



FISCAL NEWS

MONTHLY NEWSLETTER OF THE OFFICE OF FISCAL AND PROGRAM REVIEW

APRIL 2012

Volume 6 Number 4

Month In Review 1

General Fund Revenue Update..... 2

Highway Fund Revenue Update 2

Tobacco Settlement Payment Update 3

Revenue Forecasting Committee Update 3

State Expenditure Update 4

Cash Update..... 5

MainePERS Investment Update 5

Bond Package Summary..... 6

MaineCare Update 7

Attachments:

- **March 2012 General Fund Revenue Variance Report** 11
- **March 2012 Highway Fund Revenue Variance Report** 13

Questions or Comments regarding specific sections contact:

Grant T. Pennoyer, Director
Office of Fiscal and Program Review
5 State House Station
Augusta, Maine 04333-0005
Telephone: (207) 287-1635

grant.pennoyer@legislature.maine.gov

www.maine.gov/legis/ofpr/

The Office of Fiscal and Program Review (OFPR) is a nonpartisan staff office of the Legislative Council providing budget, tax and general fiscal research and analysis for the Maine State Legislature.



Month In Review

The month began with a revelation that some January tax receipts totaling roughly \$14 million were not recorded as revenue in the State’s accounting system during January. Those cash receipts were reconciled and reported as revenue at the close of March. Those unrecorded receipts help explain much of the sudden reversal in General Fund revenue performance in January. General Fund revenue produced positive variances in February and March. Preliminary data in April indicate that Individual Income Tax revenue in this critical month will be close to projections and that Sales and Use Tax and Corporate Income Tax will be ahead of projections.

Highway Fund revenue was substantially under budget in March as a result of significant shortfalls in gasoline tax collections. These recent monthly shortfalls in gasoline tax collections finally offset other positive performances in other Highway Fund revenue categories and produced a negative variance for Highway Fund revenue for the year at the end of March.

With the updated information on January revenue and preliminary April revenue data, the Revenue Forecasting Committee (RFC) reversed several of its downward General Fund revenue adjustments and increased revenue estimates for the General Fund each year through FY 2015. The RFC also recognized a positive variance from April’s tobacco settlement payments increasing Fund for a Healthy Maine revenue estimates in FY 2012. The Highway Fund on the other hand was revised downward based primarily on gasoline tax variances.

State operating expenditures declined for FY 2012 through March compared with the same period last year. General Fund expenditures grew by more than 8%, while federal funding declined by more than 14%, much of this representing the expected shift of expenditures back to the General Fund as federal stimulus funding ended.

Cash balances have fallen significantly below last year’s levels, but they remain of sufficient size to once again avoid external cash flow borrowing this fiscal year now that General Fund cash balances have been helped with the April revenue infusion from individual income tax filings.

The Appropriations Committee has had a very busy month reporting out a second supplemental budget unanimously, which was enacted with very strong legislative support. The Governor used his line-item veto authority, the first time in this authority’s history, to eliminate FY 2013 funding to address shortfalls in General Assistance and Disproportionate Share funding for the Riverview Psychiatric Hospital. The Legislature did not come back into session to vote on the line-item vetoes so these issues remain before the Legislature for discussion. A third supplemental budget bill to address the FY 2013 MaineCare shortfall is still before the Appropriations Committee.

**Month in Review (continued)**

The Committee also concluded its work on a bond package, which will require final votes by the Legislature when it comes back in mid-May.

MaineCare weekly cycle payments continue to exhibit significant volatility and remain above FY 2010 and FY 2011 levels. At the end of April, the group

studying the effect of the ineligible MaineCare recipients showing as eligible in the MaineCare payment system reported to the Appropriations Committee. The Department of Health and Human Services (DHHS) presented numbers indicating that the analysis of the ineligible only modestly reduces their estimates of the FY 2013 MaineCare shortfall.

General Fund Revenue Update**Total General Fund Revenue - FY 2012 (\$'s in Millions)**

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
March	\$199.3	\$226.5	\$27.3	13.7%	\$203.9	11.1%
FYTD	\$1,883.9	\$1,918.9	\$35.0	1.9%	\$1,884.6	1.8%

General Fund revenue was \$27.3 million (13.7%) over budget in March and was \$35.0 million over budget through 3 quarters of FY 2012. The variances are based on the Revenue Forecasting Committee's (RFC) March revenue forecast and new monthly distribution. March revenue also includes \$13.8 million of General Fund revenue that was received in January, but not recorded as revenue in the State's accounting system. The related revenue sharing transfers from January's revenue recorded in March will increase by \$0.7 million in April decreasing the net effect on the General Fund of this revenue issue to \$13.1 million.

The 2 most significant positive variances were in the Sales and Use Tax and the Corporate Income Tax, which were over budget in March by \$9.1 million and \$13.7 million, respectively. These 2 categories included the largest increases from January's revenue adjustment (\$6.6 million and \$5.2 million,

respectively). Lottery revenue also had a very good month in March (\$0.7 million over) due to the record Mega Millions jackpot in the last week of March.

Preliminary data for April indicate that Sales and Use Tax will be more than \$3 million over budget for April and more than \$14 million for the fiscal year through April and Corporate Income Tax will be over budget by more than \$6 million and more than \$20 million for the fiscal year.

April is an important month for Individual Income Tax with the final 2012 tax filing due April 17th this year. Individual Income Tax Final Payments and Refunds will be about \$7 million under budget for the month, but are on target for the fiscal year indicating that estimates of the 2011 tax year liability were correct. However, 2012 tax year indicators, Withholding Payments and Estimated Payments are lagging slightly behind expectations for the fiscal year

Highway Fund Revenue Update**Total Highway Fund Revenue - FY 2012 (\$'s in Millions)**

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
March	\$24.3	\$23.2	(\$1.1)	-4.5%	\$23.4	-0.8%
FYTD	\$218.3	\$217.9	(\$0.4)	-0.2%	\$214.2	1.7%

Highway Fund revenue was \$1.1 million (4.5%) under budget in March and \$0.4 million (0.2%) for the first 3 quarters of FY 2012. Substantial Gasoline Tax negative revenue variances are the primary source of overall Highway Fund negative variance.

