

# Medicaid Services

Senate Finance Budget Subcommittee

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Emily Ricci, Deputy Commissioner

Pam Halloran, Assistant Commissioner

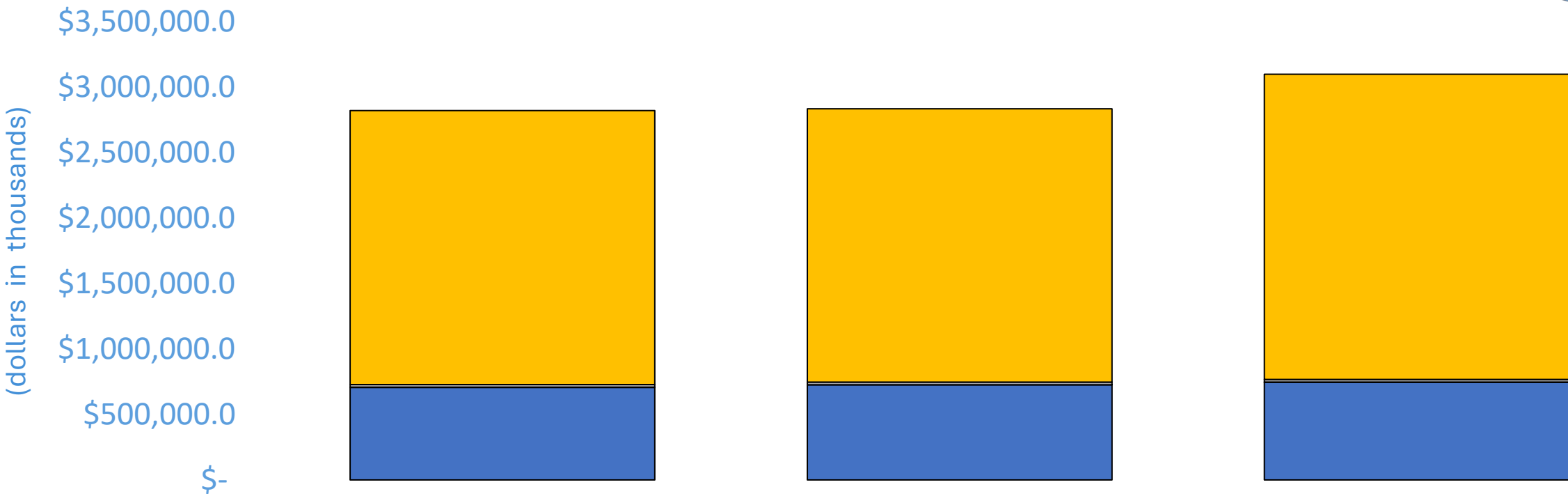


Thursday, March 6, 2025

# Medicaid Services

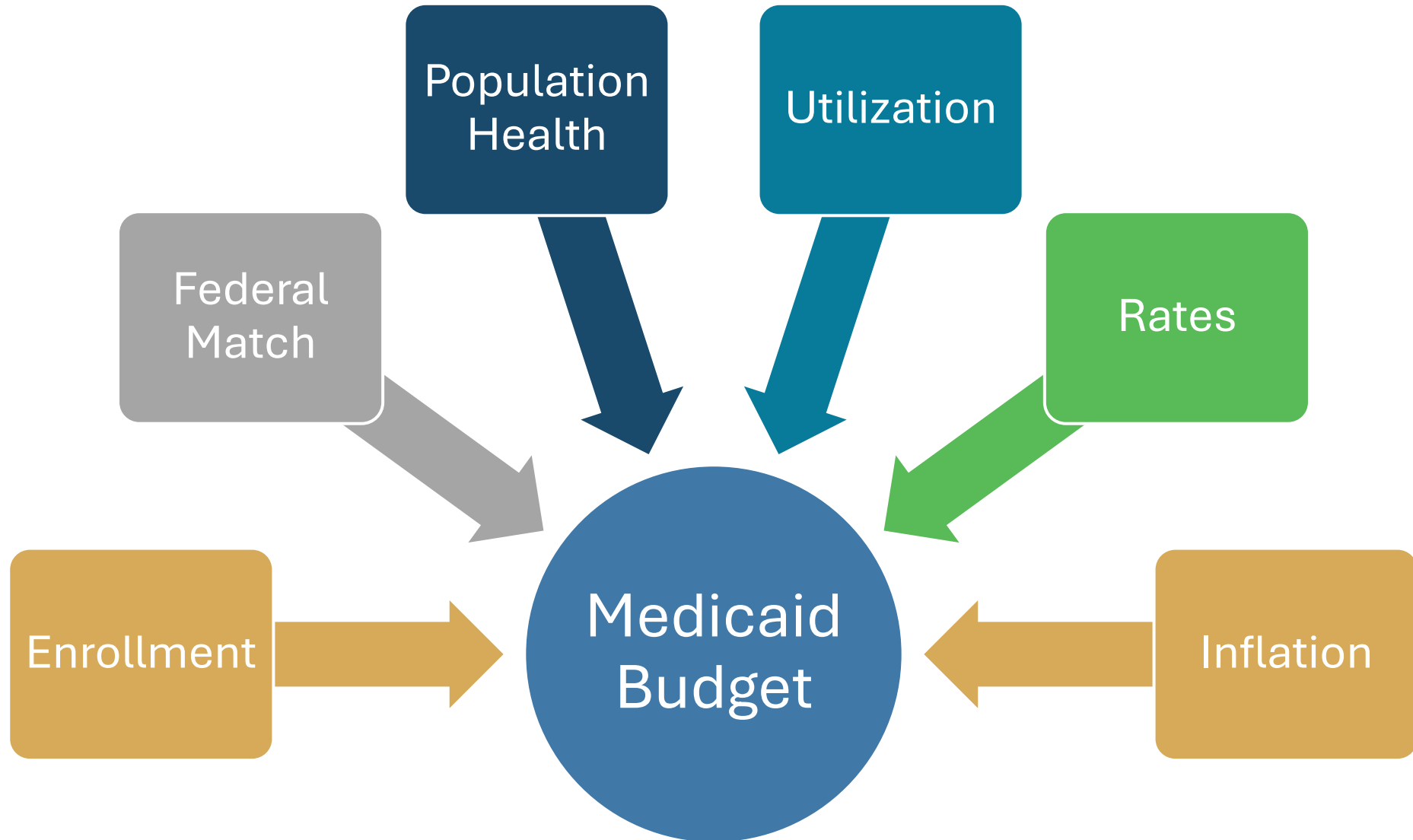


## Operating Budget (FY2024-FY2026)



	FY2024	FY2025	FY2026
