

Minnesota Eligibility Technology System

Fiscal Report for Quarter Ending 03/31/2025

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: estimated actual expenses for FY 2024, budget for FY 2025 and a preliminary budget for FY 2026 and FY 2027. 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 & estimated 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; 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 03/31/2025

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	29,770,779	5,446,562
State Personnel	5,187,041	3,733,343	6,566,647	1,041,522
Staff Augmentation	1,163,248	411,987	2,197,000	119,000
Service Contracts	7,448,541	12,859,894	15,447,132	1,617,040
Hardware/Software	6,008,430	5,884,318	4,371,000	2,573,000
MNIT Central Services	455,158	90,953	942,000	25,000
General Administration	357,303	372,354	247,000	71,000
Operations - Total	35,441,510	39,831,896	45,487,934	43,713,086
State Personnel	15,078,879	14,226,779	16,286,376	15,178,713
Staff Augmentation	1,273,835	1,305,876	3,136,879	3,136,879
Service Contracts	6,038,025	8,906,614	9,175,224	8,508,039
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	75,258,713	49,159,648
State Personnel	20,265,920	17,960,122	22,853,023	16,220,235
Staff Augmentation	2,437,083	1,717,863	5,333,879	3,255,879
Service Contracts	13,486,565	21,766,508	24,622,356	10,125,079
Hardware/Software	11,755,992	12,885,158	12,465,455	10,667,455
MNIT Central Services	7,033,559	7,855,531	9,012,000	8,095,000
General Administration	1,082,111	999,563	972,000	796,000
Financing				
Development - Total	20,619,721	23,352,850	29,770,779	5,446,562
Federal Share	16,224,268	13,334,634	15,303,220	2,915,301
CCIO/ARPA	471,338	20,600	0	0
Medicaid	15,752,930	13,314,034	15,303,220	2,915,301
Non-Federal Share	4,395,453	10,018,216	14,467,559	2,531,261
MNsure	0	6,800,506	11,263,329	1,570,762
DHS	4,395,453	3,217,710	3,204,230	960,499
Operations - Total	35,441,510	39,831,896	45,487,934	43,713,086
Federal Share	19,944,165	23,528,638	24,427,129	24,821,862
CCIO/ARPA	0	0	0	0
Medicaid	19,944,165	23,528,638	24,427,129	24,821,862
Non-Federal Share	15,497,345	16,303,259	21,060,805	18,891,224
MNsure	5,199,642	5,401,626	7,226,239	7,226,239
DHS	10,297,703	10,901,632	13,834,566	11,664,985
Total Financing	56,061,231	63,184,746	75,258,713	49,159,648
Federal Share	36,168,433	36,863,271	39,730,349	27,737,163
CCIO/ARPA	471,338	20,600	0	0
Medicaid	35,697,095	36,842,671	39,730,349	27,737,163
Non-Federal Share	19,892,798	26,321,474	35,528,364	21,422,485
MNsure	5,199,642	12,202,132	18,489,568	8,797,001
DHS	14,693,156	14,119,342	17,038,796	12,625,485

