Minnesota

Department of Human Services

November 2011 Forecast

St. Paul, Minnesota

December 1, 2011

THE DHS FORECAST

The Department of Human Services (DHS) prepares a forecast of expenditures in its major programs twice each year, for use in the state forecasts which are released in November and February during each fiscal year. These forecasts are reviewed by Minnesota Management & Budget and are used to update the Fund Balance for the forecasted programs.

The February forecast, as adjusted for changes made during the legislative session, becomes the basis for end of session forecasts and planning estimates. The preceding November forecast sets the stage for the February forecast.

The DHS forecast is a "current law" forecast. It aims to forecast caseloads and expenditures given the current state and federal law at the time the forecast is published.

The DHS programs covered by the forecast are affected by many variables:

> The state's general economy and labor market affect most programs to some degree, especially those programs and segments of programs which serve people in the labor market.
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> Federal law changes and policy changes affect state obligations in programs which have joint state and federal financing. Federal matching rates for Medical Assistance (MA) change occasionally. Federal funding for the Temporary Assistance to Needy Families (TANF) program is contingent on state compliance with maintenance of effort requirements which mandate minimum levels of state spending.
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> Changes in federal programs affect caseloads and costs in state programs. The Supplemental Security Income program (SSI) drives elderly and disabled caseloads in Medical Assistance and Minnesota Supplemental Aid (MSA). Changes in SSI eligibility may leave numbers of people eligible for General Assistance (GA) instead of SSI.

The narrative section of this document provides brief explanations of the changes in forecast expenditures in the November 2011 forecast, compared to the end of session 2011 forecast. The 2012-2013 biennium is referred to as "the current biennium", and the 2014-2015 biennium as "the next biennium."

Tables One and Two provide the new and old forecasts and changes from the previous forecast for the 2010-2011 biennium, and Tables Three and Four provide the same information about the 2012-2013 biennium, as do Tables Five and Six for the 2014-2015 biennium.

CURRENT BIENNIUM SUMMARY

General Fund Costs Lower

General Fund costs for DHS medical and economic support programs for the 2012-2013 biennium are projected to total $9.596 billion, down $312 million (3.2%) from end of session estimates. Almost 95% of this change comes from changes in the Medical Assistance forecast, including new pharmacy rebates, based on claiming rebates for managed care Rx purchases, and reduced enrollment projections for the new MA eligibility for adults with no children.

TANF Forecast Lower

Projected expenditures of federal TANF (Temporary Assistance for Needy Families) funds for MFIP grants are $156 million, $3.9 million (2.5 percent) below end of session estimates. This results mainly from a lower MFIP cash forecast.

MinnesotaCare Forecast Slightly Lower

Forecasted Health Care Access Fund costs for the MinnesotaCare program are $609 million, $3.0 million (0.5 percent) lower than in the end of session forecast. Lower costs for families with children are partially offset by higher costs for adults with no children.

NEXT BIENNIUM SUMMARY

General Fund Costs Lower

General Fund costs for DHS medical and economic support programs for the 2014-2015 biennium are projected to total $10.305 billion down $174 million (1.7%) from the end of session forecast. Almost all of this reduction comes from Medical Assistance changes, with much of the net change resulting from higher projections of pharmacy rebates.

TANF Forecast Little Changed

Projected expenditures of federal TANF (Temporary Assistance for Needy Families) funds for MFIP grants are $131 million, $0.7 million (0.5 percent) lower than in the end of session forecast. While the MFIP cash forecast is lower, most of the savings affect the MFIP General Fund forecast, rather than the TANF forecast.

MinnesotaCare Forecast Lower

Forecasted Health Care Access Fund costs for the MinnesotaCare program are $716 million, $37 million (5.0 percent) lower than in the end of session forecast. Decreases result from lower projected enrollment in families with children and later implementation dates for eligibility expansions for children.

PROGRAM DETAIL

MEDICAL ASSISTANCE	'10-'11 Biennium	'12-'13 Biennium	'14-'15 Biennium
Total forecast change for MA ($000)	(117,347)	(296,696)	(167,888)
Total forecast percentage change this item	-2.0%	-3.3%	-1.8%

Forecast changes for the Medical Assistance program are explained in the five sections which follow.

The American Recovery and Reinvestment Act of 2009 increased the Federal Medical Assistance Percentage (FMAP), which is the federal share of most service costs in the Medical Assistance program. The increases were originally effective for nine calendar quarters, from October 2008 through December 2010. Minnesota's enhanced FMAP rate was 60.19% for October 2008 to March 2009 and was 61.59% through December 2010. A subsequent extension of enhanced FMAP rates is effective for the period January 2011 through June 2011. The rate for the quarter ending March 31, 2011 was 58.77%. The rate for the quarter ending June 30, 2011 was 56.88%. The previous forecast assumed a rate of 55.40% for that quarter, although it was recognized that the higher rates was a possibility. The tables describing the forecast changes identify the state share savings resulting from the higher rate.

The following sections explain the forecast change for each of five component activities of the Medical Assistance program:

MA LTC FACILITIES	'10-'11 Biennium	'12-'13 Biennium	'14-'15 Biennium
Total forecast change this item ($000)	(11,278)	(16,219)	(9,727)
Total forecast percentage change this item	-1.6%	-1.8%	-1.0%

This activity includes payments to nursing facilities, to community ICF/DD facilities, for day training and habilitation services for community ICF/DD residents, and for the State Operated Services RTC programs for the mentally ill (SOS). (In the RTC programs, Medical Assistance covers only those residents who are under age 21 or age 65 or over.)

The net cost of this activity is also affected by the amount of Alternative Care (AC) funds expected to cancel to the Medical Assistance account. Alternative Care is usually funded at a larger amount than expected expenditures to allow for the fact that funds have to be allocated to the counties and, because each county treats its allocation as a ceiling for spending, there is always substantial underspending of Alternative Care funds. The amount which is expected to be unspent is deducted from the funding of the Medical Assistance program in the budget process.

Change in Projected Costs	'10-'11 Biennium ($000)	'12-'13 Biennium ($000)	'14-'15 Biennium ($000)
Alternative Care offset	410	(3,198)	(3,001)
NF caseload	(7,195)	(15,501)	(14,017)
ICF/DD & DTH	(637)	5,219	10,368
SOS	(1,647)	(4,322)	(4,310)
County share	657	1,583	1,233
Federal share adjustment: QE 6-30-2011	(2,866)		
Activity Total	(11,278)	(16,219)	(9,727)

Alternative Care Offset

The new forecast has AC expenditures is 4.9% lower for the current biennium and 4.3% lower for the next biennium. For the current biennium, the reductions are split between lower recipient projections and lower cost of service. For the next biennium the reduction comes from lower service costs.

Nursing Facilities (NF)

NF payments in FY 2011 were 2.2% less than the previous forecast, mostly because of a slightly lower than expected cost per paid day. Projected costs for the current biennium are reduced by 1.9% and costs for the next biennium by 3.3% mostly based on lower recipient projections. Slightly higher recipient contributions also contribute to the reductions.

Community ICF/DD and Day Training & Habilitation (DT&H)

This forecast projects that the two-decade-long decline in ICF/DD recipient numbers will end with FY 2012 and be followed by small increases. The resulting forecast increases are 3.1% in the current biennium and 5.9% in the next biennium.

SOS RTC MI Program

MA billings for SOS MI programs on RTC campuses have nearly ceased. The newer programs in 16-bed facilities do not bill as RTC programs, which fall under Medicaid coverage limitations for IMDs.

County Share of LTC Facility Services

Reduced county-share projections result from the substantial reductions in the SOS RTC MI program forecast, which had a county share equal to 50% of the non-fedeal share for children with emotional disturbance.

Federal Share Adjustment

This reflects the higher than expected federal share effective for the quarter ending 6-30-2011.

MA LTC WAIVERS & HOME CARE	**'10-'11 Biennium**	**'12-'13 Biennium**	**'14-'15 Biennium**
Total forecast change this item ($000)	(11,296)	(47,282)	(24,747)
Total forecast percentage change this item	-0.7%	-2.0%	-0.9%

This activity includes the following components:

- Developmentally Disabled Waiver (DD Waiver)
- Elderly Waiver (EW): fee-for-service (FFS) segment
- Community Alternatives for Disabled Individuals (CADI Waiver)
- Community Alternative Care Waiver (CAC Waiver)
- Traumatic Brain Injury Waiver (TBI Waiver)
- Home Health Agency Services
- Personal Care Assistance (PCA) and Private Duty Nursing (PDN) Services
- Fund transfer to Consumer Support Grants.

The five waivers are special arrangements under federal Medicaid law, which provide federal Medicaid funding for services which would not normally be funded by Medicaid, when these services are provided as an alternative to institutional care (nursing facility, ICF/DD, or acute care hospital).

