



Minnesota State Demographic Center



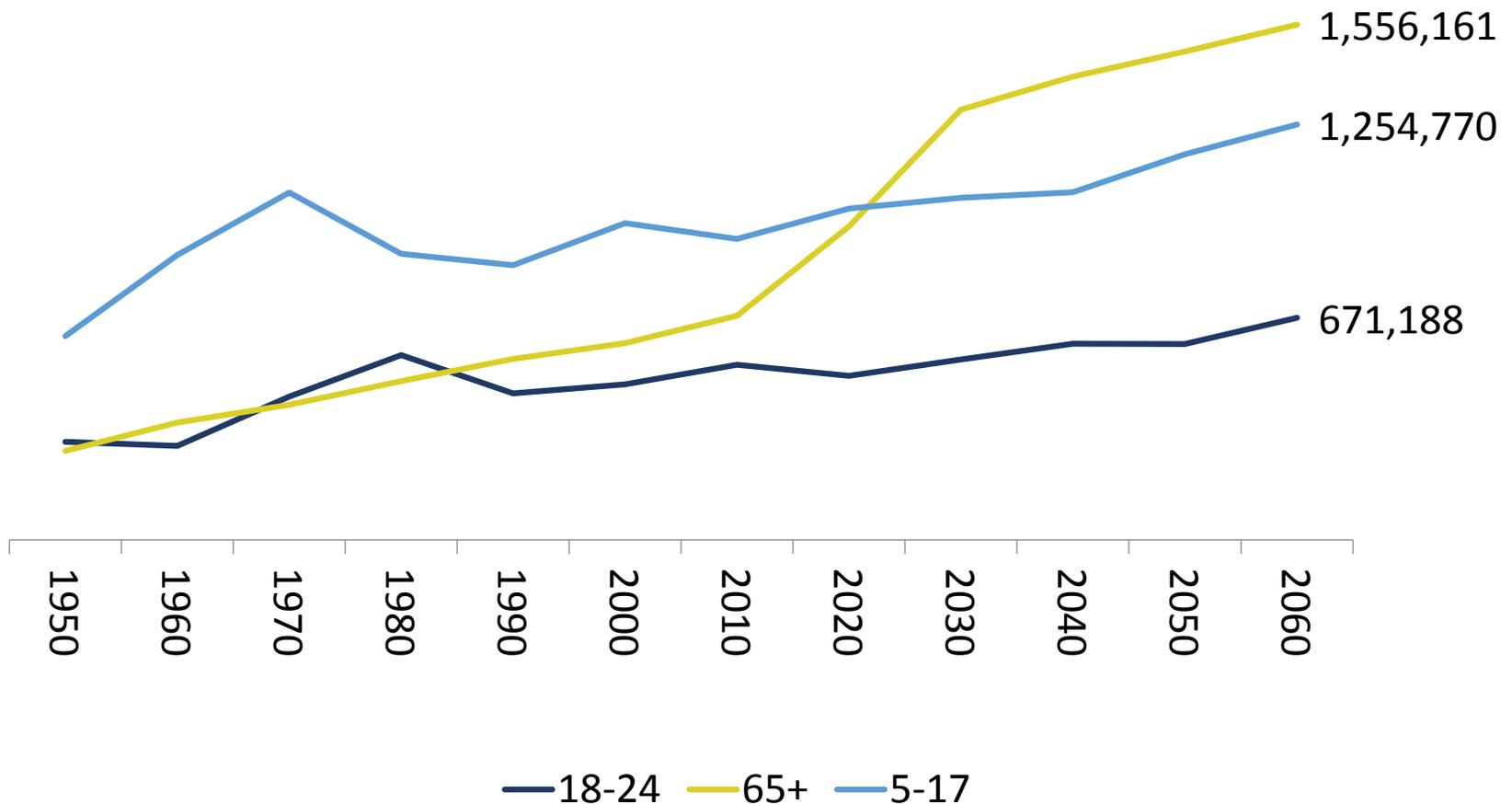
Minnesota Private Colleges Council Board

