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Senate Ways and Means Budget Analysis

The Senate Ways and Means Committee (SWM) released a \$45.13 billion budget proposal for fiscal year (FY) 2018 today. This brief provides the Foundation’s initial analysis of major spending and policy provisions in this budget plan.

Budget Overview

The SWM budget includes \$45.13 billion in total spending, an increase of \$1.44 billion over FY 2017. This figure is \$38.6 million less than the House’s spending proposal; however, Senate spending is reduced by \$50 million due to a budget savings assumption that lowers total spending. Once this difference is accounted for, the SWM budget is approximately \$10 million higher than the House. The SWM budget spends \$40.791 billion on 675 programmatic line-items and \$4.3 million in pre-budget transfers and other off-budget spending.

Figure 1. SWM Budget Overview of Spending & Revenue

	<i>Spending Comparison</i>			
	FY 2017 Current	FY 2018 House 1	FY 2018 House	FY 2018 SWM
Line item spending	\$39,617.3	\$40,909.0	\$40,830.0	\$40,791.3
Pre-budget transfers	\$4,026.6	\$4,300.6	\$4,300.6	\$4,300.6
Total spending	\$43,643.9	\$45,209.6	\$45,130.6	\$45,091.9
	<i>Revenue Comparison</i>			
	FY 2017 Current	FY 2018 House 1	FY 2018 House	FY 2018 SWM
Consensus Tax Revenues	\$26,056	\$27,072	\$27,072	\$27,072
<i>Tax settlements</i>	\$125	\$100	\$125	\$115
<i>Less cap gains transfer</i>	\$0	-\$52	-\$52	-\$52
Revenue initiatives				
<i>Employer assessment</i>	\$0	\$300	\$180	\$180
<i>Ongoing tax</i>	\$0	\$66	\$71	\$89
<i>One time</i>	\$245	\$125	\$125	\$125
Federal				
<i>MassHealth related</i>	\$8,537	\$9,068	\$9,027	\$9,004
<i>Other</i>	\$2,504	\$2,369	\$2,370	\$2,374
Departmental & transfers				
<i>Lottery</i>	\$1,105.5	\$1,083	\$1,084	\$1,083
<i>MassHealth rebates</i>	\$728.0	\$771	\$771	\$771
<i>Other</i>	\$4,350.20	\$4,345	\$4,416	\$4,360
Total	\$43,650.1	\$45,247.1	\$45,188.8	\$45,121.0

The SWM budget uses the consensus tax revenue number agreed to in January as its revenue foundation, making no adjustment for FY 2017 revenue collections falling far short of expectations. Any downward adjustments to revenue projections will now happen during Conference Committee negotiations or later in the fiscal year.

In general, the SWM budget closely resembles the Governor’s and House’s versions of the budget for major spending categories, but takes a divergent approach with respect to the following spending areas:

- **Underfunded accounts** – the SWM budget splits the difference between the House and Administration in its approach to caseload accounts like indigent defense (CPCS) and assistance for homeless families that are typically underfunded. The SWM falls \$66.3 million short of the total funding proposed in H1, but provides \$40.9 million more than the amount included in the House budget.
- **Education and housing** – the SWM budget provides more funding for Chapter 70, early education, higher education and housing than either the House budget or House 1.
- **MassHealth** – the SWM budget provides \$129.8 million less for MassHealth than House 1 and \$51.5 million less than the House. This primary difference is due to revised enrollment assumptions, assumed savings in response to recent audits and the omission of supplemental payment provisions included in the House budget.

In the area of revenue, SWM offers a few notable differences from earlier budgets. Like the House, SWM include versions of the employer assessment and tax modernization proposals included in the Governor’s budget. However, the Senate budget makes changes to how each proposal would be implemented. Those changes are discussed in detail later in this brief.