The following table provides a breakdown of the forecast changes in the waivers and home care:

Change in Projected Costs	**'10-'11 Biennium ($000)**	**'12-'13 Biennium ($000)**	**'14-'15 Biennium ($000)**
DD Waiver	(1,272)	(11,271)	9,122
EW Waiver FFS	(662)	(3,970)	(4,717)
CADI Waiver	(1,173)	(14,235)	(2,446)
CAC Waiver	(238)	(1,425)	(1,859)
TBI Waiver	(906)	(6,215)	(5,739)
Home Health	(198)	(1,085)	(1,403)
Private Duty Nursing	136	3,214	5,108
Personal Care Assistance	(775)	(17,129)	(29,624)
Transfer to CSG	150	4,834	6,811
Federal share adjustment: QE 6-30-2011	(6,358)	0	0
Activity Total	(11,296)	(47,282)	(24,747)
EW Total:			
FFS & Managed Care	(1,195)	4,211	(1,168)

Percent Change in Projected Costs	'10-'11 Biennium	'12-'13 Biennium	'14-'15 Biennium
DD Waiver	-0.1%	-1.1%	0.8%
EW Waiver FFS	-1.8%	-9.4%	-10.0%
CADI Waiver	-0.3%	-2.6%	-0.4%
CAC Waiver	-1.1%	-6.2%	-6.9%
TBI Waiver	-0.9%	-5.5%	-4.3%
Home Health	-0.8%	-4.1%	-4.7%
Private Duty Nursing	0.2%	3.3%	4.3%
Personal Care Assistance	-0.2%	-3.8%	-5.7%
Transfer to CSG	0.5%	16.0%	18.6%
Activity Total	-0.7%	-2.0%	-0.9%
EW Total: FFS & Managed Care	-0.4%	1.4%	-0.3%

DD Waiver

DD waiver recipient projections are practically unchanged. Average cost projections are slightly lower for the current biennium--influenced by lower than expected payments in the first quarter of FY 2012--and slightly higher for the next biennium.

Note on "Lower than Expected Payments"

We are citing "lower than expected payments in the first quarter of FY 2012" as part of the explanation of forecast changes in DD waiver, CADI, and TBI. This means that actual cash-basis payments for those three months are significantly lower than expected based on our revised accrual-basis forecast. This leaves two future possibilities: payments will do some catching up in the coming months, or the accrual-basis forecasts will need some downward revision. Our forecasting compromise in this situation is to accept the quarter's payments as actuals for those months, but to make no downward revision to the projected payments for the following months.

Elderly Waiver FFS & Managed Care

Elderly waiver is forecasted in two segments, the fee-for-service segment and the managed care segment. Forecast changes are described for the total of the two segments, since changes in the two parts tend to result from differences in distribution between fee-for-service EW and the managed care EW.

EW FFS recipient projections are 9% to 10% lower for the current biennium and the next biennium, but these reductions are offset by corresponding increases in managed care EW.

EW cost projections overall are up 1.4% for the current biennium and down 0.3% for the next biennium. The increase for the current biennium comes from slightly higher average cost projections, while the decrease for next biennium comes from slightly lower recipient projections.

CADI Waiver

CADI expenditure projections for the current biennium are 2.6% lower for the current biennium but 0.4% lower for the next biennium. CADI recipient projections are about 1% lower over the entire forecast period. Lower than expected payments in the first quarter of FY 2012 contribute about 2 percentage points to the reduction in the current biennium.

CAC Waiver

CAC expenditure projections are reduced between 6% and 7% through the forecast period. The reductions result from a lower projected number of recipients. Because of the small numbers on this waiver, this represents a reduction of 20 to 25 in the projected number of recipients.

TBI Waiver

TBI expenditure projections are reduced 5.5% for the current biennium and 4.3% for the next biennium. Actual payments for FY 2011 were 2.3% below the February 2011 forecast, so most of the forecast decrease is in the nature of a base adjustment. Lower recipient projections and lower average cost projections contribute about equally to the decreases. Lower than expected payments in the first quarter of FY 2012 contribute about 1 percentage point to the reduction for the current biennium.

Home Health Agency

Home health expenditure projections are reduced by 4.1% for the current biennium and by 4.7% for the next biennium. These reductions are the net effect of recipient projections which are about 6% higher and average cost projections which are about 9% to 10% lower.

Private Duty Nursing (PDN)

Expenditure projections are increased 3.3% for the current biennium and 4.3% for the next biennium. The increases result from a higher average cost of service.

Personal Care Assistance (PCA)

Projected expenditures for PCA are decreased by 3.8% for the current biennium and by 5.7% for the next biennium. Technical changes regarding the PCA effects of CADI and DD Waiver recipient caps adopted in 2009 and 2010 account for about one-third of the reduction in the current biennium. The remainder of the reductions represent slower growth in the number of recipients and the average cost of service than was assumed in the previous forecast. Recipient projections are about 3% lower across the forecast horizon. Average cost projections are little changed for the current biennium and about 2% lower for the next biennium.

MA ELD. & DISABLED BASIC CARE

	'10-'11 Biennium	'12-'13 Biennium	'14-'15 Biennium
Total forecast change this item ($000)	(16,797)	(30,560)	26,426
Total forecast percentage change this item	-0.9%	-1.2%	0.9%

This activity funds general medical care for elderly and disabled Medical Assistance enrollees. For almost all of the elderly and for about 48 percent of the disabled who have Medicare coverage, Medical Assistance acts as a Medicare supplement. For those who are not eligible for Medicare, Medical Assistance pays for all their medical care. Also included in this activity is the IMD group, which was part of GAMC until October 2003 and is funded without federal match. Enrollees in this group are individuals who would be eligible as MA disabled but for the fact of residence in a facility which is designated by federal regulations as an "Institute for Mental Diseases." Residents of such facilities are barred from MA eligibility unless they are under age 21 or age 65 or older.

The disabled segment accounts for about two-thirds of enrollees in this activity.

This activity also pays the federal agency the "clawback" payments which are required by federal law to return most of the MA pharmacy savings resulting from implementation of Medicare Part D in January 2006. The federal agency bills the state monthly for each Medicare-MA dual eligible who is enrolled in a Part D plan. The proportion of estimated savings which the state is required to pay decreases by 1.67 percentage points each year until it reaches 75% in CY 2015. For CY 2011 it is 81.67%, and the amount billed per dual eligible each month is $131.70.

The following table summarizes the areas of forecast changes in this activity:

	'10-'11 Biennium ($000)	'12-'13 Biennium ($000)	'14-'15 Biennium ($000)
Elderly Waiver Managed Care	(533)	8,181	3,549
Elderly Basic Enrollment -0.3%	(487)	(1,444)	(1,536)
Elderly Basic Avg. Cost -3.4%	5,388	(30,973)	(37,669)
Disabled Basic Enrollment	(873)	(556)	2,952
Disabled Basic Avg. Cost	(11,971)	11,467	57,033
Disabled Basic: Apply April '13 and April '15 HMO delay	0	(24,101)	(5,331)
Federal share adjustment: QE 6-30-2011	(5,903)	0	0
Chemical Dependency Fund share	(1,788)	72	(692)
IMD Program: MA adult with no kids expansion	769	13,147	15,326
IMD Program: Other changes	70	(1,071)	(668)
Medicare Part D clawback payments	(1,469)	(5,282)	(6,538)
Total	(16,797)	(30,560)	26,426

Elderly Waiver Managed Care

Projected expenditures for EW managed care are about 3% higher for the current biennium and about 1% higher for the next biennium. For the two segments of EW taken together, as explained above, the increase in projected expenditures is 1.4% for the current biennium

Elderly Basic Changes

Elderly basic enrollment projections are 0.3% lower.   Average cost projections, beginning January 2012 are 3.4% lower because legislative changes regarding coverage of Medicare cost-sharing will reduce payments, including HMO rates, more than was anticipated in the 2011 budget.

Disabled Basic Changes

Disabled basic enrollment projections are nearly unchanged for the current biennium and 0.2% higher for the next biennium.

The movement of the MA disabled population to managed care, with the choice of opting out of managed care, brings important complexities to this portion of the MA forecast. The end of session forecast assumed that 50% of the current FFS (fee-for-service) disabled population would enroll in managed care. We maintain this assumption in the November forecast.

End of session projections also assumed that managed care would produce equivalent costs to those expected under FFS, but with different payment timing. We also maintain this assumption in the November forecast. But an important difference affecting the state share of managed care costs vs. fee-for-service costs has emerged. Under FFS the non-federal share of costs for mental health targeted case management (MHTCM) is paid by the counties. Under managed care, that cost is included in the capitation rates, and the non-federal share is paid by the state. An analogous but smaller fiscal issue affects the cost for CD Fund services: under FFS the non-federal share is not paid from the MA account, but from the state CD Fund. Rolling these two costs into managed care rates is expected to raise those rates initially by about $70 PMPM (per person per month) which will not produce corresponding state-share FFS savings. This accounts for most of the increase in projected capitation rates for the managed care expansion in this forecast. These projections have been raised in the November forecast by 12% to 13%: by about $94 PMPM for the current biennium and by about $96 PMPM for the next biennium. Some offsetting adjustments, however, have been made against FFS cost projections, with the net result that the average cost projected for disabled basic care, inclusive of both FFS and managed care, is 1.2% higher for the current biennium and 3.8% higher for the next biennium.

This forecast recognizes the delay of SNBC expansion payments for April 2013 and April 2015 to the following July. This is an interaction between two 2011 Session changes which was not included in end of session 2011 projections.

The expected movement of CD treatment costs into managed care with the expansion is expected to produce a small savings in state CD Fund costs. (See below on the CD Fund forecast.)

CD Fund Share

Small increases in MA-funded services covered by the CD Fund produce corresponding decreases in state share costs funded from the MA account, because the state share of these costs comes from the CD Fund.

IMD Program

This segment covers people eligible for MA but for residence in an IMD facility. The new MA eligibility for adults with no children has added enrollment of approximately 900 to this segment, with expected costs of approximately $13.1 million for the current biennium and $15.3 million for the next biennium.

Medicare Part D Clawback

The monthly amount billed in CY 2012 for MA enrollees who are also enrolled in Medicare Part D will be $131.70, about 2% lower than projected in the previous forecast. Because of other small changes in the projections, the actual reductions for the current biennium and the next biennium are about 1.5%.