Susan Brower, Minnesota State Demographer

October 2016

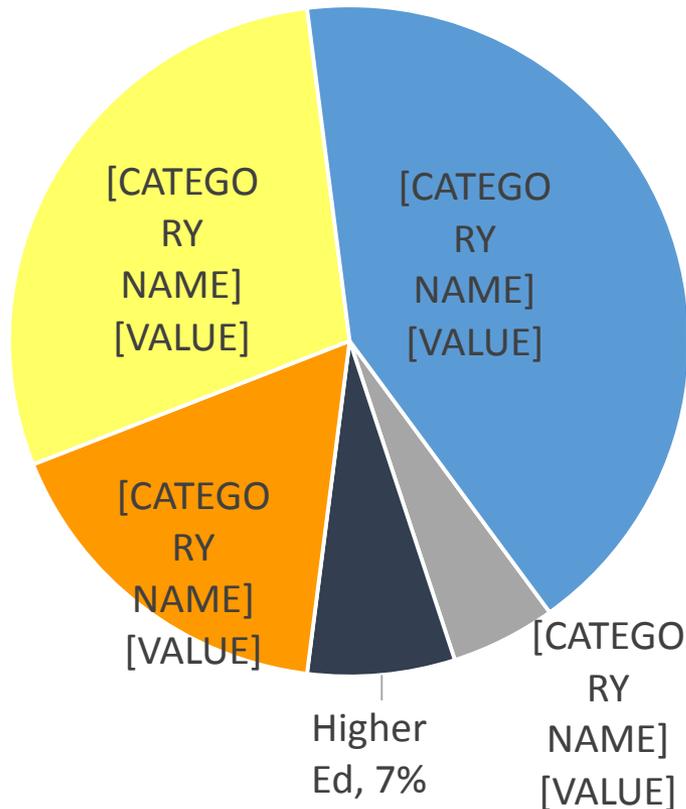
Budget pressures will change

More 65+ than school-age by 2020



Demographic shifts will change demand for public services

General Fund Expenditures 2016-2017



Within Health & Human Services

- Medical Assistance Expenditures: 25% of GF spending (8.5 billion)
- Medical Assistance Expenditures for the Elderly and Disabled: 16% of GF spending (5.5 billion)
- MA expenditures include basic care, long-term care waivers and long-term institutional care

Sources: Minnesota Management and Budget, 2016. House Research, Long-Term Care Services for the Elderly, November 2012

Projected increase in public Long Term Care costs

MA long-term care services for enrollees age 65+ in MN totaled **\$1.1 billion** in FY2015*

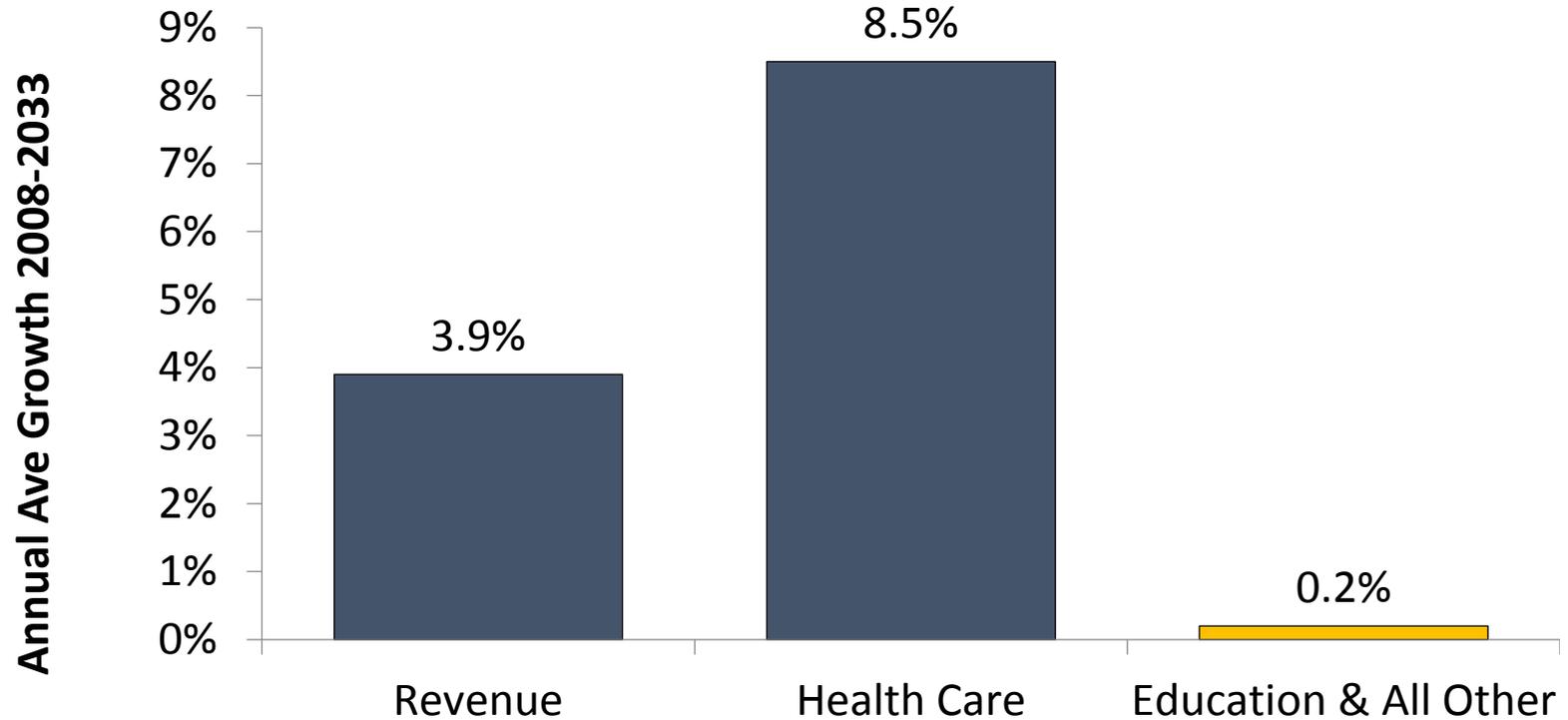
Assume 85% increase in enrollment due to population aging

Assume average annual rate of inflation of 2.5% between 2015 and 2040

=\$3.8 billion annually for long-term care costs under the Medical Assistance program by 2040

* Includes federal and state spending.

