,928,812	5,144,001	4,716,847	2,379,343	19,232,713	108%	0	19,232,713	108%	(1,343,108)	-8%
Hardware/Software	6,095,871	1,731,171	62,409	2,418,786	645,882	98,756	4,957,004	81%	15,000	4,972,004	82%	1,123,867	18%
MNIT Central Services	9,800,111	0	2,784,212	2,573,992	860,854	2,446,125	8,665,183	88%	0	8,665,183	88%	1,134,928	12%
General Administration	2,341,167	409,437	453,005	400,347	525,189	(194,899)	1,593,079	68%	12,000	1,605,079	69%	736,088	31%
Financing													
Development - TOTAL	45,446,942	5,929,350	10,388,959	9,885,086	10,264,242	5,923,161	42,708,105		24,000	42,732,105		2,714,837	
Federal Share	31,959,559	5,059,862	8,492,483	7,452,702	6,958,755	3,590,300	31,554,102		17,750	31,571,852		387,707	
CCIIO	0	0	0	0	0	0	0		0	0		0	
Medicaid	31,959,559	5,059,862	8,492,483	7,452,702	6,958,755	3,590,300	31,554,102		17,750	31,571,852		387,707	
Non-Federal Share	13,487,383	869,488	1,896,476	2,432,384	3,305,487	2,332,861	11,154,003		6,250	11,160,253		2,327,130	
MNSure	6,411,641	624,588	952,867	695,169	894,911	1,057,563	4,225,098		0	4,225,098		2,186,543	
DHS	7,075,742	244,900	943,609	1,737,215	2,410,576	1,275,298	6,928,905		6,250	6,935,155		140,587	
Operations - TOTAL	29,992,251	2,793,653	7,179,532	8,989,940	4,220,464	4,475,783	27,659,372		7,000	27,666,372		2,325,879	
Federal Share	18,071,024	1,796,226	4,700,744	5,552,150	2,390,712	2,622,314	17,062,146		4,307	17,066,453		1,004,571	
CCIIO	0	0	0	0	0	0	0		0	0		0	
Medicaid	18,071,024	1,796,226	4,700,744	5,552,150	2,390,712	2,622,314	17,062,146		4,307	17,066,453		1,004,571	
Non-Federal Share	11,921,227	997,427	2,478,788	3,437,790	1,829,752	1,853,469	10,597,226		2,693	10,599,919		1,321,308	
MNSure	4,213,151	360,927	879,276	1,125,938	634,091	550,545	3,550,777		697	3,551,474		661,677	
DHS	7,708,076	636,500	1,599,512	2,311,852	1,195,661	1,302,924	7,046,449		1,996	7,048,445		659,631	
TOTAL FINANCING	75,439,193	8,723,003	17,568,492	18,875,026	14,484,706	10,398,944	70,367,478		31,000	70,398,478		5,040,715	
Federal Share	50,030,583	6,856,088	13,193,227	13,004,852	9,349,467	6,212,614	48,616,248		22,057	48,638,305		1,392,278	
CCIIO	0	0	0	0	0	0	0		0	0		0	
Medicaid	50,030,583	6,856,088	13,193,227	13,004,852	9,349,467	6,212,614	48,616,248		22,057	48,638,305		1,392,278	
Non-Federal Share	25,408,610	1,866,915	4,375,265	5,870,174	5,135,239	4,186,330	21,751,230		8,943	21,760,173		3,648,437	
MNSure	10,624,792	985,515	1,832,143	1,821,107	1,529,002	1,608,108	7,775,875		697	7,776,572		2,848,220	
DHS	14,783,818	881,400	2,543,121	4,049,067	3,606,237	2,578,222	13,975,354		8,246	13,983,600		800,218	

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 (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.