ADULTS WITHOUT CHILDREN
OPTIONAL EXPANSION AND MANDATORY EXPANSION

	'10-'11 Biennium	'12-'13 Biennium	'14-'15 Biennium
Total forecast change this item ($000)	(29,948)	(61,966)	(21,513)
Total forecast percentage change this item	-37.4%	-6.3%	-5.7%

Federal law mandates MA eligibility to be expanded to cover adults with no children with income up to 133% FPG effective January 2014. We assume a 100% federal share for federally eligible costs under the mandatory expansion from CY 2014 to CY 2016, but the law on this share is not clear and a lower initial federal share is possible (75% for CY 2014; 80% for CY 2015).

Federal law provides an option to states to expand coverage for adults with no children earlier than January 2014, at income levels up to 133% FPG. Optional expansions get federal funding at the regular FMAP, which is 50% for Minnesota. Minnesota law provides for an optional expansion, up to 75% FPG, which was triggered by the Governor effective March 1, 2011.

The following table summarizes changes from the end of session 2011 forecast:

	'10-'11 Biennium ($000)	'12-'13 Biennium ($000)	'14-'15 Biennium ($000)
Start-up year	(29,185)	0	0
Adults enrollment	0	(68,773)	(22,037)
Adults avg. cost	0	470	(1,507)
Rx rebates folded into general Rx rebate category	0	11,823	4,118
Change in CD fund share	(763)	(5,486)	(2,087)
Total	(29,948)	(61,966)	(21,513)

FY 2011: Start-Up Year

The pace of initial enrollment during FY 2011 was somewhat faster than projected in the previous forecast, but because eligibility was established retroactively for most enrollees coming from MinnesotaCare or GAMC, no useful comparison of actual enrollment data to earlier projections can be made.

Actual expenditures in FY 2011 were about 35% below the previous forecast. About half of this difference was the result of the June 2011 delay of most FFS payments, which was not accounted for in the previous forecast. The remainder can be attributed to the difficulty of predicting the amount and timing of FFS payments to be made during a four-month start-up period.

Enrollment Changes

Enrollment for Agust 2011 is currently (partly estimated) at 85,621. The previous forecast had Agust enrollment, after completion of the transition from MinnesotaCare and GAMC, at 93,845. The transition of enrollees from other programs has developed as expected, but the additional enrollment of people who would otherwise be uninsured has not developed as expected. For this reason we have reduced and slowed the projected development of this additional enrollment. In the previous forecast we assumed that the additional enrollment would rise to 16,400 by July 2013. In the November forecast we assume that it will take until December 2013 to reach 10,000.

This change is the main reason why the enrollment forecast is lower by 6800 to 7000, a decrease of about 7% for the current biennium. Also contributing to this reduction is the fact that about 900 of the enrollees in the new MA category fall into the IMD segment of MA because they reside in an IMD facility and so are ineligible for federal matching. Likewise about 500 (legal) non-citizens are ineligible for federal funding because they entered the US within the last 5 years. (The previous forecast assumed that about 1% of total enrollees or about 1000 would be ineligible for federal matching.) Forecast increases are identified in the IMD and non-citizens segments for these groups affected by the expansion.

Average Cost Changes

Only minor adjustments have been made to average cost projections.

Rx Rebate Changes

The previous forecast identified expected Rx rebates separately for this segment of MA, because of differences in the expected federal share rates applicable to expenditures and recoveries for this segment beginning in January 2014. We have simplified the treatment of the rebates by including all MA Rx rebates in one category, but not including in the rebate forecast those rebates which would be 100% federal, resulting from payments for coverage from January 2014 on.

Change in CD Fund Share

As in other segments of MA, FFS CD treatment is provided by the CD Fund and billed to MA. The CD Fund receives the federal share of the MA payment as revenue, but the state share is paid from the CD Fund account. If CD treatment is received while the MA enrollee is covered by managed care, the cost is covered under the capitation contract--and the MA account in effect pays for the state share of the cost of treatment.

This forecast shows the effect of an increase in the proportion of FFS payments with the state share projected to be covered by the CD Fund, resulting in a decrease in MA state share costs.

FAMILIES WITH CHILDREN BASIC CARE	**'10-'11 Biennium**	**'12-'13 Biennium**	**'14-'15 Biennium**
Total forecast change this item ($000)	(48,027)	(140,669)	(138,327)
Total forecast percentage change this item	-3.1%	-6.8%	-5.8%

This activity funds general medical care for children, parents, and pregnant women, including families receiving MFIP and those with transition coverage after exiting MFIP. It also includes non-citizens who are ineligible for federal matching. The non-citizen segment is treated as part of this activity because non-citizen enrollment and costs are dominated by costs for pregnant women.

The components of the overall forecast change in this activity are summarized in the following table:

	'10-'11 Biennium ($000)	'12-'13 Biennium ($000)	'14-'15 Biennium ($000)
Families with Children			
Enrollment:	(15,057)	(42,117)	(28,085)
Change in value of cap on HMO pmt delay in '13 and '15	0	1,272	9,531
Avg. cost:	3,504	(15,308)	(3,128)
CD Fund share	(236)	(114)	(442)
CHIP enh. match for kids over 133% FPG	354	2,264	(3,111)
Rx rebates	(5,653)	(91,795)	(111,206)
Non-citizen MA segment	(725)	6,246	994
GAMC DSH dedicated revenue	(366)	0	0
Services w special funding	(3,049)	1,357	0
Family planning waiver	0	(434)	(682)
Breast & cerv. cancer	(463)	(322)	(480)
Federal share adjustment: QE 6-30-2011	(6,254)	0	0
MA-EPD premiums	(859)	(1,718)	(1,718)
Other adjustments (cash-flow differences)	(19,223)	0	0
Total	(48,027)	(140,669)	(138,327)

Families with Children Basic Care
Enrollment Effects of Federal Health Care Requirements
Previously Included in the Forecast

These effects have been included in the forecast since February 2011:
(1) enrollment projections increased by about 7% for FY 2014 and about 15% for FY 2015 to allow for the effects of the coverage mandate effective January 2014 (this effect was already included in the November 2010 forecast);
(2) additional enrollment of MA caretakers based on the federal mandate to expand coverage of this group to 133% FPG. This increases overall enrollment by about 2.9% or 12,800 average enrollees in FY 2015.

Enrollment Changes in the November Forecast

Enrollment projections for families with children are 1.9% lower for the current biennium and 1.1% lower for the next biennium. Actual enrollment in FY 2011 was 1.7% below forecast, which produces a slightly lower base enrollment for the forecast.

Cap on HMO Payment Delay

Legislation in 2011 delayed capitation payments for May 2013 and May 2015 until the following July. For managed care for the disabled, which already had May and June payments delayed in law, payments for April 2013 and April 2015 were delayed until the following July. The value of each year's delay was capped at $135 million of state funds for MA and MinnesotaCare combined. In the end of session 2011 estimates, the state share value of the delay in MA, which was also treated as a cap on the fiscal effect of the delay, was $107,429,000. The MinnesotaCare share was $27,571,000. In the November forecast we have increased the MA delay to $113 million, and reduced the MinnesotaCare share to $22 million, because MinnesotaCare state share expenditures no longer permit the full original value to be delayed.

Maintaining the prescribed value of the transfer in the forecast requires a calculated offset to the value of the payment delay as determined by projections of the amount of payments for the relevant months which would be delayed absent a limit. This offset is applied to MA managed care payments for families with children in May of 2013 and May of 2015.

	FY 2013	FY 2014	FY 2015
End of Session 2011 offset	80,973,150		55,558,000
Offset in November forecast	83,516,479		77,164,132
Offset difference	2,543,329		21,606,132
Effect of dif. on payment timing	(2,543,329)	2,543,329	(21,606,132)
State share of payment dif. @ 50%	(1,271,665)	1,271,665	(10,803,066)
Biennial totals	(1,271,665)		(9,531,402)

Change in Average Cost of Coverage

Projections of the average cost of coverage, in both managed care and FFS, are less than 1% lower.

Slightly different shares of overall MA payments made to the CD Fund result in small cost increases and decreases because payments to the CD Fund draw no state share from the MA account.

CHIP Enhanced Funding for MA Children Over 133% FPG

Minnesota is able to claim federal CHIP funds as enhanced matching on costs for children with family income over 133% FPG, in both MA and MinnesotaCare. The enhancement is the difference between the 65% federal CHIP share and the current

Changes reflect less CHIP enhanced matching projected in the current biennium and somewhat more in the next biennium.

Pharmacy Rebates

(Higher rebates reduce MA cost projections; lower rebates increase net costs.)

Projected state share rebate collections are increased substantially because DHS is beginning to bill for Rx rebates based on managed care Rx purchases. This extension of Rx rebates was authorized by federal legislation in March 2010, and billings will go back to that date. Projected state share receipts for managed care rebates account for $87 million increase over the previous forecast and $116 million in the next biennium. These increase account for the bulk of the change in this part of the forecast, but the net savings, including changes in FFS Rx rebates, are $4.8 million greater in the current biennium and $4.8 million smaller in the next biennium. This includes effects of the expansion of managed care for the disabled, which will decrease FFS rebates and increase managed care rebates.

Non-Citizen MA

The Non-Citizen segment of MA includes federal Children's Health Insurance Program (CHIP) coverage for pregnant women through the month in which they give birth. Two months of post-partum coverage were at 100% state cost until July 2009, when CHIP coverage of those months became available.