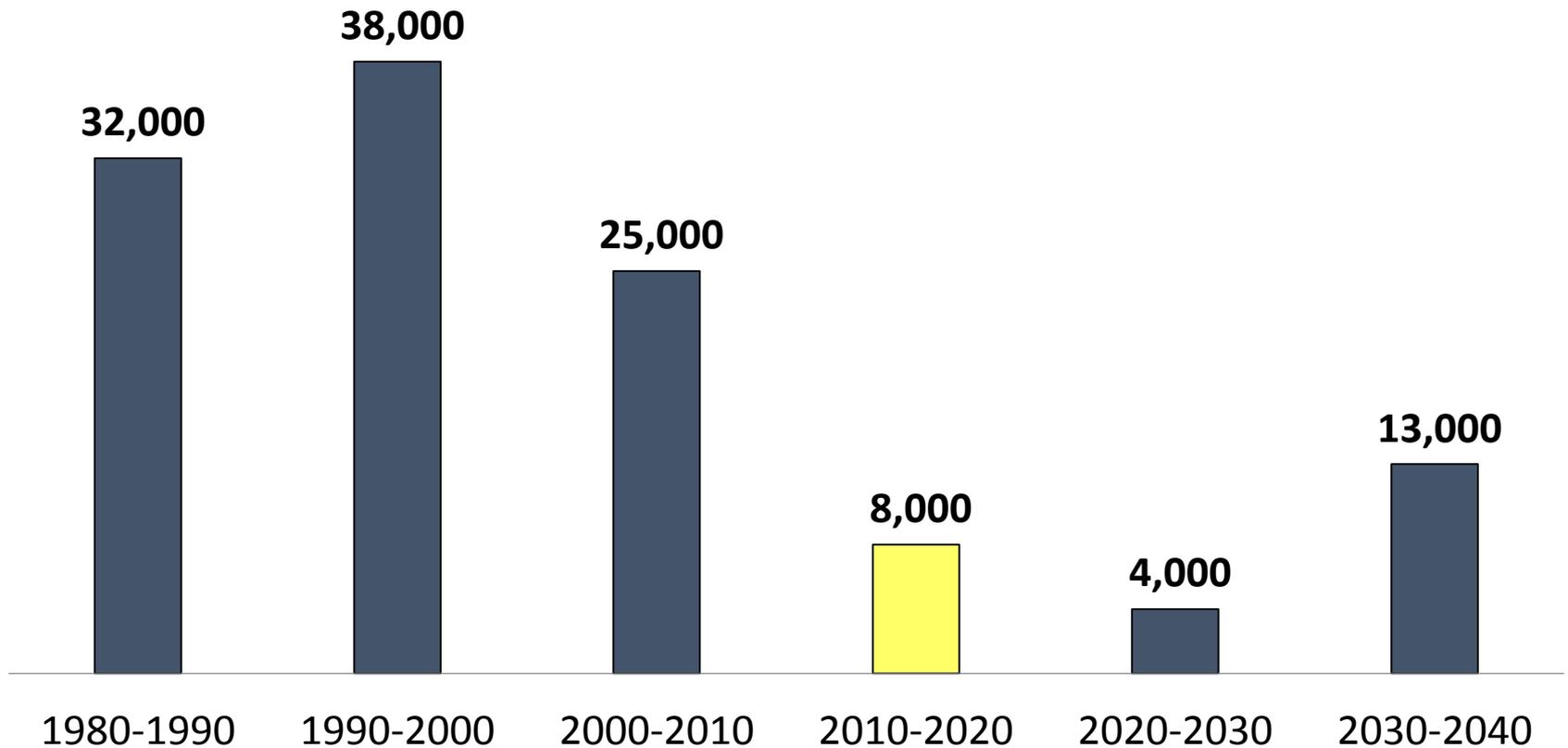
If state health care costs continue unabated, other services crowded out



Source: General Fund Spending Outlook, presentation to the Budget Trends Commission. August 2008, Dybdal, Reitan and Broat.

