

# Department of Health FY2026 Budget Overview

House Finance

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Heidi Hedberg, Commissioner  
Emily Ricci, Deputy Commissioner  
Pam Halloran, Assistant Commissioner



Thursday, February 13, 2025



# Department of Health

## Commissioner Heidi Hedberg

### Deputy Commissioner Emily Ricci

Medicaid State Plan  
Medicaid Program Integrity

Office of Health Savings  
Office of Rate Review

### BEHAVIORAL HEALTH Director Tracy Dompeling

Treatment & Recovery Grants  
Alcohol Safety Action Program  
Behavioral Health Administration  
Prevention, Early Intervention  
Residential Child Care  
Advisory Boards and Councils

### HEALTH CARE SERVICES Interim Director Lynne Keilman-Cruz

Health Facilities & Certification  
Residential Licensing  
Medical Assistance Administration  
Health Care Services Facility  
Operations & Maintenance

### SENIOR & DISABILITIES SERVICES

Director Tony Newman

Community-Based Grants  
Early Intervention & Infant Learning Program  
Senior & Disabilities Services Administration  
General Relief & Temp Assisted Living

### Chief Medical Officer Dr. Robert Lawrence

### PUBLIC HEALTH Director Lindsay Kato

Chronic Disease Prevention & Health Promotion  
Epidemiology  
Health Analytics & Vital Records  
Public Health Nursing  
Emergency Programs  
State Medical Examiner's Office  
State Public Health Labs  
Women, Children & Family Health

Assistant Commissioner  
Pam Halloran

### FINANCE & MANAGEMENT SERVICES

Information Technology Service  
Medicaid Allocation & Audit  
Budget  
Revenue & Finance  
Human Resources  
Grants & Contracts

### PUBLIC ASSISTANCE Director Deb Etheridge

Medicaid  
SNAP  
Woman, Infants & Children  
Child Care Benefits  
Work Services  
Senior Benefits Payment Program  
Quality Control  
Fraud Investigation  
Field Services  
Adult, Energy, General Relief, Temporary & Tribal Assistance Programs

# Department of Health



**Mission:** To promote and protect the health and well-being of Alaskans

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Staff: 1,557 permanent full time

Budget: \$3,529,135.1

## **Divisions:**

Behavioral Health

Health Care Services

Public Assistance

Public Health

Senior & Disabilities Services

## **Appropriations:**

Medicaid Services

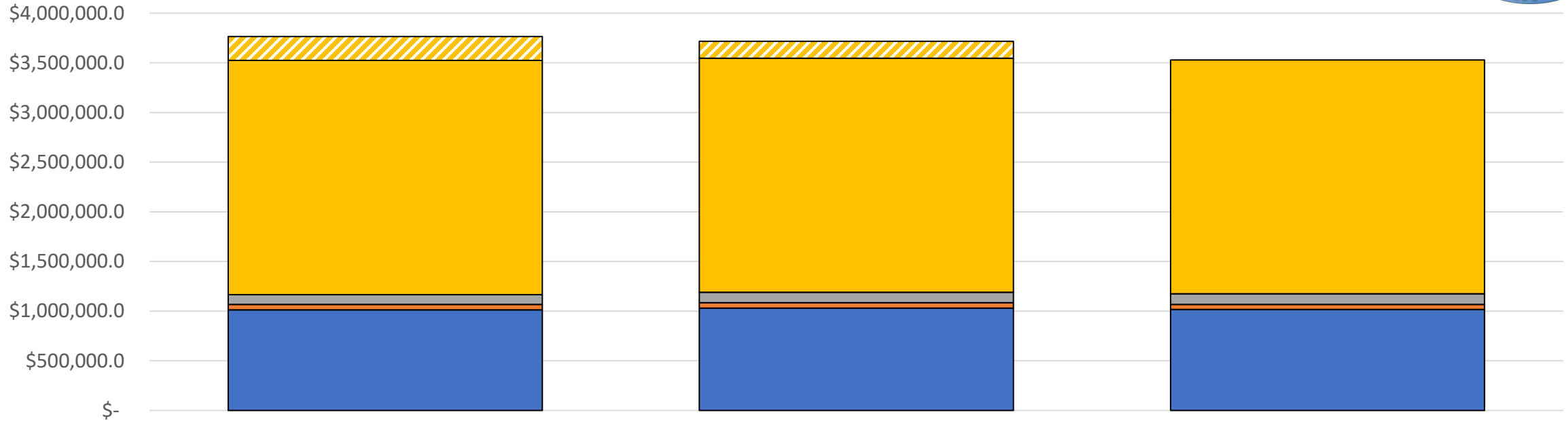
Departmental Support Services

Senior Benefits Payment Program

# Department of Health



## Operating Budget (FY2024 - FY2026)



	FY2024 Final Authorized	FY2025 Management Plan	FY2026 Governor
<b>UGF</b>	\$ 1,012,490.6	\$ 1,029,592.9	\$ 1,017,178.0
<b>DGF</b>	\$ 54,276.3	\$ 54,815.7	\$ 51,118.5
<b>Other</b>	\$ 100,158.0	\$ 104,609.8	\$ 106,475.2
<b>Federal</b>	\$ 2,356,317.1	\$ 2,356,509.7	\$ 2,354,363.4
<b>Federal (COVID-19)</b>	\$ 241,492.1	\$ 170,943.7	\$ -
<b>Total</b>	\$ <b>3,764,734.1</b>	\$ <b>3,716,471.8</b>	\$ <b>3,529,135.1</b>