	Final Authorized	Management Plan	Governor Amended
UGF	\$ 707,574.2	\$ 727,308.0	\$ 746,715.3
DGF	\$ 429.8	\$ 429.8	\$ 429.8
Other	\$ 20,714.1	\$ 20,714.1	\$ 20,714.1
Federal	\$ 2,093,759.3	\$ 2,087,995.4	\$ 2,333,087.1
Total	\$ 2,822,477.4	\$ 2,836,447.3	\$ 3,100,946.3

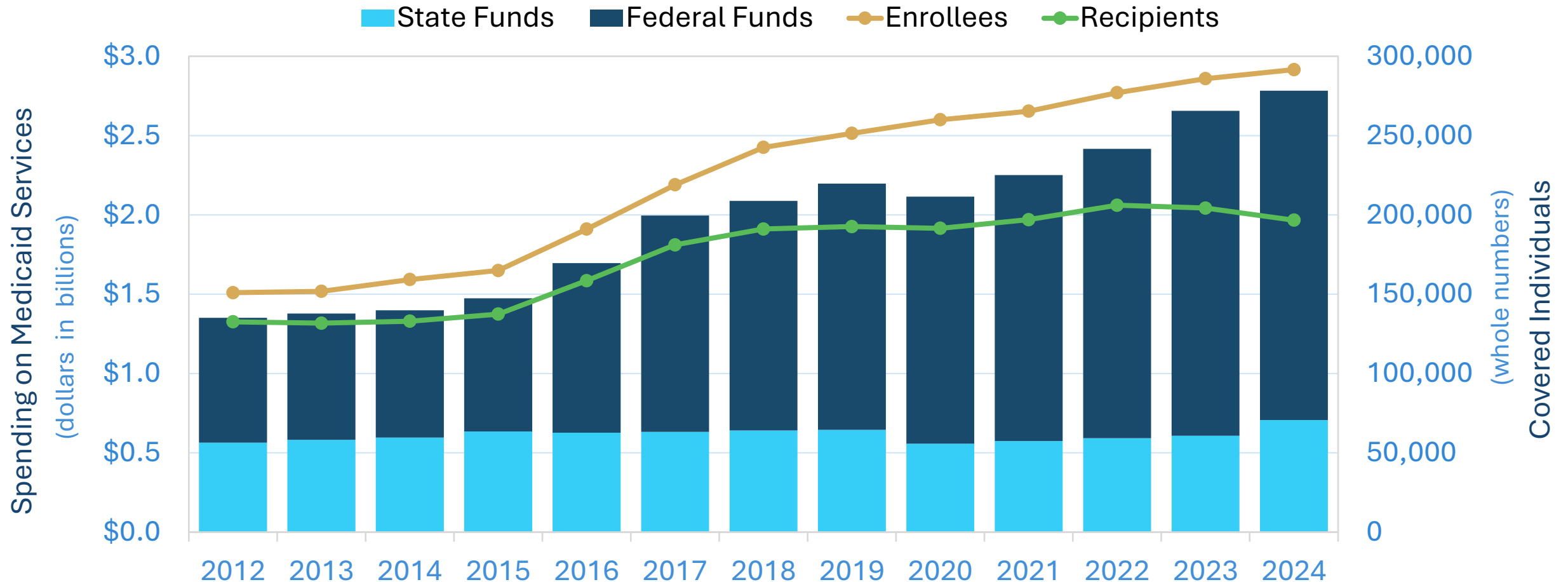
# Drivers Influencing the Medicaid Budget