Past & Projected Growth in Labor Force

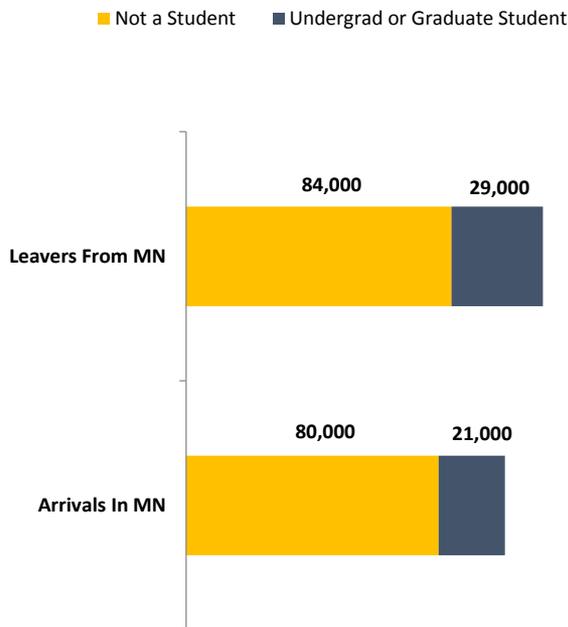
Annual average, ages 16+



Source: U.S. Census Bureau, Minnesota State Demographic Center Projections

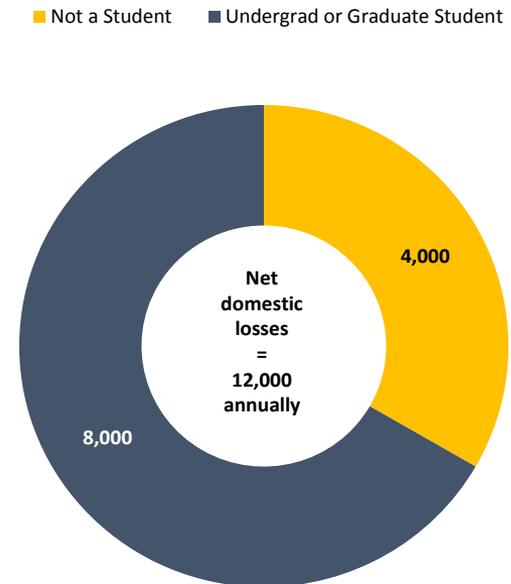
Two-thirds of Minnesota's net domestic loss, attributable to student migration

People Moving To and From Minnesota Each Year, By Student Status, 2008-2012



Source: IPUMS version of U.S. Census Bureau's 2008-2012 American Community Survey. Tabulations by MN State Demographic Center.

Minnesota's Domestic Net Losses Each Year, By Student Status, 2008-2012

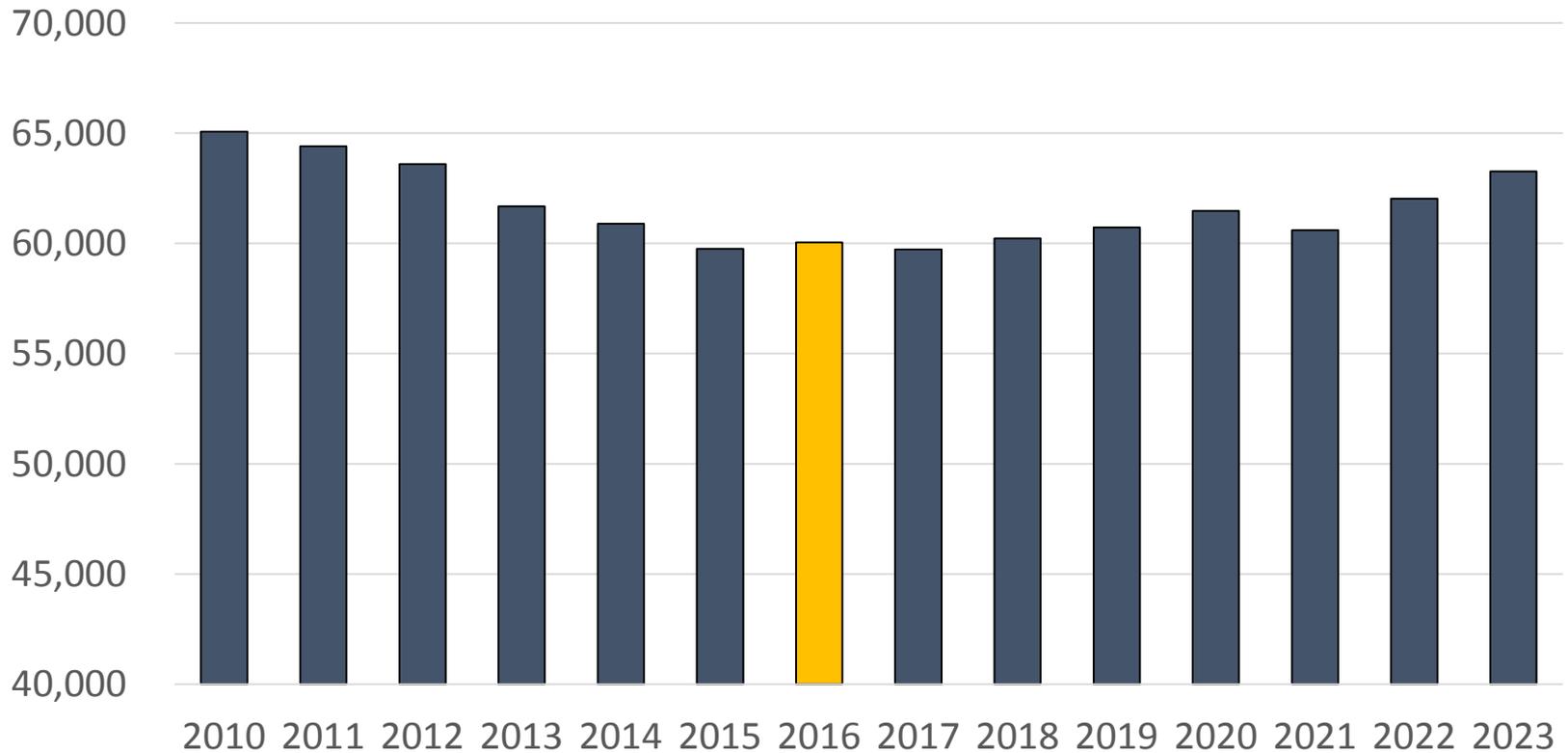


Source: IPUMS version of U.S. Census Bureau's 2008-2012 American Community Survey. Tabulations by MN State Demographic Center.

