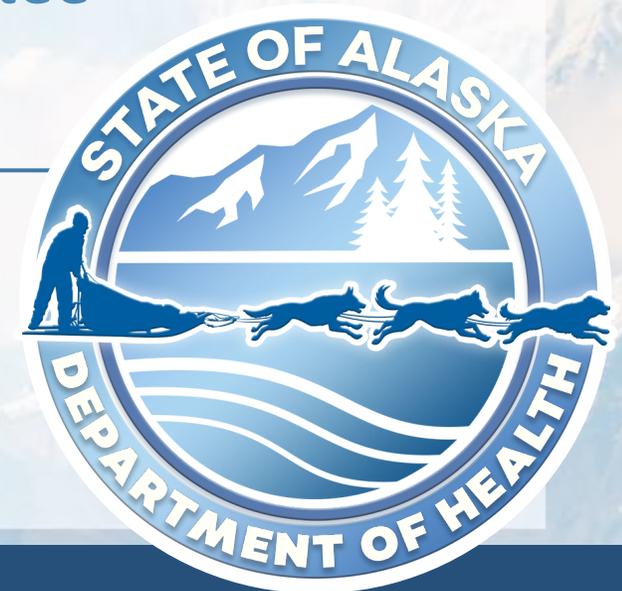


State of Alaska Department of Health

FY2027 Medicaid Services Overview
House Health & Social Services Subcommittee

Emily Ricci, Deputy Commissioner
Pam Halloran, Assistant Commissioner



Tuesday, February 24, 2026

Medicaid Services



Medicaid is a joint federal formula grant program

Eligibility and benefit criteria are outlined through state statute, regulations, and federally approved State Medicaid Plan

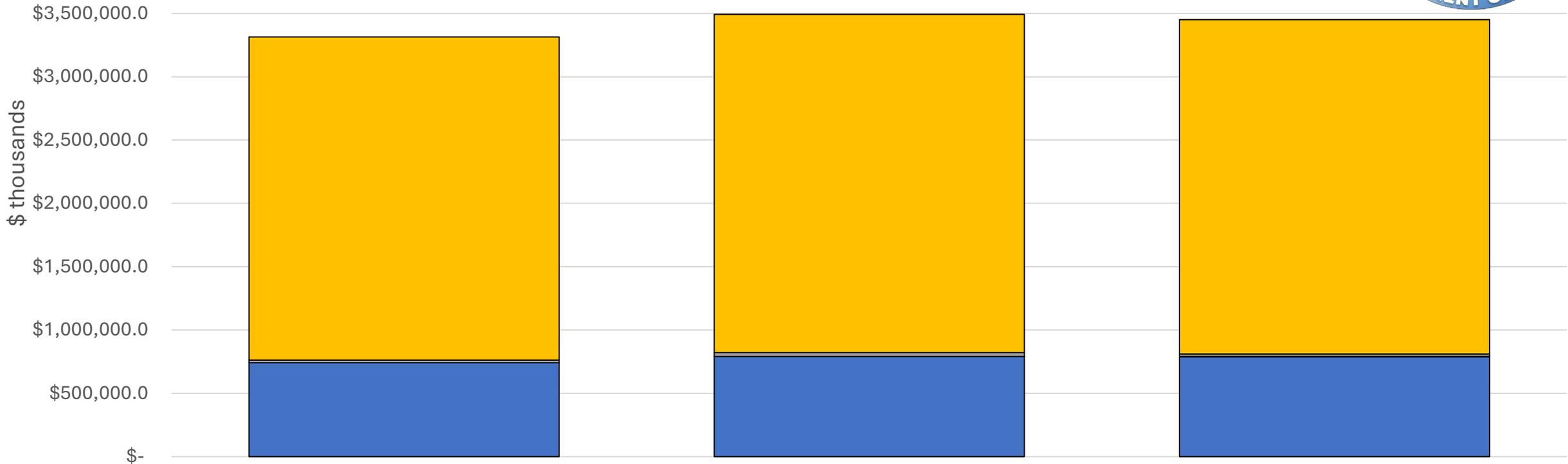


Medicaid Services



Operating Budget (FY2025-FY2027)