The MA expansion of coverage for adults with no children added about 500 enrollees to the non-CHIP, state-only funded part of this program, increasing expected costs by about 20%. (In the previous forecast it was assumed that 1% of the enrollment in the MA expansion would be ineligible for federal matching because of immigration status. The related cost was included in projected costs for the MA expansion.) A 2011 legislative change eliminates this coverage of non-citizens effective January 2012 with the exception of pregnant women eligible for federal CHIP funding . The November forecast assumes this change will not be implemented until March 2012. The increase of $6.2 million in the current biennium is due about 50% to the added enrollment from the MA expansion and 50% to the two-month delay in implementing the termination of MA eligibility. Other forecast changes are minor.

The MinnesotaCare forecast assumes that most of the non-citizens losing eligibility for this state-funded MA coverage will migrate to the MinnesotaCare program, in most cases with a less comprehensive benefit set.

DSH Dedicated Revenue

This stream of DSH revenue ends with the end of the old GAMC program, given that there are no certified losses from Hennepin County Medical Center. The change for the last biennium is a final adjustment for revenue slightly over the February 2011 forecast.

Services with Special Funding

This is a forecast category which includes several services which have only federal and county share funding, such as child welfare targeted case management. Some services have state and federal funding, but are administrative costs from the federal perspective and so have federal matching at a fixed 50%, rather than funding at the Federal Medical Assistance Percentage (FMAP) which applies to medical services and can vary from 50%, as is currently the case with enhanced FMAP rates. Services which have state funding are access services (transportation to medical care), child and teen checkup outreach, and DD waiver screenings.

Minor forecast changes come from somewhat lower spending for Access services in FY 2011, and higher actual payments for the first quarter of FY 2012.

Family Planning Waiver

Most of the services provided under this waiver have 90% federal funding.

Enrollment in the FP waiver has leveled off. Most of the forecast change comes from lower projected enrollment. Expenditure projections are 12.5% lower for the current biennium and 17.0% lower for the next biennium.

Breast & Cervical Cancer

This coverage applies on average to between 400 and 500 women on average.

The revised expenditure projections are about 4% lower.

MA-EPD Premiums

Projected revenue from MA-EPD premiums is increased to the actual level for FY 2011.

Other Adjustments (Cash-flow Differences)

The differences identified under this heading can consist of revenues, recoveries, or other negative adjustments not identified in the data used for the forecast. $5.9 million of GAMC DSH dedicated receipts contributed to the $19.2 million difference.

GENERAL ASSISTANCE MED. CARE (Old GAMC program only)	**'10-'11 Biennium**	**'12-'13 Biennium**	**'14-'15 Biennium**
Forecast change this item ($000)	(1,905)	1,129	0
Forecast percentage change this item	-0.66%	38.60%	0.0%

During the 2010 legislative session, GAMC's entitlement nature was eliminated effective June 1, 2010, and dramatic payment reductions were put into effect for services provided in April and May 2010. Beginning June 2010, GAMC was transformed into a capped appropriation program administered by four hospitals referred to as Coordinated Care Delivery Systems (CCDS). Additionally, the Transitional MinnesotaCare program, within which FFS coverage was paid through GAMC, was eliminated for new enrollees effective April 1, 2010.

This section of the forecast pertains to the tail of financial obligations of the "old" GAMC program, including FFS claims, managed care withhold payments, and negative adjustments resulting from the delayed conversion of GAMC eligibility to MA eligibility.

Higher than expected levels of negative adjustments in FY 2011 resulted in lower net expenditures by about $1.9 million. A greater than anticipated payment in August 2011 to return the CY2010 HMO withhold results in higher projected net expenditures in FY2012 by about $1.1 million.

CHEMICAL DEPENDENCY FUND	**'10-'11 Biennium**	**'12-'13 Biennium**	**'14-'15 Biennium**
Forecast change this item ($000)	(11,814)	(26,513)	(17,801)
Forecast percentage change this item	-5.8%	-14.1%	-9.8%

CD Fund placements in FY 2011 were 11.6% under the February 2011 forecast, but the average cost per placement was 3.7% higher. Net state expenditures were 10.4% under forecast. Consistent with this experience, the projected number of placements is reduced by about 14% for both the current biennium and the next biennium. The average cost per placement is increased by 3.3% for the current biennium and 5.0% for the next biennium. Net state expenditures are reduced by 14.1% for the current biennium and by 9.8% for the next biennium.

The expansion of managed care for the MA disabled contributes modestly to these reductions, by reducing CD Fund payments for CD treatment because capitation contracts include coverage of this. The CD Fund retains fiscal responsibility for room and board costs of MA managed care enrollees, because these are not federally matchable, and so not included in capitation rates. The net effect of this movement to managed care in the November forecast is a reduction of $1.9 million in the current biennium and $3.2 million in the next biennium.

MFIP NET CASH (STATE AND FEDERAL)	'10-'11 Biennium	'12-'13 Biennium	'14-'15 Biennium
Forecast change this item ($000)	(2,800)	(8,835)	(7,248)
Forecast percentage change this item	-0.9%	-2.6%	-2.2%
GENERAL FUND SHARE OF MFIP			
Forecast change this item ($000)	(974)	(4,887)	(6,560)
Forecast percentage change this item	-0.6%	-2.8%	-3.38%
FEDERAL TANF FUNDS FOR MFIP			
Forecast change this item ($000)	(1,826)	(3,947)	(688)
Forecast percentage change this item	-1.1%	-2.5%	-0.52%

This activity provides cash and food for families with children until they reach approximately 115% of the federal poverty guidelines (FPG). The MFIP program is Minnesota's TANF program. MFIP cash is therefore funded with a mixture of federal TANF Block Grant and state General Fund dollars.

The following table summarizes the changes in MFIP cash expenditures by source, relative to the end of session 2011 forecast.

Summary of Forecast Changes	'10-'11 Biennium ($000)	'12-'13 Biennium ($000)	'14-'15 Biennium ($000)
Gross MFIP cash grant forecast change	(2,212)	(8,249)	(6,543)
Gross General Fund forecast change	(632)	(4,578)	(6,110)
Child Support/recoveries offset	(341)	(309)	(450)
Net General Fund forecast change	(974)	(4,887)	(6,560)
Gross TANF forecast change	(1,579)	(3,671)	(433)
Child Support pass-through/recoveries offset	(246)	(276)	(255)
Net TANF forecast change	(1,826)	(3,947)	(688)

