



**COOK COUNTY**  
**BUREAU OF**  
**FINANCE**

# **QUARTERLY UPDATE OF THE LONG-TERM REVENUE FORECAST**

**Statutory Report to the Cook County  
Cook County Board of Commissioners**

**June 30, 2026**



The following report provides an update of the long-term financial plan as of June 30, 2026, in accordance with Section 2-78 of the Cook County Code, which states:

- b) The purpose of the Independent Revenue Forecasting Commission (IRFC) will be to review and analyze an annual five-year revenue forecast (the “forecast”) for the County as developed and prepared by the Chief Financial Officer (the “CFO”). Updates pertaining to the forecast will be provided to the IRFC, the Board and posted on the IRFC website on a quarterly basis by the CFO. The forecast will include, but not be limited to, analysis of the following County revenue streams: Sales and Use taxes, Property Taxes, Cigarette Taxes, Fuel Taxes, and other sources of County revenue.

This report includes a note on the 2027 preliminary forecast, a summary of the variance analysis comparing the General and Health Fund forecasts, and provides an explanation for the significant variances, along with additional supporting detail outlining progress made on the County’s sales tax projections and a summary of the impact of the revenue projections on our long-term expense projections for both the General and Health Funds. The report concludes with FY2026 project plans and an update on recent regional economic activity.

## FY2027 preliminary forecast

On June 17, 2026, Cook County unveiled its preliminary budget forecast for FY2027.<sup>1</sup> The preliminary forecast report presents a mid-year projection of year-end revenues and expenses for FY2026 and an initial forecast for FY2027 revenues for the General Fund and Health Enterprise Fund, the County’s two major operating funds. The report can be viewed on the county's website.<sup>2</sup>

### General Fund

Cook County’s General Fund is projected to end FY2026 \$283.0 million favorable to budget. The total budgeted FY2026 revenue for the General Fund is \$2,688.4 million. The projected year-end revenue of \$2,954.6 million is higher than the budgeted revenue by \$266.2 million, or 9.9%. Year-end expenditures in the General Fund are projected to have a \$16.8 million, or 0.6%, favorable variance to budget.

The outlook for FY2027 includes a \$336.0 million projected General Fund deficit. The preliminary estimate for General Fund revenues in FY2027 is \$2,488.6 million. This represents a decrease of \$199.8 million, or -7.4%, compared to FY2026 adopted revenues, and a decrease of \$466.0 million, or -15.8%, compared to the FY2026 year-end revenue projection. FY2027 General Fund expenditures are forecasted to increase by \$136.2 million, or 5.1%, over the FY2026 adopted budget.

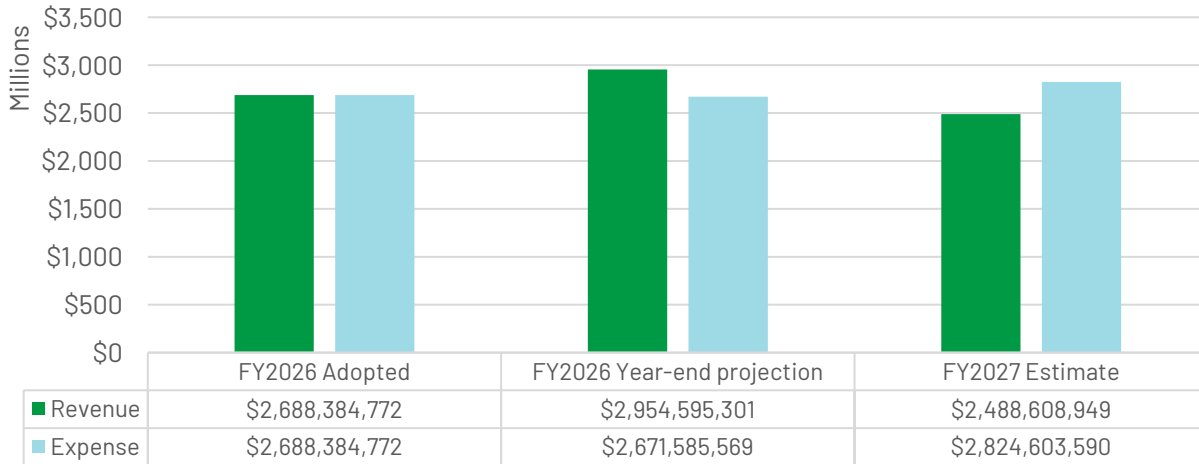
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<sup>1</sup> Cook County Board President Toni Preckwinkle Releases FY2027 Preliminary Budget Forecast, <https://www.cookcountyil.gov/news/cook-county-board-president-toni-preckwinkle-releases-fy2027-preliminary-budget-forecast>

<sup>2</sup> Cook County, FY2027 Preliminary Forecast Report, <https://www.cookcountyil.gov/sites/g/files/ywwepo161/files/documents/2026-06/FY2027%20Cook%20County%20Preliminary%20Forecast.pdf>



**Figure 1. General Fund projection, in millions**

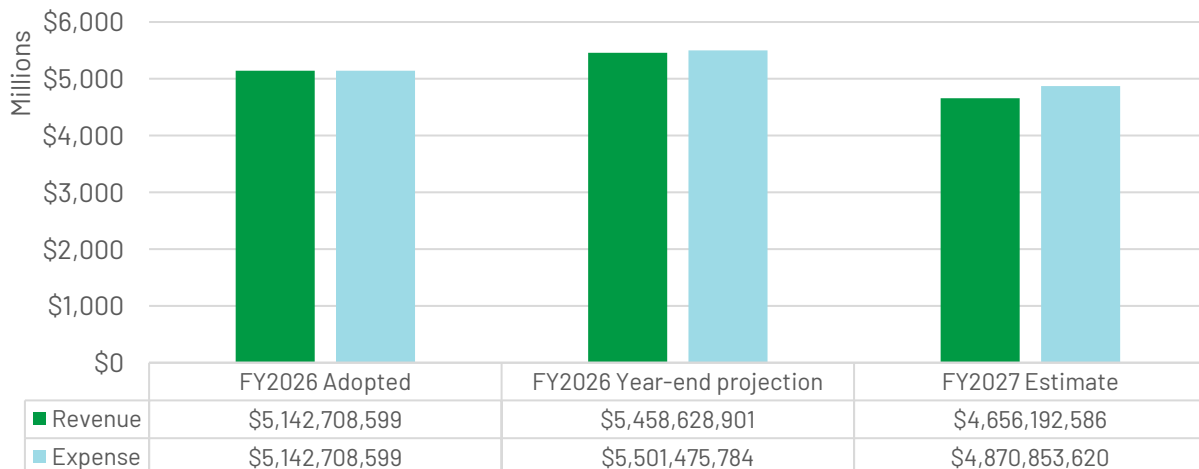


### Health Fund

The Health Enterprise Fund is projected to end FY2026 \$42.8 million unfavorable to budget. The total budgeted FY2026 revenue for the Health Fund is \$5,142.7 million. The projected year-end revenue of \$5,458.6 million is higher than the budgeted revenue by \$315.9 million, or 6.1%. Year-end expenditures in the Health Fund are projected to have a \$358.8 million unfavorable variance to budget, or -7.0%.