With gasoline prices at roughly \$4 per gallon, consumers have been adjusting their behavior and total gallons sold have been declining. Preliminary data for April indicate a similar negative variance for Gasoline Tax.

**Tobacco Settlement Payment Update**

Tobacco Settlement Payments received in April exceeded projections by \$984,726. At this point, detail is not available to determine the underlying causes of this variance. Disputed payments seem to

be withheld consistent with assumptions. We are still waiting for additional data from the National Association of Attorneys General (NAAG) to assess the variance.

Revenue Forecasting Committee Update

Summary of April 2012 Special Forecast's Revenue Revisions Preliminary Recommendations

Millions of \$'s

General Fund Summary

	FY11 Actual	FY12	FY13	FY14	FY15
Current Forecast	\$2,945.0	\$2,953.3	\$3,040.0	\$2,959.2	\$3,079.1
Annual % Growth	6.9%	0.3%	2.9%	-2.7%	4.1%
Net Increase (Decrease)		\$42.1	\$6.7	\$25.8	\$26.6
Revised Forecast	\$2,945.0	\$2,995.4	\$3,046.8	\$2,985.0	\$3,105.7
Annual % Growth	6.9%	1.7%	1.7%	-2.0%	4.0%

Highway Fund Summary

	FY11 Actual	FY12	FY13	FY14	FY15
Current Forecast	\$311.4	\$318.2	\$319.9	\$322.9	\$325.1
Annual % Growth	0.1%	2.2%	0.5%	1.0%	0.7%
Net Increase (Decrease)		(\$3.2)	(\$3.2)	(\$3.2)	(\$3.2)
Revised Forecast	\$311.4	\$315.0	\$316.6	\$319.7	\$321.9
Annual % Growth	0.1%	1.2%	0.5%	1.0%	0.7%

Fund for a Healthy Maine Summary

	FY11 Actual	FY12	FY13	FY14	FY15
Current Forecast	\$54.4	\$54.5	\$52.0	\$54.2	\$53.8
Annual % Growth	-5.5%	0.3%	-4.7%	4.2%	-0.8%
Net Increase (Decrease)		\$1.0	\$0.0	\$0.0	\$0.0
Revised Forecast	\$54.4	\$55.5	\$52.0	\$54.2	\$53.8
Annual % Growth	-5.5%	2.1%	-6.4%	4.2%	-0.8%

The Revenue Forecasting Committee (RFC) met on April 30th for a special meeting called by the State Budget Officer in order to react to the news in early April that approximately \$14 million of tax receipts deposited in the State's bank accounts in January were not recorded as revenue in the accounting system. When the RFC met at the end of February, it struggled to explain January's significant General Fund negative variance, largely caused by the unrecorded revenue and very early processing of Individual Income Tax refunds, negatively influenced the March forecast. The \$6.6 million of additional Sales and Use Tax revenue that was missing in January helped explain the significant difference in the growth rates of recorded revenue compared to the taxable sales data pulled from the tax forms.

Corporate Income Tax was also significantly influenced by the January revenue oversight with \$5.2 million of January Corporate Income Tax revenue not recorded.

The Sales and Use Tax and Corporate Income Tax, which were heavily influenced by the missing revenue and were downgraded in the March forecast, are the 2 most significant contributors to this special forecast's \$48.9 million upward General Fund revenue revision for the 2012-2013 biennium. They accounted for approximately 80% of the upward revision. Another significant factor in the upward revision was the revised projections of the FY 2012 transfer from the Abandoned Property Fund, which based on recent data, is now expected to transfer almost \$5 million more than previously assumed.



Revenue Forecasting Committee Update (continued)

The RFC reviewed the performance of Highway Fund revenue, in particular the Gasoline Tax, and further increased the downward adjustment recommended in the March forecast. The RFC also realized the upward adjustment for Long-Term Trailer Registration Fees was too optimistic and cut the increase in half. The total downward adjustment to

Highway Fund revenue for the 2012-2013 biennium is \$6.4 million.

Finally, the RFC recognized the approximately \$1.0 million of additional tobacco settlement payments received in mid-April adding this one-time adjustment to Fund for a Healthy Maine budgeted revenue.

State Expenditure Update

Provided below is a table summarizing the State's expenditures through 3 quarters of FY 2012 compared with the same period in FY 2011. Total operating fund expenditures declined by 2.8% in FY 2012. General Fund expenditures grew by \$179.7 million or 8.3%. The loss of federal stimulus funds was the major contributor to the decline in Federal Funds expenditures accounting for \$262.6 million of the \$341.8 million reduction from FY 2011 to FY 2012. Highway Fund and Other Special Revenue Funds (dedicated revenue accounts) grew modestly by 2.4% and 1.1%, respectively.

General Fund expenditures by the Department of Health and Human Services grew \$195.2 million or 29.3%. Much of this growth represented the expected shift of expenditures from the ending of federal stimulus funds in the form of an enhanced Medicaid

match back to the General Fund. Expenditures in the Department of Administrative and Financial Services also showed significant growth due to changes in certain tax reimbursement programs and a change in the funding of central information services. The decline in the Department of Education results from the savings in retirement costs affecting the Teacher Retirement program.

Highway Fund expenditures grew by \$5.3 million or 2.4%. Department of Transportation spending grew by \$6.5 million or 3.6% and crowded out spending in the other major Highway Fund departments. There was a \$0.4 million increase in the Department of Administrative and Financial Services in the Other Departments and Agencies category as broken out in the table.