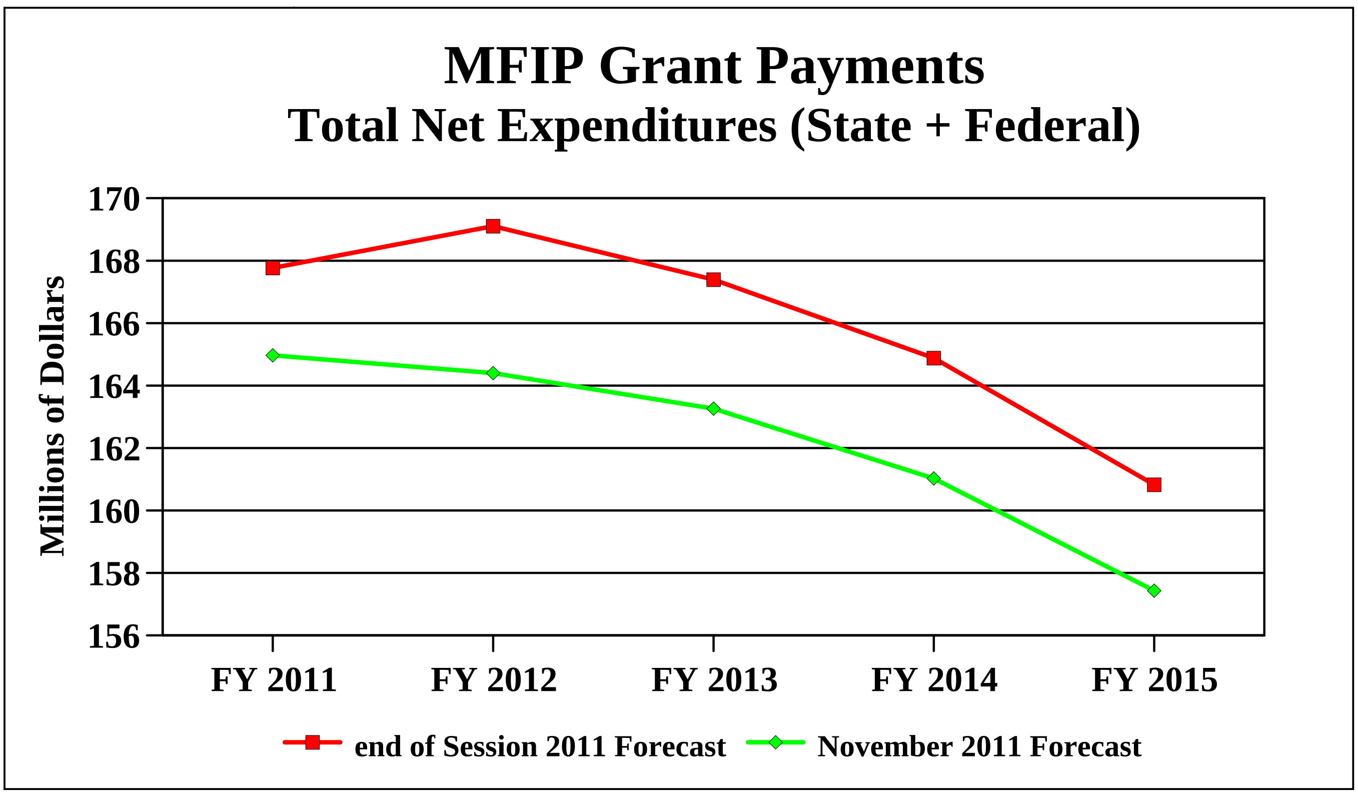
Lower Base MFIP Caseload

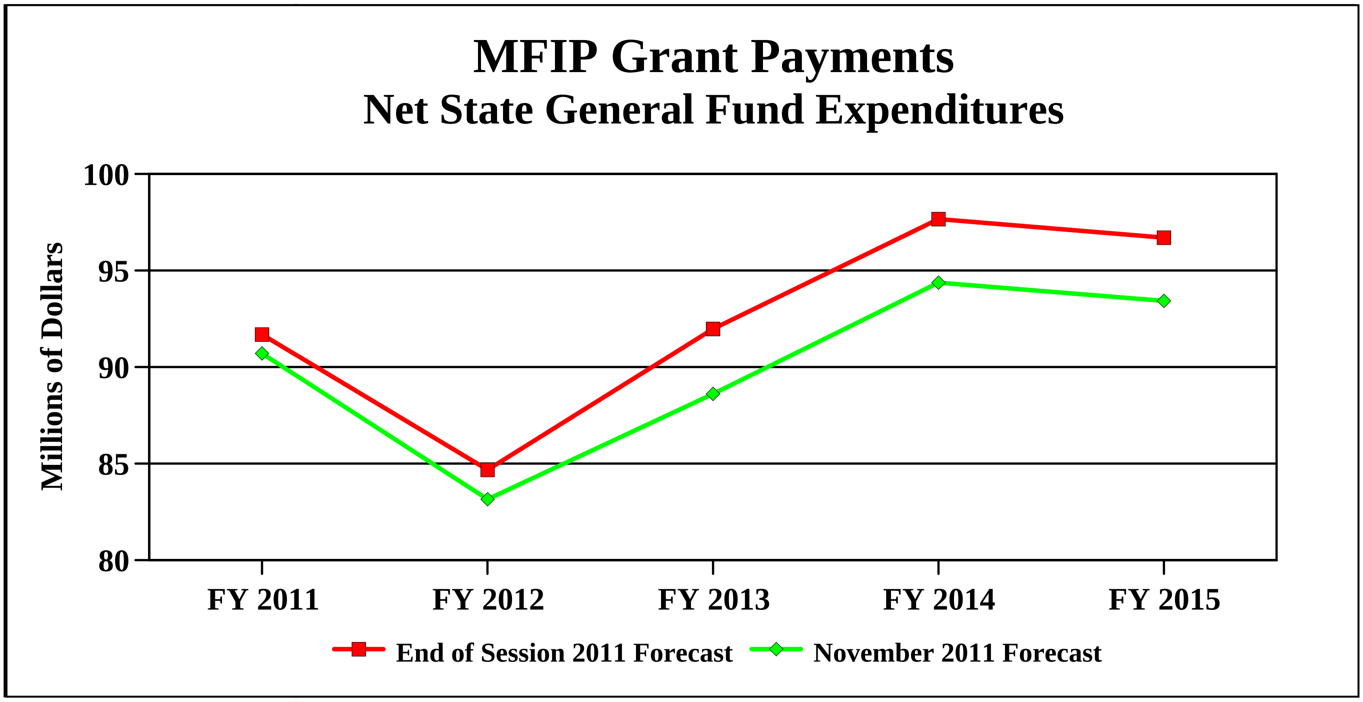
In recent months, the MFIP/DWP caseload has been growing less than previously projected. Based on this experience, projected caseloads have been adjusted downward. This is the main reason for decreased forecasted expenditures of $8.2 million (2.3%) in the current biennium, and $6.5 million (1.9%) in the 2014-2015 biennium.

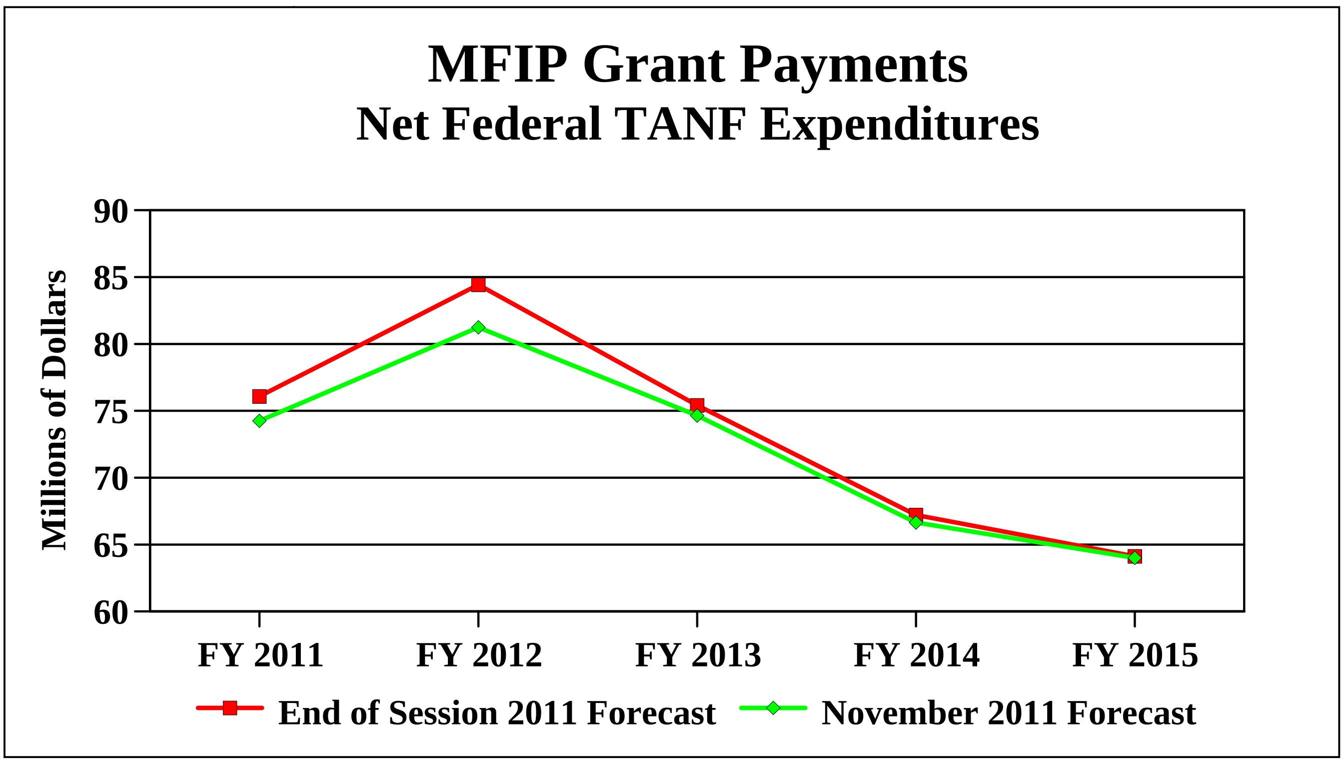
Decreases in General Fund and TANF expenditures in MFIP

Most of the MFIP caseload is funded with a mixture of state and federal block grant funds. The amount of state funds in this mixture is determined by the federally mandated Maintenance of Effort (MOE) requirement for state (i.e., General Fund) spending on its TANF program. The state must meet this minimum MOE requirement to draw its entire federal TANF block grant allotment. Certain components of the overall MOE requirement are forecasted separately from MFIP (child care is the primary example). Required gross General Fund spending in the MFIP forecast will vary with the forecasted expenditure levels in these external MOE components, though it must be at least 16% of the MOE requirement. In addition, if there are not enough TANF funds available to pay the portion of expenditures which do not have to be paid from the General Fund, then General Fund is used to make up the difference. The General Fund must also fund "non-MOE" cases: cases with two parents and cases eligible for Family Stabilization Services. These expenditures cannot be used as MOE and cannot be funded with federal funds. Net General Fund expenditures are adjusted for child support collections and the counties' share of recoveries.

Gross General Fund expenditures are decreased by $4.6 million in the current biennium and $6.1 million in the next biennium, due mostly to increased MOE available from Child Care Assistance Program expenditures. Publicly assigned child support collections and county incentive payments are decreased slightly, leading to a decrease in net General Fund MFIP cash expenditures of $4.9 million (2.8%) in the current biennium, and $6.6 million (3.4%) in the next biennium.




MFIP Grant Payments
Net State General Fund Expenditures
Millions of Dollars
100
95
90
85
80
FY 2011
FY 2012
FY 2013
FY 2014
FY 2015
End of Session 2011 Forecast
November 2011 Forecast


MFIP Grant Payments
Net Federal TANF Expenditures
Millions of Dollars
90
85
80
75
70
65
60
FY 2011
FY 2012
FY 2013
FY 2014
FY 2015
End of Session 2011 Forecast
November 2011 Forecast

Decreased gross General Fund expenditures in the current biennium of $4.6 million, together with the decreased cash forecast of $8.3 million, lead to a decrease in gross TANF expenditures of $3.7 million. Decreases in child support pass-through projections lead to net TANF expenditures in the current biennium $3.9 million less than the end of session 2011 forecast, a 2.5% decrease.

Decreased gross General Fund expenditures in the next biennium of $6.1 million, together with the decreased cash forecast of $6.5 million, lead to a decrease in gross TANF expenditures of $400 thousand. Decreases in child support pass-through projections lead to net TANF expenditures in the next biennium $700 thousand less than the end of session 2011 forecast, a 0.5% decrease.

MFIP / TY CHILD CARE ASSISTANCE	**'10-'11 Biennium**	**'12-'13 Biennium**	**'14-'15 Biennium**
Forecast change this item ($000)	1	2,854	4,415
Forecast percentage change this item	0.0%	3.3%	5.0%

This activity provides child care assistance to MFIP families who are employed or are engaged in other work activities or education as part of their MFIP employment plan. This activity also provides transition year (TY) child care assistance for former MFIP families. As with the MFIP grant program, child care assistance is funded with a mixture of federal and state General Fund dollars. The federal child care funding comes from the Child Care & Development Fund (CCDF).