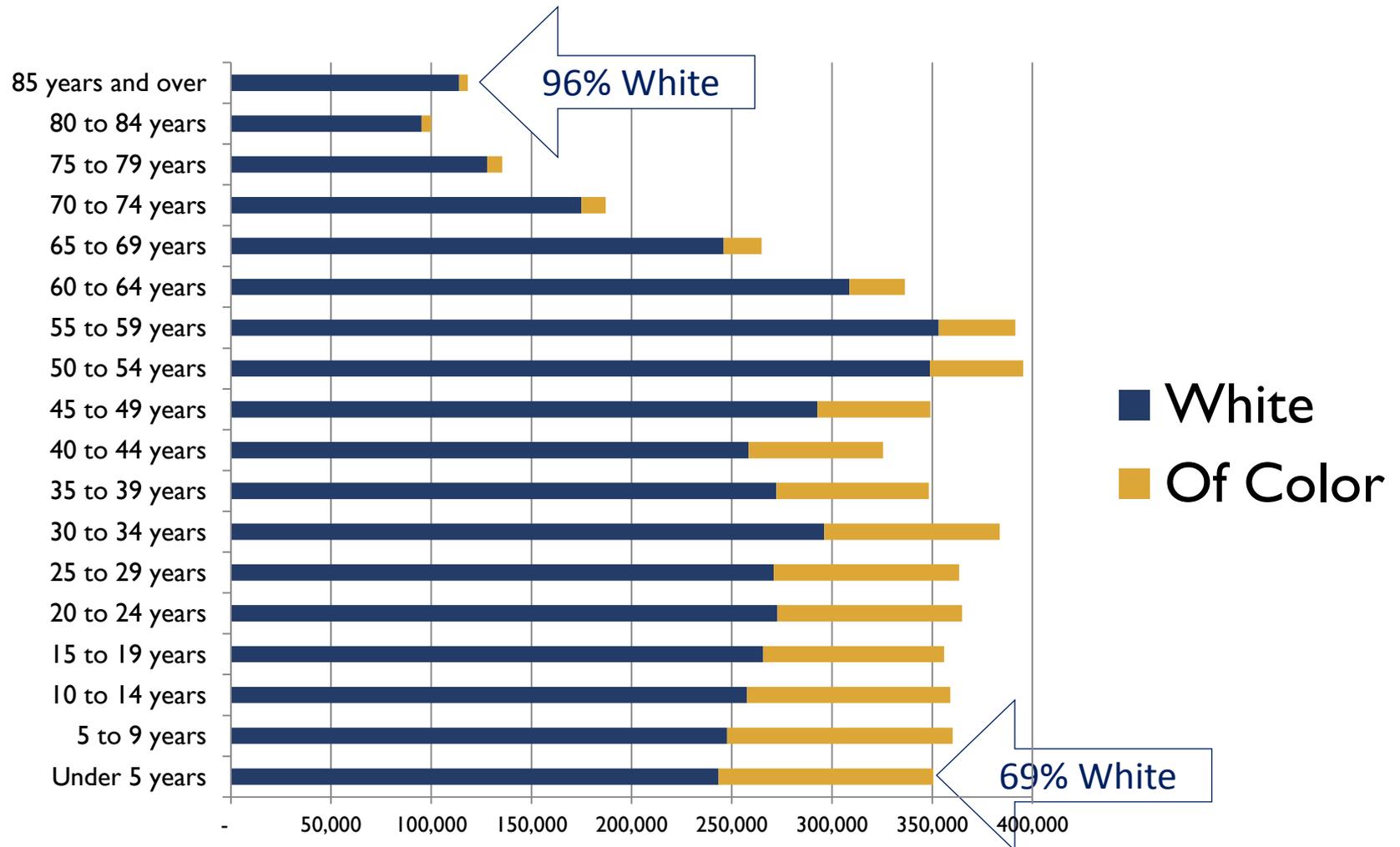
Source: IPUMS version of U.S. Census Bureau's 2008-2012 American Community Survey. Tabulations by MN State Demographic Center.