# Medicaid Services



**Mission:** To provide health coverage to Alaskans in need

Budget: \$2,834,174.0

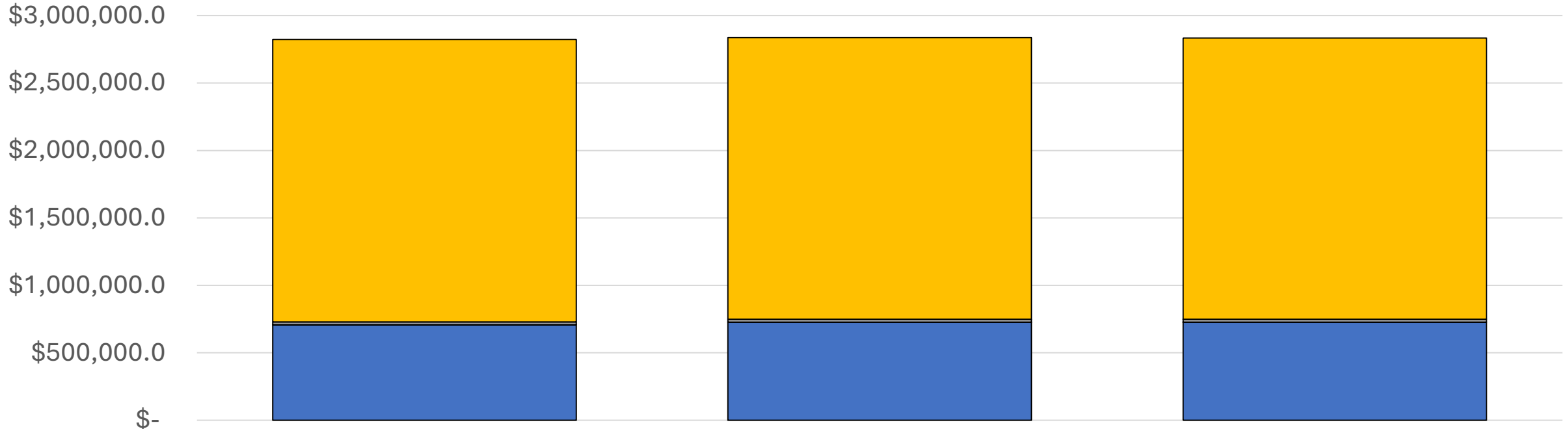
## FY2026 Budget Changes

Reversal of multi-year appropriation (FY2024-FY2026) for modernizing assessments for Home & Community-Based Service Waivers (InterRai)	(\$2,273.3)
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# Medicaid Services



## Operating Budget (FY2024 - FY2026)



	FY2024 Final Authorized	FY2025 Management Plan	FY2026 Governor
<b>UGF</b>	\$ 707,574.2	\$ 727,308.0	\$ 727,080.7
<b>DGF</b>	\$ 429.8	\$ 429.8	\$ 429.8
<b>Other</b>	\$ 20,714.1	\$ 20,714.1	\$ 20,714.1
<b>Federal</b>	\$ 2,093,759.3	\$ 2,087,995.4	\$ 2,085,949.4
<b>Total</b>	\$ <b>2,822,477.4</b>	\$ <b>2,836,447.3</b>	\$ <b>2,834,174.0</b>

# Health Care Services



**Mission:** To provide to all eligible Alaskans access and oversight to the full range of appropriate Medicaid services

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Staff: 133 permanent full time  
Budget: \$25,665.7

