

Minnesota Eligibility Technology System

Fiscal Report for QE 06/30/21

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 FY 2020, current FY 2021 budget, and a preliminary plan for FY 2022 and FY 2023. The FY 2022 preliminary budget for development reflects the last quarter of the current federal award. The FY 2022 & 2023 preliminary operations budgets are assumed to continue at the current level, but will be re-evaluated annually.

Table 2: Budget vs Est. YTD (expenditures & est. remaining encumbrances) Table 2 shows the FY 2021 budget, 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 2020 Est. Actual	FY 2021 Budget	FY 2022 Preliminary	FY 2023 Preliminary
Expenditures				
Development	33,433,872	44,764,320	12,330,749	0
State Personnel	11,146,316	19,781,534	5,887,749	0
Staff Augmentation	6,927,147	5,117,816	1,481,500	0
Service Contracts	11,761,760	12,019,570	2,592,250	0
Hardware/Software	2,449,852	5,370,901	1,621,000	0
MNIT Central Services	951,011	1,362,228	371,500	0
General Administration	197,787	1,112,270	376,750	0
Operations	29,403,061	33,116,657	32,075,877	31,813,933
State Personnel	10,744,913	13,067,809	12,814,809	12,814,809
Staff Augmentation	2,238,888	999,762	809,762	809,762
Service Contracts	4,647,946	5,564,724	4,966,944	4,705,000
Hardware/Software	4,133,011	4,589,882	4,589,882	4,589,882
MNIT Central Services	7,027,383	8,134,470	8,134,470	8,134,470
General Administration	610,919	760,010	760,010	760,010
Total Expenditures	62,836,933	77,880,977	44,406,626	31,813,933
State Personnel	21,891,229	32,849,343	18,702,558	12,814,809
Staff Augmentation	9,166,035	6,117,578	2,291,262	809,762
Service Contracts	16,409,706	17,584,294	7,559,194	4,705,000
Hardware/Software	6,582,863	9,960,783	6,210,882	4,589,882
MNIT Central Services	7,978,394	9,496,698	8,505,970	8,134,470
General Administration	808,706	1,872,280	1,136,760	760,010
Financing				
Development - TOTAL	33,433,873	44,764,320	12,330,749	0
Federal Share	23,298,204	34,853,874	9,573,068	0
CCIIO/ARPA	0	2,125,323	0	0
Medicaid	23,298,204	32,728,551	9,573,068	0
Non-Federal Share	10,135,669	9,910,446	2,757,681	0
MNsure	2,870,696	97,348	0	0
DHS	7,264,973	9,813,098	2,757,681	0
Operations - TOTAL	29,403,061	33,116,657	32,075,877	31,813,933
Federal Share	16,607,893	18,277,316	23,126,202	23,126,202
CCIIO/ARPA	0	0	0	0
Medicaid	16,607,893	18,277,316	23,126,202	23,126,202
Non-Federal Share	12,795,168	14,839,341	8,949,675	8,687,731
MNsure	4,889,529	6,117,568	6,085,436	5,823,492
DHS	7,905,639	8,721,773	2,864,239	2,864,239
TOTAL FINANCING	62,836,934	77,880,977	44,406,626	31,813,933
Federal Share	39,906,097	53,131,190	32,699,270	23,126,202
CCIIO/ARPA	0	2,125,323	0	0
Medicaid	39,906,097	51,005,867	32,699,270	23,126,202
Non-Federal Share	22,930,837	24,749,787	11,707,356	8,687,731
MNsure	7,760,225	6,214,916	6,085,436	5,823,492
DHS	15,170,612	18,534,871	5,621,920	2,864,239