The outlook for FY2027 includes a \$214.7 million projected Health Fund deficit. The preliminary estimate for Health Fund revenues in FY2027 is \$4,656.2 million. This represents a decrease of \$486.5 million, or -9.5%, compared to FY2026 adopted revenues, and a decrease of \$802.4 million, or -14.7%, compared to the FY2026 year-end revenue projection. FY2027 Health Fund expenditures are forecasted to decrease by \$271.9 million compared to the FY2026 adopted budget, or -5.3%.

**Figure 2. Health Enterprise Fund projection, in millions**



### Long-term forecast

Cook County prepares a long-term financial forecast to support responsible fiscal planning. This section provides an overview of updates to the long-term General Fund and Health Fund forecasts.



## General Fund

The General Fund accounts for approximately a quarter of the County’s overall budget. It is comprised of the Corporate Fund and Public Safety Fund and supports the County’s general operations.

### Changes in forecasts since April 2026

Table 1 shows the nominal variance between the current forecast and what was presented at the last quarterly IRFC meeting in April. The FY2026 General Fund revenue forecast increased by \$23.8 million. The largest contributor to this increase is County Sales Tax, which increased \$18.0 million. The upward revision to sales tax is driven by favorable year-to-date actuals compared to budget through June, an increase in projected retail sales for the Chicago Metro area, which is an indicator used in the sales tax forecast, and slight adjustments to the forecasting assumptions related to the state legislative changes effective in 2025 and 2026.

**Table 1. Significant nominal variances between April 2026 and June 2026 forecasts, in millions**

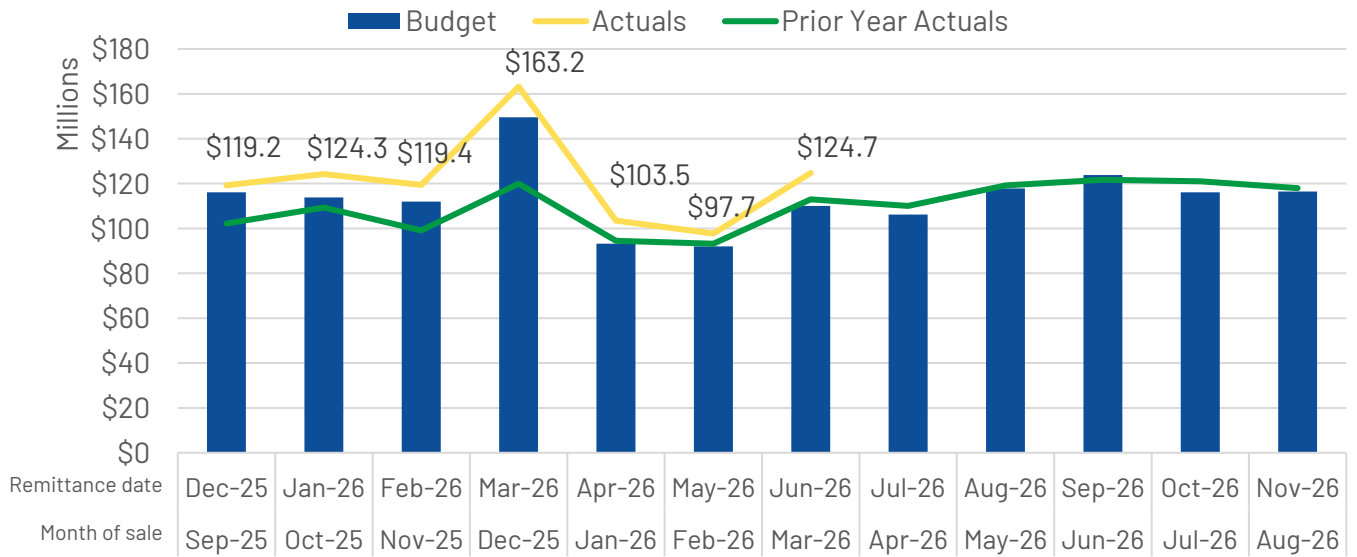
Revenue source	April forecast	June forecast	Percent change in forecast	Amount change in forecast from April 2026 forecast				
	FY2026	FY2026		FY2026	FY2026	FY2027	FY2028	FY2029
<b>401150-County Sales Tax</b>	\$1,471.9	\$1,489.9	1.2%	\$18.0	\$44.9	\$57.6	\$54.3	\$51.8
<b>402150-County Clerk / 402200-County Recorder and Registrar</b>	\$56.3	\$61.5	9.1%	\$5.1	\$5.7	\$0.1	\$0.1	(\$0.9)
<b>402100-County Treasurer</b>	\$44.8	\$49.2	9.8%	\$4.4	\$0.0	(\$1.3)	(\$1.3)	(\$1.3)
<b>406010-State of Illinois</b>	\$73.3	\$77.1	5.2%	\$3.8	(\$0.0)	\$0.0	\$0.0	\$0.0
<b>407080-Other</b>	\$2.8	\$5.6	103.7%	\$2.9	\$3.4	\$0.0	\$0.0	\$0.0
<b>401350-Amusement Tax</b>	\$49.6	\$51.1	2.9%	\$1.5	\$0.0	(\$0.6)	(\$0.6)	(\$0.6)
<b>406008-Indirect Cost</b>	\$23.0	\$21.0	(8.4%)	(\$1.9)	\$0.0	\$0.0	\$0.0	\$0.0
<b>402548-Clerk of the Circuit Court Fees</b>	\$77.2	\$72.5	(6.1%)	(\$4.7)	(\$7.0)	\$4.1	\$3.1	\$2.1
<b>407010-Miscellaneous Revenue</b>	\$74.6	\$69.4	(6.9%)	(\$5.2)	(\$12.5)	\$0.0	\$0.0	(\$0.3)
<b>Subtotal major changes</b>	<b>\$1,873.5</b>	<b>\$1,897.5</b>	<b>1.3%</b>	<b>\$23.8</b>	<b>\$34.5</b>	<b>\$60.1</b>	<b>\$55.7</b>	<b>\$50.8</b>
Other GF revenues	\$1,058.2	\$1,057.3	(0.1%)	(\$1.0)	\$5.6	\$19.0	\$16.6	\$9.8
<b>Total GF revenues</b>	<b>\$2,931.8</b>	<b>\$2,954.6</b>	<b>0.8%</b>	<b>\$22.8</b>	<b>\$40.1</b>	<b>\$79.1</b>	<b>\$72.3</b>	<b>\$60.6</b>

### Sales tax estimate

Through June, sales tax revenues are \$65.3 million higher than budget, or 8.3%. Figure 3 below compares sales tax revenue through the first seven periods of FY2026 with the monthly sales tax budget and prior year's actuals.



**Figure 3. FY2026 sales tax revenue, actual and budgeted**



Note: Amounts displayed along line are Actuals

### Long-term fiscal plan

Although Cook County has a diverse revenue base, the natural growth in revenues may not keep pace with expenditures. Expenditures rise over time due to inflationary pressures, with medical trends for health benefits and several other categories of expenditures growing faster than general inflation. Several critical revenue sources are declining over time or growing at rates below general inflation.

