



## Health Care Access Fund Overview and Update

Ahna Minge, Executive Budget Officer

January 10, 2017

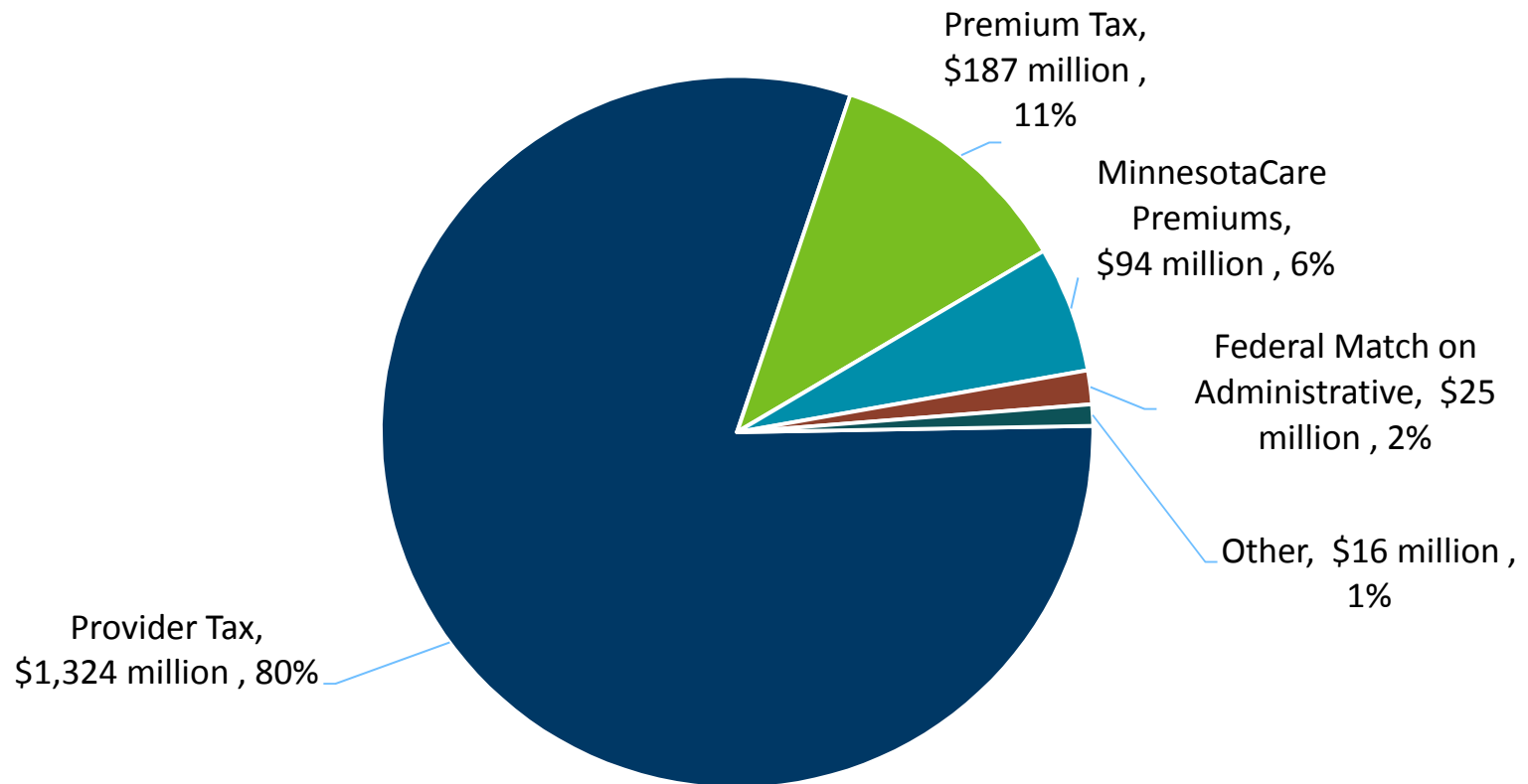
# Presentation Overview

- Sources
- Uses
- Recent
