

Minnesota
Department of Human Services
February 2013 Forecast

St. Paul, Minnesota

February 28, 2013

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.

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.

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 February 2013 forecast, compared to the November 2012 forecast. The FY 2012-2013 biennium is referred to as "the current biennium", and the FY 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 FY 2012-2013 biennium, and Tables Three and Four provide the same information about the FY 2014-2015 biennium, and Tables Five and Six for the FY 2016-2017 biennium.

CURRENT BIENNIUM SUMMARY

General Fund Costs Slightly Lower

General Fund costs for DHS medical and economic support programs for the FY 2012-2013 biennium are projected to total \$9.150 billion, down \$45 million (0.5%) from the November forecast. The reduction comes from lower Medical Assistance projections in both basic care and home and community based waivers.

TANF Forecast Little Changed

Projected expenditures of federal TANF (Temporary Assistance for Needy Families) funds for MFIP grants are \$155 million, \$1 million (0.7 percent) above November 2012 estimates.

MinnesotaCare Forecast Higher

Forecasted Health Care Access Fund costs for the MinnesotaCare program and the new Defined Benefit program are \$562 million, \$17 million (3.1 percent) above the November forecast. The increase comes from elimination of an end-of-biennium payment delay which occurs in Medical Assistance instead of MinnesotaCare.

NEXT BIENNIUM SUMMARY

General Fund Costs Slightly Lower

General Fund costs for DHS medical and economic support programs for the FY 2014-2015 biennium are projected to total \$9.880 billion, down \$80 million (0.8%) from the November forecast. All of the decrease comes from Medical Assistance, with \$59 million of the reduction attributable to a higher forecast of dedicated revenue from pharmacy rebates.

TANF Forecast Little Changed

Projected expenditures of federal TANF (Temporary Assistance for Needy Families) funds for MFIP grants are \$157 million, \$0.9 million (0.6 percent) higher than the November 2012 forecast.

MinnesotaCare Forecast Lower

Forecasted Health Care Access Fund costs for the MinnesotaCare program are \$718 million, \$196 million (22 percent) lower than in the November forecast. This decrease is the effect of the law change expanding Medical Assistance coverage for adults to 138% FPG.

FY 2016-2017 BIENNIUM SUMMARY

General Fund Costs Higher

General Fund costs for DHS medical and economic support programs for the FY 2016-2017 biennium are projected to total \$10.837 billion, up \$109 million (1.0 percent) from the November forecast. Again all of the net change can be viewed as coming from Medical Assistance, which includes an increase of \$141 million over the November forecast for the law change expanding Medical Assistance coverage to 138% FPG. If not for this change the forecast movement would be slightly negative.

TANF Forecast Higher

Projected expenditures of federal TANF (Temporary Assistance for Needy Families) funds for MFIP grants are \$87 million, \$7 million (8.6 percent) higher than the November forecast.

MinnesotaCare Forecast Lower

Forecasted Health Care Access Fund costs for the MinnesotaCare program are \$789 million, \$391 million (33 percent) lower than in the November forecast. Of this decrease, \$320 million is the effect on MinnesotaCare of the expansion of Medical Assistance eligibility.

PROGRAM DETAIL

MEDICAL ASSISTANCE

	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Total forecast change for MA (\$000)	-55,193	-87,442	113,413
Total forecast percentage change this item	-0.7%	-1.0%	1.2%

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

MA LTC FACILITIES

	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Total forecast change this item (\$000)	-3,087	-4,863	-10,228
Total forecast percentage change this item	-0.4%	-0.6%	-1.1%

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 programs for the mentally ill (SOS).

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.

	'12-'13 Biennium (\$000)	'14-'15 Biennium (\$000)	'16-'17 Biennium (\$000)
Change in Projected Costs			
Alternative Care offset	120	184	-6,426
NF recipients	-1,031	-6,594	-8,096
NF average costs	-1,504	1,051	4,541
ICF/DD & DTH	-941	78	-656
SOS	83	0	0
County share	186	418	409
Activity Total	-3,087	-4,863	-10,228

Alternative Care Offset

The new forecast has AC expenditures practically unchanged in the current biennium and the next biennium. The projected number of recipients is reduced by 8.7% in the FY 2016-2017 biennium to allow for the effect of level of care changes expected to be implemented in January 2014.

Nursing Facilities (NF)

NF projected payments are reduced by approximately 0.5% across the entire forecast horizon. Recipient projections are reduced by an average of about 0.9%. This decrease is partially offset by slightly higher costs per recipient and correction of a technical error affecting FY 2016.

The average number of NF recipients has dropped steadily since FY 1993. In the last five years it has decreased at a rate of 3% to 4% annually, decreasing by 2.8% in FY 2012. The February forecast assumes a decline of 3.7% in FY 2013, slowing to an average decline of 1.2% per year in the next biennium, and then leveling off in the FY 2016-2017 biennium as growth in the elderly population begins slowly to increase the demand for long term care services.

The forecast also assumes implementation in 2014 of new level of care requirements for MA payment of NF services. This change is projected to reduce the number of MA NF recipients by about 400 by FY 2017. This change makes the declines in the final forecast somewhat greater than described above.

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

Minor changes result in decreases of less than 1% in the current biennium and in the FY 2016-2017 biennium, with practically no change in the FY 2014-2015 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 reductions in the NF forecast.

MA LTC WAIVERS & HOME CARE

	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Total forecast change this item (\$000)	-21,028	-12,997	-12,177
Total forecast percentage change this item	-0.9%	-0.5%	-0.4%

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)
- Brain Injury Waiver (BI 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:

	'12-'13 Biennium (\$000)	'14-'15 Biennium (\$000)	'16-'17 Biennium (\$000)
Change in Projected Costs			
DD Waiver	-10,108	-12,493	-12,405
EW Waiver FFS	-238	-944	-1,046
CADI Waiver	-5,216	245	1,631
CAC Waiver	451	2,002	2,516
BI Waiver	262	638	642
Home Health	-2,443	-7,211	-6,312
Private Duty Nursing	120	-59	-1,369
Personal Care Assistance: Restore rates to relative caretakers	0	21,128	25,268
Personal Care Assistance: Lower trend in average cost	-3,856	-16,303	-21,102
Transfer to CSG	0	0	0
Activity Total	-21,028	-12,997	-12,177
EW Total:			
FFS & Managed Care	-43	1,562	1,951

Percent Change in Projected Costs	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
DD Waiver	-0.97%	-1.07%	-0.98%
EW Waiver FFS	-0.62%	-2.20%	-2.20%
CADI Waiver	-1.00%	0.04%	0.20%
CAC Waiver	1.99%	7.86%	9.17%
BI Waiver	0.27%	0.58%	0.52%
Home Health	-10.75%	-25.46%	-20.45%
Private Duty Nursing	0.12%	-0.05%	-0.94%
Personal Care Assistance (Total)	-0.86%	0.98%	0.77%
Transfer to CSG	0.00%	0.00%	0.00%
 Activity Total	 -0.91%	 -0.48%	 -0.40%
 EW Total: FFS & Managed Care	 -0.01%	 0.46%	 0.49%

DD Waiver

DD waiver recipient projections are practically unchanged. Average cost projections are about 1% lower across the entire forecast horizon.