Dollars in thousands



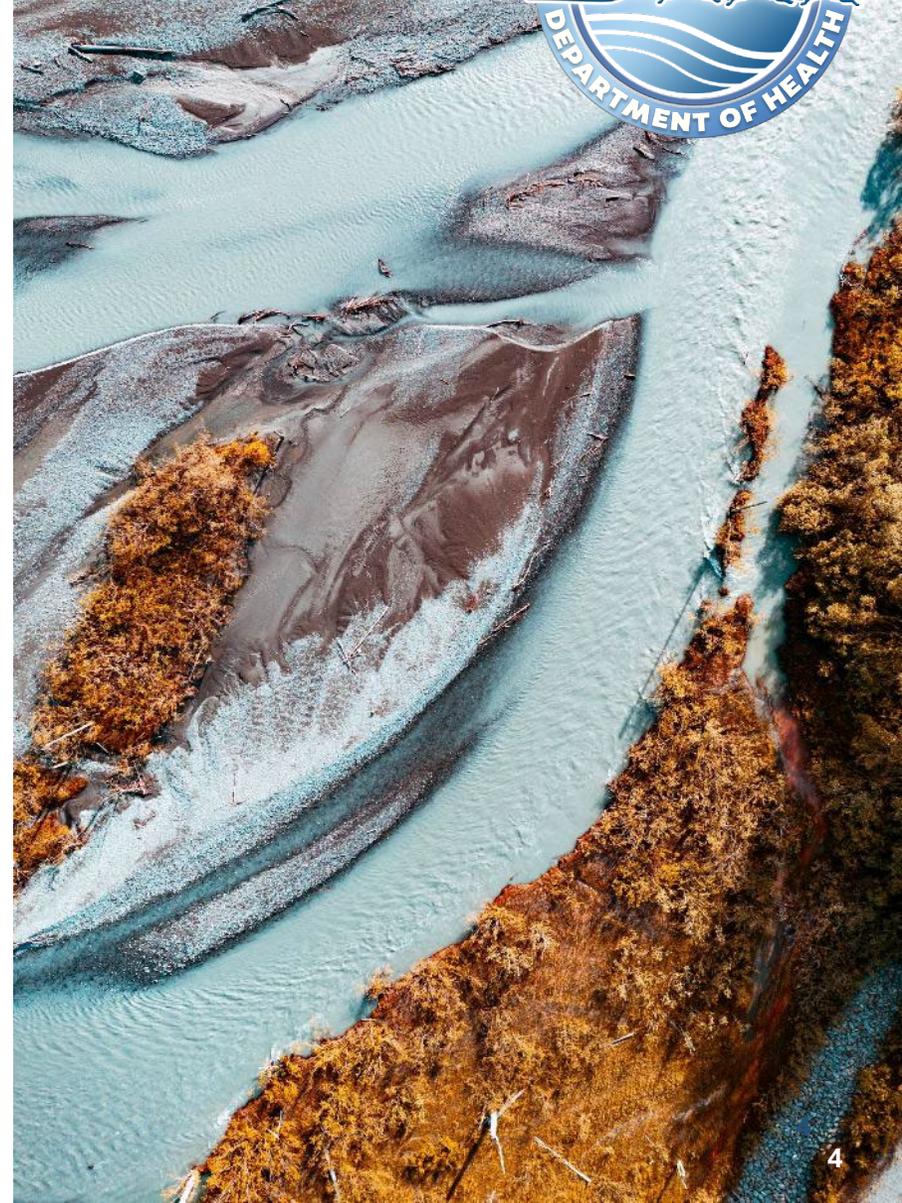
	FY2025 Final Authorized	FY2026 Management Plan + Supplemental	FY2027 Governor Amended
UGF	\$ 741,507.9	\$ 791,292.6	\$ 789,916.7
DGF	\$ 429.8	\$ 429.8	\$ 429.8
Other	\$ 20,714.1	\$ 30,714.1	\$ 20,714.1
Federal	\$ 2,552,394.4	\$ 2,669,714.1	\$ 2,640,598.1
Federal (COVID-19)	\$ -	\$ -	\$ -
Total	\$ 3,315,046.2	\$ 3,492,150.6	\$ 3,451,658.7