Operating Funds - Expenditures through 3rd Quarter

Operating Funds:	FY 2011	FY 2012	% Change
General Fund	\$2,163,893,555	\$2,343,602,403	8.3%
Highway Fund	\$227,303,144	\$232,651,706	2.4%
Other Special Revenue Funds	\$655,988,907	\$663,154,400	1.1%
Federal Funds	\$2,301,529,227	\$1,959,732,992	-14.9%
Total Operating Funds	\$5,348,714,833	\$5,199,141,501	-2.8%
General Fund Expenditures by Major Department			
Education	\$856,145,725	\$834,909,223	-2.5%
Health and Human Services	\$666,018,159	\$861,196,894	29.3%
Corrections	\$106,460,866	\$100,183,794	-5.9%
Administrative and Financial Services	\$89,033,255	\$103,910,081	16.7%
Other Departments and Agencies	\$446,235,550	\$443,402,410	-0.6%
Highway Fund Expenditures by Major Department			
Transportation	\$178,495,776	\$184,974,190	3.6%
Secretary of State	\$23,760,828	\$22,601,068	-4.9%
Public Safety	\$22,450,488	\$22,071,135	-1.7%
Other Departments and Agencies	\$2,596,052	\$3,005,313	15.8%



Cash Update

The average total cash pool balance for March was \$299.7 million, \$111.3 million less than one year ago. The General Fund internal cash flow borrowing average balance for March spiked up to \$314.0 million, \$58.4 million higher than last March. Although revenue has been performing ahead of projections, the FY 2012 General Fund budget relies on \$100 million of borrowing from Other Special Revenue Funds to maintain a balanced budget. This past quarter has also seen much earlier processing of Individual Income Tax refunds. Despite these additional strains on General Fund cash, overall cash pool balances have been large enough that the State has avoided external cash flow borrowing once again. The State has not used tax anticipation notes or external borrowing since FY 2006.

Summary of Treasurer's Cash Pool		
March Average Daily Balances		
Millions of \$'s		
	2011	2012
General Fund (GF) Total	\$5.1	\$19.1
General Fund (GF) Detail:		
Budget Stabilization Fund	\$25.4	\$70.7
Reserve for Operating Capital	\$11.2	\$17.1
Tax Anticipation Notes	\$0.0	\$0.0
Internal Borrowing	\$255.6	\$314.0
Other General Fund Cash	(\$287.2)	(\$382.7)
Other Spec. Rev. - Interest to GF	\$16.5	(\$15.9)
Other State Funds - Interest to GF	\$17.4	\$18.0
Highway Fund	\$64.6	\$40.9
Other Spec. Rev. - Retaining Interest	\$31.4	\$16.3
Other State Funds	\$160.3	\$116.6
Independent Agency Funds	\$115.7	\$104.8
Total Cash Pool	\$411.0	\$299.7

MainePers Investment Update

Maine Public Employees Retirement System (MainePERS) investments were up 7.8% for the third quarter of fiscal year 2012 and 4.0% over the previous one year period. The total fund increased \$0.7 billion over the quarter, from \$10.1 billion as of December 31, 2011 to \$10.8 billion as of March 31, 2012, due primarily to U.S. stocks increasing approximately 12.9% over the same time period. International stocks and U.S. bonds were also up in the third quarter, increasing 11.3% and 1.1%, respectively.

fund has had an average return of 9.8% per year. It is important to realize that quarterly and annual performance can deviate significantly from this long-term average in any given year. It is also important to remember that this performance will not affect the rates for the 2012-2013 biennium, which were established based on the returns and value for the total fund as of June 30, 2010. The performance over the next quarter will be critical to the next rate adjustment, because rates for the 2014-2015 biennium will be based on values as of June 30, 2012.

The table below has the long-term return information as of March 31, 2012. Over the past 30 years, the

Long-Term Performance ending March 31, 2012					
(annualized performance)					
	1 Year	3 Years	5 Years	10 Years	30 Years
Total Fund	4.0%	16.4%	2.7%	5.9%	9.8%



Bond Package Summary

Provided below is a table summarizing the nearly \$96 million general obligation bonding approved by a majority of the Appropriations Committee. The Appropriations Committee worked very quickly to report out the package of borrowing to go to the voters for approval. As a result, they were unable to achieve a unanimous report on the package. The Appropriations Committee also broke with recent tradition and reported out several separate bills to make up the package, thus allowing the full

Legislature to vote on the various components of the proposal, rather than a single vote for a unified bond package.

The minority reports on these bills total \$99.7 million and include additional \$3 million for the University of Maine in LD 874 and an additional bill, LD 829, that recommends approval of an additional \$1.0 million for downtown revitalization.

Committee's Bond Bills/Package (Majority Recommendations)

Bill	Description	Bond Amount
LD 894		5,000,000
	Highway/Bridge	36,000,000
	LifeFlight - Helipads and Communications	300,000
	Searsport - Mack Point Dredging	3,000,000
	Searsport - Mack Point Materials Handling	2,000,000
	Transit Buses	1,000,000
	Industrial Rail Access Program (IRAP) - Rail Connectors	1,500,000
	Eastport Warehousing	1,500,000
	Aviation	1,200,000
		51,500,000
LD 359	Drinking Water/ Clean Water Fund (2 years DHHS)	7,925,000
LD 225	Research and Development - MTI model	20,000,000
LD 874	University of Maine Orono Diagnostic Lab	7,800,000
	Maine Community College System	3,000,000
	Maine Maritime Academy	500,000
		11,300,000
LD 852	Land for Maine's Future	5,000,000
Total Recommendations (Majority Reports)		95,725,000