The General Fund is projected to have a surplus in FY2026 amounting to \$283.0 million, driven by a Cigarette Tax settlement and sales tax revenues coming in higher than budget. In FY2027, the General Fund is projected to have a deficit of \$336.0 million, growing each year and reaching \$465.4 million in FY2030. It is important to note that the unfavorable General Fund net results in the forecast starting in FY2027 are primarily attributable to expenditures not being allocated to Transportation Fund revenues due to a January court ruling.<sup>3</sup>

Between FY2026 and FY2030, total expenses for the General Fund are expected to increase by \$389.7 million at a compound annual growth rate (CAGR) of 3.5%, while revenues are estimated to decrease by \$385.7 million, a CAGR of -3.2%. These declines are driven by FY2026 revenues being elevated due to various one-time sources in FY2026. For instance, the County received a \$115.0 million cigarette tax settlement that is not expected in subsequent years. Furthermore, FY2026 revenues incorporate \$383.9 million in one-time transfers, including \$179.0 million to provide for additional transportation-related expenses in the General Fund, as the litigation on allowable use of transportation revenue was pending at the time of the passage of the FY2026 budget. From FY2027 through FY2030, expenses in the General Fund are projected to grow annually by 2.0%, while revenues grow by 1.1% annually.

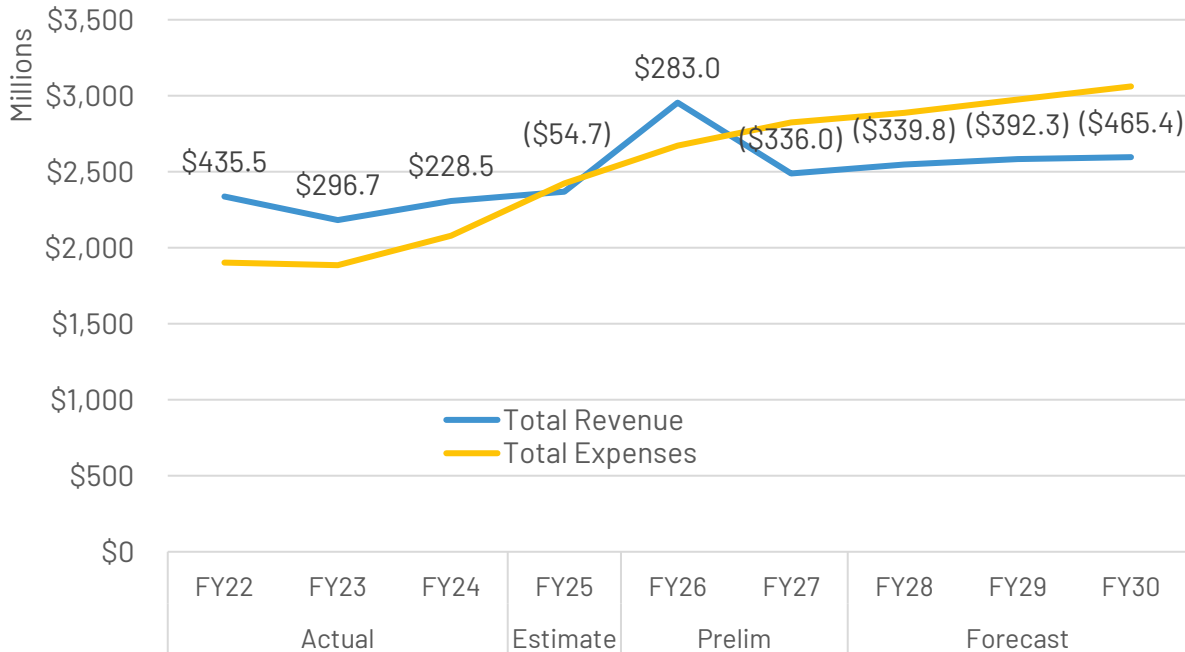
Partially offsetting these decreases is sales tax, which is expected to grow \$105.5 million from FY2026 to FY2030, a CAGR of 1.7%. Another item for which the County expects large-magnitude growth is

<sup>3</sup> Circuit Court of Cook County Case 2018 CH 02992



personal property replacement tax (PPRT) distributions from the State of Illinois, which are expected to be \$39.5 million higher in FY2030 as compared to FY2026, as the State's unfavorable adjustments to its PPRT Fund are expected to lessen.

**Figure 4. General Fund net surplus/(deficit) projections**



**Fund balance projection**

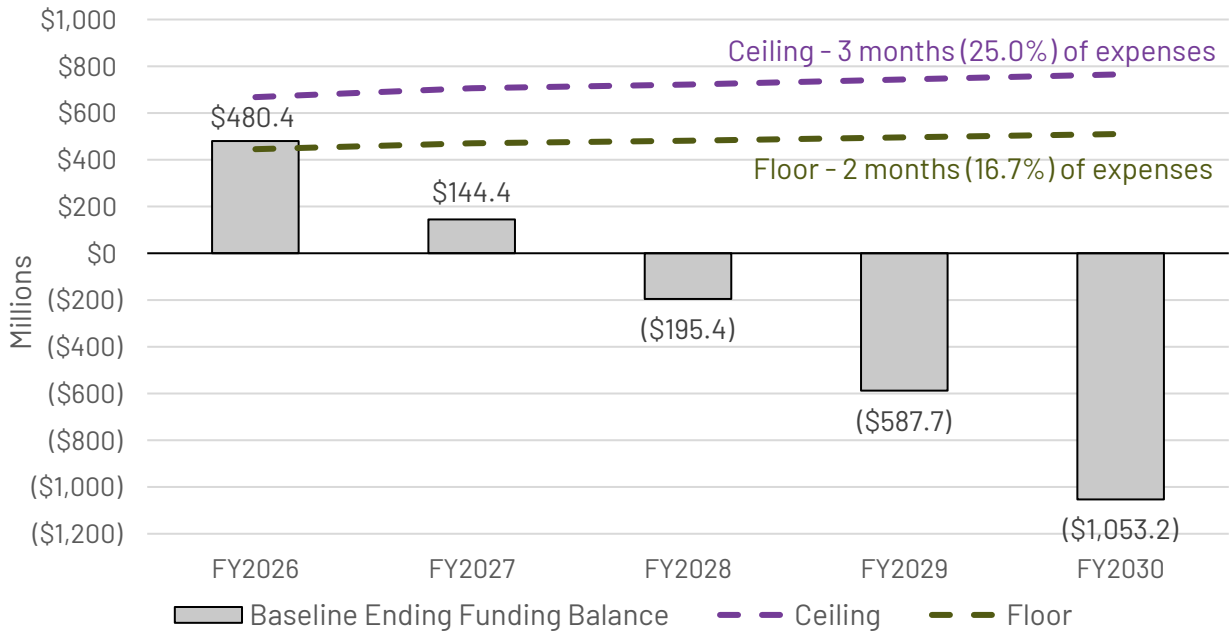
Current estimates indicate that the FY2026 unassigned ending fund balance within the General Fund will be \$480.4 million, a projection that is equivalent to 18.0% of the County's FY2026 projected expenditures from the General Fund. Due to the January court ruling referenced above, the unassigned ending fund balance projection does not reflect Transportation Fund revenues and expenses.

Figure 5 illustrates that the projected unassigned ending fund balances are anticipated to decrease based on the long-term revenue and expense forecasts for FY2026 through FY2030. The purple dotted line ("Ceiling") represents three months of projected General Fund expenses, and the dark green dotted line ("Floor") represents two months of projected annual General Fund expenses. The floor is the Government Finance Officers Association's (GFOA) minimum recommended value that local governments maintain in their unassigned ending fund balance.<sup>4</sup> As a result of outyear deficits beginning in FY2027, the long-term projected ending fund balance is estimated to decrease, dropping to \$144.4 million in FY2027, which is below the \$470.8 million floor. The cumulative impact of the forecasted deficits would cause the unassigned ending fund balance to drop below zero starting in FY2028 if the County were to take no corrective action.

