

# State of Alaska Department of Health

FY2027 H.R.1 Overview

House Finance Committee

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Heidi Hedberg, Commissioner  
Emily Ricci, Deputy Commissioner



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# Supplemental Nutrition Assistance Program



## Changes to the Supplemental Nutrition Assistance Program (SNAP):

1. Work Requirements
2. State Penalties for Payment Errors
3. Administrative Cost Sharing for the State



**USDA**  
**Supplemental**  
**Nutrition**  
**Assistance**  
**Program**

# SNAP Work Requirement Exemptions



SNAP work requirements for Able-Bodied Adults Without Dependents will apply adults ages 18-64.

Expanding Exemptions	Restricted or Eliminated Exemptions
Alaska Natives and American Indians	Expands the age range subject to the time limit from 18–54 to 18–64
	Veterans
	Homeless individuals
	Former foster youth (up to age 24)
	Caregiver exemption limited to parents of children under age 14

# SNAP Error Rate Penalty



States with exceptionally high error rates can delay cost-sharing until FY 2030 under specific delay provisions, meaning Alaska's current high rates may not trigger financial penalties until FY 2030.

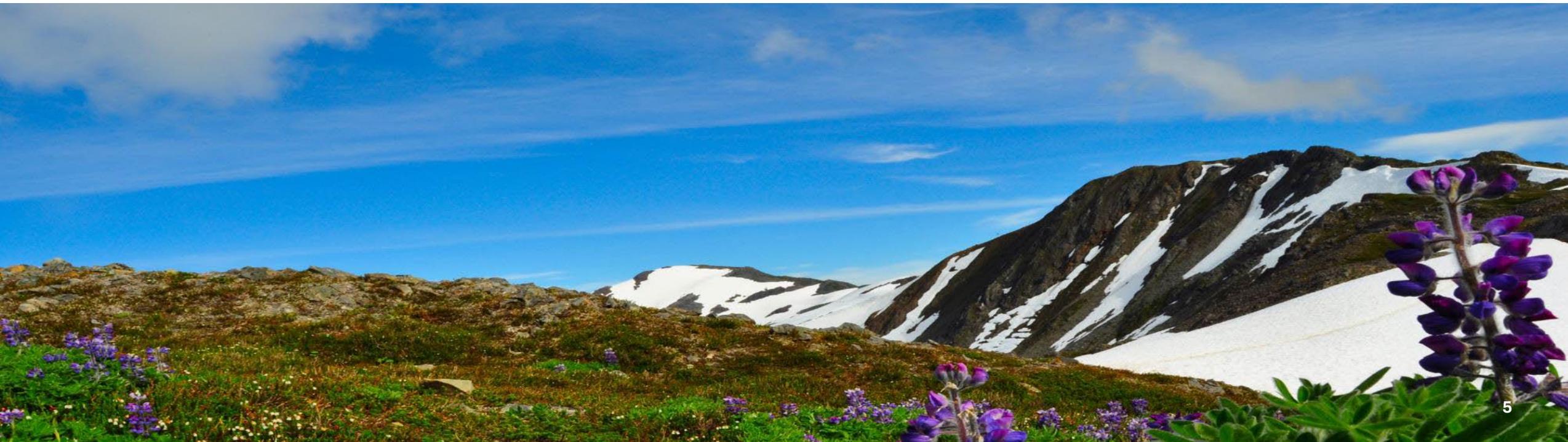
Payment Error Rate	FY 2030 State Cost-Sharing of SNAP Benefits	Estimated Fiscal Impact (Based of FFY 2025 Benefits, Dollars in Thousands)
< 6%	0%	0
≥ 6% and < 8%	6%	\$16,915.0
≥ 8% and < 10%	10%	\$28,191.0
≥ 10%	15%	\$42,287.0

Alaska's FY 2030 state cost-sharing amount will be based on the FY 2028 error rate.

# SNAP Administrative Cost Shift



- The administrative cost shift is unrelated to SNAP payment error rates. This impacts all 50 states.
- Effective October 2027, SNAP administrative cost shifted from 50-50 to 75-25.
- This will increase state costs by an estimated \$10.7 million.



# Medicaid: Alaska Impacts



## Our core Medicaid funding remains stable.

- Alaska will experience different impacts than many other states due to the unique structure of our Medicaid program and the bill's built-in exemptions.
- Alaska does not rely on provider taxes or state-directed payments, which are significantly affected by the bill and drive some of the largest projected funding losses elsewhere.



# Medicaid Community Engagement Requirements



- Most able-bodied adults ages 19–64 will now need to complete 80 hours per month of work or other qualifying activities.
- Qualifying activities include
  - Job training
  - Education
  - Volunteer service
- Seasonal income flexibility: Averaged income over six months in lieu of 80 hours/month requirement.
- Effective December 31, 2026, but the state may apply to phase in implementation through 2028 under a good faith waiver.



# Medicaid Mandatory Exemptions



- Many Alaskans are **exempt** from the work requirements
- The bill includes mandatory exemptions for individuals who are:
  - Pregnant or within the postpartum coverage period
  - Alaska Native or American Indian
  - Have a significant physical, intellectual, or developmental disability
  - Are blind or disabled
  - Experiencing a substance use disorder or disabling mental health condition
  - Have a serious or complex medical condition
  - Medically frail individuals
  - Veterans with a total disability rating
  - Enrolled in Medicare
  - A parents or caregiver for a child under 14 years old or someone with a disability
  - Recently incarcerated (within 90 days)
  - Under age 26 and formerly in foster care
  - Meet SNAP or TANF work requirements



# Medicaid Community Engagement Optional Exemptions



States may also grant short-term hardship event exemptions for:

- People living in areas with high unemployment
- Those in federally declared disaster areas
- Individuals receiving inpatient or residential care
- Those traveling for medically necessary care that is not locally available

# Thank You

## Questions?

Courtney Enright

Department of Health

Legislative Liaison

[courtney.enright@alaska.gov](mailto:courtney.enright@alaska.gov)

(907) 310-4296