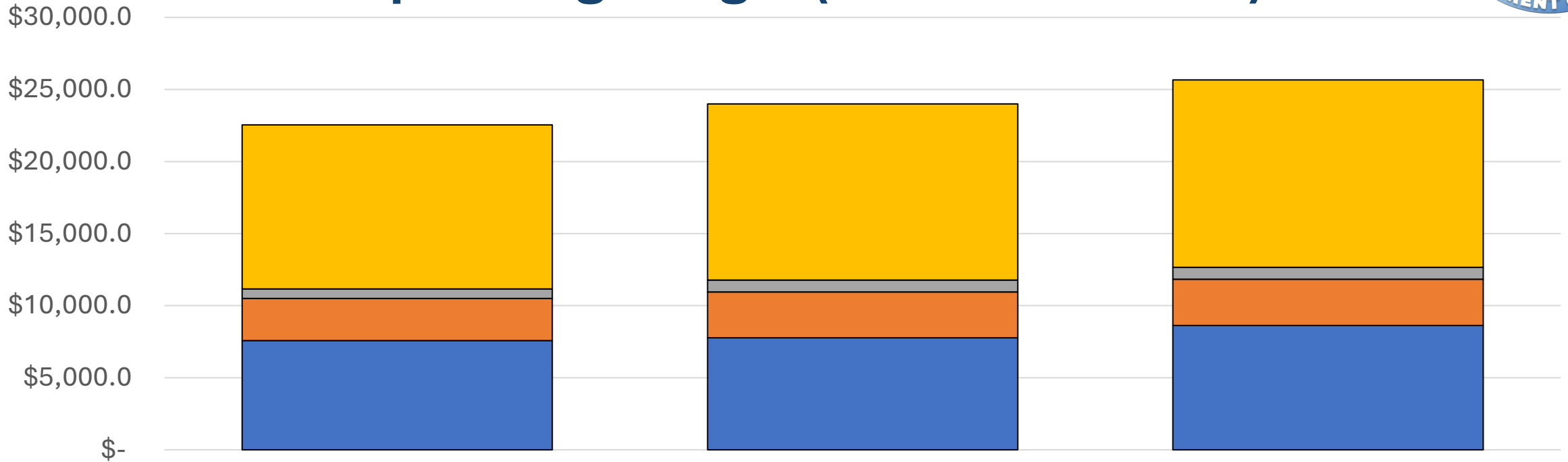
## FY2026 Budget Changes

Align authority to current expenditures for inspections of health facilities	\$962.5
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# Health Care Services



## Operating Budget (FY2024 - FY2026)



	FY2024 Final Authorized	FY2025 Management Plan	FY2026 Governor
<b>UGF</b>	\$ 7,574.2	\$ 7,766.9	\$ 8,626.7
<b>DGF</b>	\$ 2,934.6	\$ 3,183.8	\$ 3,205.9
<b>Other</b>	\$ 658.1	\$ 823.9	\$ 827.5
<b>Federal</b>	\$ 11,374.3	\$ 12,216.2	\$ 13,005.6
<b>Total</b>	\$ <b>22,541.2</b>	\$ <b>23,990.8</b>	\$ <b>25,665.7</b>



# Pharmacy Rebates & Tribal Reclaiming



Fiscal Year (FY)	Total Tribal Reclaiming UGF Savings	Drug Rebate Recoveries (UGF/FED)
FY2017	\$34,782,000	\$ ~
FY2018	\$45,187,000	\$81,354,000
FY2019	\$69,346,000	\$104,253,000
FY2020	\$94,111,000	\$105,723,000
FY2021	\$57,468,000	\$123,752,000
FY2022	\$74,412,000	\$132,185,000
FY2023	\$125,552,000	\$154,354,000
FY2024	\$138,468,000	\$135,781,000
<b>TOTAL</b>	<b>\$639,326,000</b>	<b>\$837,402,000</b>

NOTE: Drug Rebates as reported to Centers for Medicare & Medicaid Services representing the amount collected in whole dollars and demonstrating any changes since the last report (FY2019 and FY2020)

# Public Assistance



**Mission:** To promote self-sufficiency for basic living expenses to Alaskans in need

Staff: 484 permanent full time  
Budget: \$282,631.7 (Public Assistance)  
Budget: \$24,013.1 (Senior Benefits Payment Program)