Figure 2. FY 2018 Budget in a Box

Budget in a Box							
	Spending			Revenue			
	House 1	House	Senate	House 1	House	Senate	
Total spending	\$45.2B	\$45.1B	\$45.1B	Consensus tax revenue	27.072B		
Increase	\$1.56B	\$1.48B	\$1.44B	Increase	\$1.016B		
Spending growth	3.57%	3.39%	3.30%	Revenue growth	3.90%		
MassHealth	\$16.49B	\$16.41B	16.36B	Increases to the Rainy Day Fund			
Increase	\$1.02B	\$941.9M	\$890.4M	Cap gains	\$51.5M	51.5M	
Chapter 70	\$4.719B	\$4.734B	\$4.757B	Other	\$46.9M	\$46.9M	
Increase	\$91.4M	\$106.4M	\$128.8M	Budget gap closed	\$832M		
Other Non-discretionary	\$7B	\$7B	\$7B	One-time solutions	\$95M (net)	\$110M (net)	\$161.5 (net)
Increase	\$299.7M	\$299.7M	\$299.7M	New ongoing revenues			
Discretionary spending	\$12.7B	\$12.7B	\$12.6B	Taxes	\$61M	\$66M	\$84M
Increase	\$154.4M	\$145.2M	\$115.2M	New assessments	\$300M	\$180M	\$180M
Total spending items	672	691	675				
New	24	17	17	Tax settlements	\$100M	\$125M	\$115M
Increased	322	311	357	OPEB Savings	\$129M	\$129M	\$129M
Decreased/eliminated	203	209	178				

Major Spending Areas

MassHealth

MassHealth spending totals \$16.36 billion in the SWM budget, accounting for just over 40 percent of all line-item spending. MassHealth spending grows by \$890.4 million from FY 2017. After accounting for growth in federal reimbursements, the state cost of MassHealth grows by \$422.6 million.

Figure 3. MassHealth Spending and Revenue

	FY 2017 GAA	FY 2017 Current	FY 2018 H1 Adjusted	FY 2018 House	FY 2018 SWM
MassHealth Spending	\$15,340,353,833	\$15,467,961,789	\$16,488,166,317	\$16,409,866,317	\$16,358,366,317
Federal Reimbursement	\$8,608,311,176	\$8,536,552,385	\$9,068,119,986	\$9,026,813,559	\$9,004,327,928
Net Cost	\$6,732,042,657	\$6,931,409,404	\$7,420,046,331	\$7,383,052,758	\$7,354,038,389
Reimbursement Share of Spending	56.12%	55.19%	55.00%	55.01%	55.04%

MassHealth spending in the SWM budget comes in below the levels proposed by the Governor and the House. The SWM budget, like the House budget incorporates lowered projections for MassHealth enrollment growth, though the Senate takes a slightly more conservative approach than the House, forecasting \$107.8 million in enrollment savings compared to \$128.9 million in the House budget. The SWM budget also assumes \$12 million in savings from tighter MassHealth spending controls identified in a recent report of the State Auditor and \$10 million savings through expanding the number of medical services that can be provided by optometrists.

Figure 4. MassHealth Spending, H1 & HWM Compared

House 1 MassHealth spending	\$16,488.2	
	House	Senate
Adjustment for reduced caseload	-\$128.9	-\$107.8
Auditor report savings	\$0.0	-\$12.0
Optometrist scope of practice	\$0.0	-\$10.0
New Spending		
Nursing home supplemental rates	\$17.8	\$0.0
Pediatric speciality units	\$14.8	\$0.0
Acute care speciality rates	\$13.0	\$0.0
Adult day health rates & other	\$5.0	\$0.0
Total Spending	\$16,409.9	\$16,358.4
<i>Numbers in millions</i>		

As Figure 4. shows, the chief difference between MassHealth spending in the House and SWM budgets is related to supplemental rate payments. The House budget included approximately \$50 million in rate add-ons that the SWM budget does not fund, but the full amount, or some portion of it, could be added during the Senate's floor debate.

Figure 5. MassHealth Savings Initiatives

Initiative	Gross Savings	Net Savings
Enrollment & Program Integrity	\$110.5	\$39.2
<i>Elimination of provisional membership</i>	\$31.0	\$12.4
<i>University student SHIP enrollment</i>	\$29.5	\$11.8
<i>Assumed assessment cost avoidance</i>	\$50.0	\$15.0
Program Integrity	\$77.0	\$38.5
Rates	\$22.5	\$52.6
<i>Managed care rates</i>	\$30.0	\$13.5
<i>MCO admin renegotiation</i>	\$22.5	\$10.1
<i>FFS rates</i>	\$20.0	\$9.0
<i>Pharmacy preferred drug list</i>	-\$50.0	\$20.0
Other	\$20.9	\$10.2
MTF savings estimate	\$230.9	\$140.5

Both the House and SWM budgets adopt several savings initiatives assumed in House 1 that provide an addition \$230.9 million in MassHealth spending reductions.

