How to read the Health Care Access Fund Statement

Each state budget forecast includes the release of an updated Health Care Access Fund (HCAF) balance sheet. While this document can be confusing, it contains critical information about how the provider tax is used. The HCAF was created to hold provider tax revenues, in addition to several smaller revenue sources.

The HCAF, like the provider tax, was created to invest in efforts that reduce the number of Minnesotans without health insurance, address growing health care costs, and improve the quality of health care services for all Minnesotans.

Here's a quick tour of the HCAF balance sheet.

Sources: The top portion of the balance sheet shows where the money comes from. At the very top, you can find the starting balance, or money in the fund at the beginning of the fiscal year, under the "adjusted balance forward" line. This is the money that was collected in the HCAF but not spent in the previous year.

Here you can see that the provider tax is the top revenue source for the HCAF, bringing in $635 million in FY 2017. You can also see all of the revenues (new money) and transfers (money from other places) added together on the "total sources" line.

Uses: The bottom half of the balance sheet shows how the money in the HCAF is spent. Spending is divided up by "expenditures," or spending on a program, and "transfers out," sending the money somewhere else, like the General Fund. For example, we can see that $35 million went to DHS in 2017.

Structural Balance: The very bottom of the balance sheet shows the structural balance of the fund, or how spending compares to revenues for a given year. When the structural balance is negative, it means the fund is relying on a past surplus to fund spending in that year.

Find the most current HCAF statement at:
https://mn.gov/mmb/budget/current-budget/current/