MaineCare Update

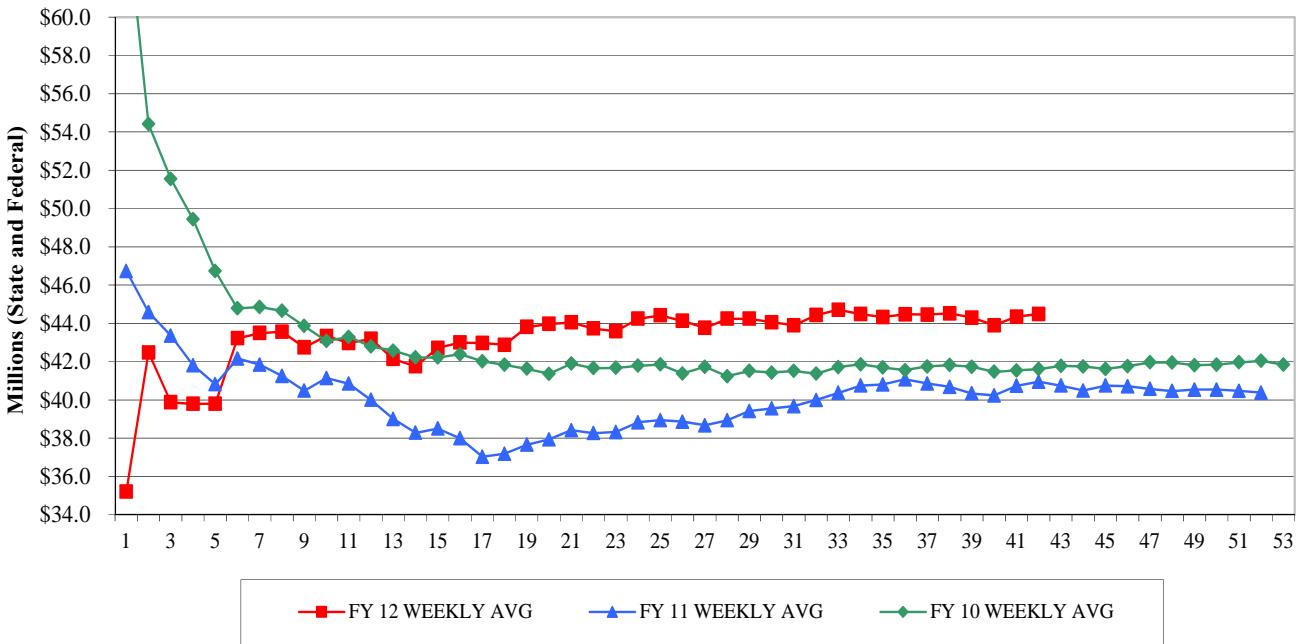
MaineCare Spending

The average weekly MaineCare cycle for FY 2012 through Week 42 was \$44.5 million (state and federal dollars), virtually unchanged from the average through Week 38 and a continued significant increase over the MaineCare weekly cycle averages of \$40.4 million for FY 2011 and of \$42.0 million for FY 2010. MaineCare Chart 1 below summarizes average weekly MaineCare cycle payments for FY 2012 as well as comparable payment cycle averages for FY 2010 and FY 2011. MaineCare Chart 2 summarizes the actual cycles each week for FY 2012 and for FY 2010 and FY 2011.

MaineCare Chart 1 shows a sustained FY 2012 weekly MaineCare cycle average of approximately \$44 million from Week 19 through Week 42. The FY 2012 monthly pattern for weekly cycle payments has been marked by high points of approximately \$60 million for one week each month reflecting providers billing on a monthly basis, followed by declines in the subsequent 3 weeks. MaineCare Chart 2 on the next page shows that the Week 41 monthly billing high-point for April was \$61.9 million, a return to the higher amounts of the previous five months after a decrease in March to \$49.6 million.