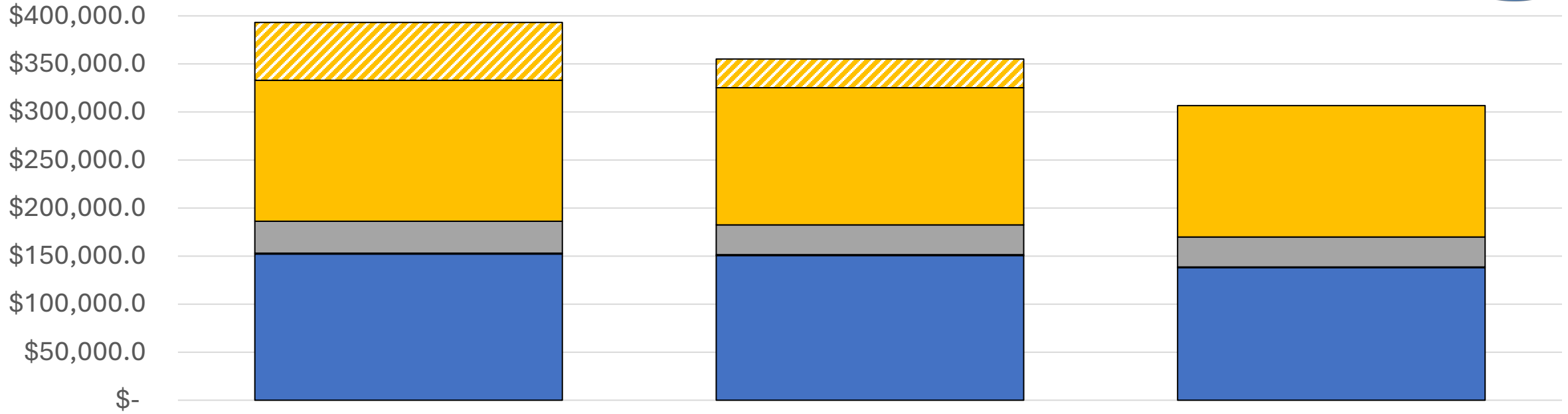
## FY2026 Budget Changes

Child care tax credits, SB189 fiscal note	\$6,092.2
Reverse one-time funding for child care and food security	(\$9,000.0)
Reverse multi-year funding for Medicaid eligibility redeterminations	(\$8,632.2)
Reverse multi-year funding for addressing SNAP backlog	(\$8,829.2)
Extend Senior Benefits	\$470.8

# Public Assistance\*



## Operating Budget (FY2024 - FY2026)



	FY2024 Final Authorized	FY2025 Management Plan	FY2026 Governor
<b>UGF</b>	\$ 152,250.3	\$ 150,637.2	\$ 137,923.2
<b>DGF</b>	\$ 814.7	\$ 814.7	\$ 814.7
<b>Other</b>	\$ 33,295.4	\$ 31,027.9	\$ 31,069.4
<b>Federal</b>	\$ 146,600.1	\$ 142,861.5	\$ 136,837.5
<b>Federal (COVID-19)</b>	\$ 60,145.8	\$ 29,726.8	\$ -
<b>Total</b>	<b>\$ 393,106.3</b>	<b>\$ 355,068.1</b>	<b>\$ 306,644.8</b>

\* Including Senior Benefits Payment Program

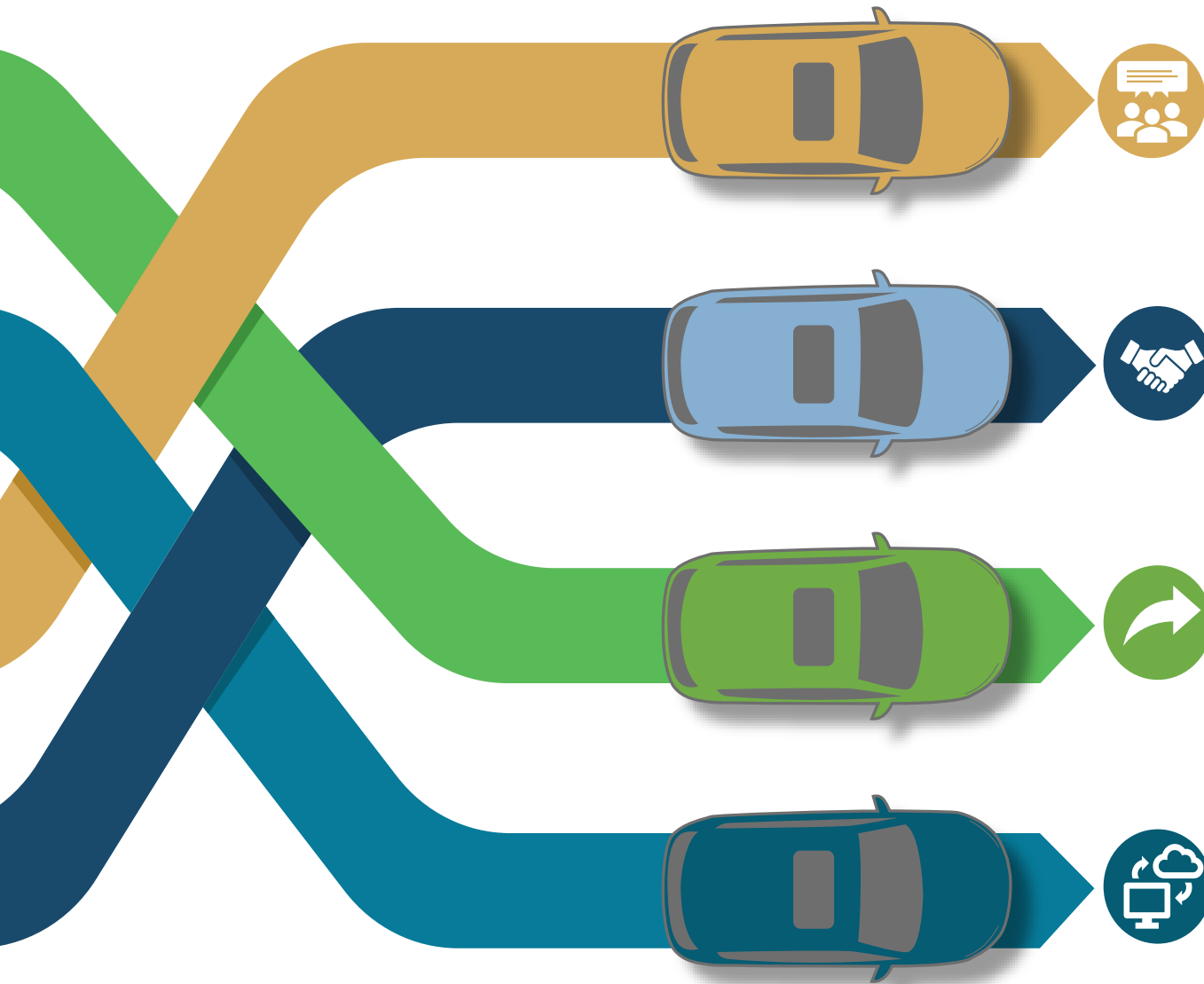
# Public Assistance Statewide Profile FY2024



