

Fiscal Note

State of Alaska
2026 Legislative Session

Bill Version:	CSHB 376(EDC)
Fiscal Note Number:	2
(H) Publish Date:	3/30/2026

Identifier: HB376-DOH-MS-03-10-26
 Title: EXPAND EARLY INTERVENTION SERVICES
 Sponsor: EDUCATION
 Requester: (H) EDC

Department: Department of Health
 Appropriation: Medicaid Services
 Allocation: Medicaid Services
 OMB Component Number: 3234

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2027	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2027 Request	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
OPERATING EXPENDITURES	FY 2027	FY 2027					
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits			5,459.2	5,459.2	5,459.2	5,459.2	5,459.2
Miscellaneous							
Total Operating	0.0	0.0	5,459.2	5,459.2	5,459.2	5,459.2	5,459.2

Fund Source (Operating Only)

1002 Fed Rcpts (Fed)			2,729.6	2,729.6	2,729.6	2,729.6	2,729.6
1003 GF/Match (UGF)			2,729.6	2,729.6	2,729.6	2,729.6	2,729.6
Total	0.0	0.0	5,459.2	5,459.2	5,459.2	5,459.2	5,459.2

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2026) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2027) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Not applicable; initial version.

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Division:	Medicaid Services	Date:	03/11/2026
Approved By:	Pam Halloran, Assistant Commissioner	Date:	03/13/26
Agency:	Department of Health		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

Analysis

This bill would allow for the department to pursue the addition of early intervention services as a reimbursable Medicaid service by adding it to the list of services listed under AS 47.07.030(b).

The bill clarifies who is eligible to receive early intervention services by removing mention of an at-risk population.

Every five years the department would be required to consult with medical professionals and the state entity that satisfies the federal requirement for the interagency coordinating council to periodically review the conditions that qualify as a disability under AS 47.20.060-47.20.290.

The bill would change the definition of developmental delay, with three sub-definitions under which an infant or child could meet the definition of having a developmental delay:

- 1) Infants or children who do not meet the eligibility requirements to receive services under the Individuals with Disabilities Education Act (IDEA) would meet the definition of developmental delay if they have a 15% delay in one or more areas. These infants and children are referred to as non-part C since they would not be eligible to receive services under the state’s definition of eligibility for early intervention services under Part 303 of the IDEA.
- 2) Infants or children would meet the definition of developmental delay if they have a 25% delay in one area and would be eligible to receive early intervention services under IDEA.
- 3) Infants or children would meet the definition of developmental delay if they have at least a 20% delay in two or more areas and would be eligible to receive early intervention services under IDEA.

The bill would authorize the department to pursue a state plan amendment if necessary to add early intervention services as a Medicaid service and provides for a July 1, 2026 effective date.

The estimated cost of early intervention services under AS 47.20.080 can be calculated based on current service data from the Infant Learning Program (ILP) data system and prior cost estimates from a 2011 ILP cost study. Many key services provided in the early intervention program are not currently reimbursed by Alaska Medicaid but are reimbursed by Medicaid in most other states. The 2011 cost study estimated actual costs for these services. The attached cost estimate chart shows key services, the estimated cost per unit, and the number of units of each service provided in the past one-year period. This estimated cost of service is then multiplied by 57%, the percentage of ILP children enrolled in Medicaid. In order to estimate the state Medicaid match, the estimated cost is then multiplied by the FMAP rate of 50%. Updates to the cost study may be required in the rate setting process but reflect our most accurate starting point of costs for the purpose of this estimate. In addition, there is uncertainty about how the proposed changes to the ILP eligibility criteria will actually impact enrollment.

Service Type Category	Projected Cost Based on Increased Units of Service	Portion of Services for Medicaid Enrolled Clients (57%)	State Match (50%)
Referral Follow-Up/Intake	\$ 1,115,321	\$ 635,733	\$ 317,867
Screening	\$ 132,665	\$ 75,619	\$ 37,810
Evaluation/Assessment Other	\$ 1,296,475	\$ 738,991	\$ 369,496
Special Instruction	\$ 3,154,140	\$ 1,797,860	\$ 898,930
Occupational Therapy	\$ 1,303,862	\$ 743,201	\$ 371,601
Physical Therapy	\$ 917,938	\$ 523,225	\$ 261,612
Speech Language Therapy	\$ 1,544,891	\$ 880,588	\$ 440,294
Behavioral Health	\$ 112,232	\$ 63,972	\$ 31,986
	\$ 9,577,525	\$ 5,459,189	\$ 2,729,595
<i>Cost based on expanded eligibility</i>			