- Fund Outlook

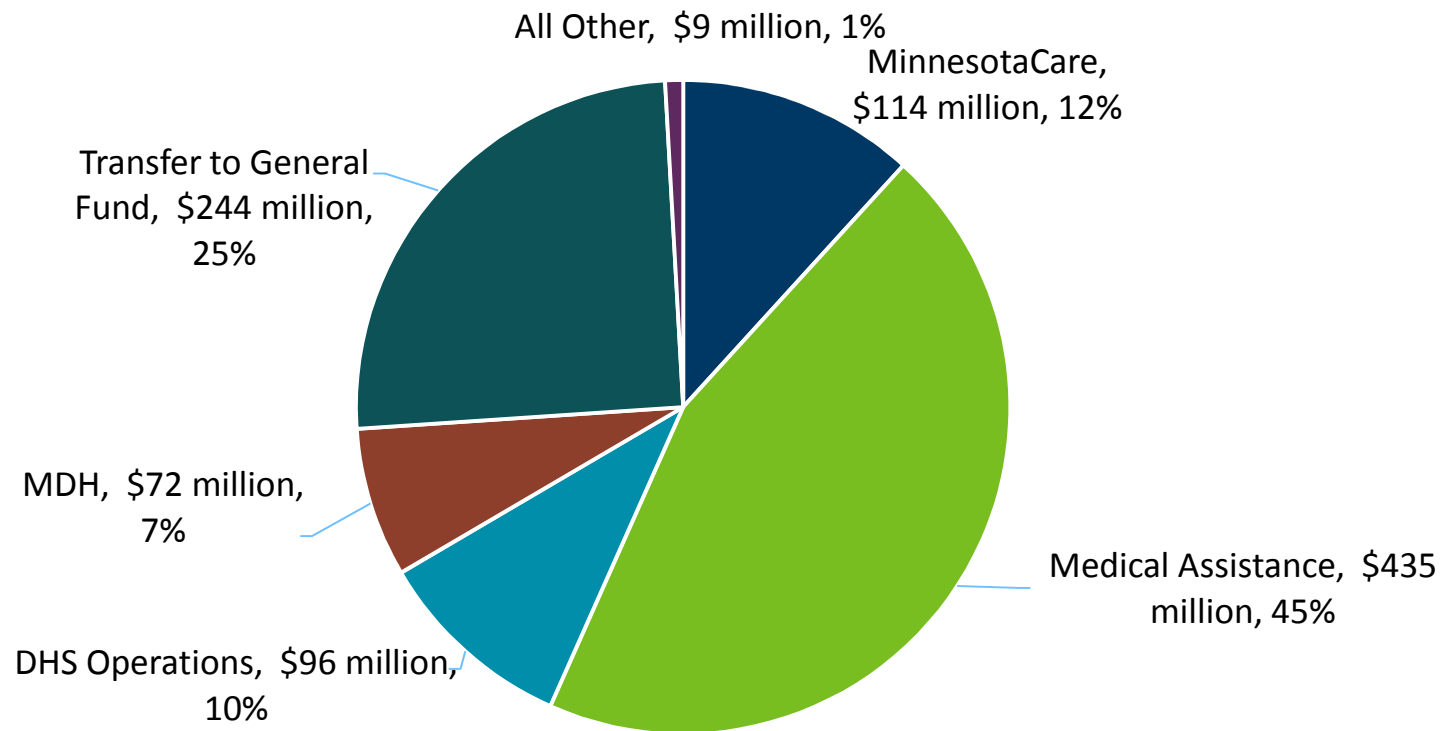
# Background of Fund

- Created to increase access to health care, contain health care costs, and improve quality of health care services