## Monthly Recipients by Program

Program	Average Monthly Recipients (Individuals)
Adult Public Assistance	13,817
Alaska Temporary Assistance	3,307
Child Care Assistance	1,996
General Relief Assistance	25
Heating Assistance	6,153
Interim Assistance	63
Medicaid	242,636
Senior Benefits	10,663
Supplemental Nutrition Assistance	65,778
Women, Infants, and Children	14,528

# Drivers of Improvement



## Client Engagement

Client Portal | Simplified applications | Online forms | Text messaging for SNAP & Medicaid



## Workforce Enhancements

Business process redesign | Technology | Communications/Surveys



## Policies Streamlined

Improved SNAP timeliness | Interview compliance | Elderly Simplified Application Project Certification



## IT Improvements

Modernization Roadmap



# Division of Public Assistance: IT Modernization



## Enhance Client Engagement ●

- ✓ Text messaging
- ✓ Secure document upload
- eForms & multi-program application
- Client portal

## Operational Efficiency ●

- ✓ Automated ex-parte process
- ✓ Automated email search process
- Data integrations between platforms
- Automated asset verification
- Return mail solution

## Integrated Eligibility Enrollment System ●

- Migrate non-MAGI categories off mainframe
- Migrate SNAP off mainframe
- Migrate TANF & Cash Programs off mainframe

## Family Nutrition

- ✓ WIC Spirit

## Child Care

- ✓ AK Child Care Information System

## ARIES Maintenance & Operations

- ✓ Shifted to secure, cloud-based system



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# Behavioral Health



**Mission:** To promote an integrated and comprehensive behavioral health system

Staff: 100 permanent full time  
Budget: \$94,241.3

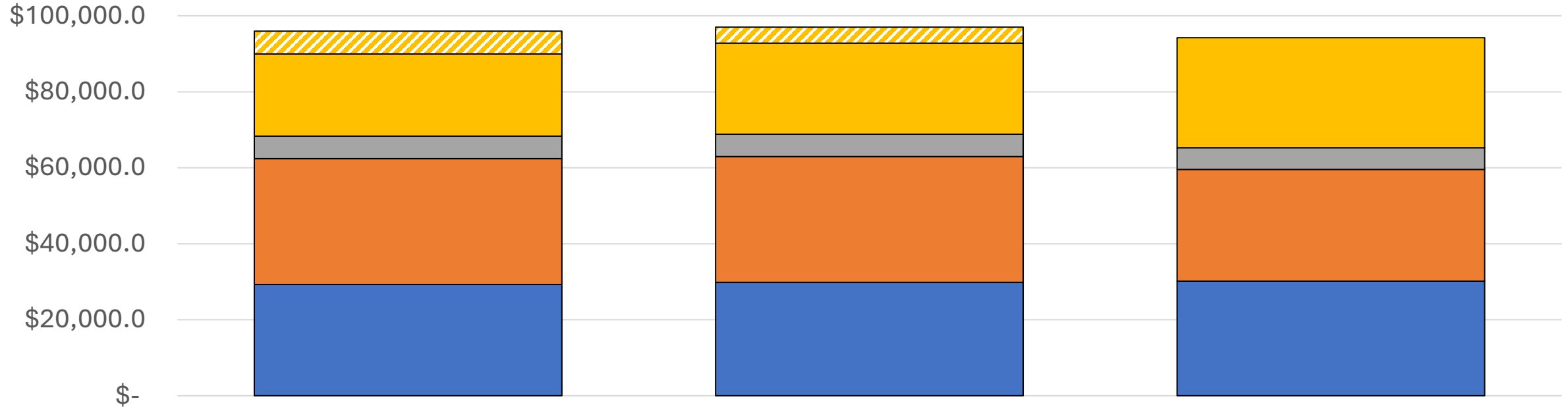
## FY2026 Budget Changes

Crisis Call Center	\$1,500.0
Reduce designated general funds based on Department of Revenue projections	(\$3,736.5)
Increase federal receipt authority	\$5,000.0