Contributing Factors to Medicaid Budget

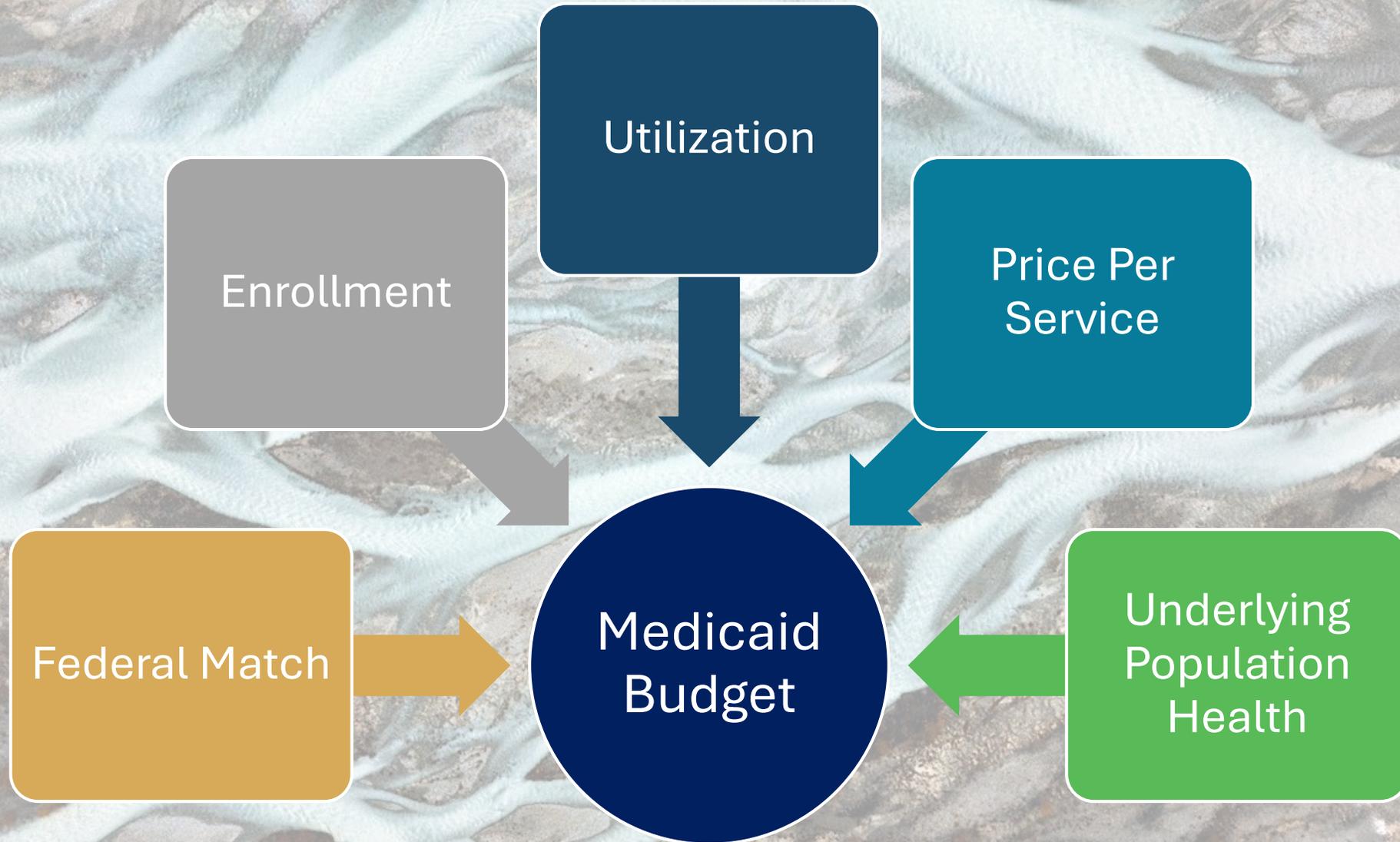


- FY26: Additional weekly payment
 - Addition of a 53rd Medicaid weekly payment at \$63.7M (\$49.3M Federal / \$14.4M GF)
 - Occurs every four to five years
- FY27: Regular FMAP* reduced by 1.05%
 - These are recalculated annually
 - Estimated \$10.8M GF impact