Elderly Waiver

Elderly waiver is forecasted in two segments, the fee for service (FFS) 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.

FFS EW expenditure projections are about 2% lower across the forecast horizon, but overall EW projections are unchanged for the current biennium and approximately 0.5% higher for both the next biennium and the FY 2016-2017 biennium. Overall recipient projections are unchanged.

CADI Waiver

CADI waiver recipient projections are about 1% lower in the current biennium but little changed in the next biennium or the FY 2016-2017 biennium. The forecast recognizes that some counties are holding open numbers of CADI slots which are likely to be used in the near future.

CAC Waiver

Expenditure projections are about 2% higher in the current biennium and 8% to 9% higher in the next biennium and the FY 2016-2017 biennium. Higher costs per recipient account for about 60% of these increases and higher numbers of recipients about 40%.

BI Waiver

Only minor changes, amounting to less than 1%, are made to BI waiver projections.

Home Health Agency

Continued low payments since April 2012 result in major reductions (20% to 25%) in Home Health Agency expenditures. Part of the reason for the reduction is the expansion of managed care for disabled MA recipients starting in January 2012, because home health services are covered under the managed care contracts.

Private Duty Nursing (PDN)

Only minor changes, amounting to less than 1%, are made to PDN projections.

Personal Care Assistance (PCA)

As required by the recent court decision, the reduction in rates to certain relatives of PCA recipients, which was scheduled to take effect in July 2013, was dropped from the forecast. The resulting increase in the forecast was about 4.3% in the next biennium and 4.7% in the FY 2016-2017 biennium.

Based on a fairly constant average payment for PCA services in the last few years, forecasted growth in that average payment was substantially reduced. The effect on projected expenditures is reductions of 3.3% for the next biennium and 3.9% for the FY 2016-2017 biennium.

Transfer to Consumer Support Grants (CSG)

The Consumer Support Grants program is funded through transfers from the MA account.

There is no change in projected transfers.

MA ELD. & DISABLED BASIC CARE

	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Total forecast change this item (\$000)	2,627	-44,333	15,509
Total forecast percentage change this item	0.1%	-1.5%	0.5%

This activity funds general medical care for elderly and disabled Medical Assistance enrollees. For almost all of the elderly and for about 50 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 2013 it is 78.33%, and the amount billed per dual eligible each month is \$135.53. The State's obligation for the clawback ends after CY 2015.

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

	'12-'13 Biennium (\$000)	'14-'15 Biennium (\$000)	'16-'17 Biennium (\$000)
Elderly Waiver Managed Care	195	2,506	2,997
Elderly Basic: Enrollment	295	-1,290	-3,684
Elderly Basic: Avg. Cost	-2,962	-8,868	-9,844
Disabled Basic: Cash-flow effects of lower HMO enrollment (less payment delay)	8,299	534	5,516
Disabled Basic: Lower HMO rates for CY 2013	-1,270	-11,587	-14,523
Disabled Basic: Technical correction on HMO payment timing	0	-20,563	41,168
Chemical Dependency Fund share	-585	-2,409	-2,559
IMD Program: MA adult with no kids expansion	-1,591	-3,522	-3,730
Medicare Part D clawback payments	246	866	168
Total	2,627	-44,333	15,509

Elderly Waiver Managed Care

The increases shown for the next biennium and the FY 2016-2017 biennium result from an increase of approximately 1% in projected managed care EW rates for CY 2013.

Elderly Basic Changes

Elderly basic expenditure projections are about 0.3% lower for the current biennium and about 1% lower for the next biennium and the FY 2016-2017 biennium. Most of the decrease results from lower managed care rates for CY 2013. Slightly lower enrollment projections also contribute to the decreases.

Disabled Basic Changes

Disabled basic enrollment is unchanged from the November forecast.

The proportion of enrollees who are in managed care has leveled off at about 32%, 6 percentage points lower than the projection in the November forecast. This produces some cash-flow costs because, considering managed care payment delays applicable to SNBC and PINS, FFS payments are made earlier. This is particularly true in FY 2013, when SNBC and PINS payments for April, May, and June are delayed until July 2013.

Managed care rates for CY 2013 were approximately 2% lower than projected in the previous forecast, resulting in the reductions shown in the table above.

Correction of a technical error in the November forecast reduces monthly managed care payments in FY 2015 by one and increases the number of payments in FY 2016 by two. In November one payment (for April 2013) was assigned to the wrong fiscal year, and one (for May 2013) was omitted from the forecast.

CD Fund Share

Increases in MA funding of 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. This forecast is reduced by about 13% in FY 2013 and across the entire forecast horizon.

Medicare Part D Clawback

This forecast is changed by less than 0.3%.

ADULTS WITHOUT CHILDREN

	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Total forecast change this item (\$000)	-16,380	-26,744	6,759
Total forecast percentage change this item	-2.0%	-8.4%	22.39%

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

	'12-'13 Biennium (\$000)	'14-'15 Biennium (\$000)	'16-'17 Biennium (\$000)
Law change expanding coverage to 138% FPG	0	0	8,900
CY 2013 HMO rate changes	-9,692	-11,593	-1,358
Enrollment forecast lower	-6,900	-14,609	-563
Chemical Dependency Fund share	212	-542	-220
Total	-16,380	-26,744	6,759

The February forecast recognizes the State law change expanding coverage of MA adults with no children to 138% FPG (nominal 133%). Because federal funding for the entire adults with no children group is at 100% for CY 2014 through CY 2016, there are no additional State costs except for the first six months of CY 2017. The projected increment in average enrollment is 12,002 in FY 2014, 34,356 in FY 2015, 40,842 in FY 2016, and 41,112 in FY 2017.

The average managed care rate change for the CY 2013 rate year was a decrease of 5.1% compared to an increase of 1.9% anticipated in the November forecast. The fiscal effect of the lower rates is as shown in the table above.