<sup>4</sup> Government Finance Officers Association, Best Practices: Fund Balance Guidelines for the General Fund, 2015, <https://www.gfoa.org/materials/fund-balance-guidelines-for-the-general-fund>



**Figure 5. Unassigned ending fund balance projection, FY2026 to FY2030**



**Alternative fund balance scenarios**

To understand the impact of different economic scenarios on General Fund revenues and the resulting fund balance, the OCFO forecasts economically sensitive revenues based on different economic indicators using Moody’s baseline, S1, and S3 scenarios, which represent the 50th, 10th, and 90th percentile forecasts of potential economic conditions, respectively. Indicators such as gross metropolitan project, unemployment rate, and CPI are used for different revenue sources.

Each revenue scenario is compared to the expenditure forecast, along with the fund balance "floor" and "ceiling", as defined above. The revenue scenarios, as well as the floor and ceiling, all exclude the Transportation fund revenues and expenses.

Figure 6 represents the baseline scenario alongside the optimistic and conservative scenarios. In the baseline scenario, the fund balance falls below the floor in FY2027. The Moody’s Analytics baseline forecast published in May 2026 assumes the Federal Reserve will cut the policy rate by 25 basis points at its December 2026 and March 2027 meetings. Despite stronger-than-expected payroll gains in March and April, Moody’s still expects weak jobs gains in 2026 as employers remain hesitant amid economic uncertainty. The unemployment rate is projected to rise gradually throughout the year, peaking at 4.6% in the first quarter of 2027. The forecasted price of oil continues to be elevated in response to the US-Iran conflict.

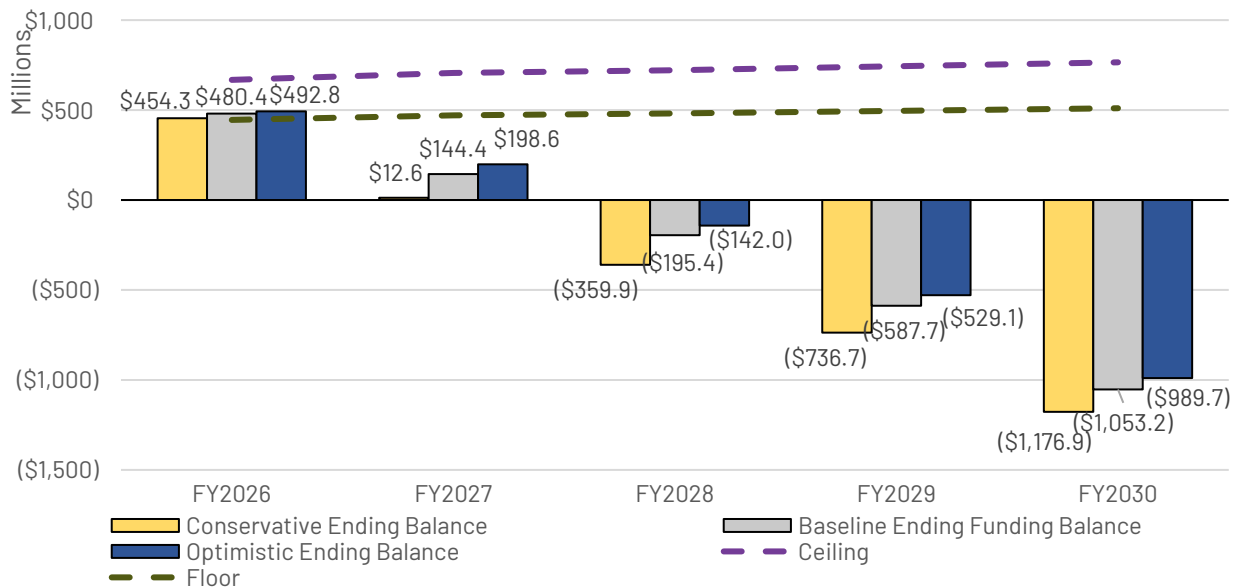
The optimistic scenario, where there is a 10% probability that the economy will perform better and a 90% probability that it will perform worse, continues to assume the impact of deportations and tariffs are minimal on the economy. The US-Iran conflict ends faster than expected, consequently causing oil prices to return to previous trends. Additionally, unemployment drops below the baseline scenario, resulting in full employment in the second quarter of 2026.



The conservative scenario, where there is a 90% chance of the economy performing better and a 10% chance it will perform worse, assumes the US-Iran conflict will have a major economic impact. Rising oil prices, tariffs, and deportations cause inflation to rise in the second quarter of 2026. This causes the economy to slip into recession in the second quarter of 2026, with recovery beginning in the first quarter of 2027 amid relief from the Federal Reserve. This conservative scenario results in an unassigned ending funding balance of \$454.3 million in FY2026, \$26.1 million below the base case, and dropping to \$12.6 million in FY2027 as revenues decline faster than expenses.

Figure 6 shows the County's ending fund balance dropping below zero in FY2028 in each of the three scenarios as an illustration of the level of corrective actions the County would need to execute under these scenarios. However, the County would have sufficient time to implement these remedial actions to prevent ongoing structural deficits.

**Figure 6. Unassigned ending fund balance scenarios, FY2026 to FY2030**



## Health Fund

The Health Fund accounts for nearly half of the County's overall budget. The Health Fund receives revenue from and is used to support health system operations and CountyCare.

### Long-term fiscal plan

The OCFO is currently projecting a deficit of \$42.8 million for FY2026, which is slightly less favorable compared to the previous report's projected deficit of \$41.6 million for FY2026. Similar to the previous forecast, this deficit is mainly driven by an increase in utilization of services and associated managed care claims within the Affordable Care Act (ACA) Adult and Health Benefits for Immigrant Seniors (HBIS) populations within CountyCare. Utilization trends may be impacted by concerns of potential future coverage losses for these populations due to federal policy changes. The County made a continuing appropriation of \$313.0 million in the first quarter of FY2026 from the Managed Care Claims Cash



Reserve to ensure Health Plan Services has sufficient funds for these unanticipated managed care claims.

The OCFO continues to project the Health Fund will experience widening deficits in the outyears. By FY2030, revenues are forecasted to decrease by \$1,083.1 million, while expenses are expected to decrease by \$841.3 million, creating a deficit of \$284.7 million by FY2030.

The outyear gaps between Health Fund revenues and expenses continues to be primarily attributable to Health Care Services. One component of the outyear deficits in Health Care Services is that forecasted revenues have not been expected to keep pace with the cost of providing services, even under previous federal Medicaid policies. As mentioned in previous reports, P.L. 119-21, also known as the One Big Beautiful Bill Act (OBBBA), that was signed into law on July 4, 2025 is the second major component driving the deficits. OBBBA is likely to have a substantial impact, both directly and indirectly, on the Health Fund by way of the law's provisions concerning Medicaid. Specifically, the OBBBA provisions pertaining to an increase in the frequency of redetermination from 12 months to 6 months for Medicaid expansion adult enrollees and more rigid work requirements to determine Medicaid eligibility are expected to add to the outyear deficits.