Local Aid

Figure 6. Chapter 70 & UGGA Funding

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 H1	FY 2018 House	FY 2018 SWM
C70	\$4,299,935,166	\$4,399,910,261	\$4,511,882,199	\$4,628,013,618	\$4,719,407,242	\$4,734,405,553	\$4,756,814,887
\$ Increase	\$126,273,172	\$99,975,095	\$111,971,938	\$116,131,419	\$91,393,624	\$106,391,935	\$128,801,269
% Increase	3.03%	2.33%	2.54%	2.57%	1.97%	2.30%	2.78%
UGGA	\$920,230,293	\$945,702,568	\$979,797,001	\$1,021,928,272	\$1,061,783,475	\$1,061,783,475	\$1,061,783,475
\$ Increase	\$21,250,000	\$25,472,275	\$34,094,433	\$42,131,271	\$39,855,203	\$39,855,203	\$81,986,474
% Increase	2.36%	2.77%	3.61%	4.30%	3.90%	3.90%	8.37%

The SWM budget includes \$4.756 billion for Chapter 70, a figure higher than either the Governor or House budgets. Like those budgets, SWM begins the process of implementing recommendations of the Foundation Budget Review Commission and ensures minimum aid increases for each district. The chart below compares the Chapter 70 approaches in each budget:

Figure 7. Chapter 70 Comparison

	FY 2018 H1	FY 2018 House	FY 2018 SWM
Funding	\$4,719,407,242	\$4,734,405,553	\$4,756,814,887
Per pupil aid	\$20	\$30	\$30
Foundation changes for employee benefits	Yes	Yes	Yes
Foundation changes for special education costs	No	No	Yes
Funds to mitigate impact for change in low-income student accounting	No	Yes (separate line item)	Yes (in Chapter 70)

In addition to Chapter 70 funding, the SWM budget also proposes incorporating a funding schedule for changes to the Foundation Budget into the annual consensus revenue process. This proposal, which was also included in the Senate’s FY 2017 budget, would require budget-makers to agree annually to a plan for funding increases to the education financing formula.

The SWM budget, like the House, adopts the Governor’s proposal to provide \$1.062 billion for unrestricted local aid, a 3.9 percent increase over the FY 2017 level.

Figure 8. Education Reimbursement Funding

Program	FY 2017 Funding	FY 2017		FY 2018 House 1	FY 2018 House	FY 2018 SWM
		Reimbursement Level				
SPED Circuit Breaker	\$277,281,180	74.0%		\$277,281,180	\$281,281,181	\$293,740,396
Charter School Reimbursement	\$80,500,000	58.5%		\$80,500,000	\$80,500,000	\$80,500,000
Regional School Transportation	\$61,021,000	72.0%		\$61,021,000	\$62,021,000	\$61,021,000
Homeless Student Transportation	\$8,350,000	32.0%		\$8,350,000	\$8,350,000	\$8,350,000
Non-Resident Pupil Transport	\$250,000	7.8%		\$250,000	\$250,000	\$250,000

The SWM budget prioritizes the state’s Special Education Circuit Program, providing \$293.7 million. This ensures that reimbursements to school districts would be fully funded. The SWM funding level for other major education reimbursement programs is identical to earlier budget proposals.

Early Education and Higher Education

Figure 9. Early & Higher Education Funding

	FY 2017 Current	FY 2018 House 1	FY 2018 House	FY 2018 SWM
Early Education	\$567,552,842	\$568,030,468	\$583,500,801	\$586,613,805
University of Massachusetts	\$508,292,447	\$513,375,371	\$513,460,371	\$534,472,688
State Universities	\$247,990,809	\$250,268,692	\$250,268,692	\$259,150,875
Community Colleges	\$268,836,440	\$273,963,784	\$274,388,784	\$279,880,963

Early and higher education are clearly priorities of the SWM budget, with funding levels that surpass the budgets of the Governor and the House. In early education, the Senate’s major initiative is \$15.1 million for the Commonwealth Preschool Partnership Initiative, a sizable increase over last year’s appropriation of \$200,000.