Based on lower than expected enrollment in the first half of FY 2013, projected enrollment (apart from effects of the eligibility expansion) is reduced by 3.4% for FY 2013, by 2.7% for the next biennium, and by 1.9% for the FY 2016-2017 biennium.

Changes in the portion of MA services covered by the CD Fund produce opposite changes in state share costs funded from the MA account, because the state share of these costs comes from the CD Fund.

FAMILIES WITH CHILDREN BASIC CARE

	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Total forecast change this item (\$000)	-17,325	1,495	113,550
Total forecast percentage change this item	-1.0%	0.1%	4.6%

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:

	'12-'13 Biennium (\$000)	'14-'15 Biennium (\$000)	'16-'17 Biennium (\$000)
Families with Children			
Law change expanding coverage for parents and 19 & 20's to 138% I	0	74,002	132,393
HMO rates lower for CY 2013	-3,093	-17,322	-19,184
CHIP enhanced match for kids over 133% FPG	434	-153	1,222
Value of cap on HMO payment delays in '13 and '15	-20,319	6,582	13,737
CD Fund share	-49	-196	-324
Other	6,930	-474	2,878
Rx Rebates	251	-59,375	-15,259
Non-citizen MA segment	56	439	355
Services w special funding	-1,469	-2,008	-2,268
Family planning waiver	82	0	0
Breast & cerv. cancer	-148	0	0
Total	-17,325	1,495	113,550

Expansion to 138% FPG for Parents

The February forecast recognizes the State law change expanding coverage of MA parents and 19 and 20-year-olds to 138% FPG (nominal 133%). Federal funding for them is at the regular 50% matching rate, because they do not qualify as "new eligibles" under federal law having been previously covered by MinnesotaCare with Medicaid matching.

The projected increase in average enrollment resulting from this change is 6,974 in FY 2014, and about 23,000 in FY 2015 to FY 2017.

HMO Rates Lower

Average HMO rates for the CY 2013 rate year were practically unchanged from the 2012 rates, compared to a 1% increase anticipated in the November forecast.

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

Only small changes occur in this item.

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 November forecast we assumed a \$123 million delay in MA and \$12 million in MinnesotaCare. In the February forecast, in order to remove this complication from projections for the future of MinnesotaCare, we assigned the entire \$135 million delay to MA. The effect of this change on the forecast is an increase of \$12 million in the amounts projected to be delayed from FY 2013 to FY 2014 and from FY 2015 to FY 2016. Other changes in MA managed care projections also affect the change values in the table below.

In the forecast we assume that any excess over the "budgeted" values for the shift is not delayed, but is paid in May 2013 and May 2015. This value varies as other managed care projections cause the potential shift to get larger or smaller. It is change in the "not shifted" amount which is represented in this item.

	(\$000)		(\$000)
FY 2013	-20,319	Biennium	-20,319
FY 2014	20,319		
FY 2015	-13,737	Biennium	6,582
FY 2016	13,737		
FY 2017	0	Biennium	13,737

CD Fund Share

Small increases in the share of MA 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.

Other Changes

Other minor changes, including a small change in the proportion of enrollment in managed care, increase the forecast by less than 1%.

Pharmacy Rebates

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

Projected state share rebate collections are nearly unchanged for the current biennium but about 21% higher for the next biennium and 6% higher for the FY 2016-2017 biennium. The higher projections are based on an improved model which recognizes the relatively high Rx costs of the MA adults with no children population. The increase is much smaller in the FY 2016-2017 biennium when the federal share of coverage for adults with no children is 100% (95% beginning January 2017).

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 Minnesota began to claim CHIP coverage for those months.

State share cost projections are 0.4% higher for the current biennium, about 2.7% higher for the next biennium, and 2.0% higher for the FY 2016-2017 biennium. Higher enrollment projections are partially offset by lower average cost projections.

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 was recently 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.

The decreases shown in the table represent reductions of about 6% in costs for Access Services.

Family Planning Waiver

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

The forecast change is an update for three more months of actual data.

Breast & Cervical Cancer

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

The forecast change is an update for three more months of actual data.

CHEMICAL DEPENDENCY FUND

	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Forecast change this item (\$000)	5,342	-4,661	-12,451
Forecast percentage change this item	3.3%	0.0%	-7.7%

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

	'12-'13 Biennium (\$000)	'14-'15 Biennium (\$000)	'16-'17 Biennium (\$000)
Law change expanding MA for adults to 138% FPG	0	-11,583	-19,381
Increased Room & Board payments to Health Plans	3,868	5,993	6,562
Higher average cost of placements	1,474	929	368
Total	5,342	-4,661	-12,451

The savings to the CD Fund from expansion of MA coverage for adults comes from added federal funding for CD Fund recipients, which increases dedicated revenue to the CD Fund. The increased federal revenue is offset about one-third by the cost of additional coverage by the CD Fund up to the new MA eligibility limit at 138% FPG. The net fiscal effect is shown in the table above.

Room & board payments to health plans are made on behalf of recipients of CD services under managed care contracts. Room & board payments are made by the CD Fund because they are not eligible for federal Medicaid matching and so cannot be included in managed care capitation rates. Based on recent payment experience, projected payments in this category are increased by about one-third. (Payments have been irregular recently because of processing problems, which contributes to the difficulty of forecasting this portion of CD Fund expenditures.)

Based on payment experience in the first half of FY 2013, projected costs for CD Fund services are increased by 1.5% for FY 2013 and 1.0% for the following years.

MFIP NET CASH (STATE AND FEDERAL)	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Forecast change this item (\$000)	-318	-3,511	-4,172
Forecast percentage change this item	-0.1%	-1.1%	-1.4%
GENERAL FUND SHARE OF MFIP			
Forecast change this item (\$000)	-1,361	-4,406	-11,040
Forecast percentage change this item	-0.8%	-2.9%	-5.0%
FEDERAL TANF FUNDS FOR MFIP			
Forecast change this item (\$000)	1,043	895	6,868
Forecast percentage change this item	0.7%	0.6%	8.6%

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 November 2012 forecast.