# Health Care Access Fund Revenues FY2018-19



# Health Care Access Fund Expenditures FY2018-19

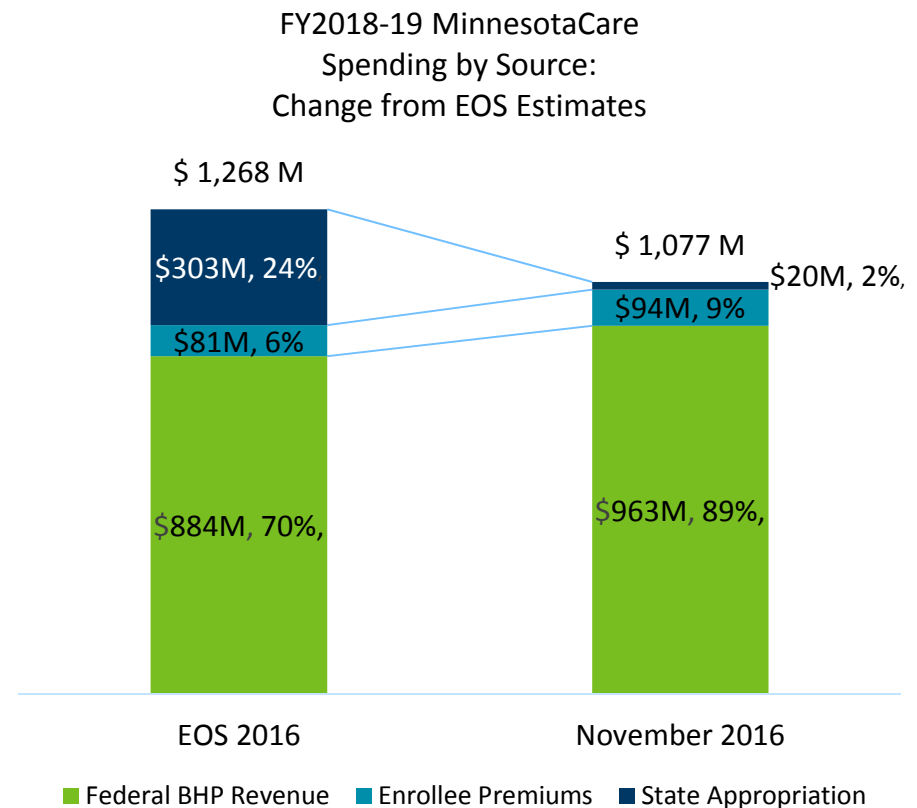


# In November 2016 Forecast HCAF Balance Improved Over Previous Estimates

(\$ in millions)	FY2016-17 Forecast		FY2018-19 Forecast	
	Nov	Forecast Change	Nov	Forecast Change
<b>Beginning Balance</b>	<b>\$673</b>	<b>\$11</b>	<b>\$705</b>	<b>\$172</b>
Revenues	1,486	(11)	1,646	2
Spending	1,454	(172)	969	(272)
<b>Budgetary Balance</b>	<b>\$705</b>	<b>\$172</b>	<b>\$1,382</b>	<b>\$446</b>

# Forecast Changes to MinnesotaCare

- The state share for MinnesotaCare fell by \$166 million in FY 2016-17 and \$283 million in FY2018-19 compared to previous estimates.
- Higher MNsure premiums drove increase in expected Basic Health Program revenue.
- MinnesotaCare now expected to be 90 percent federally funded.