This program provides grants to cities and towns looking to expand pre-kindergarten and preschool programs. In addition, the SWM budget includes \$10 million for early educator salaries. This funding level falls short of the House amount (\$20 million), but is higher than the House 1 level (\$7 million).

Public higher education campuses receive \$35.4 million more under the SWM budget than other FY 2018 proposals; however this funding difference is partially offset by the assumption of an additional \$18.5 million in revenue from UMass to the state related to employee benefit costs. This increase fully funds collective bargaining cost increases over the last two years.

Transportation

Figure 10. Transportation Funding

	FY 2017 GAA	FY 2017 Current	FY 2018 H1	FY 2018 House	FY 2018 SWM
MassDOT Transfer	329,085,302	359,085,302	344,311,545	324,772,095	314,411,545
MBTA Transfer	187,000,000	187,000,000	127,000,000	127,000,000	127,000,000
Regional Transit Transfer	82,000,000	82,000,000	80,000,000	81,000,000	83,000,000
Merit Rating Board	9,695,430	9,695,430	9,695,430	9,695,430	9,695,430
MBTA Sales Tax	997,700,000	992,200,000	1,021,600,000	1,021,600,000	1,021,600,000
Total	1,605,480,732	1,629,980,732	1,582,606,975	1,564,067,525	1,555,706,975

Part of the reason that the SWM budget is able to provide additional investments in education is due to reduced funding in transportation. Like House 1 and the House budget, the SWM budget provides \$127 million to the MBTA, a substantial reduction from FY 2017. In addition, the SWM budget includes \$30 million less for MassDOT than the House 1 level. This reduction likely stems from a lower assumption for snow and ice costs, an assumption that may require supplemental spending if we have a harsh winter.

Other Non-Discretionary

Figure 11. Non-Discretionary Funding

	FY 2017 Current	FY 2018 House 1	FY 2018 House	FY 2018 SWM
Debt Service	\$2,636,176,173	\$2,658,287,940	\$2,658,287,940	\$2,658,287,940
Retiree Health Care	\$440,000,000	\$440,569,153	\$440,000,000	\$440,569,153
Group Insurance Commission	\$1,637,028,930	\$1,661,961,313	\$1,701,048,734	\$1,701,048,734

The SWM budget does not adopt the Governor’s proposal to tie maximum Group Insurance Commission (GIC) insurance payments to Medicare. This plan would have saved \$40 million in FY 2018 and explains the funding differences between the budgets.

Programs Likely to Require Supplemental Spending

Figure 12. Programs Likely to Require Supplemental Spending

	FY 2017 Projected	FY 2018 H1	FY 2018 House	FY 2018 SWM
Indigent legal defense	\$220,032,217	\$227,453,599	\$173,844,526	\$180,176,424
Family homelessness	\$215,617,177	\$195,776,242	\$186,963,644	\$198,626,242
Sheriffs	\$583,189,305	\$610,953,043	\$566,238,118	\$589,096,600
Total	\$1,018,838,699	\$1,034,182,884	\$927,046,288	\$967,899,266

In recent years, the Administration and the legislature have taken fundamentally different approaches to certain underfunded accounts. This year, the Administration has attempted to fully fund those accounts at the start of the fiscal year, while the House provides \$107.2 million less for indigent defense, family homelessness and the sheriffs. The Senate claims the middle ground by falling well short of House 1 funding levels in total, but providing \$40 million more for these programs than did the House. Most notably, the SWM budget appears to fully fund family homelessness programs (in addition to providing funding increases for several other low-income housing programs).

In an effort to rein in growth in sheriff funding, the SWM budget would require the sheriffs to submit a spending plan by October 16th to live within their initial appropriations.