The Health Fund is expected to see a meaningful drop in revenue due to fewer patients being covered by Medicaid starting in FY2027 and continuing into FY2028 because of the OBBBA provisions phasing in beginning in January 2027. From FY2027 through FY2030, expenses in the Health Fund are projected to decline annually by -0.5% while revenues decline annually by -1.0%.

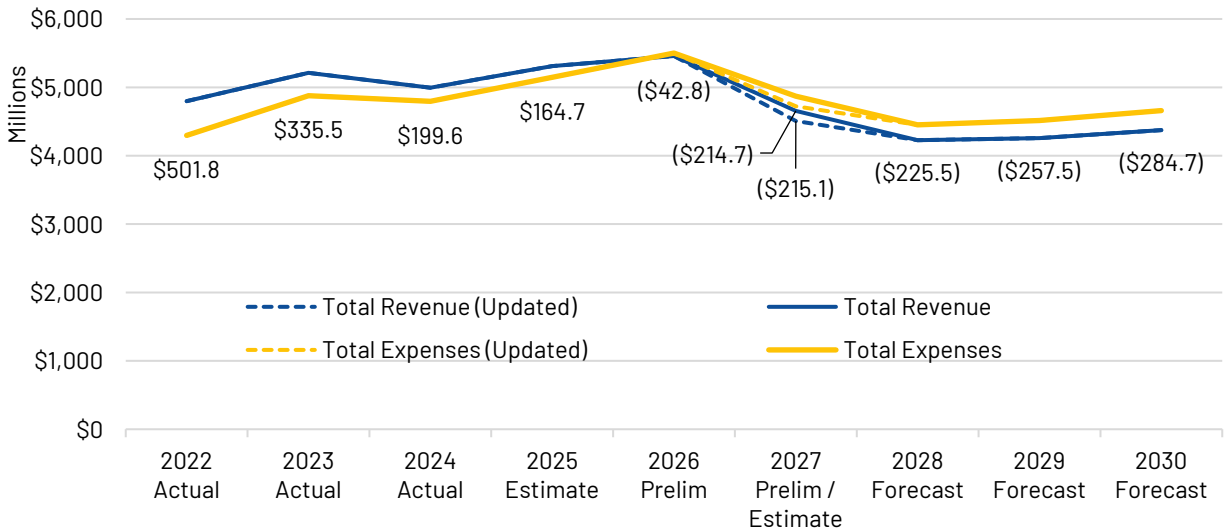
As previously discussed, the preliminary forecast for FY2027 includes a \$214.7 million Health Fund deficit. Since the release of the preliminary forecast, the Illinois Department of Healthcare and Family Services announced that it has formally awarded new HealthChoice Illinois contracts to six Medicaid Managed Care Organizations (MCOs).<sup>5</sup> Prior to the announcement, there were five MCOs operating in Illinois, with CountyCare being one of the MCOs. CountyCare was awarded a new contract, however, given that an additional MCO has been awarded a contract, the CountyCare membership projection for FY2027 was updated to reflect a decrease in membership as CountyCare's market share is expected to decline. Figure 7 includes an updated revenue and expense forecast for FY2027 to reflect this revised CountyCare membership projection, which produces a deficit of \$215.1 million.

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<sup>5</sup> HFS Awards New HealthChoice Illinois Medicaid Managed Care Contracts, <https://www.illinois.gov/news/release.html?releaseid=32620>



**Figure 7. Health Fund net surplus/(deficit) projections**



Note: FY2022 through FY2023 includes directed payments and domestic claims that CountyCare passes through to CCH in the revenues and expenses of both Health Plan Services and Health Care Services. Beginning in FY2024, directed payments will only be accounted for in the budget for Health Care Services while domestic claims will be offset in a separate account. Additionally, FY2027 reflects a revised membership projection that factors in an additional managed care organization (MCO) operating in Illinois. This additional MCO is expected to reduce CountyCare’s market share, therefore, impacting the revenue and expense forecast. The revised forecast is displayed with the dotted lines above.

Both Health Plan Services and Health Care Services are expected to experience considerable revenue declines starting in FY2027. The anticipated drop in CountyCare revenue is propelled by the expected membership loss from the phasing in of more frequent redetermination and stricter work requirements defined in OBBBA. The CountyCare baseline membership forecast continues to show a decrease due to the Managed Long-Term Services and Supports (MLTSS) population, as CountyCare will no longer service that population starting in January 2027. This population assumption coupled with the impacts of the OBBBA provisions are projected to significantly lower overall membership through FY2028 before membership sees a slower year-over-year decline based on historical annual trends. These trends are mostly offset by per member per month (PMPM) rate increases at Health Plan Services. One change from the previous forecast is that the baseline membership forecast now assumes the State will continue HBIS in the outyears, as compared to HBIS ending in July 2028.

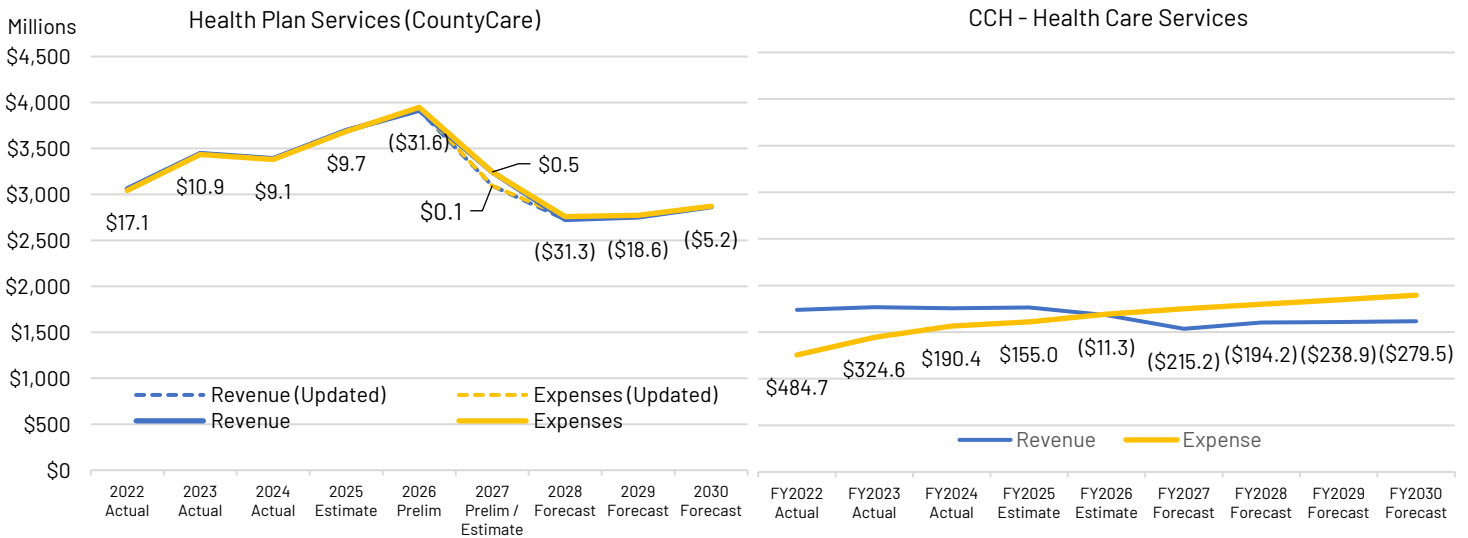
Health Care Services revenue is comprised of Net Patient Service Revenues (NPSR), Directed Payments, and other sources. The NPSR forecast, making up about one-third of Health Care Services revenue, is not projected to keep pace with the cost of operating the health system. This is primarily because of the anticipated impacts of OBBBA, which is expected to push individuals currently covered by Medicaid to become uninsured, leading to more uncompensated care. The forecast continues to factor in the OBBBA provision restricting the definition of qualified immigrants for Medicaid eligibility, which the OCFO estimates to have a minimal impact on Health Care Services revenue starting FY2027.

