

Department of Health, Division of Public Assistance Eligibility Technician PCN Overview, FY2016-FY2026

The Department of Health’s Division of Public Assistance administers public assistance programs that support basic needs including food, temporary financial aid, child care, and energy assistance for eligible Alaskans. The Division is responsible for ensuring that recipients of these benefits meet State and federal eligibility requirements for these programs, including the Supplemental Nutrition Assistance Program (SNAP) and Medicaid. The purpose of this informational paper is to provide a single reference for the recent history of the budget and staffing for this division.

Within the Division, the Public Assistance Field Services (PAFS) allocation provides eligibility determination activities including accepting applications, conducting interviews with enrollees, determining eligibility both initially and at subsequent intervals per program requirements, and the timely and accurate authorization of benefits. As a result, PAFS has the highest concentration of Eligibility Technician positions. Since the State’s expansion of Medicaid in 2016, the State has faced significant backlogs and error rates for SNAP and Medicaid, stemming from continually evolving federal requirements, a larger eligibility pool, and a cyberattack. Please note that the cost of benefits for the programs PAFS oversees eligibility for are not reflected in PAFS budget itself, which is primarily split between federal funding and State match.

State Fiscal Year	Final Budget (all funds, in thousands)	Active Eligibility Tech PCNs (by fiscal year)	Average Filled Eligibility Tech PCNs	Average Vacancy of Eligibility Tech PCNs	SNAP Error Rate By FFY	Penalties/ Fines (approx., in thousands)
2016	\$48,811.8	271	257	5.2%	NDA	-
2017	\$53,459.3	284	265	6.6%	7.3%	\$2,490.0
2018	\$53,997.1	285	242	15.1%	6.4%	-
2019	\$54,204.1	319	248	22.3%	11.2%	-
2020	\$54,626.1	310	253	19.4%	NDA	-
2021	\$62,633.8	306	242	21%	NDA	-
2022	\$58,849.1	221	198	11.4%	57%	-
2023	\$66,207.6	284	225	21.5%	60.4%	-
2024	\$88,076.7	309	243	21.4%	24.7%	\$11,908.7
2025	\$73,718.1	332	218	34.3%	N/A	\$4,600.0
2026*	\$59,378.7*	274*	229*	16.4%	N/A	-

* = Uses FY26 Enacted and YTD data through 9/30/25

NDA = No Data Available (per USDA)

N/A = Not Available

2017 Penalty: For activity between 2009-2013.

2024 Penalty: For activity between 2022-2023. Half of the penalty will be reinvested in infrastructure.

2025 Penalty: For activity in 2024.

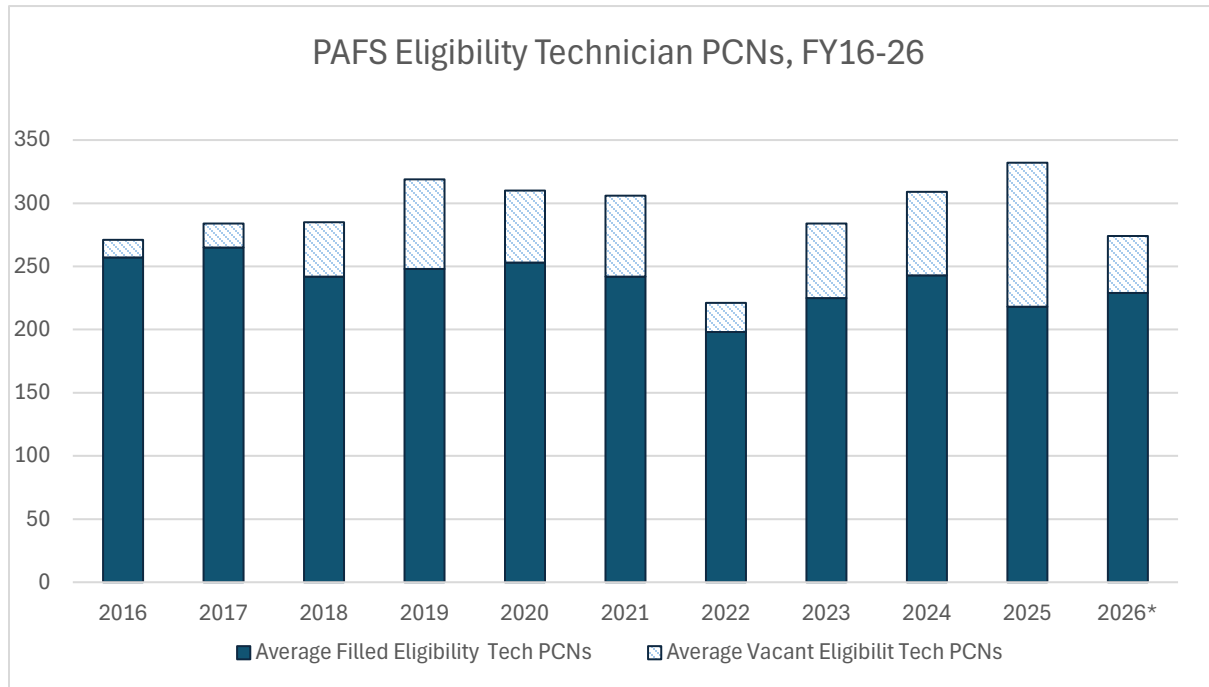
Currently the administrative cost share for SNAP is a 50-50 split between the federal government and states. In federal fiscal year (FFY) 2027, which begins October 1, 2026, the cost sharing percentages will change to 25% federal and 75% state. This is applicable to all states regardless of their error rates or other factors. Over the last five years, the total cost of administering SNAP in Alaska has averaged \$26.5 million per year, meaning Alaska's annual share of administrative costs will increase by approximately \$6.6 million in state fiscal year (FY) 2027.