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 2: FY 2021 Budget vs YTD	FY 2021 Budget	QE 9/30/20 Expenditures	QE 12/31/20 Expenditures	QE 3/31/21 Expenditures	QE 6/30/21 Expenditures	Expenditures After FY End	YTD Expenditures		Anticipated Encumbrances	Est. FY Exp & Enc	%	Estimated Balance	%
								%					
Expenditures													
Development	44,764,320	2,063,211	6,896,643	8,942,187	7,613,244	0	25,515,285	57%	7,010,500	32,525,785	73%	12,238,535	27%
State Personnel	19,781,534	195,838	2,769,481	3,978,086	4,068,035	0	11,011,441	56%	1,155,000	12,166,441	62%	7,615,093	38%
Staff Augmentation	5,117,816	333,065	2,035,697	1,400,353	1,786,793	0	5,555,909	109%	855,000	6,410,909	125%	(1,293,093)	-25%
Service Contracts	12,019,570	1,412,587	1,392,944	2,647,822	1,665,861	0	7,119,214	59%	1,892,000	9,011,214	75%	3,008,357	25%
Hardware/Software	5,370,901	117,433	673,616	571,196	45,400	0	1,407,646	26%	1,850,000	3,257,646	61%	2,113,255	39%
MNIT Central Services	1,362,228	0	19,413	333,505	35,252	0	388,171	28%	188,000	576,171	42%	786,058	58%
General Administration	1,112,270	4,288	5,491	11,224	11,902	0	32,905	3%	1,070,500	1,103,405	99%	8,865	1%
Operations	33,116,657	3,250,873	8,111,306	8,919,551	6,187,879	0	26,469,609	80%	5,464,060	31,933,669	96%	1,182,988	4%
State Personnel	13,067,809	0	2,931,018	3,294,143	3,735,700	0	9,960,861	76%	1,466,000	11,426,861	87%	1,640,948	13%
Staff Augmentation	999,762	104,421	383,221	172,972	234,645	0	895,259	90%	104,500	999,759	100%	3	0%
Service Contracts	5,564,724	1,331,276	1,246,593	1,704,023	1,164,198	0	5,446,090	98%	554,100	6,000,190	108%	(435,466)	-8%
Hardware/Software	4,589,882	1,666,789	723,203	368,097	91,407	0	2,849,496	62%	1,200,000	4,049,496	88%	540,386	12%
MNIT Central Services	8,134,470	0	2,674,725	3,211,615	779,268	0	6,665,608	82%	2,121,960	8,787,568	108%	(653,098)	-8%
General Administration	760,010	148,386	152,546	168,702	182,661	0	652,294	86%	17,500	669,794	88%	90,216	12%
Total Expenditures	77,880,977	5,314,083	15,007,949	17,861,738	13,801,123	0	51,984,893	67%	12,474,560	64,459,453	83%	13,421,524	17%
State Personnel	32,849,343	195,838	5,700,499	7,272,229	7,803,735	0	20,972,302	64%	2,621,000	23,593,302	72%	9,256,041	28%
Staff Augmentation	6,117,578	437,486	2,418,918	1,573,325	2,021,438	0	6,451,167	105%	959,500	7,410,667	121%	(1,293,089)	-21%
Service Contracts	17,584,294	2,743,863	2,639,537	4,351,845	2,830,059	0	12,565,304	71%	2,446,100	15,011,404	85%	2,572,890	15%
Hardware/Software	9,960,783	1,784,222	1,396,819	939,292	136,808	0	4,257,142	43%	3,050,000	7,307,142	73%	2,653,641	27%
MNIT Central Services	9,496,698	0	2,694,138	3,545,121	814,520	0	7,053,779	74%	2,309,960	9,363,739	99%	132,959	1%
General Administration	1,872,280	152,674	158,037	179,926	194,563	0	685,199	37%	1,088,000	1,773,199	95%	99,081	5%
Financing													
Development - TOTAL	44,764,320	2,063,211	6,896,643	8,942,187	7,613,244	0	25,515,285		7,010,500	32,525,785		12,238,535	
Federal Share	34,853,874	1,591,461	5,323,382	6,629,913	5,788,575	0	19,333,331		5,376,314	24,709,645		10,144,229	
CCIIO/ARPA	2,125,323	0	0	0	353,239	0	353,239		520,000	873,239		1,252,084	
Medicaid	32,728,551	1,591,461	5,323,382	6,629,913	5,435,336	0	18,980,092		4,856,314	23,836,406		8,892,145	
Non-Federal Share	9,910,446	471,750	1,573,261	2,312,274	1,824,669	0	6,181,953		1,634,186	7,816,139		2,094,307	
MNSure	97,348	0	0	94,348	0	0	94,348		0	94,348		3,000	
DHS	9,813,098	471,750	1,573,261	2,217,926	1,824,669	0	6,087,605		1,634,186	7,721,791		2,091,307	
Operations - TOTAL	33,116,657	3,250,872	8,111,306	8,919,551	6,187,879	0	26,469,608		5,464,060	31,933,668		1,182,989	
Federal Share	18,277,316	1,645,498	4,500,817	4,939,617	3,282,730	0	14,368,662		3,328,454	17,697,116		580,200	
CCIIO/ARPA	0	0	0	0	0	0	0		0	0		0	
Medicaid	18,277,316	1,645,498	4,500,817	4,939,617	3,282,730	0	14,368,662		3,328,454	17,697,116		580,200	
Non-Federal Share	14,839,341	1,605,374	3,610,489	3,979,934	2,905,149	0	12,100,946		2,135,606	14,236,552		602,789	
MNSure	6,117,568	847,148	1,529,468	1,691,806	1,341,108	0	5,409,530		587,224	5,996,754		120,814	
DHS	8,721,773	758,226	2,081,021	2,288,128	1,564,041	0	6,691,416		1,548,382	8,239,798		481,975	
TOTAL FINANCING	77,880,977	5,314,083	15,007,949	17,861,737	13,801,123	0	51,984,893		12,474,560	64,459,453		13,421,524	
Federal Share	53,131,190	3,236,959	9,824,199	11,569,530	9,071,305	0	33,701,993		8,704,768	42,406,761		10,724,429	
CCIIO/ARPA	2,125,323	0	0	0	353,239	0	353,239		520,000	873,239		1,252,084	
Medicaid	51,005,867	3,236,959	9,824,199	11,569,530	8,718,066	0	33,348,754		8,184,768	41,533,522		9,472,345	
Non-Federal Share	24,749,787	2,077,124	5,183,750	6,292,207	4,729,818	0	18,282,899		3,769,792	22,052,691		2,697,095	
MNSure	6,214,916	847,148	1,529,468	1,786,154	1,341,108	0	5,503,878		587,224	6,091,102		123,814	
DHS	18,534,871	1,229,976	3,654,282	4,506,053	3,388,710	0	12,779,021		3,182,568	15,961,589		2,573,281	
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.													