Decline in the number of H.S. grads since 2010; numbers to remain relatively low

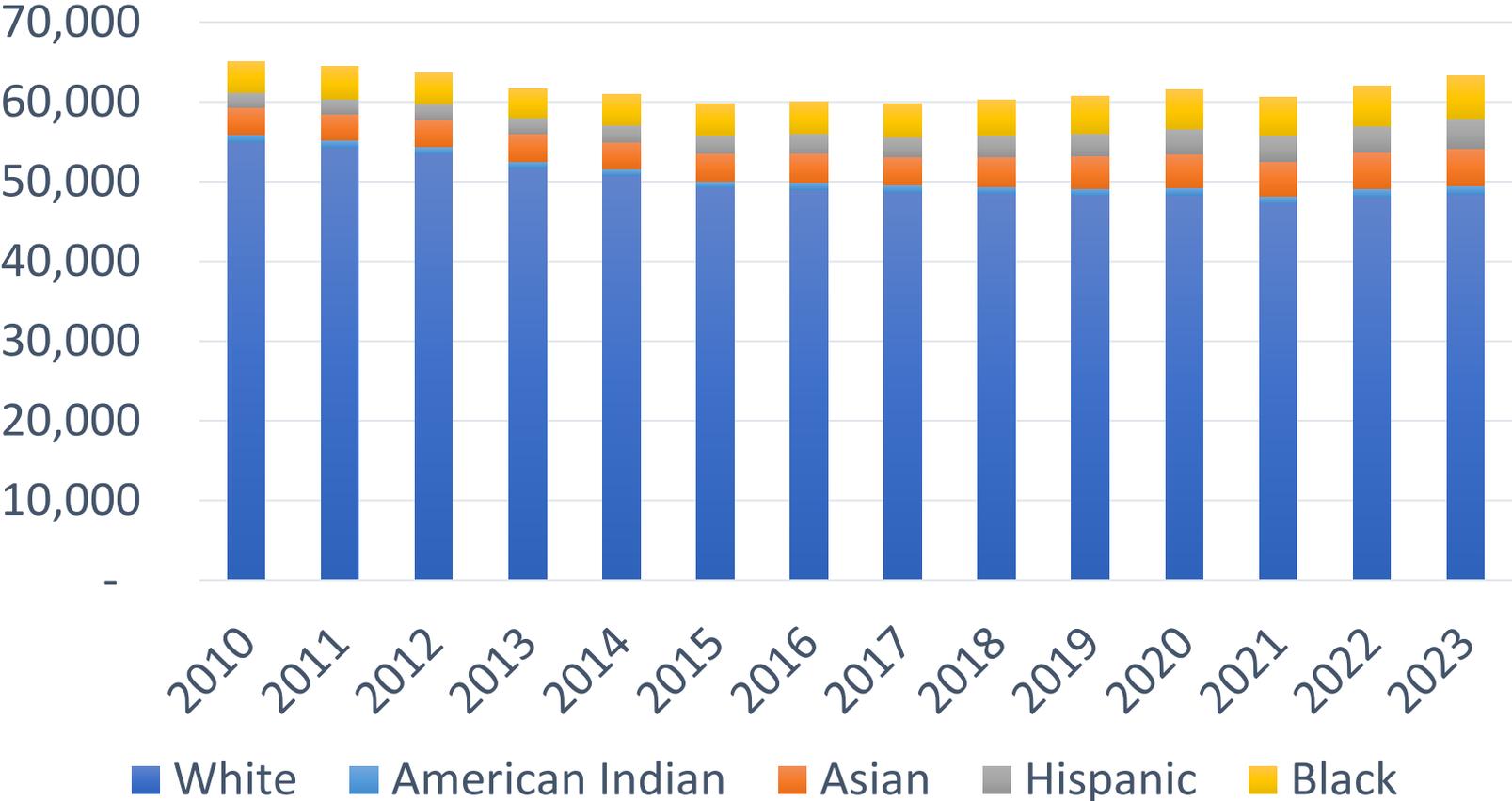
Projected number of Minnesota High School Graduates