*Federal Medical Assistance Percentage



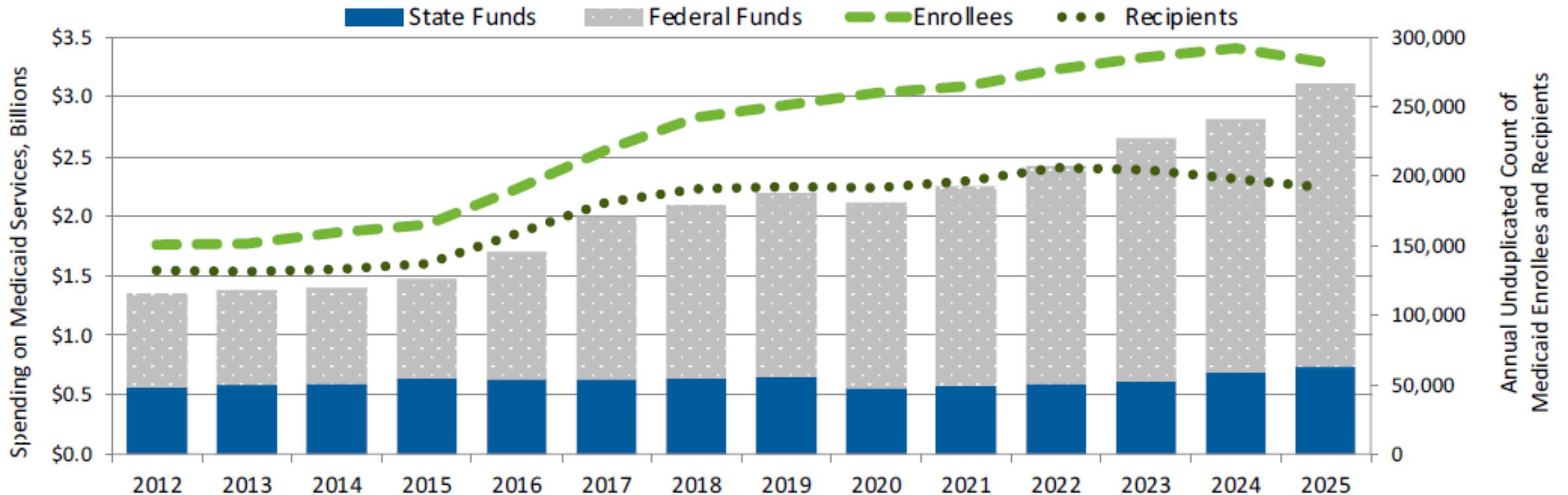
Drivers Influencing the Medicaid Budget



Long-Term Enrollment & Spend



Spending on Medicaid Services, Enrollment in the Medicaid Program, and the Number of Recipients of Medicaid Services, Based on Date of Service, FY2012 – FY2025

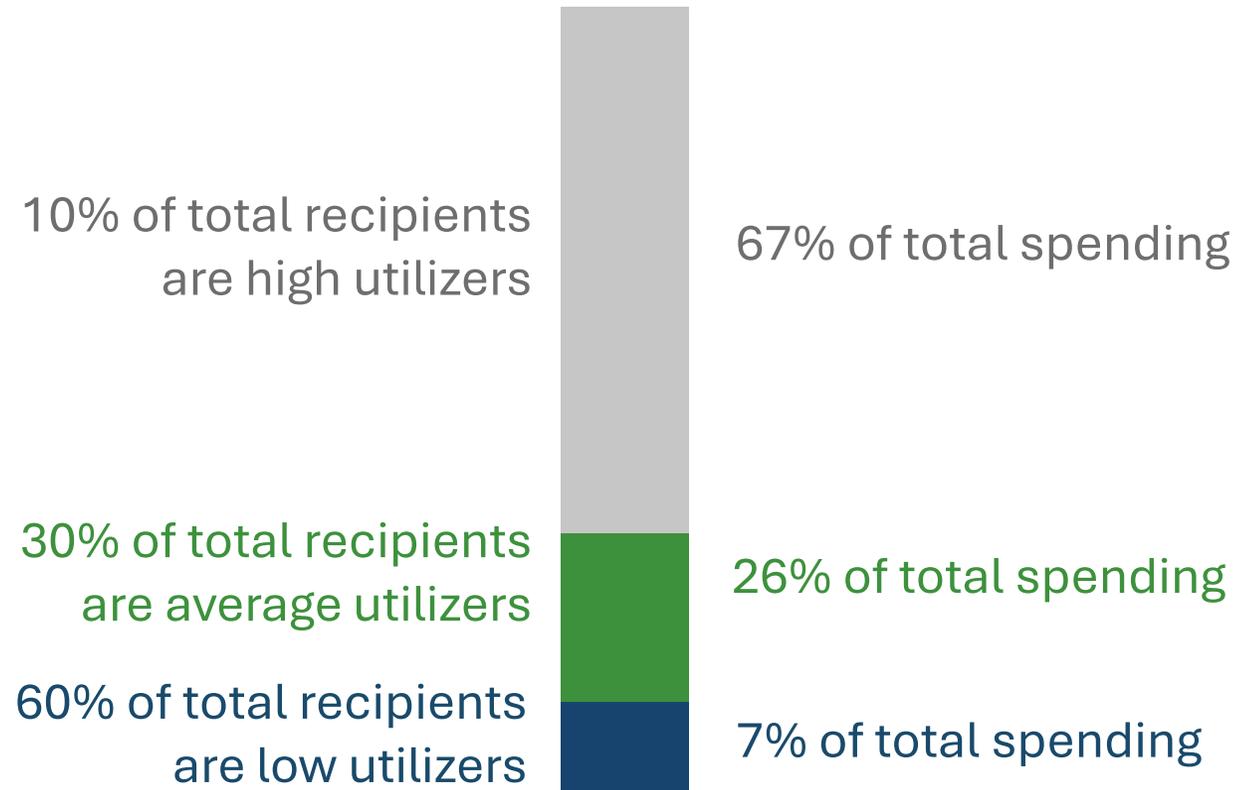


SOURCE: Long-Term Forecast of Medicaid Enrollment and Spending in Alaska: FY2026-FY2046