# Behavioral Health



## Operating Budget (FY2024 - FY2026)



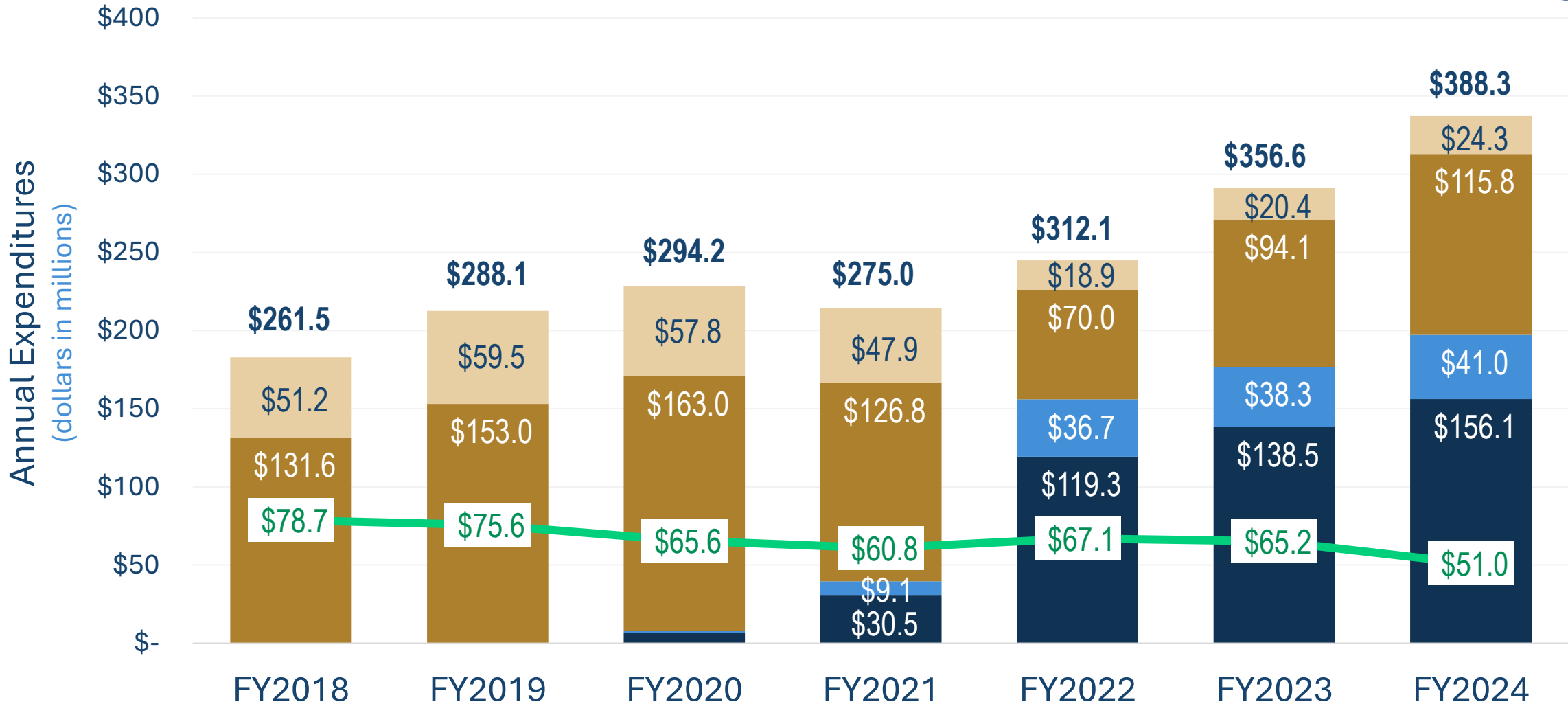
	FY2024 Final Authorized	FY2025 Management Plan	FY2026 Governor
<b>UGF</b>	\$ 29,293.3	\$ 29,827.0	\$ 30,154.2
<b>DGF</b>	\$ 33,111.9	\$ 33,145.5	\$ 29,422.2
<b>Other</b>	\$ 5,941.5	\$ 5,862.8	\$ 5,714.4
<b>Federal</b>	\$ 21,601.9	\$ 23,963.2	\$ 28,950.5
<b>Federal (COVID-19)</b>	\$ 6,002.8	\$ 4,219.0	\$ -
<b>Total</b>	\$ <b>95,951.4</b>	\$ <b>97,017.5</b>	\$ <b>94,241.3</b>



# Behavioral Health Spend: Medicaid & Grants



■ 1115 (Fed) 
 ■ 1115 (State) 
 ■ State Plan (Fed) 
 ■ State Plan (State) 
 — Grants



# Questions?

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Department of Health  
Legislative Liaison  
[courtney.enright@alaska.gov](mailto:courtney.enright@alaska.gov)  
907-269-7803





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## Appendix



# Senior & Disabilities Services



**Mission:** To promote health, well-being, and safety for individuals with disabilities, seniors, and vulnerable adults by facilitating access to quality services and supports that foster independence, personal choice and dignity