Minnesota's population in 2015 by age and broad race groups

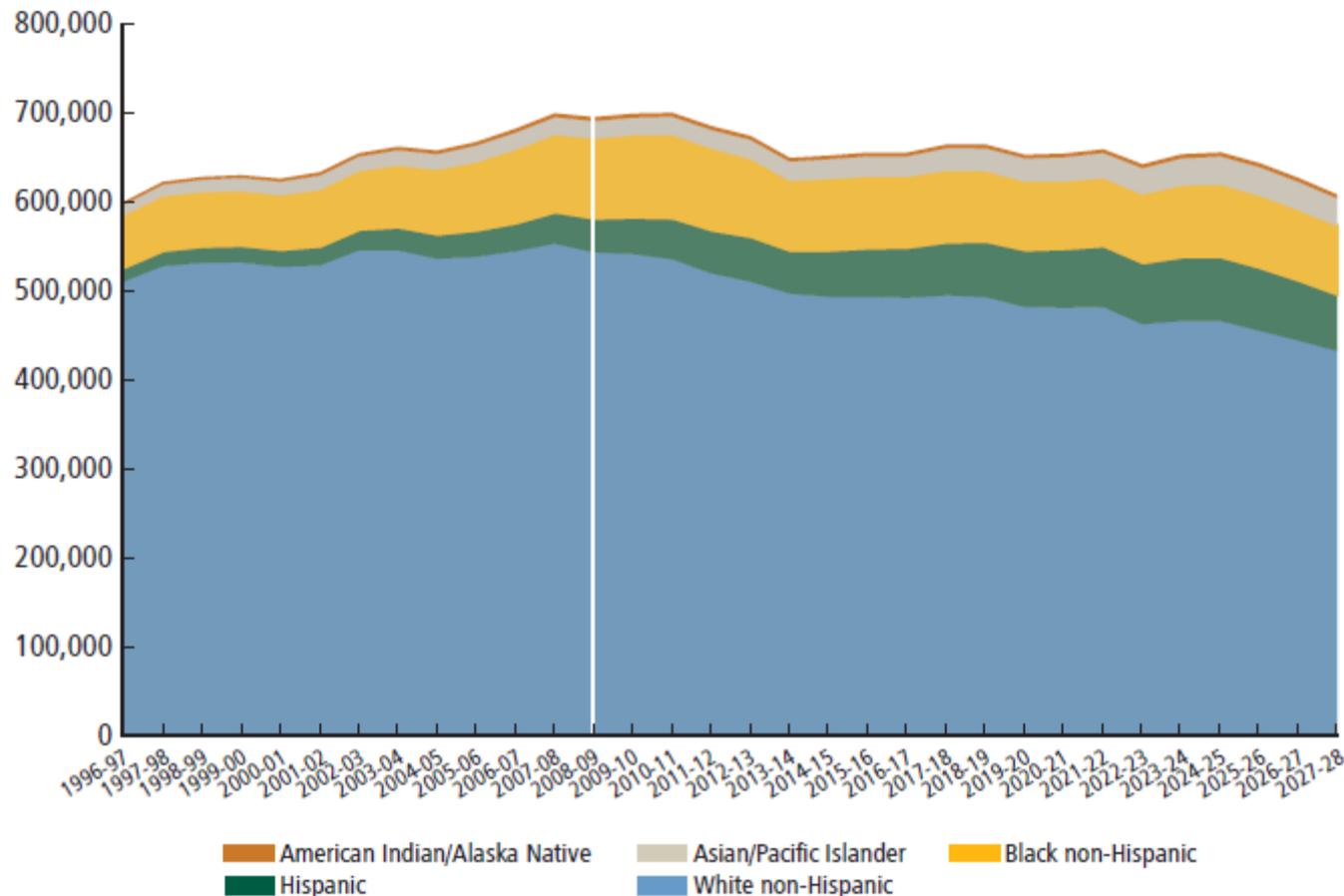


Increasing number of H.S. Graduates of Color doesn't fully counter decline in White H.S. grads



Decline in High School Graduates projected for the Midwestern states

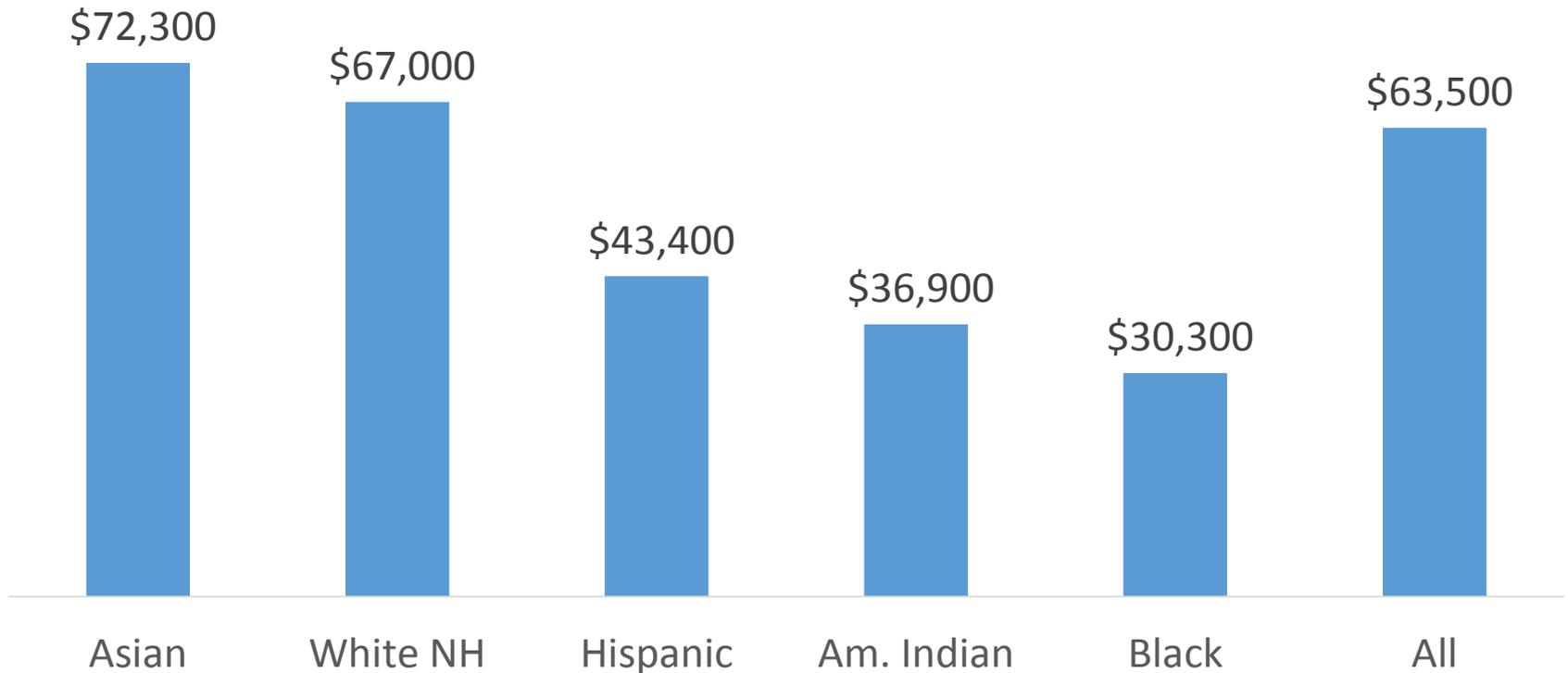
Figure 3.15. Public High School Graduates in the Midwest, by Race/Ethnicity, 1996-97 to 2008-09 (Actual) and 2009-10 to 2027-28 (Projected)