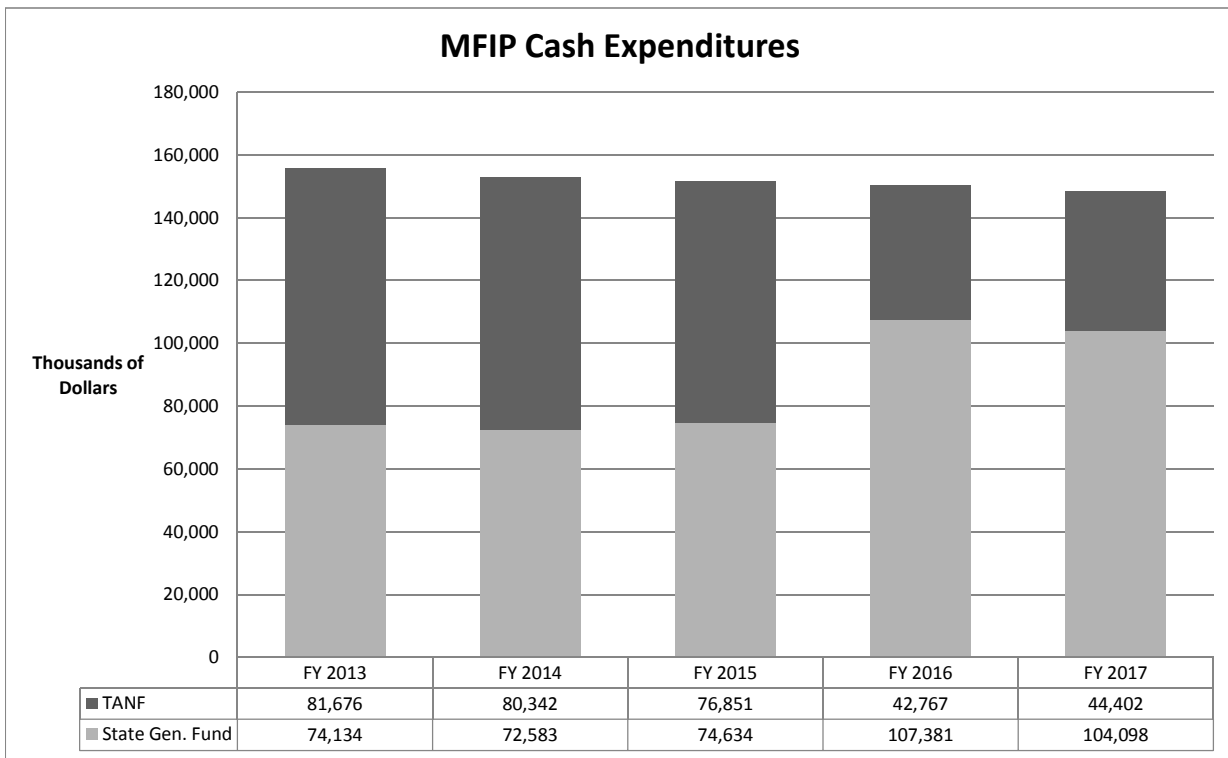
Summary of Forecast Changes	'12-'13 Biennium (\$000)	'14-'15 Biennium (\$000)	'16-'17 Biennium (\$000)
Gross MFIP cash grant forecast change	-789	-4,051	-4,652
Gross General Fund forecast change	-1,832	-4,946	-11,520
Child Support/recoveries offset	471	540	480
Net General Fund forecast change	-1,361	-4,406	-11,040
Gross TANF forecast change	1,043	895	6,868
Child Support pass-through/recoveries offset	0	0	0
Net TANF forecast change	1,043	895	6,868

Decreased Expenditures Due to Lower MFIP Caseload

Based on recent data, the forecasted MFIP caseload has been adjusted downward. This results in decreased expenditures of \$0.8 million (0.2%) in the current biennium, \$4.1 million (1.2%) in the next biennium, and \$4.7 million (1.4%) in the FY 2016-2017 biennium.

Decreases in General Fund and Increases in 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.



Increased MOE available from Child Care Assistance Program expenditures in this forecast results in less need for MOE from General Fund expenditures in MFIP. Gross General Fund expenditures are decreased by \$1.8 million in the current biennium, \$4.9 million in the next biennium, and \$11.5 million in the FY 2016-2017 biennium, due mostly to this increased MOE from Child Care Assistance Program expenditures. Based on recent data, the expected collections

from publicly assigned child support are reduced by \$0.5 million in each biennium, resulting in decreases in net General Fund MFIP cash expenditures of \$1.4 million (0.8%) in the current biennium, \$4.4 million (2.9%) in the next biennium, and \$11 million (5.0%) in the FY 2016-2017 biennium.

These General Fund reductions in MFIP result in a need for increased use of TANF funds, even though overall spending in MFIP is reduced in this forecast. In the current biennium, the MFIP gross cash forecast is decreased \$0.8 million, but General Fund expenditures decrease \$1.8 million, leading to an increase in TANF expenditures of \$1.0 million, a 0.7% increase over the November forecast. In the next biennium, MFIP gross cash is decreased \$4.1 million, while General Fund expenditures decrease \$4.9 million, resulting in increased TANF of \$0.9 million, a 0.6% increase over the November forecast. In the FY 2016-2017 biennium, MFIP gross cash is decreased \$4.7 million, while General Fund expenditures decrease \$11.5 million, resulting in increased TANF of \$6.8 million, an 8.6% increase over the November forecast.

MFIP / TY CHILD CARE ASSISTANCE

	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Forecast change this item (\$000)	4,580	10,389	10,626
Forecast percentage change this item	4.8%	9.6%	8.9%

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).

MFIP/TY child care expenditures are projected to be \$4.6 million higher (2.0%) in this biennium, \$10.4 million higher (4.4%) in the next biennium, and \$10.6 million higher (4.3%) in the FY 2016-2017 biennium, relative to the November forecast. The November forecast reflected a significantly higher projected average payment for MFIP/TY families. Based on the past few months of data, this forecast further increases the projected average payment in FY 2013, and keeps the same projected annual trend in future years. Increased usage of center care rather than less expensive types of care still appears to be the main driver of the increases in average payment seen in the data. It is still projected that this trend will continue through FY 2013, with the provider type mix stabilizing in the next biennium. Decreased caseload projections based on recent data result in some offsetting decreases in expenditures.

Federal funds used for MFIP/TY Child Care are unchanged in this forecast; therefore all changes are General Fund changes.

GENERAL ASSISTANCE

	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Forecast change this item (\$000)	354	1,030	991
Forecast percentage change this item	0.3%	0.9%	0.9%

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.

Increased GA expenditures are based on increased caseload projections of about 1% per year, based on recent data.

GROUP RESIDENTIAL HOUSING

	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Forecast change this item (\$000)	1,037	4,997	7,372
Forecast percentage change this item	0.4%	1.7%	2.3%

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.

Projected GRH expenditures are increased relative to the November forecast, based mostly on increased GA-type caseload data. Average payments are also increased due to recognizing the expiration of the supplemental service rate 5% reduction as of July 1, 2013.