New Revenue Initiatives and Other Methods for Closing the Budget Gap

Figure 13. FY 2018 Budget Gap Solutions

Estimated Gap	\$832		
	<i>H1</i>	<i>House</i>	<i>SWM</i>
Employer assessment	\$300	\$180	\$180
Tobacco settlement/OPEB	\$129	\$129	\$129
Sales tax timing (one time)	\$95	\$95	\$95
New ongoing tax revenue	\$61	\$66	\$84
Capital gains	\$52	\$52	\$52
Reduced transportation transfers	\$48	\$68	\$78
Reversion assumption	\$0	\$0	\$50
GIC rate caps	\$40	\$0	\$0
Trust Sweeps	\$0	\$15	\$15
Life Science Cap	\$5	\$5	\$5
TAFDC Eligibility	\$13	\$0	\$0
TAFDC Caseload	\$30	\$30	\$24
MassHealth Savings (net)	\$0	\$40	\$60
Increased DOT revenues	\$20	\$20	\$20
Other cuts	\$39	\$132	\$40
Total solutions	\$832		

Employer Assessment - \$180 million

The most controversial MassHealth-related budget proposal relates to the new Employer Assessment proposed in House 1 to offset the program's rising costs. The SWM budget provides two options for an assessment that will sunset at the end of 2019.

One option allows the Administration to increase the existing Employer Medical Assistance Contribution (EMAC) by no more than approximately \$60 per employee from the current rate of \$50.40, for a total annual contribution of around \$110 per employee. The SWM language would cap the EMAC increase at \$180 million in FY 2018.

The second option would create an employer assessment modeled off of the House 1 proposal that provides the Administration with flexibility to address the numerous concerns raised by the original proposal. Although the Senate follows the House in not specifying how the assessment must be implemented, it does impose some new parameters. Namely, small employers must pay less per employee than larger employers and the amount of revenue that can be generated by employers with fewer than 50 employees is capped. Finally, the SWM budget limits the total revenue generated from the employer assessment at \$180 million in FY 2018.

Sales Tax Timing - \$95 million (net)

House 1 proposed requiring debit and credit card companies to remit sales tax on a daily basis, thus providing a one-time revenue boost in FY 2018. That proposal has been met with criticism from a wide variety of businesses due to concerns with cost, implementation and the unlikelihood of timely collections. In an effort to address these concerns, the SWM budget directs the Department of Revenue to study the feasibility of the daily remittance proposal and, alternatively, sales tax prepayment (a system by which larger retailers pre-pay estimated sales tax liability); and implement one of these policies if it is cost effective. If neither policy is cost effective, no change will be implemented and the revenue shortfall will be made up by crediting a portion of July of 2018 sales tax revenues to fiscal year 2018.

Tobacco Settlement Retiree Health Contribution - \$129 million

Each FY 2018 budget proposal relies on \$129 million from suspending a state requirement that a portion of annual Tobacco Settlement fund revenues be directed to the state's retiree health benefit trust fund. Under the existing requirement, 60 percent of all settlement revenues (\$154.2 million) should be set aside for the trust fund. The SWM budget, like the House budget and House 1, caps the amount transferred to the trust fund at 10 percent of settlement revenues (\$25.7 million).

Tax Changes - \$84 million

All of the budget plans include new tax proposals and the SWM budget relies on a further \$84 million in new, ongoing tax revenues. Of this amount, \$50 million comes from more stringent collection requirements on out of state sellers and a new standard for debit and credit card income reporting. A further \$25 million is generated through a new tax on the rental of temporary accommodations and applying the state's hotel tax to room resellers. House 1 also taxed temporary accommodations, but more narrowly defined when a house rental would be subject to tax. Finally, the SWM budget includes language adopted in the House budget which would limit the state's Earned Income Tax Credit to residents.

Figure 14. Tax Provisions in FY 2018

	House 1	House	SWM
Employer assessment	\$300	\$180	\$180
Economic Activity/Sales tax	\$30	\$30	\$30
Debit/credit income reporting	\$20	\$20	\$20
Temporary accomodations	\$12	\$0	\$18
EITC change	\$0	\$10	\$10
Tobacco enforcement compliance	\$0	\$7	\$0
Hotel Reseller	\$0	\$0	\$7
Total new tax revenue (ongoing)	\$62	\$67	\$85
New veterans tax credit	-\$1	-\$1	-\$1
Net new revenue (ongoing)	\$361	\$246	\$264
<i>Numbers in millions</i>			

Capital Gains/Stabilization Fund - \$51.5 million

State law requires capital gains tax revenue above a certain threshold to be deposited into the Stabilization Fund and other reserve accounts but it has not been adhered to in recent years. The SWM budget continues this practice by diverting half of expected above threshold capital gains revenues to balance the budget. In some ways, this approach is similar to House 1 and the House because all three split above-threshold capital gains revenues between the Stabilization Fund and the General Fund. A key difference though is that House 1 and the House budget amended state law to permanently change how above threshold capital gains revenues are treated. The SWM budget does not do this and simply suspends the existing statute for another year. This difference means that the one-time resources in the SWM budget are substantially higher than other budget proposals, in spite of the fact that all three budgets use the same amount of capital gains resources.