In recent months, TY child care payments have been above previous projections. Based on this experience increased growth is projected in TY expenditures relative to the end of session 2011 forecast. This effect is offset somewhat by reduced MFIP child care expenditures.

In the current biennium projected child care expenditures are decreased by $2.9 million (1.3% of federal and state expenditures) and are decreased by $4.4 million (2%) relative to the end of session 2011 forecast. Federal funds used for MFIP Child Care are essentially unchanged in this forecast; therefore, almost all changes are General Fund changes.

GENERAL ASSISTANCE

	'10-'11 Biennium	'12-'13 Biennium	'14-'15 Biennium
Forecast change this item ($000)	(1,238)	3,223	5,160
Forecast percentage change this item	-1.3%	3.4%	5.5%

This activity provides state-funded cash assistance for single adults and couples without children, provided they meet one of the specific General Assistance (GA) eligibility criteria. Typically, meeting one or more of the GA eligibility criteria indicates that the individual is mentally or physically unable to participate long-term in the labor market.

The GA caseload has increased over projections in 2011. The updated econometric model suggests higher caseload growth than previously projected through FY 2012. This results in increased GA expenditures of $3.2 million in the current biennium and $5.2 million in the next biennium, relative to the end of session 2011 forecast.

GROUP RESIDENTIAL HOUSING

	'10-'11 Biennium	'12-'13 Biennium	'14-'15 Biennium
Forecast change this item ($000)	1,060	9,377	10,521
Forecast percentage change this item	0.5%	3.7%	3.8%

This activity pays for housing and some services for individuals placed by the local agencies in a variety of residential settings. Two types of eligibility are distinguished, reflecting the fact that prior to FY 1995 this benefit used to be part of the MSA and GA programs. MSA-type recipients are elderly or disabled, with the same definitions as used for MA eligibility. GA-type recipients are other adults.

The GA-type GRH caseload has increased over projections in 2011. The updated econometric model projects higher caseloads and a higher growth rate through the forecast period. This is the main factor in the increased GRH expenditures in both this biennium and the next.

MINNESOTA SUPPLEMENTAL AID

	'10-'11 Biennium	'12-'13 Biennium	'14-'15 Biennium
Forecast change this item ($000)	(879)	(1,083)	(1,411)
Forecast percentage change this item	-1.3%	-1.4%	-1.7%

For most recipients, this activity provides a supplement of approximately $81 per month to federal Supplemental Security Income (SSI) grants.

Based on recent data, MSA projected average payments are decreased . This change is partially offset by higher caseloads.

MINNESOTACARE	'10-'11 Biennium	'12-'13 Biennium	'14-'15 Biennium
Forecast change this item ($000)	(21,978)	(2,961)	(37,468)
Forecast percentage change this item	-2.3%	-0.5%	-5.0%

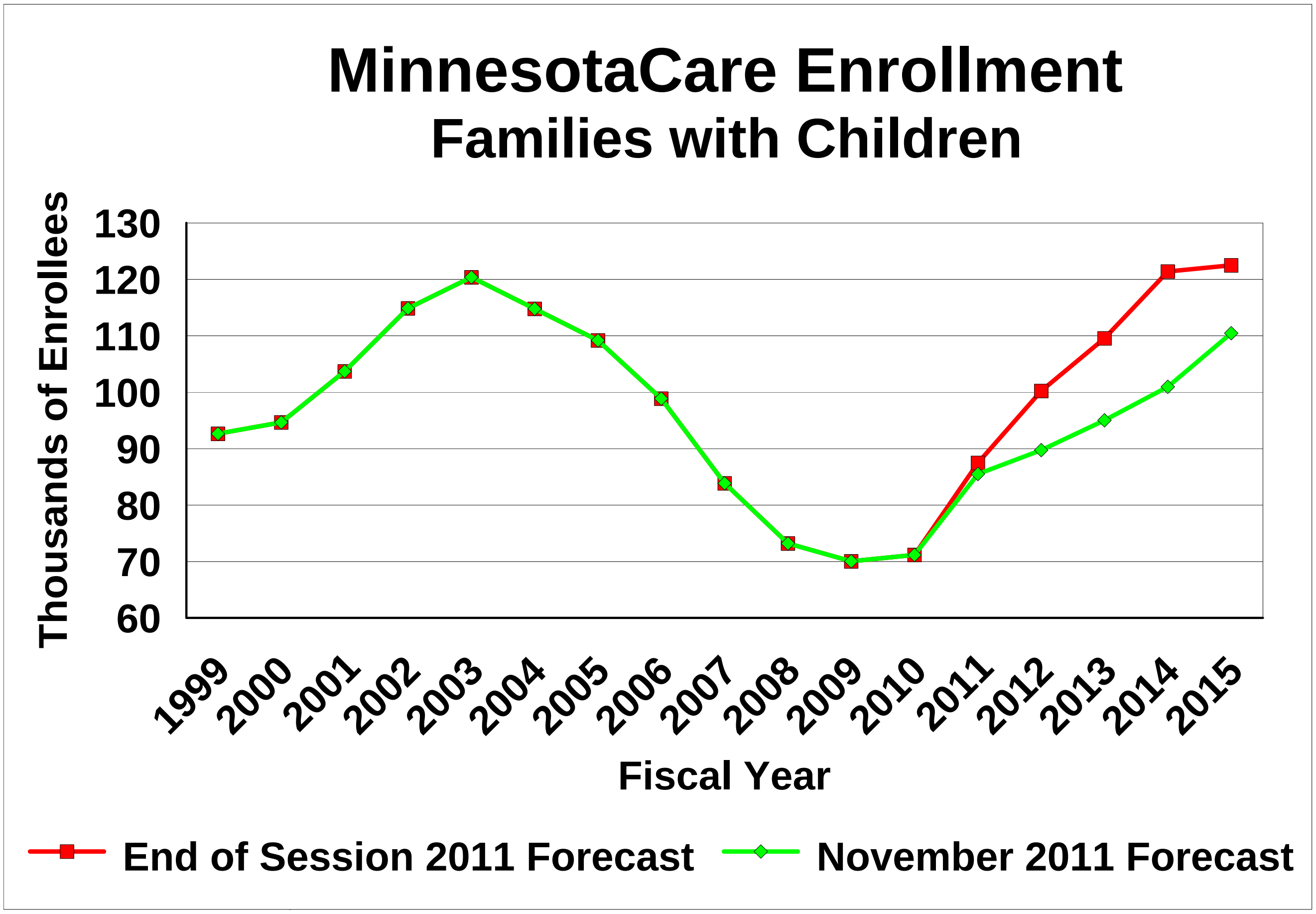
Summary of Forecast Changes	**'10-'11 Biennium ($000)**	**'12-'13 Biennium ($000)**	**'14-'15 Biennium ($000)**
Families with Children			
Enrollment changes	(3,280)	(32,857)	(35,953)
Average payment changes	0	(6,585)	(4,095)
Implementation delays	0	(4,413)	(16,079)
Families with Children Subtotal	(3,280)	(43,855)	(56,127)
Adults without Children			
Enrollment changes	(18,698)	38,232	31,086
Average payment changes	0	3,455	1,099
Implementation delays	0	(151)	(11)
Fix FFP calculation	0	(3,395)	(15,166)
Adults without Children Subtotal	(18,698)	38,141	17,008
Legal Noncitizens	0	(884)	(6,901)
Defined Benefit Program	0	3,637	8,552
Total Program	(21,978)	(2,961)	(37,468)

Families with Children

Average monthly enrollment of children and parents grew by 20% in FY 2011 compared with the previous fiscal year as enrollment picked up in early CY 2010 and steadily increased throughout FY 2011. This is likely an impact of the down economy with fewer jobs including benefits. We now project children and parents enrollment growth of 5% (or about 4,000 average monthly enrollees) in FY 2012, with continued year-on-year growth in FYs 2013-2015 averaging about 7%.

Relative to the end-of session forecast, new actual enrollment data for children and parents are 6% lower than forecast through September 2011. As a result, base enrollment projections for children and parents in the November forecast are approximately 8-9% below end-of-session levels in each year of the forecast period (or about 10,000 average monthly enrollees below end-of-session projections in a given year). This results in projected expenditure reductions of $32.9 million (about 9%) in the current biennium and $35.9 million (about 8%) in the next biennium.

The November forecast also assumes a one-year delay in eliminating premiums and insurance barriers for children under 200% FPG. The end-of-session forecast assumed an implementation date of January 2012 while the November forecast assumes a January 2013 start date. Eliminating premiums and barriers for these children is projected to add up to 16,000 children in a given month once the policy is fully phased in after about two years. Delaying the implementation date has its largest impact in FY 2014 when it reduces projected enrollment by about 8% (or about 10,000 enrollees). This delay results in projected expenditure reductions of about 1.3% in the current biennium and about 3.6% in the next biennium.



Managed care rates for MinnesotaCare parents and children are expected to be about 1.2% lower in CY 2012 relative to the end of session projections. This results in projected expenditure reductions of about 1.5% in the current biennium and about 1% in the next biennium.