MINNESOTA SUPPLEMENTAL AID

	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Forecast change this item (\$000)	-136	11	7
Forecast percentage change this item	-0.2%	0.0%	0.0%

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

MSA projected average payments and caseload are almost unchanged in this forecast.

MINNESOTACARE

	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Forecast change this item (\$000)	19,775	-189,965	-384,524
Forecast percentage change this item	3.7%	-21.3%	-33.2%

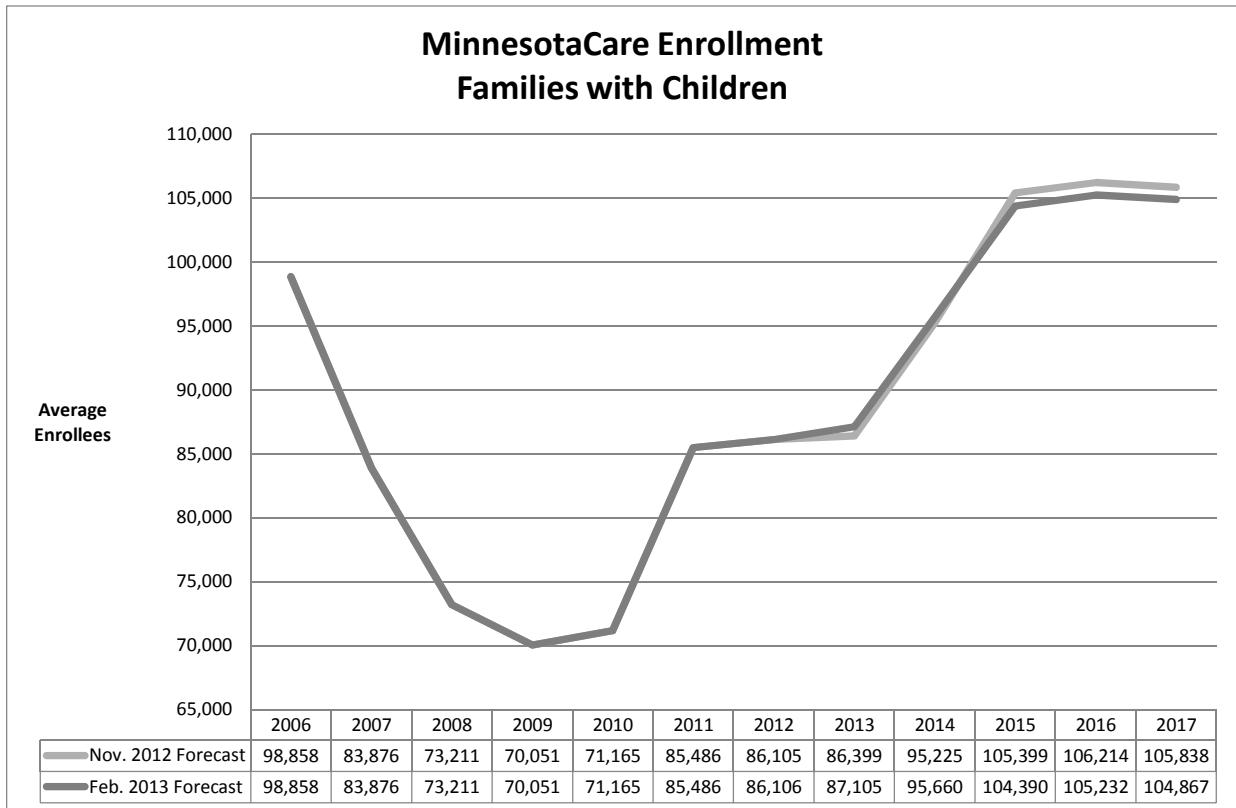
Summary of Forecast Changes	'12-'13 Biennium (\$000)	'14-'15 Biennium (\$000)	'16-'17 Biennium
<i>Families with Children</i>			
Base enrollment changes	1,039	2,907	3,222
Rate changes	-206	-209	4,716
MA expansion to 138% FPG	0	-7,075	-11,356
Remove May 2013 and May 2015 HMO shift	11,967	5,533	-17,500
Families with Children Subtotal	12,800	1,156	-20,918
<i>Adults without Children</i>			
Base enrollment changes	-2,611	-20,829	-25,934
Rate changes	1,360	8,340	-4,429
MA expansion to 138% FPG	0	-185,025	-309,293
Remove May 2013 and May 2015 HMO shift	8,161	8,437	-16,598
Adults without Children Subtotal	6,910	-189,077	-356,254
<i>Legal Noncitizens</i>			
Base enrollment changes	-3,921	-11,772	-13,516
Rate changes	1,554	9,452	8,872
Remove May 2013 and May 2015 HMO shift	2,432	276	-2,708
Legal Noncitizens	65	-2,044	-7,352
Total Program	19,775	-189,965	-384,524

**MinnesotaCare
Families with Children**

Relative to the November forecast, new actual enrollment data for children and parents are running about 1% above forecast. This appears to be due to the October 2012 implementation of the MinnesotaCare expansions for children with incomes under 200% FPG (i.e. elimination of premiums and eligibility barriers). While the November forecast accounted for additional enrollment of children, the added enrollment appears to be occurring faster than anticipated. We expect this enrollment trend to eventually taper off and finish close to the enrollment levels projected in the November forecast. Thus, the enrollment impact results in a forecast increase of about 1% in the current biennium, about 0.7% in the next biennium, and 0.5% in the FY 2016-2017 biennium.

HMO rates for children and parents in MinnesotaCare for the CY 2013 contract year are virtually unchanged from what was anticipated in the November forecast. Other forecast trend adjustments to HMO rates for families with children in the FY 2016-2017 biennium result in a forecast increase of \$4.7 million (about 0.8%).