MaineCare Chart 1 - Weekly Cycle Averages - FY 10, FY 11 and FY 12

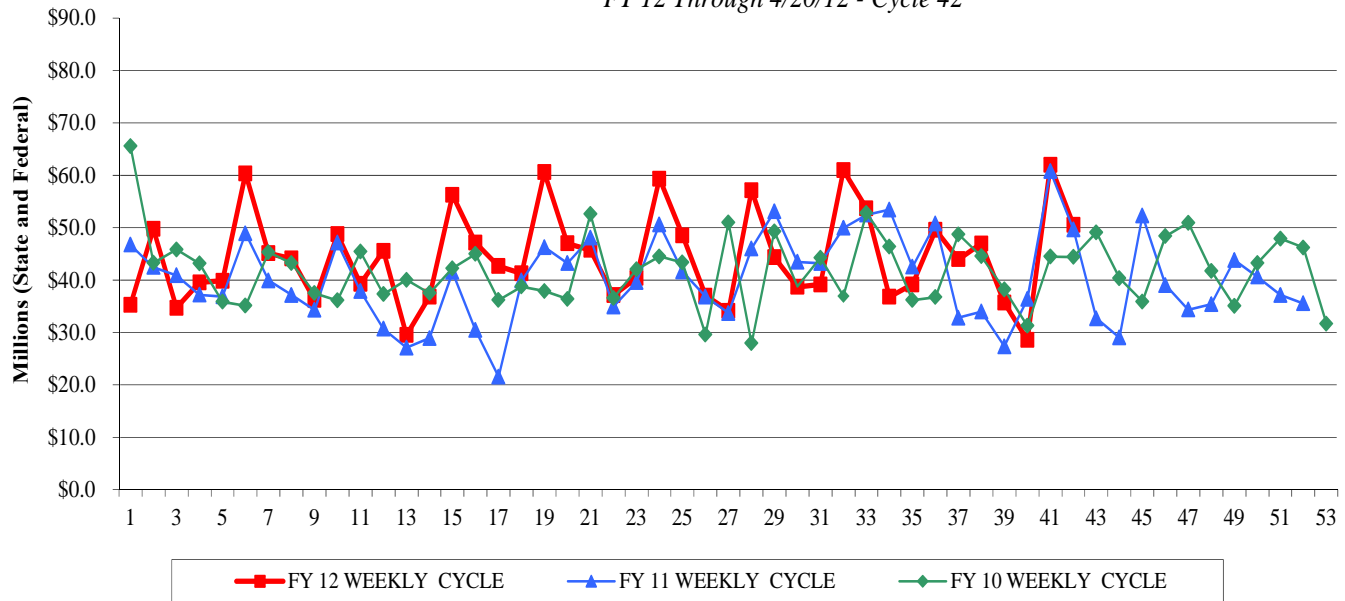
FY 12 Through 4/20/12 - Cycle 42



° FY 11 averages do not reflect MaineCare hospital settlements of \$227.7 million paid in the 3/18/11 (37th) and \$20.8 million paid in the 3/25/11 (38th) cycles.
 ° FY 10 averages do not reflect the \$132.5 million in MaineCare hospital settlements paid in the 10/23/09 (17th) cycle but do reflect the delayed FY 09 hospital and long-term care payments paid in the first weekly cycle of FY 10.

**MaineCare Update (continued)****MaineCare Chart 2 - Weekly Cycles - FY 10, FY 11 and FY 12**

FY 12 Through 4/20/12 - Cycle 42



° FY 11 cycles do not include MaineCare hospital settlements of \$227.7 million paid in the 3/18/11 (37th) and \$20.8 million paid in the 3/25/11 (38th) cycles.

° FY 10 cycles do not reflect the \$132.5 million in MaineCare hospital settlements paid in the 10/23/09 (17th) cycle but do reflect the delayed FY 09 hospital and long-term care payments paid in the first weekly cycle of FY 10.

MaineCare Caseload

MaineCare caseload data for March has not yet been released by the Department of Health and Human Services' (DHHS) Office of MaineCare Services (OMS). Aggregate March MaineCare caseload data already released by the DHHS Office of Family Independence (OFI) indicate a slight decrease in March caseload from February levels. MaineCare Chart 3 on the next page compares the OMS caseload data with comparable OFI data. The two sources count MaineCare caseload differently but had been doing so consistently until the June 2011 switchover to the new Maine Integrated Health Management Solution (MIHMS) data source. This difference had continued until the corrected January and February 2012 caseload data (discussed on page 10) appears to have restored the historical relationship.

As discussed in previous issues of the Fiscal News, DHHS switched the source of its MaineCare caseload data from the old "WELFRE" system to the new MIHMS claims processing system beginning in June 2011. The switch-over to the new data source showed a significant step-up in MaineCare caseload between the pre-June 2011 data source and the new data source.

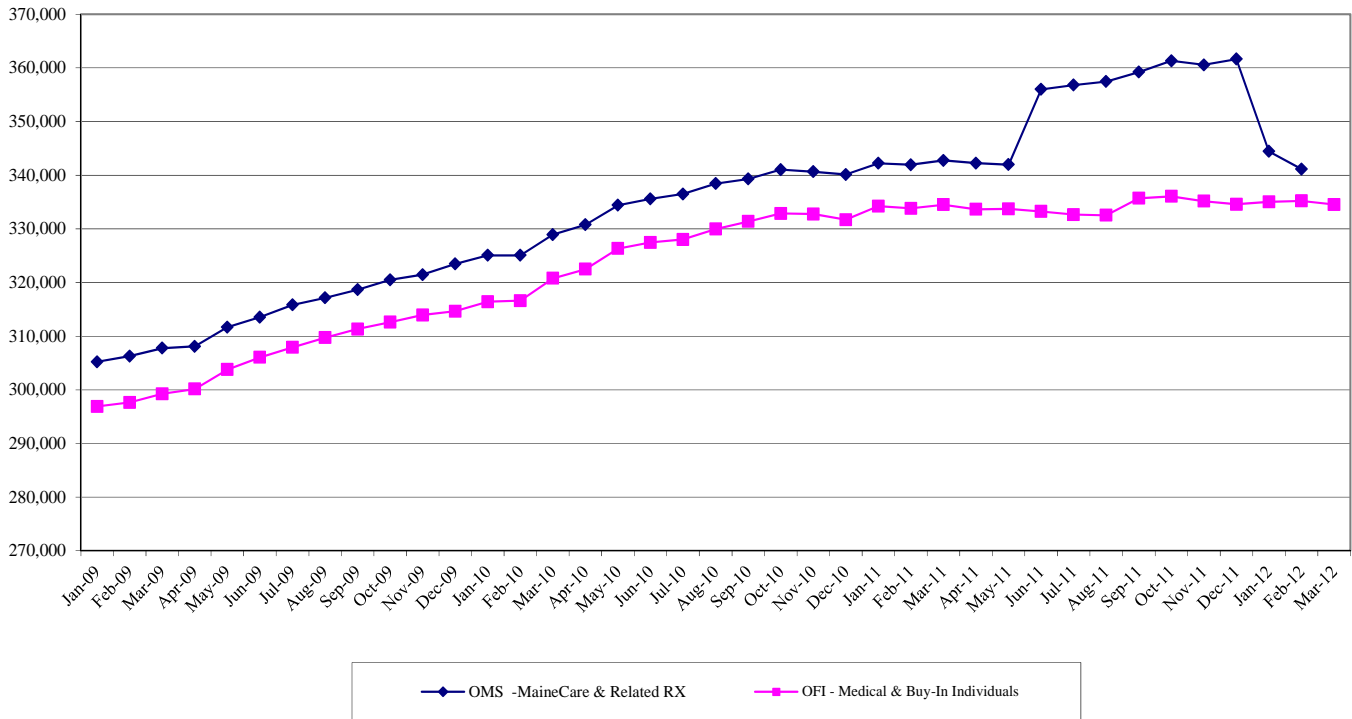
In March 2012, DHHS revealed that the step-up in MaineCare caseload that first appeared in the June 2011 MIHMS MaineCare caseload report, was in fact the result of a MIHMS error in counting MaineCare caseload that continued to count as eligible cases that had actually lost eligibility. This "over count" ultimately grew to more than 24,000 cases before DHHS corrected the caseload count by removing 19,122 cases in January and 5,314 cases in February.