Figure 15. One-time Resources in FY 2018

	FY 2017 GAA	FY 2018 House 1	FY 2018 House	FY 2018 SWM
Capital gains	\$150	\$0	\$0	\$51.5
Land sales	\$30	\$0	\$0	\$0
DSRIP transfer	\$74	\$0	\$0	\$0
Trust sweeps	\$13	\$0	\$15	\$15
Sales tax timing (net)	\$0	\$95	\$95	\$95
Total	\$267	\$95	\$110	\$161.5

Race Horse Development Fund - \$15 million

The SWM budget sweeps \$15 million from the state’s Race Horse Development Fund to use for operating expenses. This fund, which was created when gaming was legalized, automatically receives a share of casino licensing revenues and a portion of tax revenues from the state’s slot parlor. The House budget also relies on \$15 million in revenue from trust fund sweeps generally, but not from this specific fund.

Major Policy Provisions

The SWM budget includes 111 policy sections, a far greater number than either the House budget (77 sections) or House 1 (83 sections). Policy proposals in the SWM budget cover a wide variety of topics. Notable sections include:

Academic Detailing (section 6)

Allows the Health Policy Commission to create an academic detailing education program for medical professionals. Academic detailing involves educating doctors, pharmacists and others on most effective and often lower cost courses of treatment for common medical issues. The SWM budget also includes \$150,000 in funding to support this program.

Tax Expenditure Review Commission (sections 8 & 16)

Creates a Tax Expenditure Review Commission which would annually report on tax expenditures, their cost and the extent to which they meet original goals. Each tax expenditure would be subject to review at least once every five years. The Commission would be located within the State Auditor's Office, but would be under the control of a seven member board (of which the Auditor is one member). In FY 2017, the Senate budget proposed a tax expenditure review office under the control of the Inspector General.

MBTA Retirement Fund (section 20)

Allows the state's Pension Reserves Investment Management Board to manage the MBTA pension fund. This proposal was included in House 1 and the House budget.

Center for Health Information and Analysis (CHIA) Data (section 9)

Requires CHIA to publish health care provider pricing information publically. This section was originally proposed in House 1 and was not included in the House budget.

Housing Court Expansion (sections 61-65)

Expands the state's Housing Court statewide. The Housing Court allows for expediting handling of common housing related legal issues. The Senate included the same provision in its FY 2017 budget.

Health Care Cost Studies & Task Forces (sections 88, 89, 91, 92, 95)

Creates several studies and task forces to examine various issues related to health care cost growth. Specifically:

- Directs the Commonwealth Connector to examine the feasibility of creating a small employer premium sharing program to cover those otherwise eligible for MassHealth;
- Creates a task force to examine the possibility of increase access to group cooperating purchasing of health insurance;
- Creates a task force to examine the possibility of state agencies joining a non-Medicaid multistate prescription drug purchasing consortium and directs MassHealth to examining joining a similar consortium for Medicaid programs; and
- Directs CHIA to study cost trends related to skilled nursing facilities around the state.

Conclusion

The SWM budget is a clear reflection of Senate spending priorities, providing new revenues for education and housing. While the SWM budget does not go much further than the House or the Administration in terms of new tax revenues, it increases scrutiny of tax expenditures. Its approach to the two most controversial revenue proposals of FY 2018 – the employer assessment and expedited sales tax collections – is similar to the House in that it directs the Administration to come up with a plan that addresses concerns, but the Senate is a little more prescriptive about how to do so.

A final assessment of the Senate budget will not be possible until the conclusion of debate next week. Even then, the likelihood that budget conferees will have to reassess basic tax revenue assumptions for FY 2018 means that much of the spending proposed in this budget and the House budget may not fit within revenue constraints.

