

Minnesota Eligibility Technology System

Fiscal Report for Quarter Ending 09/30/2024

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 budget, including: estimated actual expenses for FY 2024, budget for FY 2025 and a preliminary budget for FY2026 and FY 2027. The preliminary operations budgets are assumed to continue at the same level as the current year, but are to be re-evaluated annually.
 - Table 2: Budget vs Est. YTD (expenditures & estimated remaining encumbrances). Table 2A (for FY 2024) and Table 2B (for FY 2025) shows the fiscal year budgets, 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 2023 Actual	FY 2024 Est. Actual Spend	FY 2025 Budget	FY 2026 Preliminary
Expenditures				
Development - Total	20,619,721	23,352,850	24,865,507	5,247,562
State Personnel	5,187,041	3,733,343	4,125,058	1,055,522
Staff Augmentation	1,163,248	411,987	3,505,000	207,000
Service Contracts	7,448,541	12,859,894	12,599,449	1,617,040
Hardware/Software	6,008,430	5,884,318	3,965,000	2,303,000
MNIT Central Services	455,158	90,953	522,000	25,000
General Administration	357,303	372,354	149,000	40,000
Operations - Total	35,441,510	39,831,896	44,553,586	42,206,094
State Personnel	15,078,879	14,226,779	15,670,418	14,483,923
Staff Augmentation	1,273,835	1,305,876	3,136,879	3,136,879
Service Contracts	6,038,025	8,906,614	8,856,834	7,695,837
Hardware/Software	5,747,562	7,000,840	8,094,455	8,094,455
MNIT Central Services	6,578,401	7,764,578	8,070,000	8,070,000
General Administration	724,808	627,209	725,000	725,000
Total Expenditures	56,061,231	63,184,746	69,419,093	47,453,656
State Personnel	20,265,920	17,960,122	19,795,476	15,539,445
Staff Augmentation	2,437,083	1,717,863	6,641,879	3,343,879
Service Contracts	13,486,565	21,766,508	21,456,283	9,312,877
Hardware/Software	11,755,992	12,885,158	12,059,455	10,397,455
MNIT Central Services	7,033,559	7,855,531	8,592,000	8,095,000
General Administration	1,082,111	999,563	874,000	765,000
Financing				
Development - Total	20,619,721	23,352,850	24,865,507	5,247,562
Federal Share	16,224,268	13,334,634	13,301,089	2,765,617
CCIIO/ARPA	471,338	20,600	0	0
Medicaid	15,752,930	13,314,034	13,301,089	2,765,617
Non-Federal Share	4,395,453	10,018,216	11,564,418	2,481,945
MNsure	0	6,800,506	8,624,307	1,570,762
DHS	4,395,453	3,217,710	2,940,111	911,183
Operations - Total	35,441,510	39,831,896	44,553,586	42,206,094
Federal Share	19,944,165	23,528,638	23,783,071	23,783,071
CCIIO/ARPA	0	0	0	0
Medicaid	19,944,165	23,528,638	23,783,071	23,783,071
Non-Federal Share	15,497,345	16,303,259	20,770,515	18,423,023
MNsure	5,199,642	5,401,626	7,226,233	7,226,233
DHS	10,297,703	10,901,632	13,544,282	11,196,790
Total Financing	56,061,231	63,184,746	69,419,093	47,453,656
Federal Share	36,168,433	36,863,271	37,084,161	26,548,688
CCIIO/ARPA	471,338	20,600	0	0
Medicaid	35,697,095	36,842,671	37,084,161	26,548,688