Beginning in FFY2028 the federal government penalize states whose SNAP error rate exceeds 6% with a new cost sharing contribution requirement of 5% to 15% of the state's SNAP benefit costs. The error rate is a cumulative percentage of both underpaid and overpaid recipients and pertains to administrative errors like procedural missteps or miscalculations that exceed a set threshold, rather than an indication of fraud in the program. States are required to review a number of case files each month for errors and then the United States Department of Agriculture (USDA) reviews approximately half those cases already assessed by states.

The USDA does not have SNAP error rate data for all recent fiscal years and FFY25/26 information is not yet available, but Alaska's SNAP error rate between FFYs 2014 and 2024 averaged 15.3%. This average includes the high error rates from FFYs 2023 and 2024. In FFY23, the error rate was largely driven by a misunderstanding of federal policy regarding the required intervals of eligibility recertification for recipients. In FFY24, the high error rate was largely due to a decision to continue issuing benefits to Alaskans who were still in the process of recertification due to the persistent backlog.

An ongoing difficulty for PAFS has been maintaining experienced staff who can provide thorough training for new eligibility technicians at the entry level, who often need at least one full year of training in tandem with their duties to become proficient at performing determination tasks for SNAP and other benefit programs. As the Department prepares to meet new requirements and more frequent eligibility certifications present in the federal One Big Beautiful Bill Act (2025), low recruitment and retention may contribute to additional financial penalties for the State in fiscal year 2026 and beyond.

Eligibility Technician (ET) Position Change Summaries by Fiscal Year



FY2016: The Governor requested a base increment of 23 permanent full-time positions (PFTs) and \$2,771.3 [50-50 Federal Receipt authority (Fed)/Mental Health Trust Authority Authorized Receipts (MHTAAR)] related to Medicaid expansion under the federal Affordable Care Act; this was denied by the legislature. Six PFTs and \$779.6 (\$5.5 Fed, \$774.1 UGF) were transferred from the Senior Benefits appropriation to consolidate administrative work for the programs, with a net gain of 5 PFTs in Public Assistance Field Services (PAFS) due to a transfer out of one position (a Project Assistant to Public Assistance Administration).

- The legislature decremented \$2,313.6 (\$1,212.4 Fed, \$880.7 GF/Match, \$220.5 UGF) from PAFS for “possible future savings” once the AIRES project was completed. No PCNs were decremented.
- The Governor proposed RPL 06-2016-0057 for Medicaid Expansion but this was not taken up by the Legislative Budget & Audit Committee. The Governor implemented Medicaid Expansion on September 1, 2015, adding the \$2,771.3 that was requested by the Governor in his amended budget but not the 23 positions.

FY2017: The legislature approved a budget action to transfer \$500.0 UGF from the Work Services allocation in the Division to PAFS to support 10 PFTs and associated federal match that had previously been transferred into PAFS. PAFS had a net loss of two PFTs and \$201.0

(\$93.2 Fed, \$93.2 GF/Match, \$14.6 UGF) due to a transfer out of two Analyst positions to the Quality Control allocation.

FY2018: Three administrative PFTs were moved out of PAFS but six PFT and eight permanent part-time (PPT) positions were transferred from the Energy Assistance Program and one PFT each from Child Care Benefits and Work Services. Two vacant PFT Eligibility Technicians (ETs) were deleted but associated funding was maintained.

- FY18 included a reappropriation of the FY17 lapse from any of the agency's appropriations, not to exceed \$500.0, for the purpose of eliminating the backlog in PAFS.

FY2019: The legislature approved a temporary increment (IncT) for FY19 through FY21 to provide 20 temporary ETs and \$2,214.3 (50-50 Fed/UGF) to address the backlog. The Governor's original request was for 41 temporary positions and \$4,428.7 (also 50-50 Fed/UGF split).