MaineCare Update (continued)

MaineCare Chart 3 - MaineCare Caseload

Office of MaineCare Services (OMS) vs. Office of Family Independence (OFI) Data



Source of OMS data - WELFRE through May 2011 and MIHMS June 2011 and thereafter; Source of OFI data - Report ID RE-PM001A

The table on the next page summarizes MaineCare caseload from June 2010 through February 2012. MaineCare caseload for the twelve month period from June 2010 through May 2011, reflect data from the old DHHS “WELFRE” system. Caseload data from June 2011 through February 2012 were compiled using the new MIHMS system. The January and February 2012 entries show the revised caseload count to correct for ineligible cases.

In an April 27th briefing to the Appropriations Committee, the Commissioner of DHHS along with the State Controller and state’s Chief Information Officer presented the results of the first stage of their analysis of the financial impact of the MIHMS eligibility over count, specifically the 19,122 cases identified through January 2012. The report

presented to the Appropriations Committee indicated that of the 19,122 ineligible cases, 7,730 were identified as having claims paid for services for the period 9/1/2010 through 2/29/2011, totaling \$10.7 million. Of this total, \$6.9 million was paid with state funds and \$3.8 million with federal funds. The Commissioner of DHHS indicated there was no possibility of collecting these funds from MaineCare providers given they were paid for services to individuals the MIHMS system indicated were eligible at the time the services were provided and that the federal funds would need to be repaid by the state to the Center for Medicare and Medicaid Services (CMS). The group indicated that efforts to identify the financial impact of cases identified after January 2012 would continue.

*MaineCare Update (continued)*

MaineCare and Related Caseload Summary								
Month	Traditional Medicaid	SCHIP Medicaid Expansion	SCHIP "Cub Care"	Medicaid Expansion Parents ≤ 150% FPL	Non-Categorical Adults ≤ 100% FPL	Medicaid Expansion Parents >150% FPL	MSP and DEL/Me Rx	Total
Detail for 12 Months thru May 2011								
Jun-10	236,604	10,279	5,200	21,108	15,397	6,613	40,380	335,581
Jul-10	237,337	10,329	5,257	21,176	15,048	6,710	40,649	336,506
Aug-10	238,279	10,300	5,297	20,938	15,496	6,692	40,919	337,921
Sep-10	238,949	10,449	5,332	20,944	15,855	6,692	41,078	339,299
Oct-10	239,502	10,483	5,371	20,931	16,778	6,741	41,228	341,034
Nov-10	239,390	10,480	5,399	21,033	16,355	6,718	41,292	340,667
Dec-10	239,176	10,478	5,491	21,024	15,789	6,746	41,427	340,131
Jan-11	239,421	10,411	5,531	20,974	17,446	6,830	41,620	342,233
Feb-11	239,742	10,201	5,469	20,748	17,106	6,830	41,846	341,942
Mar-11	241,095	10,040	5,507	20,738	16,714	6,955	41,702	342,751
Apr-11	241,114	10,054	5,485	20,708	16,197	6,957	41,734	342,249
May-11	241,298	9,984	5,543	20,691	15,659	6,963	41,836	341,974
Detail June 2011 through January 2012								
Jun-11	251,147	10,110	5,835	21,465	16,629	7,715	43,090	355,991
Jul-11	251,756	10,307	5,854	21,641	16,257	7,692	43,292	356,799
Aug-11	252,163	10,434	5,841	21,809	15,853	7,752	43,610	357,462
Sep-11	250,207	10,588	5,834	22,059	18,957	7,713	43,871	359,229
Oct-11	251,932	10,874	5,825	22,566	18,819	7,862	43,437	361,315
Nov-11	252,087	10,741	5,829	21,884	18,496	7,850	43,667	360,554
Dec-11	253,016	10,943	5,817	21,977	18,023	7,929	43,940	361,645
Jan-12	253,350	10,925	5,850	22,154	17,535	7,984	45,771	363,569
DHHS Revisions	-11,820	-540	-186	-1,445	-2,304	-1,015	-1,812	-19,122
Revised Jan-12	241,530	10,385	5,664	20,709	15,231	6,969	43,959	344,447
Feb-12	243,780	10,216	5,725	20,736	14,846	6,990	44,162	346,455
DHHS Revisions	-3,274	-208	-51	-406	-229	-176	-970	-5,314
Revised Feb-12	240,506	10,008	5,674	20,330	14,617	6,814	43,192	341,141

Note: Beginning with its June 2011 MaineCare Caseload report, DHHS switched the source of MaineCare caseload data from the old WELFRE system to the new Maine Integrated Health Management System (MIHMS). The caseload data above include data from June 2011 through January 2012 compiled using the new system and data from July 2010 through May 2011 compiled using the WELFRE system. In January and February of 2012, DHHS revised its caseload count to correct for ineligible cases that MIHMS had continued to include as eligible.