Non-Federal Share	19,892,798	26,321,474	32,334,932	20,904,968
MNsure	5,199,642	12,202,132	15,850,540	8,796,995
DHS	14,693,156	14,119,342	16,484,393	12,107,973

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 2A: 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	31,427,128	1,705,794	5,030,313	7,913,118	3,204,152	5,222,044	23,075,422	73%	109,565	23,184,988	74%	8,242,140	26%
State Personnel	6,413,909	23,018	739,605	1,693,845	504,026	772,850	3,733,344	58%	(0)	3,733,343	58%	2,680,566	42%
Staff Augmentation	678,000	3,107	20,069	70,989	264,278	53,545	411,987	61%	0	411,987	61%	266,013	39%
Service Contracts	17,368,219	392,112	2,103,907	4,640,175	1,756,398	4,040,297	12,932,890	74%	0	12,932,890	74%	4,435,329	26%
Hardware/Software	6,037,000	1,277,772	2,133,488	1,435,712	610,514	317,268	5,774,753	96%	109,565	5,884,318	97%	152,682	3%
MNIT Central Services	550,900	8,193	32,770	24,578	17,221	8,193	90,953	17%	(0)	90,953	17%	459,947	83%
General Administration	379,100	1,593	475	47,819	51,716	29,892	131,495	35%	1	131,496	35%	247,604	65%
Operations - Total	41,124,770	6,471,693	12,970,709	7,982,894	5,872,289	6,378,686	39,676,271	96%	160,788	39,837,059	97%	1,287,711	3%
State Personnel	14,608,876	0	5,069,978	4,374,030	985,193	3,797,579	14,226,780	97%	(0)	14,226,779	97%	382,097	3%
Staff Augmentation	1,117,307	157,077	440,954	313,637	183,322	210,886	1,305,875	117%	1	1,305,876	117%	(188,569)	-17%
Service Contracts	9,433,087	1,931,290	1,937,103	2,115,971	1,174,469	1,747,782	8,906,614	94%	3,149	8,909,763	94%	523,324	6%
Hardware/Software	7,350,500	4,038,152	2,287,130	(951,152)	1,539,431	(70,359)	6,843,201	93%	157,639	7,000,840	95%	349,660	5%
MNIT Central Services	7,900,000	198,432	3,056,598	1,976,376	1,860,115	673,057	7,764,578	98%	0	7,764,578	98%	135,422	2%
General Administration	715,000	146,743	178,948	154,032	129,759	19,741	629,224	88%	0	629,223	88%	85,777	12%
Total Expenditures	72,551,898	8,177,488	18,001,023	15,896,012	9,076,441	11,600,730	62,751,693	86%	270,353	63,022,047	87%	9,529,851	13%
State Personnel	21,022,785	23,018	5,809,582	6,067,875	1,489,219	4,570,429	17,960,123	85%	(1)	17,960,122	85%	3,062,663	15%
Staff Augmentation	1,795,307	160,184	461,022	384,625	447,600	264,430	1,717,862	96%	1	1,717,863	96%	77,444	4%
Service Contracts	26,801,306	2,323,402	4,041,010	6,756,146	2,930,867	5,788,079	21,839,504	81%	3,149	21,842,653	81%	4,958,653	19%
Hardware/Software	13,387,500	5,315,924	4,420,618	484,560	2,149,945	246,908	12,617,954	94%	267,204	12,885,158	96%	502,342	4%
MNIT Central Services	8,450,900	206,624	3,089,368	2,000,954	1,877,336	681,249	7,855,531	93%	0	7,855,531	93%	595,369	7%
General Administration	1,094,100	148,336	179,423	201,852	181,475	49,634	760,719	70%	(0)	760,719	70%	333,381	30%
Financing													
Development - Total	31,427,128	1,705,794	5,030,313	7,913,118	3,204,152	5,222,044	23,075,422		109,565	23,184,988		8,242,140	