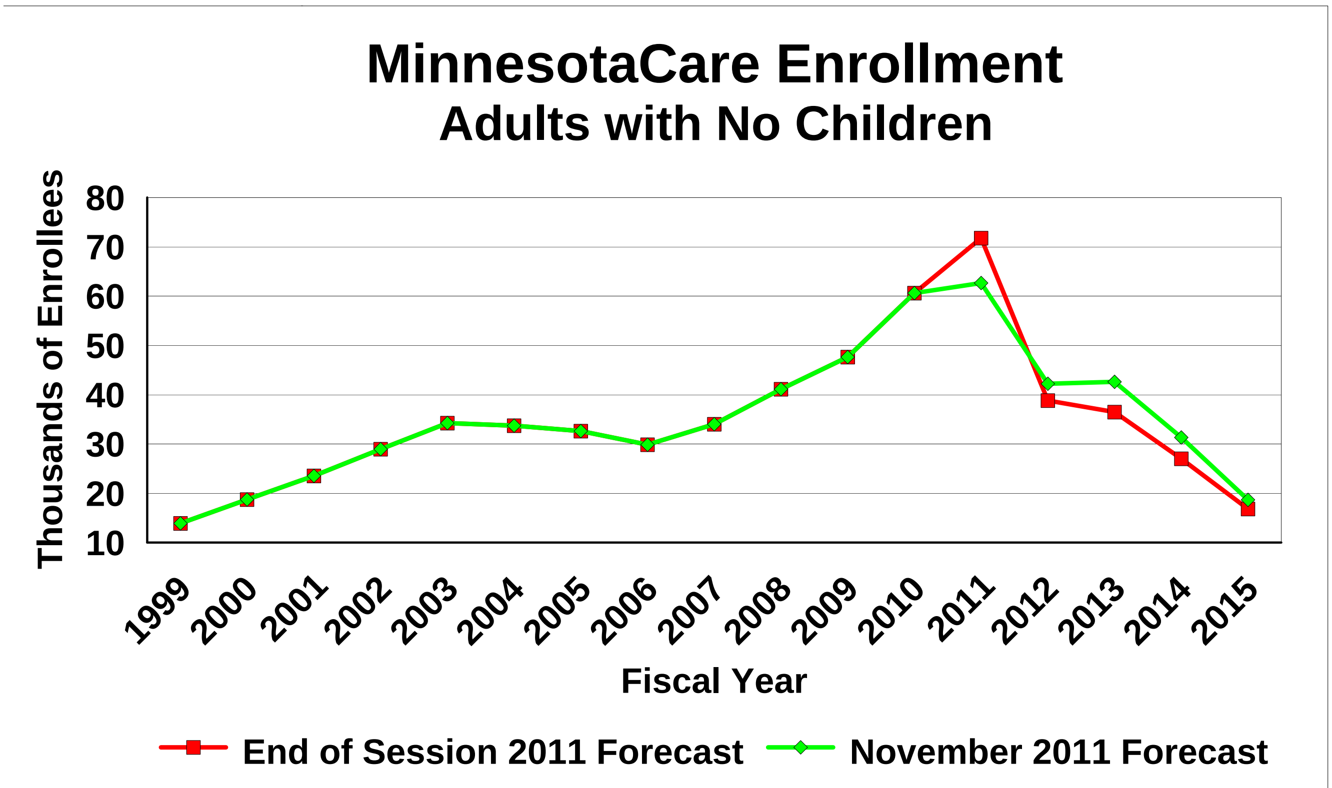
Adults without Children

Effective March 2011, MinnesotaCare adults without children under 75% FPG were transitioned to the MA program. The end-of-session forecast expected a six month transition period during which MinnesotaCare eligibility was transferred to MA. This transition period turned out to be shorter than expected, which resulted in fewer MinnesotaCare eligibility months for adults without children during FY 2011 and lower expenditures by about $18.7 million.

Average monthly enrollment of adults without children increased by 3% in FY 2011 as compared to the previous fiscal year. However, this increase would have been much larger (about 27% growth) in the absence of the shift of adults under 75% FPG to MA. This implicit baseline growth is consistent with the ongoing struggles of the labor market in which it is difficult to find jobs with health benefits. As a result, similar to families with children enrollment, we are projecting modest continued base growth of about 5% (about 2,000 enrollees) year-on-year for the adults without children population.

Relative to the end-of-session forecast, new actual enrollment data for adults without children are on average 1.3% above forecast based on data through September 2011. However, actual adults without children enrollment in September 2011 (the last month of actual data) is about 8% above forecast. As a result of this higher base, enrollment projections for adults without children are about 13% higher than the end-of-session forecast in both the current biennium and the next biennium. This implies a projected increase in expenditures of about $38.2 million in the current biennium and about $32.1 million in the next biennium.

The following graph compares the end-of-session and November forecasts of enrollment of adults without children. The large reduction in adults caseload in FY 2012 reflects the MA early expansion of adults at or below 75% FPG starting March 2011. Additional decreases in FY 2014 and FY 2015 are the result of mandatory MA expansion to 133% FPG starting in January 2014.



The state recently renewed the federal waiver under which MinnesotaCare is administered to cover the time period through December 2013. Under the new waiver, the state is able to claim federal financial participation (FFP) for adults without children on MinnesotaCare. This impact was included in the end-of-session forecast, but there was a technical problem which understated the value of federal matching. The correction results in a 1.5% expenditure reduction in the current biennium and a 5.5% expenditure reduction in the next biennium.

Managed care rates for MinnesotaCare adults without children are expected to be about 21% higher in CY 2012 relative to the rates in effect during December 2011. This increase is necessary to secure the actuarial certification required to claim FFP on MinnesotaCare adults without children under the federal waiver. However, this rate increase is mostly offset in the November forecast by CY 2011 rate reductions which fully account for the case mix change in adults without children following the shift of adults under 75% FPG to MA in the early expansion. The net change in rates results in projected expenditure increases of about 1.5% in the current biennium and about 0.5% in the next biennium.

Legal Noncitizens

Legislation in 2011 eliminated state-only MA eligibility for legal non-citizens who are ineligible for federal funding in MA because of their immigration status (arrival in the US in the last five years). These legal noncitizens include parents, adults without children, and elderly or disabled individuals. Potential MinnesotaCare eligibility for these non-citizens remains unchanged, and we assume that nearly all of them will transition to MinnesotaCare.

Because of time required to make system changes, the November forecast assumes that MA eligibility will end and the movement to MinnesotaCare will take place effective March 1, 2012. In the current biennium, the savings of the two month delay in implementation of this change, about $2 million, roughly balances the cost for about 500 additional enrollees shifted from Non-Citizen MA who became eligible for MA because of the MA expansion for adults with no children. In the next biennium, overall cost projections are reduced by $6.9 million (11.2%) in spite of higher projected enrollment, because average cost projections have been substantially reduced based on the value of MA services used by this non-citizen group which are not covered by MinnesotaCare (mostly NF and PCA).

Defined Benefit Program

Legislation in 2011 created a defined benefit program for MinnesotaCare adults without children above 200% FPG effective July 2012. Under the new defined benefit program, adults above 200% FPG will receive a monthly defined contribution from the state with which to purchase health coverage from the individual private market.

Relative to the end-of-session forecast, average monthly enrollment in the defined benefit program is higher in the November forecast due to a projected increase in the number of adults without children. This enrollment increase results in increased expenditures of about $3.6 million in the current biennium and about $8.5 million in the next biennium.

TABLE ONE
LAST BIENNIUM SUMMARY

GENERAL FUND	End of Session 2011 Forecast FY 2010 - FY 2011 Biennium ($ in thousands)			November 2011 Forecast FY 2010 - FY 2011 Biennium ($ in thousands)		
	FY 2010	FY 2011	Biennium	FY 2010	FY 2011	Biennium
Medical Assistance						
LTC Facilities	352,759	366,712	719,470	352,759	355,433	708,192
LTC Waivers	806,141	900,079	1,706,219	806,141	888,782	1,694,923
Elderly & Disabled Basic	884,692	960,904	1,845,595	884,692	944,106	1,828,798
Adults with No Children	0	80,050	80,050	0	50,102	50,102
Families w. Children Basic	734,211	840,093	1,574,303	734,211	792,065	1,526,276
MA Total	2,777,801	3,147,836	5,925,638	2,777,803	3,030,488	5,808,291
Alternative Care Program	50,234	48,576	98,810	50,234	48,576	98,810
Old GAMC Program	287,060	2,061	289,121	287,060	156	287,216
Chemical Dependency Fund	88,987	113,460	202,447	88,987	101,646	190,633
Minnesota Family Inv. Program	69,571	91,684	161,255	69,571	90,710	160,281
Child Care Assistance	53,339	43,398	96,737	53,339	43,399	96,738
General Assistance	42,712	49,283	91,995	42,712	48,045	90,757
Group Residential Housing	111,322	114,444	225,766	111,322	115,504	226,826
Minnesota Supplemental Aid	33,297	36,627	69,924	33,297	35,748	69,045
Total General Fund	3,514,323	3,647,369	7,161,692	3,514,325	3,514,272	7,028,597
TANF funds for MFIP Grants	89,028	76,082	165,111	89,028	74,257	163,285
MinnesotaCare	445,844	523,610	969,454	445,844	501,632	947,476