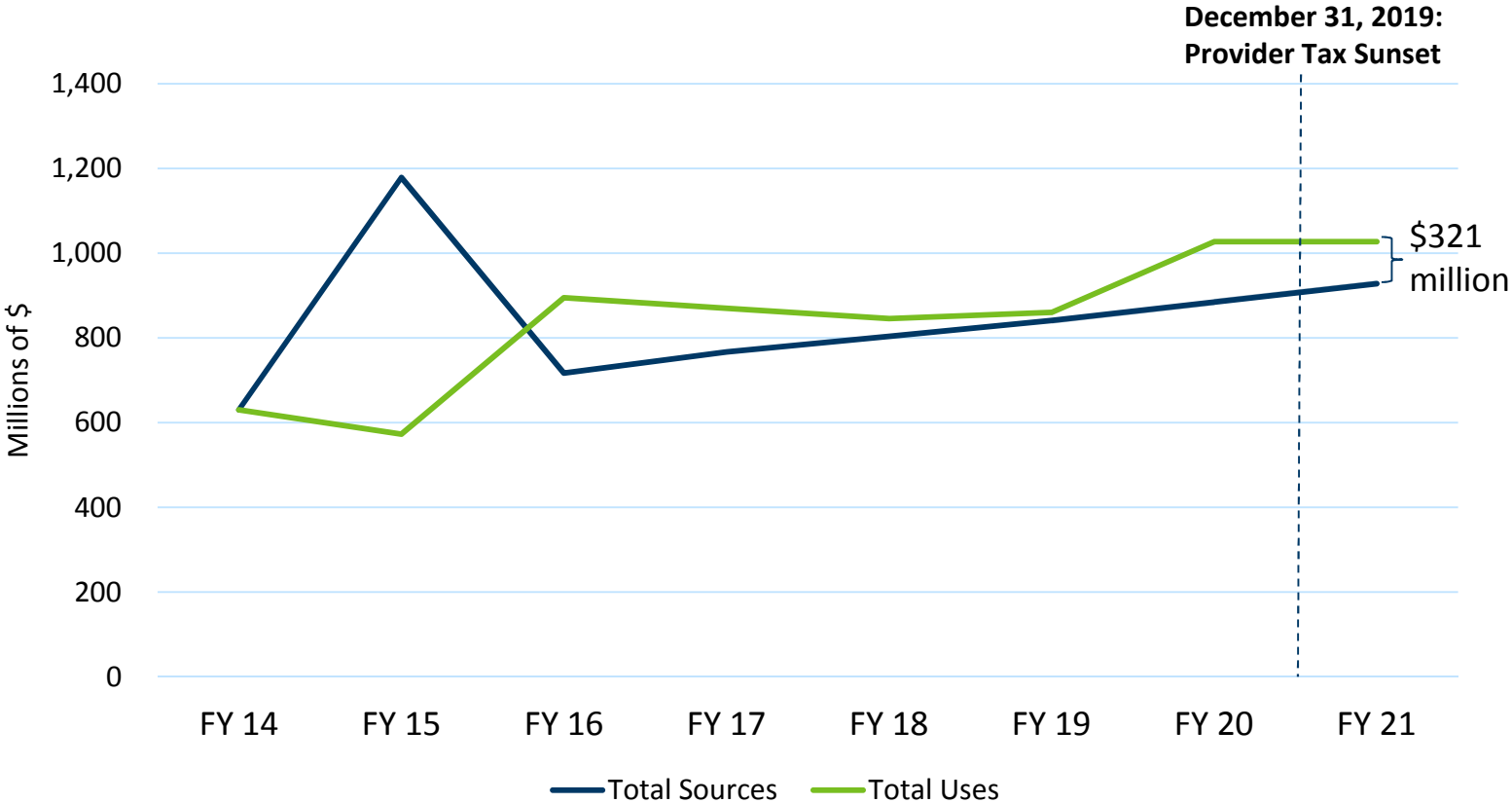
# Contingent Provider Tax Reduction

- Every November, MMB calculates the structural balance of the HCAF to determine the provider tax rate for the following calendar year.
- The analysis calculates the ratio of revenues to expenditures plus transfers in the current biennium.
- If the ratio exceeds 1.25, the tax rate is reduced to bring the ratio to 1.25.
- For tax year 2017, ratio is 1.08, so no reduction is triggered.



# Health Care Access Fund Outlook

Health Care Access Fund Revenues and Uses: 2014-2021



# Thank you again!

**Ahna Minge**

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