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TABLE 2B: FY 2020 Budget vs YTD	FY 2020 Budget	QE 9/30/19 Expenditures	QE 12/31/19 Expenditures	QE 3/31/20 Expenditures	QE 6/30/20 Expenditures	Expenditures After FY End	YTD Expenditures	%	Estimated Encumbrances	Est. FY Exp & Enc	%	Estimated Balance	%
Expenditures													
Development	39,490,436	3,571,383	0	0	0	0	3,571,383	9%	34,592,000	38,163,383	97%	1,327,053	3%
State Personnel	15,259,040	219,804	0	0	0	0	219,804	1%	14,700,000	14,919,804	98%	339,236	2%
Staff Augmentation	7,876,079	992,429	0	0	0	0	992,429	13%	6,555,000	7,547,429	96%	328,650	4%
Service Contracts	11,770,525	1,926,180	0	0	0	0	1,926,180	16%	9,920,000	11,846,180	101%	(75,655)	-1%
Hardware/Software	1,553,862	227,659	0	0	0	0	227,659	15%	1,301,000	1,528,659	98%	25,203	2%
MNIT Central Services	1,682,624	0	0	0	0	0	0	0%	1,550,000	1,550,000	92%	132,624	8%
General Administration	1,348,306	205,311	0	0	0	0	205,311	15%	566,000	771,311	57%	576,995	43%
Operations	31,217,744	2,829,002	0	0	0	0	2,829,002	9%	27,613,700	30,442,702	98%	775,042	2%
State Personnel	10,803,023	0	0	0	0	0	0	0%	10,175,000	10,175,000	94%	628,023	6%
Staff Augmentation	2,994,281	306,370	0	0	0	0	306,370	10%	2,620,000	2,926,370	98%	67,911	2%
Service Contracts	3,939,090	414,059	0	0	0	0	414,059	11%	3,480,000	3,894,059	99%	45,031	1%
Hardware/Software	4,175,560	1,956,248	0	0	0	0	1,956,248	47%	2,218,500	4,174,748	100%	812	0%
MNIT Central Services	8,542,820	0	0	0	0	0	0	0%	8,520,000	8,520,000	100%	22,820	0%
General Administration	762,970	152,325	0	0	0	0	152,325	20%	600,200	752,525	99%	10,445	1%
Total Expenditures	70,708,180	6,400,385	0	0	0	0	6,400,385	9%	62,205,700	68,606,085	97%	2,102,095	3%
State Personnel	26,062,063	219,804	0	0	0	0	219,804	1%	24,875,000	25,094,804	96%	967,259	4%
Staff Augmentation	10,870,360	1,298,800	0	0	0	0	1,298,800	12%	9,175,000	10,473,800	96%	396,560	4%
Service Contracts	15,709,615	2,340,239	0	0	0	0	2,340,239	15%	13,400,000	15,740,239	100%	(30,624)	0%
Hardware/Software	5,729,422	2,183,907	0	0	0	0	2,183,907	38%	3,519,500	5,703,407	100%	26,015	0%
MNIT Central Services	10,225,444	0	0	0	0	0	0	0%	10,070,000	10,070,000	98%	155,444	2%
General Administration	2,111,276	357,636	0	0	0	0	357,636	17%	1,166,200	1,523,836	72%	587,440	28%
Financing													
Development - TOTAL	39,490,436	3,571,383	0	0	0	0	3,571,383		34,592,000	38,163,383		1,327,053	
Federal Share	28,632,940	2,514,522	0	0	0	0	2,514,522		25,032,249	27,546,771		1,086,169	
CCIIIO	0	0	0	0	0	0	0		0	0		0	
Medicaid	28,632,940	2,514,522	0	0	0	0	2,514,522		25,032,249	27,546,771		1,086,169	
Non-Federal Share	10,857,496	1,056,861	0	0	0	0	1,056,861		9,559,751	10,616,612		240,884	
MNSure	2,646,954	171,442	0	0	0	0	171,442		2,437,000	2,608,442		38,512	
DHS	8,210,542	885,419	0	0	0	0	885,419		7,122,751	8,008,170		202,372	
Operations - TOTAL	31,217,744	2,829,002	0	0	0	0	2,829,002		27,613,700	30,442,702		775,042	
Federal Share	17,244,223	1,730,766	0	0	0	0	1,730,766		15,066,711	16,797,477		446,746	
CCIIIO	0	0	0	0	0	0	0		0	0		0	
Medicaid	17,244,223	1,730,766	0	0	0	0	1,730,766		15,066,711	16,797,477		446,746	
Non-Federal Share	13,973,521	1,098,236	0	0	0	0	1,098,236		12,546,989	13,645,225		328,296	
MNSure	5,695,189	297,937	0	0	0	0	297,937		5,380,145	5,678,082		17,107	
DHS	8,278,332	800,299	0	0	0	0	800,299		7,166,844	7,967,143		311,189	
TOTAL FINANCING	70,708,180	6,400,385	0	0	0	0	6,400,385		62,205,700	68,606,085		2,102,095	
Federal Share	45,877,163	4,245,288	0	0	0	0	4,245,288		40,098,960	44,344,248		1,532,915	
CCIIIO	0	0	0	0	0	0	0		0	0		0	
Medicaid	45,877,163	4,245,288	0	0	0	0	4,245,288		40,098,960	44,344,248		1,532,915	
Non-Federal Share	24,831,017	2,155,097	0	0	0	0	2,155,097		22,106,740	24,261,837		569,180	
MNSure	8,342,143	469,379	0	0	0	0	469,379		7,817,145	8,286,524		55,619	
DHS	16,488,874	1,685,718	0	0	0	0	1,685,718		14,289,595	15,975,313		513,561	

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 (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.