Eligibility Descriptions:

- **Traditional Medicaid** includes adults and children in receipt of a financial benefit (TANF, IV-E); aged and disabled persons in receipt of a financial benefit (SSI, SSI Supplement), institutionalized persons (NF), and others not included below.
- **SCHIP (State Child Health Insurance Program) Medicaid Expansion Children (MS-CHIP)** (effective July 1998) are children with family incomes above 125/133% and up to and including 150% of the Federal Poverty Level (FPL).
- **SCHIP "Cub Care" Children** (effective July 1998) are children with family incomes above 150% and up to and including 200% of FPL.
- **Medicaid Expansion Parents** are persons who function as the primary caretakers of dependent children and whose income is above 100% and up to and including 150% of FPL (effective September 2000); and beginning May 2005, up to and including 200% of FPL.
- **Non-Categorical Adults** (effective October 2002) are persons who are over 21 and under 65, not disabled, not the primary caretakers of dependent children, and whose income is not more than 100% of FPL.
- **Medicare Savings Program (MSP) and DEL/Me Rx** include persons eligible for Medicaid, but not for "full benefits" (e. g., QMB, SLMB, QI) who meet the criteria for participation in DEL and/ or Maine Rx.

General Fund Revenue
Fiscal Year Ending June 30, 2012 (FY 2012)
March 2012 Revenue Variance Report

Revenue Category				Fiscal Year-To-Date					FY 2012 Budgeted Totals
	March '12 Budget	March '12 Actual	March '12 Variance	Budget	Actual	Variance	Variance %	% Change from Prior Year	
Sales and Use Tax	60,525,831	69,638,684	9,112,853	648,274,593	659,475,000	11,200,407	1.7%	6.1%	958,785,125
Service Provider Tax	4,080,967	3,917,317	(163,650)	32,965,044	32,630,115	(334,929)	-1.0%	-9.6%	51,750,707
Individual Income Tax	69,165,278	72,104,697	2,939,419	923,929,894	926,869,312	2,939,418	0.3%	1.5%	1,444,897,209
Corporate Income Tax	19,586,244	33,314,992	13,728,748	143,629,270	157,348,698	13,719,428	9.6%	9.2%	196,761,231
Cigarette and Tobacco Tax	9,847,692	9,322,378	(525,314)	105,219,240	104,952,747	(266,493)	-0.3%	-2.4%	142,123,350
Insurance Companies Tax	13,968,219	16,511,078	2,542,859	27,067,933	31,915,030	4,847,097	17.9%	21.8%	76,215,000
Estate Tax	3,225,380	5,301,160	2,075,780	22,252,407	24,328,187	2,075,780	9.3%	-22.7%	38,260,185
Other Taxes and Fees *	13,702,059	13,987,238	285,179	87,104,890	86,450,643	(654,247)	-0.8%	-13.2%	131,792,552
Fines, Forfeits and Penalties	2,646,989	985,923	(1,661,066)	18,159,959	18,062,152	(97,807)	-0.5%	-16.3%	25,024,504
Income from Investments	(17,294)	(29,704)	(12,410)	166,300	161,251	(5,049)	-3.0%	-18.8%	106,808
Transfer from Lottery Commission	4,783,038	5,496,990	713,952	38,264,302	40,440,838	2,176,536	5.7%	9.5%	50,700,000
Transfers to Tax Relief Programs *	(2,522,424)	(3,431,809)	(909,385)	(110,841,839)	(111,711,991)	(870,152)	-0.8%	-1.9%	(114,068,263)
Transfers for Municipal Revenue Sharing	(3,801,319)	(3,897,132)	(95,813)	(68,993,352)	(69,027,341)	(33,989)	0.0%	0.5%	(95,047,787)
Other Revenue *	4,075,830	3,302,872	(772,958)	16,717,502	17,037,257	319,755	1.9%	-31.4%	46,069,972
Totals	199,266,490	226,524,684	27,258,194	1,883,916,143	1,918,931,899	35,015,756	1.9%	1.8%	2,953,370,593

* Additional detail by subcategory for these categories is presented on the following page.

General Fund Revenue
Fiscal Year Ending June 30, 2012 (FY 2012)
March 2012 Revenue Variance Report