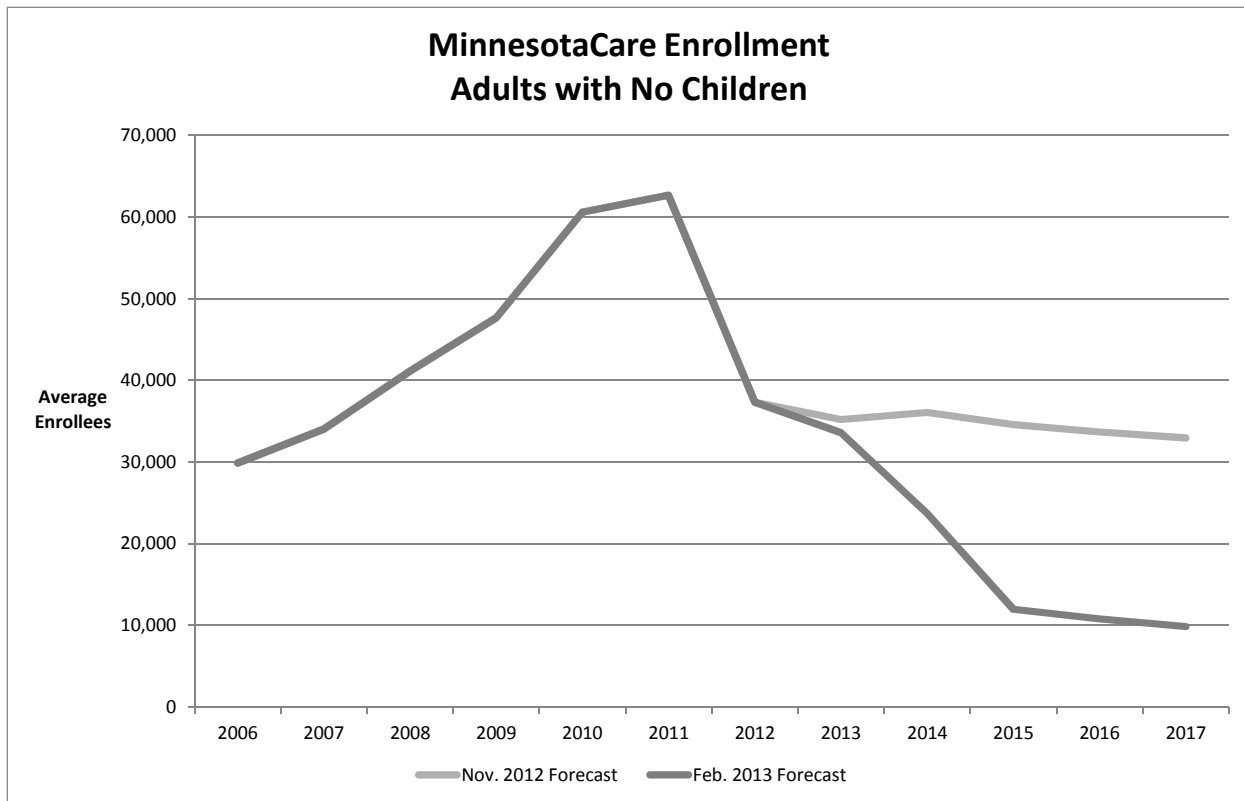
Prior to the February forecast, the 2013 Legislature passed a bill which was signed into law that expanded MA eligibility for parents and 19-20 year olds from 100% FPG to 138% FPG. As a result, some parents and 19-20 year olds who would have been on MinnesotaCare are expected to shift to MA instead. This shift produces a MinnesotaCare savings of \$7.1 million (about 1.5%) in the next biennium and \$11.4 million (about 2.0%) in the FY 2016-2017 biennium.



Legislation passed in the 2011 Session instituted payment delays of MinnesotaCare and MA capitation payments from May 2013 to July 2013 and May 2015 to July 2015. However, legislation also put specific dollar limits on these capitation delays. Beginning with the February forecast, the entire amount of the capped delay is implemented in MA. Thus, there is no longer a May to July HMO payment delay in the MinnesotaCare forecast. This change produces a forecast increase of \$12.0 million (about 4.3%) in the current biennium, an increase of \$5.5 million (about 0.75%) in the next biennium, and a decrease of \$17.5 million in the FY 2016-2017 biennium due to the movement of payments from July back to May in calendar years 2013 and 2015.

Adults without Children

Relative to the November forecast, new actual enrollment data for adults without children are running about 6% below forecast. As a result, base enrollment projections are about 6% below November forecast levels through FY 2017 (about 2,000 average monthly enrollees in a given year). This base reduction in adults without children results in projected expenditure reductions of \$2.6 million (about 2%) in the current biennium, \$20.8 million (about 6%) in the next biennium, and \$25.9 million (about 6%) in the FY 2016-2017 biennium.



HMO rates for adults without children in MinnesotaCare for the CY 2013 contract year are about 4% higher than expected in the November forecast. Other forecast trend adjustments to HMO rates for adults without children offset this increase and result in a net forecast increase of \$1.4 million (about 0.65%) in the current biennium, a net increase of \$8.3 million (about 1.2%) in the next biennium, and a net reduction of \$4.4 million (about 0.5%) in the FY 2016-2017 biennium.

As discussed in the families section above, the 2013 Legislature passed a bill which was signed into law before the February forecast that also expanded MA eligibility for adults without children. Before this MA expansion, adults without children were MA eligible up to 75% FPG. The new law expands their income eligibility to 138% FPG. Given the enrollment experience of adults without children under the early expansion of MA eligibility, all adults without children with income between 75% and 138% FPG who would have been on MinnesotaCare are expected to shift to MA instead. This shift produces a MinnesotaCare forecast savings of \$185 million (about 48%) in the next biennium and \$309 million (about 60%) in the FY 2016-2017 biennium.

Also, as discussed in the families section, there is no longer a May to July HMO payment delay in the MinnesotaCare forecast. For adults without children, this produces a forecast increase of \$8.1 million (about 3%) in the current biennium, an increase of \$8.4 million (about 2%) in the next biennium, and a decrease of \$16.6 million in the FY 2016-2017 biennium due to the movement of payments from July back to May in calendar years 2013 and 2015.

Legal Noncitizens

Legislation in 2011 eliminated state-only MA eligibility for legal noncitizens 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.

The legal noncitizens in MA were transitioned to MinnesotaCare in March 2012. Actual enrollment is running about 700 enrollees (about 12%) below forecast through December. This results in a forecast reduction of around 700 average monthly legal noncitizens throughout the forecast horizon, and a projected decrease in expenditures of \$3.9 million in the current biennium, \$11.8 million in the next biennium, and \$13.5 million in the FY 2016-2017 biennium.

HMO rates for legal noncitizens in MinnesotaCare for the CY 2013 contract year are about 15% higher than anticipated in the November forecast. Other forecast trend adjustments to HMO rates for legal noncitizens partially offset this increase and result in net forecast increases of \$1.6 million (about 3%) in the current biennium, \$9.5 million (about 6%) in the next biennium, and \$8.9 million (about 5%) in the FY 2016-2017 biennium.

Also, as discussed above, there is no longer a May to July HMO payment delay in the MinnesotaCare forecast. For legal noncitizens, this produces a forecast increase of \$2.4 million (about 4%) in the current biennium, an increase of \$0.3 million in the next biennium, and a decrease of \$2.7 million (about 3%) in the FY 2016-2017 biennium due to the movement of payments from July back to May in calendar years 2013 and 2015.