Figure 8 illustrates how the deficits in the Health Fund are primarily driven by declines in revenue for Health Care Services, while the cost of providing services continues to grow. Salaries and professional services are expected to grow at a CAGR of 4.5% from FY2026 through FY2030, while NPSR is unable to



keep pace because a higher proportion of patients are expected to be uninsured. By FY2030, the deficits for Health Plan Services and Health Care Services are \$5.2 million and \$279.5 million, respectively. Figure 8 also displays the updated revenue and expense estimates for FY2027 in Health Plan Services related to the additional MCO expected to reduce CountyCare's market share.

**Figure 8. Health Plan Services and Health Care Services net surplus/(deficit) projection**



\*Domestic claims elimination excluded from totals in both charts.

### Net patient service revenue scenarios

The NPSR forecast centers around building assumptions related to future service volumes, payor mix, and net collection rates from various insurers relative to gross charges billed by the system. Forecast assumptions consider past trends, potential policy changes, and economic factors that may affect insurance coverage and utilization of services. For example, due to the future potential changes in eligibility and coverage resulting from OBBBA, the percentage of patients covered under Medicaid is expected to decrease. This would decrease the percentage of gross revenues charged to Medicaid and increase the percentage charged to self-pay patients, who reimburse the County at a much lower rate than Medicaid managed care organizations.

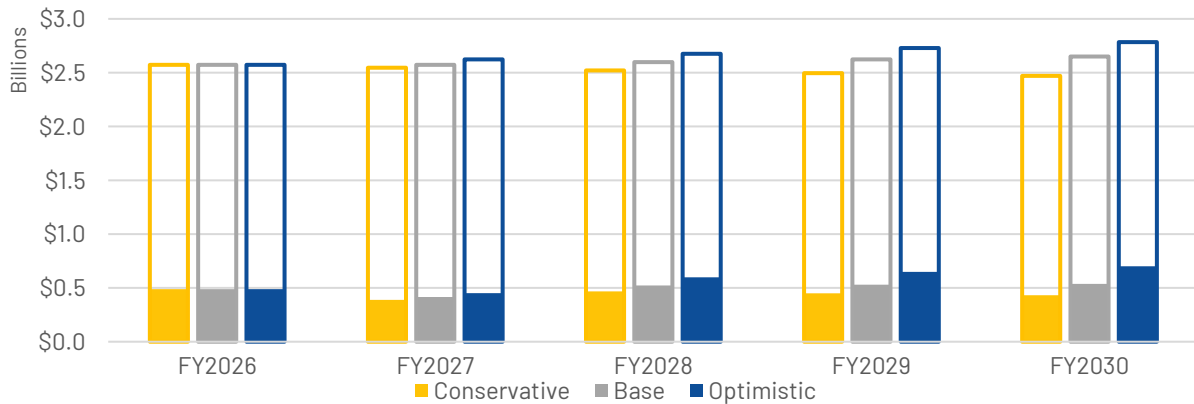
All NPSR scenarios assume a shift in patients currently covered by Medicaid to uninsured patients as a result of OBBBA. Presently, the OCFO has not integrated any assumptions into the scenario forecast as it relates to the impact of OBBBA on patient volumes. However, if more patients become uninsured it could impact volumes in the immediate or long-term, but this has yet to be determined.

Notwithstanding the adjustments to all scenarios around OBBBA, the baseline scenario assumes gross charges will grow annually at 1%, coverage patterns keep stable, and reimbursements rates remain flat. This baseline scenario results in total NPSR of \$536.8 million in FY2030, or a yield of 20.3% compared to gross charges, which is \$49.1 million higher than the FY2026 projected NPSR of \$487.8 million, a 19.0% yield.



The conservative scenario assumes a decline in patient volume and a reduction in gross charges. It also predicts that a larger percentage of patients will be uninsured, leading to a shift away from Medicaid. The conservative scenario has an NPSR of \$431.4 million in FY2030 and yield of 17.5%. The optimistic scenario assumes that more patients who were previously self-pay would be covered by Medicaid. The optimistic scenario assumes that gross charges are expected to increase 2% annually, and reimbursement rates are anticipated to grow in line with inflation, driving stronger revenue growth than in the baseline scenario. The optimistic scenario has an NPSR of \$700.8 million in FY2030, a yield of 25.2%. Figure 9 illustrates the impact of these assumptions on NPSR by scenario while Table 2 provides an overview of the assumptions used in each scenario.

**Figure 9. Net patient service revenues compared to gross charges, 2026 through 2030**



Note: Estimates of gross charges billed by CCH are represented by the full outlined bar and net patient service revenue estimated to accrue to CCH is represented by the filled in portion of the bar.

**Table 2. Annual change in net patient service revenue assumptions, by scenario**

Assumption	Conservative scenario	Base scenario	Optimistic scenario
<b>Gross charges, annual % change</b>	1% decrease	1% increase	2% increase
<b>Payor mix</b> <b>Annual shifts in Self-Pay/Medicaid proportions</b>	2 percentage point annual shift from Medicaid to self-pay; maximum self-pay set at 38%	Constant	2 percentage point annual shift from self-pay to Medicaid, minimum self-pay set at 25%
<b>Reimbursement rate</b>	2 percentage point decrease for Medicaid CountyCare, and Medicaid Managed Care	Constant	2 percentage point increase for Medicaid, CountyCare, and Medicaid Managed Care

### Health Care Services revenue scenarios

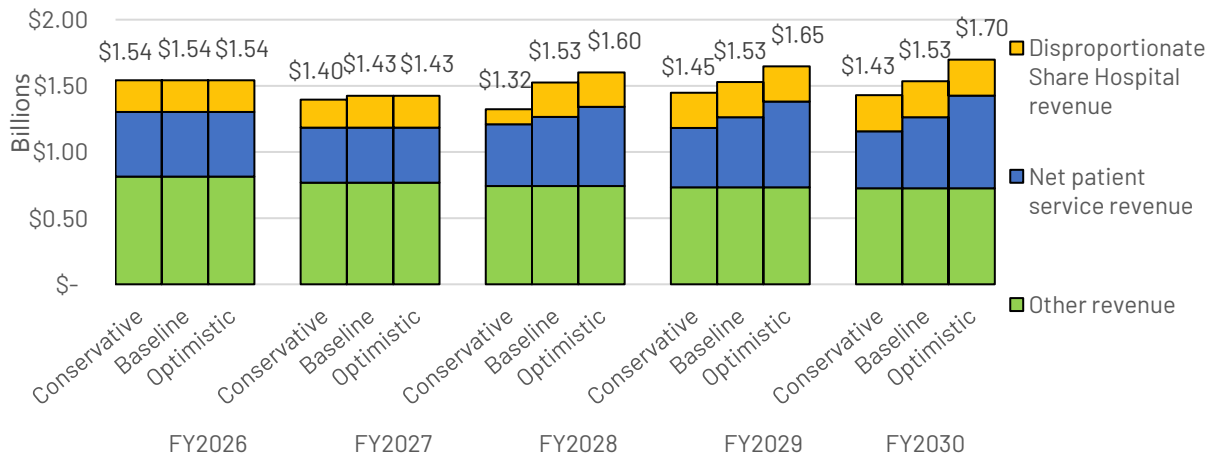
In addition to NPSR, Health Care Services revenue is derived from several other sources, including Disproportionate Share Hospital (DSH) revenue. DSH is designed to offset the costs associated with treating a high percentage of uninsured or Medicaid patients. After the Affordable Care Act went into effect in 2010, DSH funding was intended to be reduced as the ACA was expected to shrink the number