Source: Western Interstate Commission for Higher Education

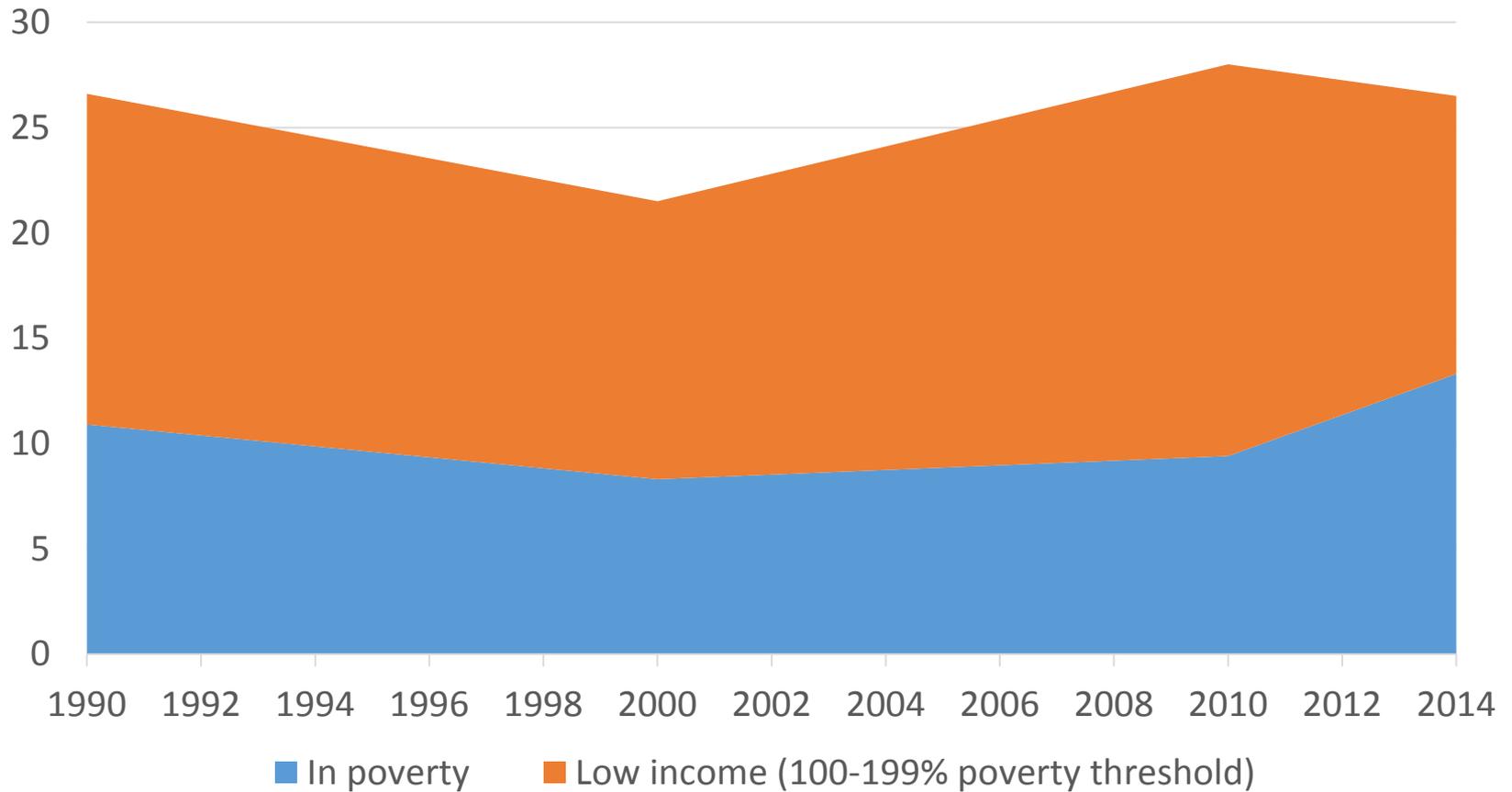
Disparities in household income by race remain large

Median household income by race of the householder
Minnesota, 2015



2014 to 2015 change for non-Hispanic White households is significant at the 99% confidence level

More than ¼ of MN 16 year-olds live in “low-income” households (<200% of the poverty threshold)





Minnesota State Demographic Center



mn.gov/demography
Twitter: @MN_StateData