Healthy MN Defined Benefit Program

	'12-'13 Biennium	'14-'15 Biennium	'16-'17 Biennium
Forecast change this item (\$000)	-2,745	-6,199	-6,393
Forecast percentage change this item	-34.6%	-29.1%	-28.9%

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.

The February forecast reflects the first six months of actual data on the Healthy MN program. The forecast reduction in this program results from fewer eligible adults and a lower average defined benefit payment than previously anticipated.

**TABLE ONE
CURRENT BIENNIUM SUMMARY**

	November 2012 Forecast FY 2012 - FY 2013 Biennium (\$ in thousands)			February 2013 Forecast FY 2012 - FY 2013 Biennium (\$ in thousands)		
	FY 2012	FY 2013	Biennium	FY 2012	FY 2013	Biennium
GENERAL FUND						
Medical Assistance						
LTC Facilities	438,629	435,155	873,784	438,629	432,068	870,697
LTC Waivers	1,126,883	1,185,809	2,312,692	1,126,883	1,164,781	2,291,664
Elderly & Disabled Basic	1,236,001	1,226,127	2,462,128	1,236,001	1,228,754	2,464,755
Adults with No Children	398,626	405,007	803,633	398,626	388,627	787,253
Families w. Children Basic	941,636	863,642	1,805,278	941,636	846,317	1,787,953
MA Total	4,141,775	4,115,740	8,257,515	4,141,775	4,060,547	8,202,322
Alternative Care Program	46,421	46,035	92,456	46,421	46,035	92,456
Old GAMC Program	2,175	0	2,175	2,175	0	2,175
Chemical Dependency Fund	78,991	80,550	159,541	78,991	85,892	164,883
Minnesota Family Inv. Program	86,397	75,495	161,892	86,397	74,134	160,531
Child Care Assistance	56,843	39,169	96,012	56,843	43,749	100,592
General Assistance	49,553	53,005	102,558	49,553	53,359	102,912
Group Residential Housing	120,798	129,285	250,083	120,798	130,322	251,120
Minnesota Supplemental Aid	35,768	37,650	73,418	35,768	37,514	73,282
Total General Fund	4,618,721	4,576,929	9,195,650	4,618,721	4,531,552	9,150,273
TANF funds for MFIP Grants	73,323	80,633	153,956	73,323	81,676	154,999
MinnesotaCare	263,973	273,225	537,198	263,973	293,000	556,973
Defined Benefit Program	0	7,942	7,942	0	5,197	5,197
T. HCA Fund Expenditures	263,973	281,167	545,140	263,973	298,197	562,170

**TABLE TWO
CURRENT BIENNIUM SUMMARY**

	February 2013 Forecast Change from November 2012 Forecast FY 2012 - FY 2013 Biennium (\$ in thousands)			February 2013 Forecast Change from November 2012 Forecast FY 2012 - FY 2013 Biennium (Percent Change)		
	FY 2012	FY 2013	Biennium	FY 2012	FY 2013	Biennium
GENERAL FUND						
Medical Assistance						
LTC Facilities	0	-3,087	-3,087	0.0%	-0.7%	-0.4%
LTC Waivers	0	-21,028	-21,028	0.0%	-1.8%	-0.9%
Elderly & Disabled Basic	0	2,627	2,627	0.0%	0.2%	0.1%
Adults with No Children	0	-16,380	-16,380	0.0%	-4.0%	-2.0%
Families w. Children Basic	0	-17,325	-17,325	0.0%	-2.0%	-1.0%
MA Total	0	-55,193	-55,193	0.0%	-1.3%	-0.7%
Alternative Care Program	0	0	0	0.0%	0.0%	0.0%
Old GAMC Program	0	0	0	0.0%		0.0%
Chemical Dependency Fund	0	5,342	5,342	0.0%	6.6%	3.3%
Minnesota Family Inv. Program	0	-1,361	-1,361	0.0%	-1.8%	-0.8%
Child Care Assistance	0	4,580	4,580	0.0%	11.7%	4.8%
General Assistance	0	354	354	0.0%	0.7%	0.3%
Group Residential Housing	0	1,037	1,037	0.0%	0.8%	0.4%
Minnesota Supplemental Aid	0	-136	-136	0.0%	-0.4%	-0.2%
Total General Fund	0	-45,377	-45,377	0.0%	-1.0%	-0.5%
TANF funds for MFIP Grants	0	1,043	1,043	0.0%	1.3%	0.7%
MinnesotaCare	0	19,775	19,775	0.0%	7.2%	3.7%
Defined Benefit Program	0	-2,745	-2,745		-34.6%	-34.6%
T. HCA Fund Expenditures	0	17,030	17,030	0.0%	6.1%	3.1%

**TABLE THREE
NEXT BIENNIUM SUMMARY**

	November 2012 Forecast FY 2014 - FY 2015 Biennium			February 2013 Forecast FY 2014 - FY 2015 Biennium		
	(\$ in thousands)			(\$ in thousands)		
GENERAL FUND	FY 2014	FY 2015	Biennium	FY 2014	FY 2015	Biennium
Medical Assistance						
LTC Facilities	438,786	439,480	878,266	436,594	436,809	873,403
LTC Waivers	1,294,526	1,397,833	2,692,359	1,282,246	1,397,116	2,679,362
Elderly & Disabled Basic	1,521,298	1,484,345	3,005,643	1,506,831	1,454,479	2,961,310
Adults with No Children	318,811	0	318,811	292,067	0	292,067
Families w. Children Basic	1,006,525	1,072,085	2,078,610	1,003,105	1,077,000	2,080,105
MA Total	4,579,946	4,393,743	8,973,689	4,520,843	4,365,404	8,886,247
Alternative Care Program	46,349	44,311	90,660	46,349	44,311	90,660
Chemical Dependency Fund	79,807	81,169	160,976	81,440	74,875	156,315
Minnesota Family Inv. Program	76,518	75,105	151,623	72,583	74,634	147,217
Child Care Assistance	53,353	54,406	107,759	58,744	59,404	118,148
General Assistance	54,259	55,566	109,825	54,787	56,068	110,855
Group Residential Housing	138,601	148,477	287,078	141,125	150,950	292,075
Minnesota Supplemental Aid	38,642	39,814	78,456	38,646	39,821	78,467
Total General Fund	5,067,475	4,892,591	9,960,066	5,014,517	4,865,467	9,879,984
TANF funds for MFIP Grants	77,846	78,452	156,298	80,342	76,851	157,193
MinnesotaCare	411,083	481,882	892,965	331,342	371,658	703,000
Defined Benefit Program	10,521	10,804	21,325	7,456	7,670	15,126
T. HCA Fund Expenditures	421,604	492,686	914,290	338,798	379,328	718,126