Revenue Category	March '12 Budget	March '12 Actual	March '12 Variance	Fiscal Year-To-Date					FY 2012 Budgeted Totals
				Budget	Actual	Variance	Variance %	% Change from Prior Year	
Detail of Other Taxes and Fees:									
- Property Tax - Unorganized Territory	0	0	0	12,414,698	12,043,355	(371,343)	-3.0%	1.2%	13,555,547
- Real Estate Transfer Tax	1,071,858	523,123	(548,735)	6,673,007	5,854,857	(818,150)	-12.3%	-46.1%	9,767,309
- Liquor Taxes and Fees	1,586,775	1,568,420	(18,355)	15,202,474	15,321,067	118,593	0.8%	0.8%	21,065,530
- Corporation Fees and Licenses	1,431,225	1,012,697	(418,529)	3,662,120	3,414,871	(247,250)	-6.8%	-6.1%	7,847,099
- Telecommunication Personal Prop. Tax	0	0	0	(2,646,902)	(2,543,388)	103,514	3.9%	-10134.1%	9,641,734
- Finance Industry Fees	1,904,581	2,543,820	639,239	17,667,779	18,767,820	1,100,041	6.2%	1.5%	23,381,610
- Milk Handling Fee	157,328	197,462	40,134	1,032,440	936,537	(95,903)	-9.3%	-73.8%	1,773,703
- Racino Revenue	2,339,329	2,302,427	(36,902)	8,791,096	8,704,193	(86,903)	-1.0%	21.5%	12,149,857
- Boat, ATV and Snowmobile Fees	131,884	227,683	95,799	2,500,939	2,590,959	90,020	3.6%	-1.2%	4,620,911
- Hunting and Fishing License Fees	548,489	994,583	446,094	12,084,480	11,482,317	(602,163)	-5.0%	-3.6%	16,161,752
- Other Miscellaneous Taxes and Fees	4,530,590	4,617,022	86,432	9,722,759	9,878,056	155,297	1.6%	-31.1%	11,827,500
Subtotal - Other Taxes and Fees	13,702,059	13,987,238	285,179	87,104,890	86,450,643	(654,247)	-0.8%	-13.2%	131,792,552
Detail of Other Revenue:									
- Liquor Sales and Operations	4,778	0	(4,778)	22,435	22,750	315	1.4%	-2.1%	8,045,000
- Targeted Case Management (DHHS)	(9,447)	163	9,610	3,167,322	3,344,512	177,190	5.6%	-73.9%	4,095,281
- State Cost Allocation Program	1,732,081	1,089,332	(642,749)	9,880,185	9,630,642	(249,543)	-2.5%	-11.9%	14,101,011
- Unclaimed Property Transfer	0	0	0	0	0	0	N/A	N/A	2,348,420
- Toursim Transfer	0	0	0	(9,419,745)	(9,419,745)	0	0.0%	-4.1%	(9,419,745)
- Transfer to Maine Milk Pool	82,053	(330,785)	(412,838)	(887,474)	(583,691)	303,783	34.2%	86.2%	(1,160,341)
- Transfer to STAR Transportation Fund	0	0	0	(3,196,872)	(3,196,872)	0	0.0%	-3.1%	(3,196,872)
- Other Miscellaneous Revenue	2,266,365	2,544,161	277,796	17,151,651	17,239,661	88,010	0.5%	-1.2%	31,257,218
Subtotal - Other Revenue	4,075,830	3,302,872	(772,958)	16,717,502	17,037,257	319,755	1.9%	-31.4%	46,069,972
Detail of Transfers to Tax Relief Programs:									
- Me. Resident Prop. Tax Program (Circuitbreaker)	(1,000,000)	(1,189,194)	(189,194)	(39,398,956)	(39,829,863)	(430,907)	-1.1%	-4.2%	(42,083,286)
- BETR - Business Equipment Tax Reimb.	(1,506,648)	(2,242,615)	(735,967)	(52,010,901)	(52,745,522)	(734,621)	-1.4%	4.4%	(52,552,995)
- BETE - Municipal Bus. Equip. Tax Reimb.	(15,776)	0	15,776	(19,431,982)	(19,136,606)	295,376	1.5%	-17.4%	(19,431,982)
Subtotal - Tax Relief Transfers	(2,522,424)	(3,431,809)	(909,385)	(110,841,839)	(111,711,991)	(870,152)	-0.8%	-1.9%	(114,068,263)
Inland Fisheries and Wildlife Revenue - Total	748,215	1,346,928	598,713	15,346,452	14,907,905	(438,547)	-2.9%	-3.0%	21,771,025

Highway Fund Revenue
Fiscal Year Ending June 30, 2012 (FY 2012)
March 2012 Revenue Variance Report

Revenue Category				Fiscal Year-To-Date					FY 2012 Budgeted Totals
	March '12 Budget	March '12 Actual	March '12 Variance	Budget	Actual	Variance	% Variance	% Change from Prior Year	
Fuel Taxes:									
- Gasoline Tax	14,487,743	13,755,671	(732,072)	133,467,090	132,627,008	(840,082)	-0.6%	-0.6%	198,580,000
- Special Fuel and Road Use Taxes	3,575,317	3,446,342	(128,975)	31,410,850	30,470,946	(939,904)	-3.0%	2.8%	45,200,000
- Transcap Transfers - Fuel Taxes	(1,327,557)	(1,277,782)	49,775	(13,608,014)	(13,527,259)	80,755	0.6%	-0.2%	(17,903,558)
- Other Fund Gasoline Tax Distributions	(362,301)	(344,671)	17,630	(3,840,736)	(3,838,629)	2,107	0.1%	0.0%	(5,065,890)
Subtotal - Fuel Taxes	16,373,202	15,579,560	(793,642)	147,429,190	145,732,067	(1,697,123)	-1.2%	0.0%	220,810,552
Motor Vehicle Registration and Fees:									
- Motor Vehicle Registration Fees	5,497,688	5,318,110	(179,578)	45,476,082	46,072,846	596,764	1.3%	0.8%	64,805,936
- License Plate Fees	317,425	313,381	(4,044)	2,301,533	2,400,807	99,274	4.3%	2.6%	3,345,309
- Long-term Trailer Registration Fees	2,552,418	2,446,064	(106,354)	8,421,474	8,315,120	(106,354)	-1.3%	-0.3%	9,884,523
- Title Fees	1,038,338	1,077,517	39,179	8,745,975	8,785,154	39,179	0.4%	8.1%	11,803,313
- Motor Vehicle Operator License Fees	872,963	756,917	(116,046)	6,256,735	6,168,421	(88,315)	-1.4%	38.6%	8,423,641
- Transcap Transfers - Motor Vehicle Fees	(3,291,924)	(3,233,904)	58,020	(10,944,985)	(10,787,725)	157,260	1.4%	-2.3%	(15,024,536)
Subtotal - Motor Vehicle Reg. & Fees	6,986,908	6,678,085	(308,823)	60,256,814	60,954,622	697,808	1.2%	4.3%	83,238,186
Motor Vehicle Inspection Fees	219,200	188,146	(31,055)	2,142,800	2,390,298	247,498	11.6%	8.2%	2,982,500
Other Highway Fund Taxes and Fees	86,003	93,899	7,896	922,358	936,949	14,591	1.6%	2.3%	1,313,165
Fines, Forfeits and Penalties	79,603	196,040	116,437	742,251	770,819	28,568	3.8%	-13.7%	993,049
Interest Earnings	28,200	12,518	(15,682)	90,358	78,620	(11,738)	-13.0%	-13.4%	121,761
Other Highway Fund Revenue	482,366	427,770	(54,596)	6,723,581	7,010,925	287,344	4.3%	18.7%	8,734,112
Totals	24,255,482	23,176,018	(1,079,464)	218,307,352	217,874,299	(433,053)	-0.2%	1.7%	318,193,325