TABLE TWO
LAST BIENNIUM SUMMARY

GENERAL FUND	November 2011 Forecast Change from End of Session 2011 Forecast FY 2010 - FY 2011 Biennium ($ in thousands)			November 2011 Forecast Change from End of Session 2011 Forecast FY 2010 - FY 2011 Biennium (Percent Change)		
	FY 2010	FY 2011	Biennium	FY 2010	FY 2011	Biennium
Medical Assistance						
LTC Facilities	0	(11,279)	(11,278)	0.0%	-3.1%	-1.6%
LTC Waivers	0	(11,297)	(11,296)	0.0%	-1.3%	-0.7%
Elderly & Disabled Basic	0	(16,798)	(16,797)	0.0%	-1.7%	-0.9%
Adults with No Children	0	(29,948)	(29,948)		-37.4%	-37.4%
Families w. Children Basic	0	(48,028)	(48,027)	0.0%	-5.7%	-3.1%
MA Total	2	(117,348)	(117,347)	0.0%	-3.7%	-2.0%
Alternative Care Program	0	0	0	0.0%	0.0%	0.0%
Old GAMC Program	0	(1,905)	(1,905)	0.0%		-0.7%
Chemical Dependency Fund	(0)	(11,814)	(11,814)	-0.0%	-10.4%	-5.8%
Minnesota Family Inv. Program	0	(974)	(974)	0.0%	-1.1%	-0.6%
Child Care Assistance	0	1	1	0.0%	0.0%	0.0%
General Assistance	(0)	(1,238)	(1,238)	-0.0%	-2.5%	-1.3%
Group Residential Housing	(0)	1,060	1,060	-0.0%	0.9%	0.5%
Minnesota Supplemental Aid	0	(879)	(879)	0.0%	-2.4%	-1.3%
Total General Fund	2	(133,097)	(133,095)	0.0%	-3.6%	-1.9%
TANF funds for MFIP Grants	(0)	(1,825)	(1,826)	-0.0%	-2.4%	-1.1%
MinnesotaCare	(0)	(21,978)	(21,978)	-0.0%	-4.2%	-2.3%

TABLE THREE
CURRENT BIENNIUM SUMMARY

GENERAL FUND	End of Session 2011 Forecast FY 2012 - FY 2013 Biennium ($ in thousands)			November 2011 Forecast FY 2012 - FY 2013 Biennium ($ in thousands)		
	FY 2012	FY 2013	Biennium	FY 2012	FY 2013	Biennium
Medical Assistance						
LTC Facilities	464,608	462,028	926,636	450,282	460,135	910,417
LTC Waivers	1,173,288	1,210,986	2,384,274	1,140,487	1,196,505	2,336,992
Elderly & Disabled Basic	1,316,617	1,267,741	2,584,359	1,301,925	1,251,874	2,553,799
Adults with No Children	485,804	493,499	979,303	451,623	465,714	917,337
Families w. Children Basic	1,061,266	1,003,027	2,064,292	993,773	929,850	1,923,623
MA Total without Optional Expansion	4,501,582	4,437,282	8,938,864	4,338,090	4,304,078	8,642,168
Alternative Care Program	46,421	46,035	92,456	46,421	46,035	92,456
Old GAMC Program	2,925	0	2,925	4,054	0	4,054
Chemical Dependency Fund	94,675	93,298	187,973	79,503	81,957	161,460
Minnesota Family Inv. Program	84,680	91,978	176,657	83,157	88,613	171,770
Child Care Assistance	55,456	30,923	86,379	56,136	33,097	89,233
General Assistance	49,192	46,938	96,130	49,811	49,542	99,353
Group Residential Housing	121,080	129,238	250,318	124,891	134,804	259,695
Minnesota Supplemental Aid	38,095	39,120	77,215	37,608	38,524	76,132
Total General Fund	4,994,107	4,914,810	9,908,917	4,819,671	4,776,650	9,596,321
TANF funds for MFIP Grants	84,425	75,417	159,841	81,244	74,650	155,894
MinnesotaCare	295,046	317,272	612,318	294,667	314,690	609,357

TABLE FOUR
CURRENT BIENNIUM SUMMARY

GENERAL FUND	November 2011 Forecast Change from End of Session 2011 Forecast FY 2012 - FY 2013 Biennium ($ in thousands)			November 2011 Forecast Change from End of Session 2011 Forecast FY 2012 - FY 2013 Biennium (Percent Change)		
	FY 2012	FY 2013	Biennium	FY 2012	FY 2013	Biennium
Medical Assistance						
LTC Facilities	(14,326)	(1,893)	(16,219)	-3.1%	-0.4%	-1.8%
LTC Waivers	(32,801)	(14,481)	(47,282)	-2.8%	-1.2%	-2.0%
Elderly & Disabled Basic	(14,692)	(15,867)	(30,560)	-1.1%	-1.3%	-1.2%
Adults with No Children	(34,181)	(27,785)	(61,966)	-7.0%	-5.6%	-6.3%
Families w. Children Basic	(67,493)	(73,177)	(140,669)	-6.4%	-7.3%	-6.8%
MA Total	(163,492)	(133,204)	(296,696)	-3.6%	-3.0%	-3.3%
Alternative Care Program	0	0	0	0.0%	0.0%	0.0%
Old GAMC Program	1,129	0	1,129	38.6%		38.6%
Chemical Dependency Fund	(15,172)	(11,341)	(26,513)	-16.0%	-12.2%	-14.1%
Minnesota Family Inv. Program	(1,523)	(3,365)	(4,887)	-1.8%	-3.7%	-2.8%
Child Care Assistance	680	2,174	2,854	1.2%	7.0%	3.3%
General Assistance	619	2,604	3,223	1.3%	5.5%	3.4%
Group Residential Housing	3,811	5,566	9,377	3.1%	4.3%	3.7%
Minnesota Supplemental Aid	(487)	(596)	(1,083)	-1.3%	-1.5%	-1.4%
Total General Fund	(174,436)	(138,160)	(312,596)	-3.5%	-2.8%	-3.2%
TANF funds for MFIP Grants	(3,181)	(767)	(3,947)	-3.8%	-1.0%	-2.5%
MinnesotaCare	(379)	(2,582)	(2,961)	-0.1%	-0.8%	-0.5%

TABLE FIVE
NEXT BIENNIUM SUMMARY

GENERAL FUND	End of Session 2011 Forecast FY 2014 - FY 2015 Biennium ($ in thousands)			November 2011 Forecast FY 2014 - FY 2015 Biennium ($ in thousands)		
	FY 2014	FY 2015	Biennium	FY 2014	FY 2015	Biennium
Medical Assistance						
LTC Facilities	465,872	460,811	926,683	462,500	454,456	916,956
LTC Waivers	1,299,024	1,430,163	2,729,187	1,287,951	1,416,489	2,704,440
Elderly & Disabled Basic	1,479,504	1,554,155	3,033,660	1,532,111	1,527,975	3,060,086
Adults with No Children	380,670	0	380,670	359,157	0	359,157
Families w. Children Basic	1,156,515	1,243,576	2,400,091	1,069,532	1,192,232	2,261,764
MA Total	4,781,586	4,688,705	9,470,291	4,711,251	4,591,152	9,302,403
Alternative Care Program	45,893	44,311	90,204	45,893	44,311	90,204
Old GAMC Program	0	0	0	0	0	0
Chemical Dependency Fund	90,204	90,927	181,132	83,296	80,035	163,331
Minnesota Family Inv. Program	97,667	96,703	194,370	94,378	93,432	187,810
Child Care Assistance	44,470	43,728	88,198	46,632	45,981	92,613
General Assistance	47,013	46,885	93,898	49,612	49,446	99,058
Group Residential Housing	136,221	144,011	280,232	141,208	149,545	290,753
Minnesota Supplemental Aid	39,955	40,755	80,710	39,200	40,099	79,299
Total General Fund	5,283,010	5,196,025	10,479,035	5,211,470	5,094,001	10,305,471
TANF funds for MFIP Grants	67,213	64,124	131,338	66,650	64,000	130,650
MinnesotaCare	399,380	353,704	753,084	373,628	341,988	715,616

TABLE SIX
NEXT BIENNIUM SUMMARY

GENERAL FUND	November 2011 Forecast Change from End of Session 2011 Forecast FY 2014 - FY 2015 Biennium ($ in thousands)			November 2011 Forecast Change from End of Session 2011 Forecast FY 2014 - FY 2015 Biennium (Percent Change)		
	FY 2014	FY 2015	Biennium	FY 2014	FY 2015	Biennium
Medical Assistance						
LTC Facilities	(3,372)	(6,355)	(9,727)	-0.7%	-1.4%	-1.0%
LTC Waivers	(11,073)	(13,674)	(24,747)	-0.9%	-1.0%	-0.9%
Elderly & Disabled Basic	52,607	(26,180)	26,426	3.6%	-1.7%	0.9%
Adults with No Children	(21,513)	0	(21,513)	-5.7%		-5.7%
Families w. Children Basic	(86,983)	(51,344)	(138,327)	-7.5%	-4.1%	-5.8%
MA Total	(70,335)	(97,553)	(167,888)	-1.5%	-2.1%	-1.8%
Alternative Care Program	0	0	0	0.0%	0.0%	0.0%
Old GAMC Program	0	0	0	0.0%	0.0%	0.0%
Chemical Dependency Fund	(6,908)	(10,892)	(17,801)	-7.7%	-12.0%	-9.8%
Minnesota Family Inv. Program	(3,289)	(3,271)	(6,560)	-3.4%	-3.4%	-3.4%
Child Care Assistance	2,162	2,253	4,415	4.9%	5.2%	5.0%
General Assistance	2,599	2,561	5,160	5.5%	5.5%	5.5%
Group Residential Housing	4,987	5,534	10,521	3.7%	3.8%	3.8%
Minnesota Supplemental Aid	(755)	(656)	(1,411)	-1.9%	-1.6%	-1.7%
Total General Fund	(71,540)	(102,024)	(173,564)	-1.4%	-2.0%	-1.7%
TANF funds for MFIP Grants	(563)	(124)	(688)	-0.8%	-0.2%	-0.5%
MinnesotaCare	(25,752)	(11,716)	(37,468)	-6.4%	-3.3%	-5.0%