Federal Share	17,520,090	1,358,886	2,859,569	4,687,916	2,206,772	2,014,027	13,127,170		83,745	13,210,915		4,309,175	
CCIO/ARPA	20,600	12,000	8,600	0	0	0	20,600		0	20,600		0	
Medicaid	17,499,490	1,346,886	2,850,969	4,687,916	2,206,772	2,014,027	13,106,570		83,745	13,190,315		4,309,175	
Non-Federal Share	13,907,038	346,909	2,170,744	3,225,202	997,380	3,208,018	9,948,252		25,820	9,974,072		3,932,966	
MNSure	9,989,528	0	1,457,623	2,112,784	467,003	2,763,096	6,800,506		(0)	6,800,506		3,189,022	
DHS	3,917,510	346,909	713,121	1,112,417	530,377	444,922	3,147,746		25,821	3,173,566		743,944	
Operations - Total	41,124,770	6,471,693	12,970,709	7,982,894	5,872,289	6,378,686	39,676,271		160,788	39,837,059		1,287,711	
Federal Share	24,241,949	3,768,432	7,868,294	4,628,805	3,330,634	3,833,344	23,429,509		102,418	23,531,926		710,023	
CCIO/ARPA	0	0	0	0	0	0	0		0	0		0	
Medicaid	24,241,949	3,768,432	7,868,294	4,628,805	3,330,634	3,833,344	23,429,509		102,418	23,531,926		710,023	
Non-Federal Share	16,882,821	2,703,262	5,102,416	3,354,089	2,541,655	2,545,342	16,246,763		58,370	16,305,133		577,688	
MNSure	5,657,877	1,003,799	1,538,297	1,273,733	1,040,091	533,890	5,389,809		12,209	5,402,018		255,859	
DHS	11,224,944	1,699,463	3,564,119	2,080,356	1,501,564	2,011,452	10,856,953		46,162	10,903,115		321,829	
Total Financing	72,551,898	8,177,488	18,001,023	15,896,012	9,076,441	11,600,730	62,751,693		270,353	63,022,047		9,529,851	
Federal Share	41,762,039	5,127,317	10,727,863	9,316,722	5,537,407	5,847,370	36,556,679		186,163	36,742,841		5,019,197	
CCIO/ARPA	20,600	12,000	8,600	0	0	0	20,600		0	20,600		0	
Medicaid	41,741,439	5,115,317	10,719,263	9,316,722	5,537,407	5,847,370	36,536,079		186,163	36,722,241		5,019,197	
Non-Federal Share	30,789,859	3,050,171	7,273,159	6,579,290	3,539,035	5,753,360	26,195,015		84,191	26,279,205		4,510,654	
MNSure	15,647,405	1,003,799	2,995,920	3,386,517	1,507,094	3,296,986	12,190,316		12,208	12,202,524		3,444,881	
DHS	15,142,454	2,046,372	4,277,239	3,192,773	2,031,941	2,456,374	14,004,699		71,982	14,076,681		1,065,773	

- 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 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	24,865,507	3,712,795	0	0	0	0	3,712,795	15%	17,710,894	21,423,689	86%	3,441,818	14%
State Personnel	4,125,058	50,078	0	0	0	0	50,078	1%	3,883,771	3,933,850	95%	191,208	5%
Staff Augmentation	3,505,000	53,213	0	0	0	0	53,213	2%	534,862	588,076	17%	2,916,924	83%
Service Contracts	12,599,449	1,729,598	0	0	0	0	1,729,598	14%	10,979,854	12,709,452	101%	(110,003)	-1%
Hardware/Software	3,965,000	1,835,945	0	0	0	0	1,835,945	46%	2,128,847	3,964,792	100%	208	0%
MNIT Central Services	522,000	16,385	0	0	0	0	16,385	3%	81,925	98,310	19%	423,690	81%
General Administration	149,000	27,576	0	0	0	0	27,576	19%	101,634	129,210	87%	19,790	13%
Operations - Total	44,559,586	7,908,813	0	0	0	0	7,908,813	18%	33,852,248	41,761,062	94%	2,798,524	6%