of uninsured patients that hospitals serve. Congress has delayed these cuts to DSH in prior years, however, as the number of uninsured patients has not decreased as expected. CCH typically receives about three-quarters of the Illinois DSH allotment, and in the latest forecast, DSH revenue is projected to be \$239.8 million, a decrease of \$2.2 million from the previous forecast. This change in the DSH revenue estimate is due to monthly revenue trending slightly lower than anticipated for the current fiscal year.

The baseline and optimistic scenarios for Health Care Services assume that postponements to DSH cuts will continue into the outyears. In the conservative scenario for Health Care Services, the forecast assumes federal DSH cuts would commence in October 2027, the start of federal fiscal year 2028, before returning to prior levels in October 2028. The impact on the County's DSH revenue would be approximately \$29.9 million and \$146.5 million below the baseline DSH projections for FY2027 and FY2028, respectively. Figure 10 illustrates the DSH revenue impact in each scenario.

**Figure 10. Total Health Care Services revenue by scenario**



### CountyCare revenue scenarios

CountyCare revenue is primarily a function of two factors: total enrollment and PMPM rate. Both are heavily influenced by policy decisions. Changes in policy can directly impact both membership counts and the composition of enrollees, leading to shifts in the average PMPM revenue. To evaluate how external shifts such as state and federal Medicaid policy changes may impact revenue, the OCFO models long-term forecasts using conservative, baseline, and optimistic scenarios.

All CountyCare scenarios integrate OBBBA's provisions changing the frequency of redetermination and the implementation of more rigid work requirements, both of which are projected to impact the number of ACA enrollees starting in FY2027. The scenarios also incorporate the MLTSS population no longer being serviced by CountyCare starting in January 2027.

The baseline scenario assumes PMPM rates follow a normal growth trend. CountyCare revenue under the baseline scenario is projected to decline through FY2028 before resuming growth as membership reverts to a more year-over-year historical trend and that PMPM rates continue to steadily rise. Overall, baseline revenue drops by \$735.6 million from FY2026 to FY2030, representing a CAGR of -5.6%.



The conservative scenario applies a downward adjustment to baseline PMPM rate growth. This assumption combined with a larger OBBBA impact on membership leads to a \$1,257.0 million decline by FY2030, representing a CAGR of -10.2%. The optimistic scenario features higher enrollment retention, stronger PMPM growth, and OBBBA having a minimal effect on membership. Under these optimistic assumptions, CountyCare revenue only drops by \$55.5 million from FY2026 to FY2030, representing a CAGR of -0.4%. Figure 11 shows projected revenues for CountyCare in each scenario. Additionally, Figure 11 displays the updated revenue estimate for CountyCare in FY2027 in relation to the additional MCO expected to reduce CountyCare's market share. The prior estimate reflected in the FY2027 Preliminary Forecast was \$3.22 billion and the updated revenue estimate is \$3.09 billion.

**Figure 11. CountyCare projected revenues, by scenario, FY2026 through FY2030**

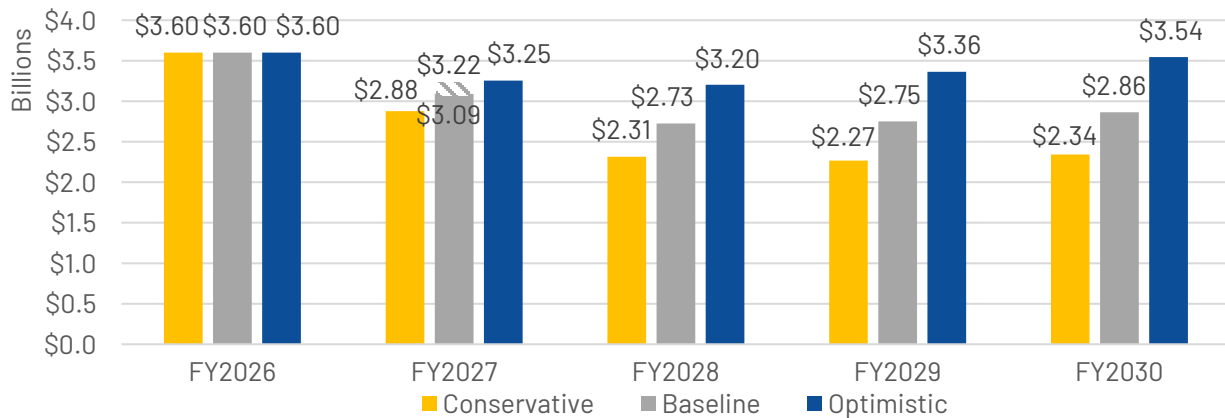


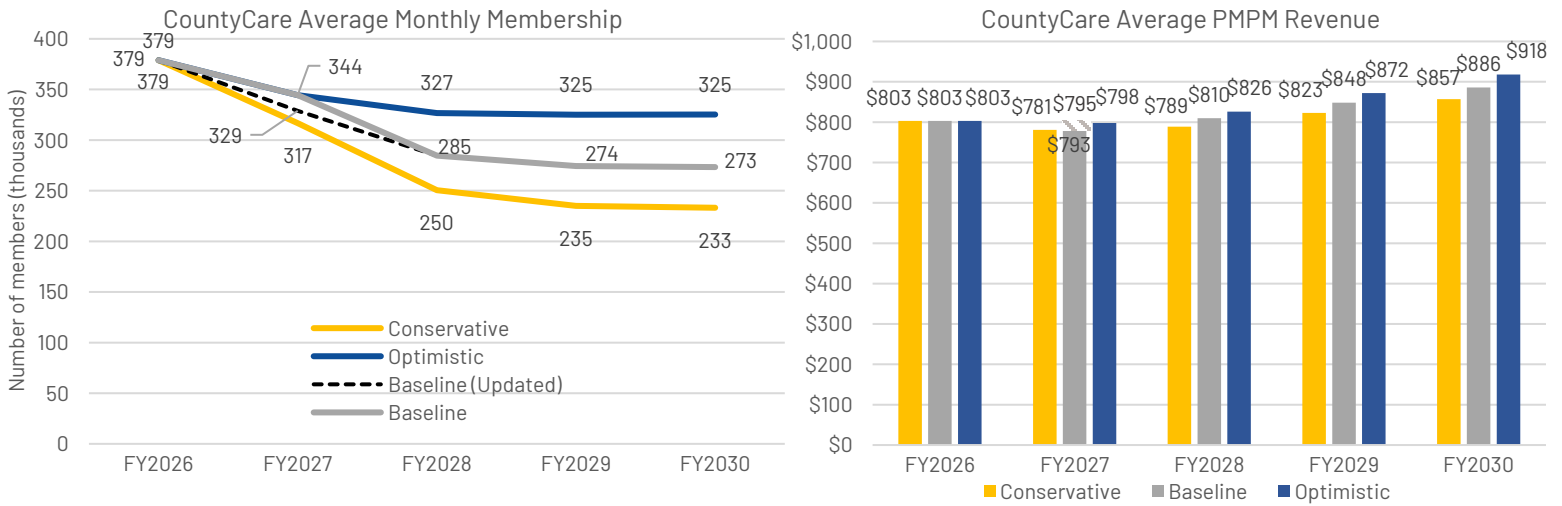
Figure 12 compares changes to monthly membership and growth in average PMPM revenue. The average monthly membership for FY2027 reflected in the FY2027 Preliminary Forecast was approximately 344,000 members, however, the updated estimate taking into account a reduction in CountyCare market share starting in 2027 is approximately 329,000 members. This membership update also impacts the average PMPM revenue for FY2027, reducing the average PMPM revenue from \$795 to \$793. This adjustment to the baseline FY2027 membership projection is displayed in Figure 12 on both the average monthly membership chart as well as the average PMPM revenue chart.