Massachusetts Taxpayers Foundation - Fiscal 2018 Budget Summary

	FY 14 Final	FY 15 Final	FY 16 Final	FY 17 GAA	FY 17 Projected	FY 18 H1	FY 18 House	FY 18 SWM
Health Care	13,015	14,519	15,647	16,263	16,391	17,422	17,108	17,285
MassHealth	12,121	13,583	14,741	15,340	15,468	16,488	16,184	16,358
Trust Funds ¹	661	701	651	658	658	642	642	642
Other Health Care	232	235	255	264	265	292	282	285
Local Government Support	5,919	6,023	6,211	6,347	6,351	6,488	6,522	6,534
Chapter 70 Education Aid	4,303	4,402	4,514	4,628	4,628	4,719	4,747	4,757
Other K-12 Education Aid	602	585	623	603	613	614	621	629
Unrestricted Local Aid	948	973	1,007	1,049	1,049	1,089	1,089	1,089
Other Local Aid	67	63	67	67	61	66	65	59
Other Education	1,612	1,710	1,760	1,732	1,734	1,742	1,763	1,796
Early Education	524	544	566	569	568	568	584	587
Higher Education	1,088	1,167	1,194	1,164	1,166	1,174	1,179	1,209
Human Services	5,404	5,665	5,916	5,952	6,015	6,104	6,345	6,145
Developmental Services	1,553	1,715	1,847	1,891	1,903	1,979	1,979	1,979
Family Services	977	1,077	1,156	1,166	1,195	1,219	1,208	1,223
Cash Assistance	794	716	714	678	680	634	644	650
Mental Health	708	719	740	761	761	773	774	776
Public Health	560	601	553	593	586	598	614	602
Housing Support	420	422	471	429	457	448	448	461
Senior Support	253	271	283	285	284	304	531	305
Veteran Services	140	143	152	149	150	149	148	148
Public Safety	2,523	2,632	2,709	2,635	2,734	2,826	2,724	2,755
Corrections	591	607	612	610	640	672	665	663
Sheriffs	542	582	606	555	583	611	566	589
Judiciary	828	863	889	860	907	926	886	891
Police	310	308	323	342	335	344	347	342
District Attorneys	103	108	115	117	119	121	122	118
Attorney General	43	44	45	47	47	49	50	50
Other Public Protection	106	120	119	105	103	104	89	102
Transportation	624	803	637	608	638	561	542	534
MassDOT	272	471	359	329	359	344	325	314
Regional Transit	68	40	82	82	82	80	81	83
Registry	9	9	10	10	10	10	10	10
MBTA Discretionary Assistance	275	283	187	187	187	127	127	127
Economic Development	396	318	394	364	349	351	383	357
Business and Labor	176	91	152	134	128	125	151	128
Environment and Energy	220	227	242	230	221	227	231	229
Employee Benefits	1,815	2,104	2,151	2,175	2,175	2,202	2,242	2,240
GIC ²	1,395	1,683	1,726	1,735	1,735	1,761	1,802	1,800
State Retiree Benefits (OPEB)	420	420	425	440	440	441	440	441
Capital Support	2,423	2,498	2,518	2,636	2,636	2,658	2,658	2,658
Debt Service	2,118	2,219	2,240	2,370	2,370	2,416	2,416	2,416
Contract Assistance	304	279	278	266	266	243	243	243
Other/General Government	707	617	502	536	594	555	542	487
Off budget spending	3,179	3,559	3,825	4,060	4,033	4,301	4,301	4,301
Pensions	1,630	1,793	2,001	2,198	2,198	2,394	2,394	2,394
MA School Building Authority	729	772	815	835	813	862	862	862
MBTA	799	971	986	998	992	1,022	1,022	1,022
Workforce Training	21	24	23	23	23	23	23	23
Other off budget	0	0	0	6	6	0	0	0
Total on-budget spending	34,437	36,888	38,444	39,249	39,617	40,909	40,830	40,791
Total (Including Pre-Budget Transfers)	37,616	40,447	42,269	43,309	43,650	45,210	45,131	45,092

¹ Includes the Medical Assistance Trust Fund and the Delivery System Transformation Initiatives Trust

² Includes health care costs for municipalities and authorities that reimburse the state