State Personnel	15,676,418	0	0	0	0	0	0	0%	15,129,190	15,129,190	97%	547,228	3%
Staff Augmentation	3,136,879	174,086	0	0	0	0	174,086	6%	1,164,775	1,338,861	43%	1,798,018	57%
Service Contracts	8,856,834	1,031,558	0	0	0	0	1,031,558	12%	7,537,196	8,568,754	97%	288,080	3%
Hardware/Software	8,094,455	5,277,886	0	0	0	0	5,277,886	65%	2,734,490	8,012,377	99%	82,078	1%
MNIT Central Services	8,070,000	1,293,947	0	0	0	0	1,293,947	16%	6,721,711	8,015,658	99%	54,342	1%
General Administration	725,000	131,337	0	0	0	0	131,337	18%	564,885	696,222	96%	28,778	4%
Total Expenditures	69,425,093	11,621,608	0	0	0	0	11,621,608	17%	51,563,143	63,184,751	91%	6,240,342	9%
State Personnel	19,801,476	50,078	0	0	0	0	50,078	0%	19,012,961	19,063,040	96%	738,436	4%
Staff Augmentation	6,641,879	227,299	0	0	0	0	227,299	3%	1,699,638	1,926,936	29%	4,714,943	71%
Service Contracts	21,456,283	2,761,156	0	0	0	0	2,761,156	13%	18,517,050	21,278,206	99%	178,077	1%
Hardware/Software	12,059,455	7,113,831	0	0	0	0	7,113,831	59%	4,863,337	11,977,168	99%	82,287	1%
MNIT Central Services	8,592,000	1,310,332	0	0	0	0	1,310,332	15%	6,803,637	8,113,968	94%	478,032	6%
General Administration	874,000	158,913	0	0	0	0	158,913	18%	666,519	825,432	94%	48,568	6%
Financing													
Development - Total	24,865,507	3,712,795	0	0	0	0	3,712,795		17,710,894	21,423,689		3,441,818	
Federal Share	13,301,943	1,761,773	0	0	0	0	1,761,773		9,088,731	10,850,504		2,451,439	
CCIO/ARPA	0	0	0	0	0	0	0		0	0		0	
Medicaid	13,301,943	1,761,773	0	0	0	0	1,761,773		9,088,731	10,850,504		2,451,439	
Non-Federal Share	11,563,564	1,951,022	0	0	0	0	1,951,022		8,622,163	10,573,185		990,379	
MNsure	8,624,307	1,416,789	0	0	0	0	1,416,789		6,643,313	8,060,102		564,205	
DHS	2,939,257	534,233	0	0	0	0	534,233		1,978,850	2,513,083		426,174	
Operations - Total	44,559,586	7,908,813	0	0	0	0	7,908,813		33,852,248	41,761,062		2,798,524	
Federal Share	23,783,071	4,352,392	0	0	0	0	4,352,392		17,976,531	22,328,923		1,454,148	
CCIO/ARPA	0	0	0	0	0	0	0		0	0		0	
Medicaid	23,783,071	4,352,392	0	0	0	0	4,352,392		17,976,531	22,328,923		1,454,148	
Non-Federal Share	20,776,515	3,556,421	0	0	0	0	3,556,421		15,875,717	19,432,138		1,344,376	
MNsure	7,232,233	1,397,856	0	0	0	0	1,397,856		5,483,321	6,881,177		351,056	
DHS	13,544,282	2,158,565	0	0	0	0	2,158,565		10,392,397	12,550,961		993,320	
Total Financing	69,425,093	11,621,608	0	0	0	0	11,621,608		51,563,143	63,184,751		6,240,342	
Federal Share	37,085,015	6,114,166	0	0	0	0	6,114,166		27,065,262	33,179,428		3,905,587	
CCIO/ARPA	0	0	0	0	0	0	0		0	0		0	
Medicaid	37,085,015	6,114,166	0	0	0	0	6,114,166		27,065,262	33,179,428		3,905,587	
Non-Federal Share	32,340,078	5,507,443	0	0	0	0	5,507,443		24,497,881	30,005,323		2,334,755	
MNsure	15,856,540	2,814,645	0	0	0	0	2,814,645		12,126,634	14,941,279		915,261	
DHS	16,483,539	2,692,797	0	0	0	0	2,692,797		12,371,247	15,064,044		1,419,494	

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