Staff: 182 permanent full time

Budget: \$72,964.4

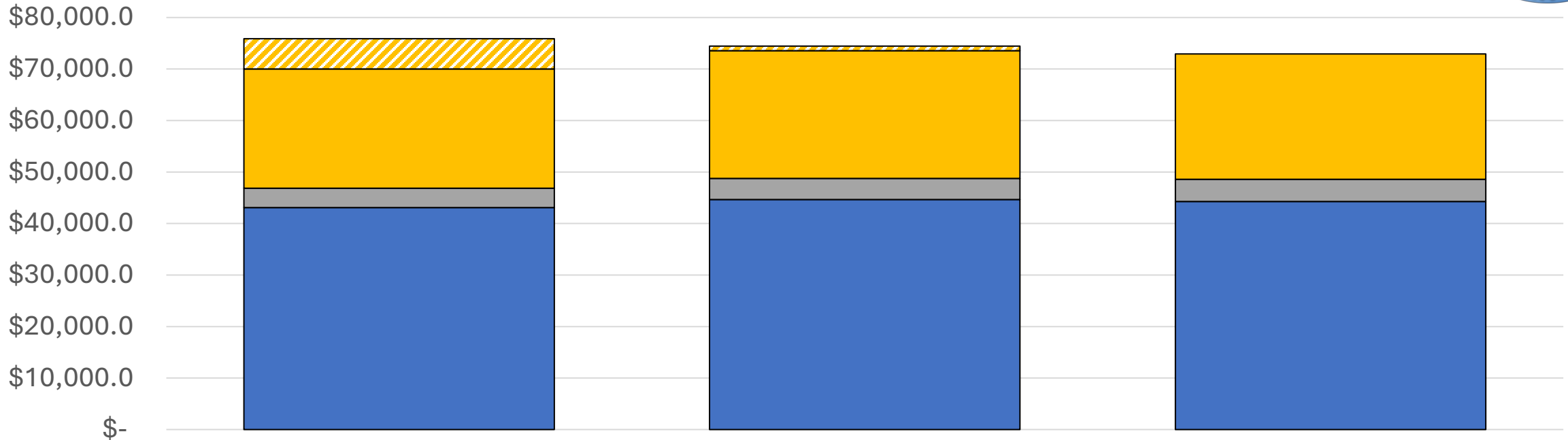
## FY2026 Budget Changes

Reversal of multi-year appropriation (FY2024-FY2026) for modernizing assessments for Home & Community-Based Service Waivers (InterRai) (\$1,119.0)

# Senior and Disabilities Services



## Operating Budget (FY2024 - FY2026)



	FY2024 Final Authorized	FY2025 Management Plan	FY2026 Governor
<b>UGF</b>	\$ 43,114.4	\$ 44,649.4	\$ 44,294.4
<b>DGF</b>	\$ -	\$ -	\$ -
<b>Other</b>	\$ 3,725.4	\$ 4,097.9	\$ 4,292.0
<b>Federal</b>	\$ 23,189.4	\$ 24,816.7	\$ 24,360.0
<b>Federal (COVID-19)</b>	\$ 5,848.3	\$ 882.3	\$ -
<b>Total</b>	\$ 75,877.5	\$ 74,446.3	\$ 72,946.4

# Public Health



**Mission:** To protect and promote the health of Alaskans

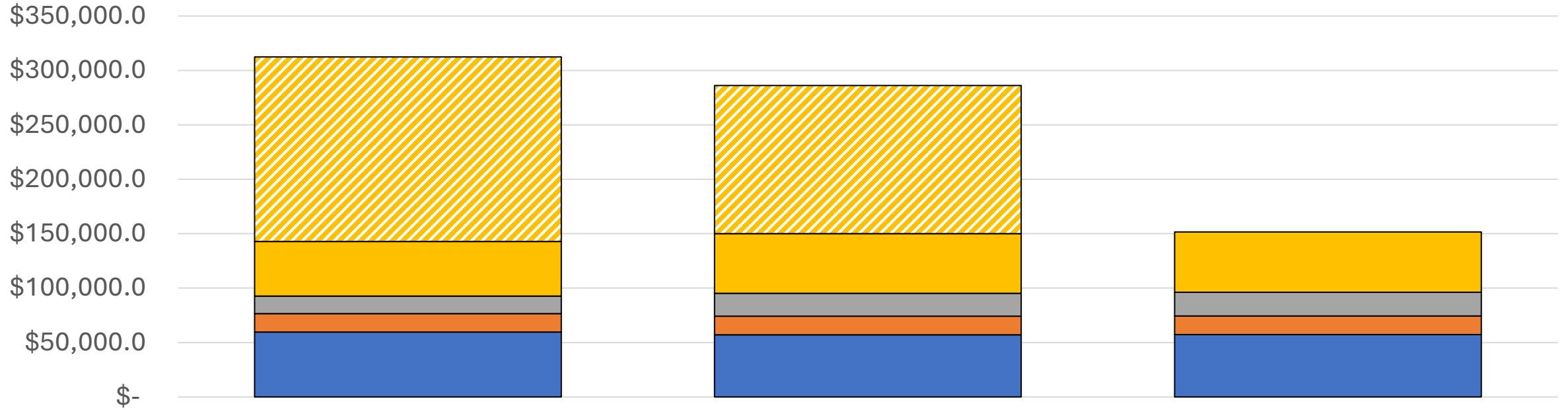
Staff: 458 permanent full time  
Budget: \$149,297.4