**TABLE FOUR
NEXT BIENNIUM SUMMARY**

	February 2013 Forecast Change from November 2012 Forecast FY 2014 - FY 2015 Biennium (\$ in thousands)			February 2013 Forecast Change from November 2012 Forecast FY 2014 - FY 2015 Biennium (Percent Change)		
	FY 2014	FY 2015	Biennium	FY 2014	FY 2015	Biennium
GENERAL FUND						
Medical Assistance						
LTC Facilities	-2,192	-2,671	-4,863	-0.5%	-0.6%	-0.6%
LTC Waivers	-12,280	-717	-12,997	-0.9%	-0.1%	-0.5%
Elderly & Disabled Basic	-14,467	-29,866	-44,333	-1.0%	-2.0%	-1.5%
Adults with No Children	-26,744	0	-26,744	-8.4%		-8.4%
Families w. Children Basic	-3,420	4,915	1,495	-0.3%	0.5%	0.1%
MA Total	-59,103	-28,339	-87,442	-1.3%	-0.6%	-1.0%
Alternative Care Program	0	0	0	0.0%	0.0%	0.0%
Chemical Dependency Fund	1,633	-6,294	-4,661	0.0%	0.0%	0.0%
Minnesota Family Inv. Program	-3,935	-471	-4,406	-5.1%	-0.6%	-2.9%
Child Care Assistance	5,391	4,998	10,389	10.1%	9.2%	9.6%
General Assistance	528	502	1,030	1.0%	0.9%	0.9%
Group Residential Housing	2,524	2,473	4,997	1.8%	1.7%	1.7%
Minnesota Supplemental Aid	4	7	11	0.0%	0.0%	0.0%
Total General Fund	-52,958	-27,124	-80,082	-1.0%	-0.6%	-0.8%
TANF funds for MFIP Grants	2,496	-1,601	895	3.2%	-2.0%	0.6%
MinnesotaCare	-79,741	-110,224	-189,965	-19.4%	-22.9%	-21.3%
Defined Benefit Program	-3,065	-3,134	-6,199	-29.1%	-29.0%	-29.1%
T. HCA Fund Expenditures	-82,806	-113,358	-196,164	-19.6%	-23.0%	-21.5%

**TABLE FIVE
FY 2016 - FY 2017 BIENNIUM SUMMARY**

GENERAL FUND	November 2012 Forecast FY 2016 - FY 2017 Biennium (\$ in thousands)			February 2013 Forecast FY 2016 - FY 2017 Biennium (\$ in thousands)		
	FY 2016	FY 2017	Biennium	FY 2016	FY 2017	Biennium
Medical Assistance						
LTC Facilities	444,300	460,068	904,368	441,192	452,948	894,140
LTC Waivers	1,470,322	1,583,808	3,054,130	1,464,649	1,577,304	3,041,953
Elderly & Disabled Basic	1,591,561	1,558,143	3,149,704	1,625,044	1,540,169	3,165,213
Adults with No Children	0	30,185	30,185	0	36,944	36,944
Families w. Children Basic	1,242,661	1,234,376	2,477,037	1,307,663	1,282,924	2,590,587
MA Total	4,748,844	4,866,580	9,615,424	4,838,548	4,890,289	9,728,837
Alternative Care Program	44,311	44,311	88,622	44,311	44,311	88,622
Chemical Dependency Fund	79,922	81,270	161,192	73,769	74,972	148,741
Minnesota Family Inv. Program	112,902	109,617	222,519	107,381	104,098	211,479
Child Care Assistance	58,573	61,155	119,728	63,883	66,471	130,354
General Assistance	57,012	58,223	115,235	57,544	58,682	116,226
Group Residential Housing	156,843	165,449	322,292	160,175	169,489	329,664
Minnesota Supplemental Aid	41,065	42,328	83,393	41,070	42,330	83,400
Total General Fund	5,299,472	5,428,933	10,728,405	5,386,681	5,450,642	10,837,323
TANF funds for MFIP Grants	39,329	40,972	80,301	42,767	44,402	87,169
MinnesotaCare	588,696	569,505	1,158,201	382,755	390,922	773,677
Defined Benefit Program	10,993	11,129	22,122	7,813	7,916	15,729
T. HCA Fund Expenditures	599,689	580,634	1,180,323	390,568	398,838	789,406

**TABLE SIX
FY 2016 - FY 2017 BIENNIUM SUMMARY**

	February 2013 Forecast Change from November 2012 Forecast FY 2016 - FY 2017 Biennium (\$ in thousands)			February 2013 Forecast Change from November 2012 Forecast FY 2016 - FY 2017 Biennium (Percent Change)		
	FY 2016	FY 2017	Biennium	FY 2016	FY 2017	Biennium
GENERAL FUND						
Medical Assistance						
LTC Facilities	-3,108	-7,120	-10,228	-0.7%	-1.5%	-1.1%
LTC Waivers	-5,673	-6,504	-12,177	-0.4%	-0.4%	-0.4%
Elderly & Disabled Basic	33,483	-17,974	15,509	2.1%	-1.2%	0.5%
Adults with No Children	0	6,759	6,759		22.4%	22.4%
Families w. Children Basic	65,002	48,548	113,550	5.2%	3.9%	4.6%
MA Total	89,704	23,709	113,413	1.9%	0.5%	1.2%
Alternative Care Program	0	0	0	0.0%	0.0%	0.0%
Chemical Dependency Fund	-6,153	-6,298	-12,451	-7.7%	-7.7%	-7.7%
Minnesota Family Inv. Program	-5,521	-5,519	-11,040	-4.9%	-5.0%	-5.0%
Child Care Assistance	5,310	5,316	10,626	9.1%	8.7%	8.9%
General Assistance	532	459	991	0.9%	0.8%	0.9%
Group Residential Housing	3,332	4,040	7,372	2.1%	2.4%	2.3%
Minnesota Supplemental Aid	5	2	7	0.0%	0.0%	0.0%
Total General Fund	87,209	21,709	108,918	1.6%	0.4%	1.0%
TANF funds for MFIP Grants	3,438	3,430	6,868	8.7%	8.4%	8.6%
MinnesotaCare	-205,941	-178,583	-384,524	-35.0%	-31.4%	-33.2%
Defined Benefit Program	-3,180	-3,213	-6,393	-28.9%	-28.9%	-28.9%
T. HCA Fund Expenditures	-209,121	-181,796	-390,917	-34.9%	-31.3%	-33.1%