The Smallest Segment Spends the Most



Utilizer Category Compared to Total Actual Spending



Annual Percent Change in Medicaid Reimbursement Rates and Medical Price Inflation in Alaska



Between FY2017 and FY2020

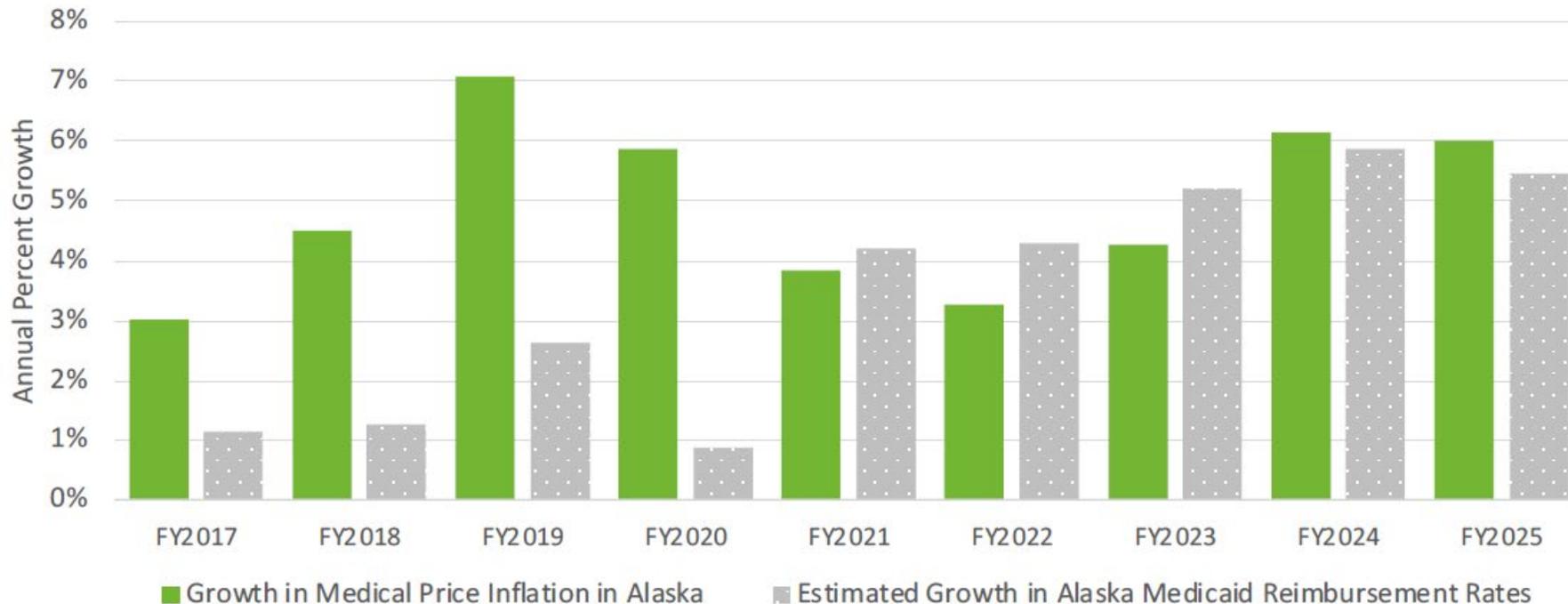
Medical price inflation outpaced Medicaid reimbursement rates

From FY2021 - FY2023

Medicaid reimbursement rates grew faster than medical price inflation

From FY2024 - FY2025

Strong growth in Medicaid reimbursement rates, but slight slower than Medical price inflation



Tribal Reclaiming and Pharmacy Rebates



Fiscal Year (FY)	Total Tribal Reclaiming Savings (UGF)	Drug Rebate Recoveries (UGF/FED)
FY2017	\$34,781.8	\$82,720.9
FY2018	\$45,187.0	\$81,353.8
FY2019	\$69,346.2	\$104,252.7
FY2020	\$94,111.2	\$105,723.3
FY2021	\$57,467.9	\$123,752.0
FY2022	\$74,412.3	\$132,185.0
FY2023	\$124,551.8	\$154,354.0
FY2024	\$138,468.3	\$134,780.7
FY2025	\$126,575.0	\$140,133.1
Total	\$764,901.5	\$1,059,255.5

Questions?

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