- The Governor's FY19 Management Plan added the rest of the requested (21) positions, with no defined funding source, to PAFS for the backlog and transferred in one administrative position and associated funding from the Work Services allocation.

FY2020: The existing IncT (FY19-FY21) was maintained in the FY20 budget. There were four administrative positions and associated funding transferred into PAFS from other allocations (Child Care Benefits, Public Assistance Administration) for program alignment.

FY2021: The existing IncT (FY19-FY21) was maintained in the FY21 budget. A total of 10 positions were transferred out of PAFS to various allocations in the Department Support Services appropriation. Six PFT ETs were transferred to the Information Technology Services allocation to assist with the eligibility system, another three PFT ETs were transferred to the Administrative Support Services for classification, and one administrative PFT was transferred into the Commissioner's office. These transfers did not include funding.

FY2022: The previous IncT concluded at the end of FY21. The Governor's initial budget proposal would have deleted 101 positions and reduced the PAFS budget by over \$7 million (Fed and GF/Match), citing efficiencies gained by converting application processing and other aspects of staff workload to electronic document management systems. The legislature approved approximately half of the position reduction and 75% of the funding reduction, as well as a new increment of \$1.75 million (\$894.3 Fed, \$858.2 GF/Match) to modify the funding for the remaining 50% of the PFTs. The Governor then vetoed the positions and funding restored by the legislature except the 25% (\$894.3) federal portion.

- Several positions were transferred out of the allocation, and ~\$1.1 million in other line-item reductions for overhead costs related to the ET position deletions.

FY2023: This was the first fiscal year of the Department of Health following the split of the former Department of Health and Social Services into two agencies, along with the Department of Family and Community Services. The cyberattack that the Department experienced during FY22 necessitated a stop in the use and development of technological efficiencies and a return to manual processes. In response, the legislature authorized an IncT for FY23 through FY24 to restore 20 temporary positions with \$1,331.9 (\$679.2 Fed/\$652.7 GF/Match) for the recovery phase.

- The Governor did not veto this IncT and maintained it in his FY24 budget request.
- The Legislature also approved an FY23 Supplemental for 30 temporary positions and \$6,821.7 (\$3,733.0 Fed, 3,088.7 GF/Match) in PAFS. This Supplemental was related to another IncT in the FY24 budget.

FY2024: The existing IncT (FY23-FY24) was maintained in the FY24 budget; however, two of the positions were made permanent in the FY23 Management Plan. Additionally, two PFTs were transferred in from other allocations in the Division and two non-permanent positions were made permanent.

An FY24-FY25 multiyear appropriation for more funding and positions to meet federal Medicaid redetermination requirements after the federal public health emergency related to COVID-19 ended. The multiyear maintains the 30 temporary positions from the FY23 Supplemental and added \$17,834.5 (\$8,917.3 Fed, \$8,917.2 GF/Match) for the Department to spend down through FY25.

The Governor also requested an FY24 Supplemental for 30 more temporary positions and \$8,829.2 (\$2,751.0 Fed, \$6,078.2 GF/Match) for the specified purpose of a “recruitment program” to address the SNAP backlog. The legislature modified this Supplemental to be another multiyear appropriation spanning FY24 through FY25. The money was used by the administration to support a contract with an out-of-state organization to provide call center services for Medicaid applicants.

- DOH made the remaining 18 temporary positions associated with the FY23-FY24 IncT permanent in the FY24 Management Plan.

FY2025: The two FY24-FY25 multiyear appropriations were maintained. The Governor requested \$1,759.7 (\$897.4 Fed, \$862.3 GF/Match) be added to the base to pay for the full cost of the 20 temporary positions that had been converted to PFTs during FY23 and FY24 and the legislature approved this.

FY2026: The Governor's Amended budget request included an increment for \$8,200.0 (50-50 Fed and GF/Match) to maintain the virtual call center contract but the legislature denied this. The Governor also requested \$1,629.8 (50-50 Fed and GF/Match) and 15 PFTs for ETs in PAFS, which was approved.

The challenging circumstances described above have impacted the ability of PAFS to fully meet its mission, particularly as temporary positions and funding meant to bridge programmatic gaps have expired but technological solutions to address the workload have been slow to come online. Long-standing recruitment challenges may be exacerbated by the hiring freeze implemented by the Governor on May 9, 2025, and policy choices by the administration that require additional steps for agencies to offer existing positions for recruitment and slows the hiring process with an extended chain of approval once a candidate has been selected. Rectifying the issues of vacancy, turnover, and institutional knowledge loss will be paramount to the State's ability to maintain an error rate under 6% and avoid financial penalties in the coming years.