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 2: 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	0	0	13,868,756	47%	9,563,408	23,432,164	79%	6,338,615	21%
State Personnel	6,566,647	50,078	1,491,488	85,447	0	0	1,627,013	25%	2,765,636	4,392,650	67%	2,173,997	33%
Staff Augmentation	2,197,000	53,213	157,448	365,519	0	0	576,180	26%	822,998	1,399,179	64%	797,821	36%
Service Contracts	15,447,132	1,729,598	2,547,138	3,861,802	0	0	8,138,538	53%	5,763,792	13,902,330	90%	1,544,802	10%
Hardware/Software	4,371,000	1,835,945	353,126	1,191,125	0	0	3,380,196	77%	22,531	3,402,726	78%	968,274	22%
MNIT Central Services	942,000	16,385	24,578	24,578	0	0	65,540	7%	26,581	92,121	10%	849,879	90%
General Administration	247,000	27,576	16,903	36,810	0	0	81,289	33%	161,869	243,158	98%	3,842	2%
Operations - Total	45,493,934	7,908,813	11,640,541	6,772,490	0	0	26,321,845	58%	13,860,619	40,182,464	88%	5,311,470	12%
State Personnel	16,292,376	0	5,880,972	97,013	0	0	5,977,985	37%	8,166,329	14,144,314	87%	2,148,062	13%
Staff Augmentation	3,136,879	174,086	283,624	262,049	0	0	719,759	23%	498,289	1,218,048	39%	1,918,831	61%
Service Contracts	9,175,224	1,031,558	2,317,865	2,712,078	0	0	6,061,502	66%	2,948,434	9,009,936	98%	165,288	2%
Hardware/Software	8,094,455	5,277,886	1,012,531	1,522,427	0	0	7,812,844	97%	118,118	7,930,962	98%	163,493	2%
MNIT Central Services	8,070,000	1,293,947	2,009,755	2,046,615	0	0	5,350,316	66%	1,847,794	7,198,110	89%	871,890	11%
General Administration	725,000	131,337	135,794	132,308	0	0	399,439	55%	281,654	681,093	94%	43,907	6%
Total Expenditures	75,264,713	11,621,608	16,231,221	12,337,771	0	0	40,190,601	53%	23,424,026	63,614,627	85%	11,650,086	15%
State Personnel	22,859,023	50,078	7,372,460	182,460	0	0	7,604,999	33%	10,931,965	18,536,964	81%	4,322,059	19%
Staff Augmentation	5,333,879	227,299	441,072	627,568	0	0	1,295,939	24%	1,321,287	2,617,226	49%	2,716,653	51%
Service Contracts	24,622,356	2,761,156	4,865,003	6,573,881	0	0	14,200,040	58%	8,712,226	22,912,266	93%	1,710,090	7%
Hardware/Software	12,465,455	7,113,831	1,365,657	2,713,552	0	0	11,193,040	90%	140,649	11,333,689	91%	1,131,766	9%
MNIT Central Services	9,012,000	1,310,332	2,034,332	2,071,192	0	0	5,415,856	60%	1,874,375	7,290,231	81%	1,721,769	19%
General Administration	972,000	158,913	152,696	169,118	0	0	480,727	49%	443,524	924,251	95%	47,749	5%
Financing													
Development - Total	29,770,779	3,712,795	4,590,680	5,565,281	0	0	13,868,756		9,563,408	23,432,164		6,338,615	
Federal Share	15,304,310	1,761,773	2,310,849	2,665,748	0	0	6,738,370		4,801,893	11,540,264		3,764,047	
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	0	0	6,738,370		4,801,893	11,540,264		3,764,047	
Non-Federal Share	14,466,469	1,951,022	2,279,831	2,899,533	0	0	7,130,386		4,761,514	11,891,900		2,574,569	
MNSure	11,263,329	1,416,789	1,793,267	2,255,509	0	0	5,465,565		3,839,755	9,305,321		1,958,008	
DHS	3,203,140	534,233	486,565	644,023	0	0	1,664,821		921,759	2,586,579		616,560	
Operations - Total	45,493,934	7,908,813	11,640,541	6,772,490	0	0	26,321,845		13,860,619	40,182,464		5,311,470	
Federal Share	24,427,129	4,352,392	6,091,245	3,491,109	0	0	13,934,747		7,375,692	21,310,439		3,116,690	
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	0	0	13,934,747		7,375,692	21,310,439		3,116,690	
Non-Federal Share	21,066,805	3,556,421	5,549,296	3,281,381	0	0	12,387,098		6,484,927	18,872,025		2,194,780	
MNSure	7,232,239	1,397,856	1,859,464	1,269,016	0	0	4,526,336		2,151,810	6,678,146		554,093	
DHS	13,834,566	2,158,565	3,689,832	2,012,365	0	0	7,860,762		4,333,117	12,193,879		1,640,688	
Total Financing	75,264,713	11,621,608	16,231,221	12,337,771	0	0	40,190,601		23,424,026	63,614,627		11,650,086	
Federal Share	39,731,439	6,114,166	8,402,094	6,156,857	0	0	20,673,117		12,177,585	32,850,702		6,880,737	
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	0	0	20,673,117		12,177,585	32,850,702		6,880,737	
Non-Federal Share	35,533,274	5,507,443	7,829,127	6,180,914	0	0	19,517,484		11,246,441	30,763,925		4,769,349	
MNSure	18,495,568	2,814,645	3,652,730	3,524,525	0	0	9,991,901		5,991,566	15,983,467		2,512,101	
DHS	17,037,706	2,692,797	4,176,397	2,656,389	0	0	9,525,583		5,254,876	14,780,458		2,257,248	
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.													