Average PMPM rate changes reflect the loss of high-cost MLTSS enrollees across all scenarios, resulting in lower averages starting in FY2027. The baseline scenario assumes a decrease in the average annual PMPM revenue in FY2027 due to the combination of MLTSS members no longer being serviced by CountyCare and the phased in provisions of OBBBA impacting average monthly membership. This outlook produces an average PMPM revenue growth rate of 2.5% from FY2026 to FY2030. After the anticipated drop in FY2027, average PMPM revenue in the baseline scenario grows 3.8% on average from FY2027 to FY2030 from the recently updated FY2027 CountyCare membership projection.

The conservative scenario assumes OBBBA to have more sizeable negative impact on the ACA Adult membership population. This outlook, coupled with lower PMPM rate growth, produces an average PMPM revenue growth rate of 1.6% from FY2026 to FY2030. In contrast, the optimistic scenario anticipates stronger PMPM rate growth and member retention, as well as OBBBA having less of an impact on ACA Adult membership. After a projected decline in FY2027 from FY2026, average PMPM revenue is forecasted to grow 4.8% annually through FY2030.



**Figure 12. CountyCare average PMPM revenue and monthly membership projections**



## Update on recommendations of the IRFC

The IRFC provided three recommendations to the OCFO on August 27, 2025.<sup>6</sup> Table 3 outlines progress in implementing these recommendations.

**Table 3. Progress on recommendations of the IRFC**

Deliverable	Progress
ARPA sustainability analysis of the potential impact on the fund balance of providing funding support after 2026	The OCFO is developing an allocation strategy for the ARPA reserve for the FY2027 budget process.
Assessing impact of P.L. 119-21 provisions on the Health Enterprise Fund	The OCFO is continuing to meet with CCH to monitor for potential impacts to Medicaid.
Revenue growth	The OCFO is exploring strategies to grow revenues.

## Economic data releases

The OCFO monitors economic indicators that inform the County’s revenue and expense forecasting. Economically sensitive revenues account for 55.6% of the General and Transportation Fund forecast, and the County’s expenses are impacted by inflation. Table 4 provides a schedule of economic data releases from several of the agencies that the OCFO tracks, to ensure that the most updated indicators available are used in forecasting, pending changes due to the federal shutdown.

<sup>6</sup> Recommendations of the Independent Revenue Forecasting Commission, August 2025, <https://cook-county.legistar.com/LegislationDetail.aspx?ID=7660694&GUID=2B80C0AB-7F94-46A4-A5DD-B470AD0D2886&Options=&Search=>



**Table 4. Economic data releases, July 2026 through September 2026**

Release Date	Indicator
<b>July 2026</b>	
July 2	Employment Situation
July 14	Consumer Price Index
July 30	Gross Domestic Product, 2nd Quarter 2026 (Advance Estimate)
<b>August 2026</b>	
August 7	Employment Situation
August 12	Consumer Price Index
August 26	Gross Domestic Product, 2nd Quarter 2026 (Second Estimate)
<b>September 2026</b>	
September 4	Employment Situation
September 11	Consumer Price Index
September 16	Federal Reserve Economic Projections
September 30	Gross Domestic Product, 2nd Quarter 2026 (Third Estimate)

## Economic update

The U.S. Bureau of Economic Analysis has released its latest estimate for national real Gross Domestic Product (GDP) growth, which shows that real GDP increased 2.1% in the first quarter of 2026. The 2.1% growth reflects increases in consumer spending, exports, government spending, and investment as well as an increase in imports, which are a subtraction in the calculation of GDP. The next real GDP estimate will be released on July 30, providing the advance estimate for the second quarter of 2026.

In their most recent forecast, Moody’s Analytics forecasted that the real Gross Metropolitan Product for the Chicago-Naperville-Elgin metropolitan area would see growth of 2.2% in 2026, which is -0.4% lower compared to the previous 2.6% published in March. Moody’s continues to predict that unemployment will surpass 5% in 2026, remaining above that threshold through 2030. After experiencing a downward trend in inflation over the past few years, inflation is still expected to remain elevated in 2026 as the impacts of the tariffs imposed by the federal government make their way through the economy. Inflation is expected to moderate back towards 2% in 2028 and stabilize in the outyears. Table 5 provides an overview of economic indicators that are considered when developing revenue forecasts.

**Table 5. Economic indicators, actual and forecasted, Chicago-Naperville-Elgin Metropolitan Area, 2024 to 2030**

Economic Indicator	2024	2025	2026	2027	2028	2029	2030
Gross Metro Product, (% change, Ch. 2017, SAAR)	1.8%	2.1%	2.2%	1.3%	1.4%	1.8%	1.9%
CPI, All Urban Consumers, (% change, SA)	3.5%	3.2%	3.2%	2.9%	2.2%	1.7%	1.7%



Economic Indicator	2024	2025	2026	2027	2028	2029	2030
Resident Population: Total, (Ths. #)	9,411.2	9,434.1	9,416.3	9,381.1	9,337.4	9,290.3	9,249.8
Disposable Personal Income, (% change, SAAR)	4.8%	4.0%	4.3%	4.3%	3.7%	3.8%	3.8%
Labor Force Participation, (% SA)	66.2%	65.8%	65.4%	65.5%	65.5%	65.6%	65.6%
Labor: Unemployment Rate, (% SA)	5.1%	4.6%	5.2%	5.4%	5.3%	5.2%	5.2%
Income: Median Household, (SAAR)	\$90,770	\$93,893	\$97,991	\$101,871	\$105,351	\$108,776	\$112,400
Income: Per Capita, (SAAR)	\$79,930	\$83,420	\$86,775	\$90,616	\$94,335	\$98,341	\$102,540
Labor: Number of Employed, (Ths. #, SA)	4,777.8	4,799.9	4,744.3	4,725.5	4,722.0	4,717.2	4,709.3
Retail Sales: Total, (% change, SAAR)	3.0%	4.3%	3.2%	1.7%	2.2%	2.5%	2.8%

Source: Moody's Analytics, June 2026 baseline scenario