## FY2026 Budget Changes

General fund program receipts for SHARP 1 recruitment program	\$1,650.0
Reduce designated general funds based on Department of Revenue projections	(\$1,738.0)
Reverse multi-year COVID appropriations	(\$109,927.8)



## Operating Budget (FY2024 - FY2026)



	FY2024 Final Authorized	FY2025 Management Plan	FY2026 Governor
<b>UGF</b>	\$ 59,601.0	\$ 57,072.2	\$ 57,259.3
<b>DGF</b>	\$ 16,942.9	\$ 17,199.5	\$ 17,203.5
<b>Other</b>	\$ 16,051.1	\$ 20,952.8	\$ 21,628.7
<b>Federal</b>	\$ 50,286.3	\$ 54,861.5	\$ 55,454.6
<b>Federal (COVID-19)</b>	\$ 169,495.2	\$ 136,115.6	\$ -
<b>Total</b>	\$ <b>312,376.5</b>	\$ <b>286,201.6</b>	\$ <b>151,546.1</b>

\* Including Human Services Community Matching Grant and Community Initiative Matching Grants

# Department Support Services



**Mission:** Provide quality administrative services in support of the department's mission

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Staff: 200 permanent full time  
Budget: \$43,916.8

## FY2026 Budget Changes

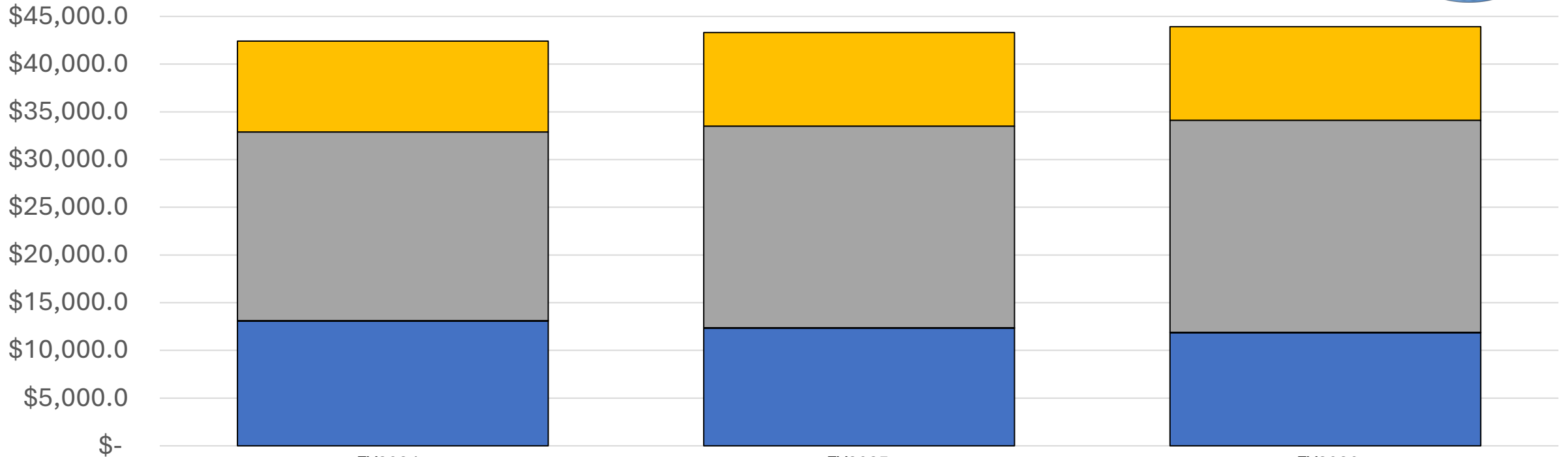
Interagency receipt authority for chargebacks	\$1,000.0
Reverse multi-year homeless management information system funding	(\$750.0)



# Departmental Support Services



## Operating Budget (FY2024 - FY2026)



	FY2024 Final Authorized	FY2025 Management Plan	FY2026 Governor
<b>UGF</b>	\$ 13,083.2	\$ 12,332.2	\$ 11,839.5
<b>DGF</b>	\$ 42.4	\$ 42.4	\$ 42.4
<b>Other</b>	\$ 19,772.4	\$ 21,130.4	\$ 22,229.1
<b>Federal</b>	\$ 9,505.8	\$ 9,795.2	\$ 9,805.8
<b>Total</b>	\$ <b>42,403.8</b>	\$ <b>43,300.2</b>	\$ <b>43,916.8</b>