# Long-Term Enrollment & Spend (FY2012 – FY2024)

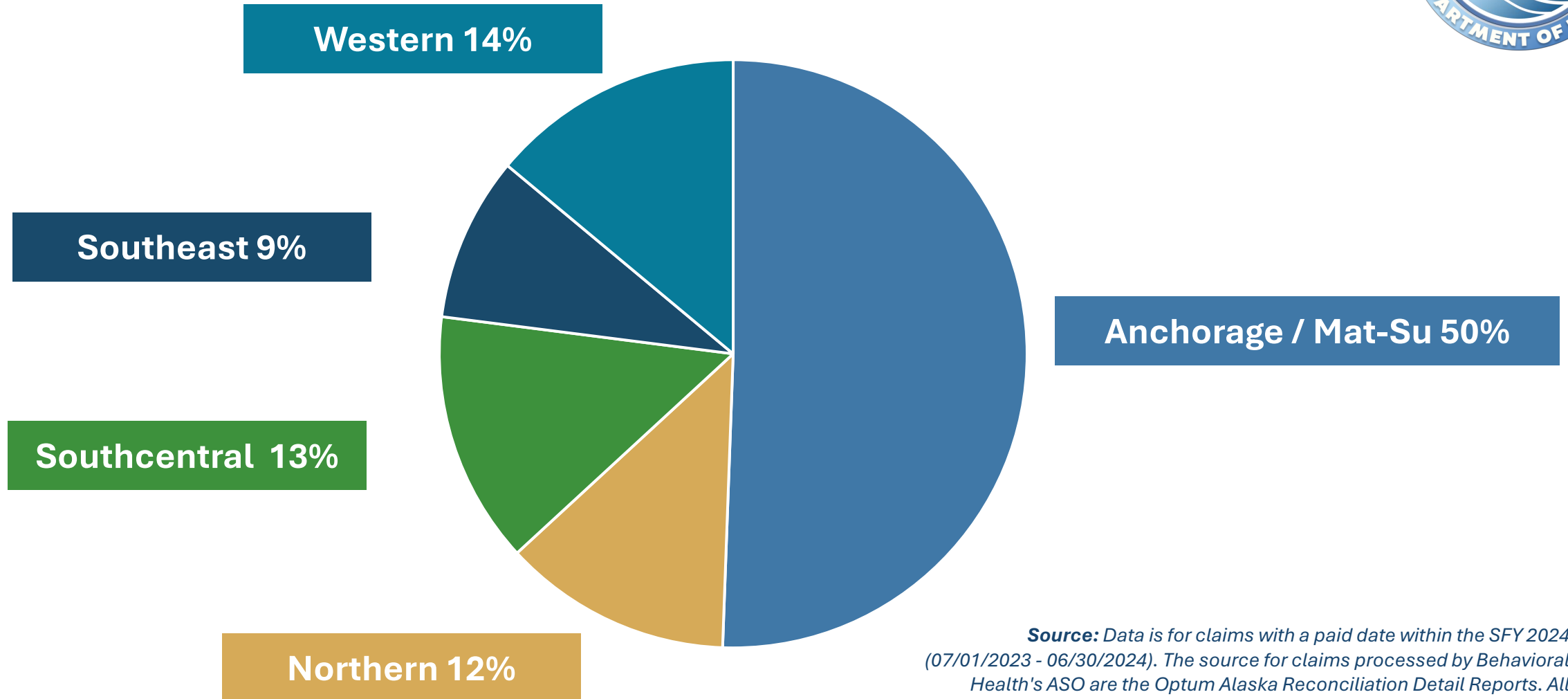


## Annual Medicaid Spending, Enrollment & Recipients \*



DATA SOURCE: Long-Term Forecast of Medicaid Enrollment and Spending in Alaska: FY2025-FY2045 [unpublished draft report]

# Percent of Medicaid Recipients by Region



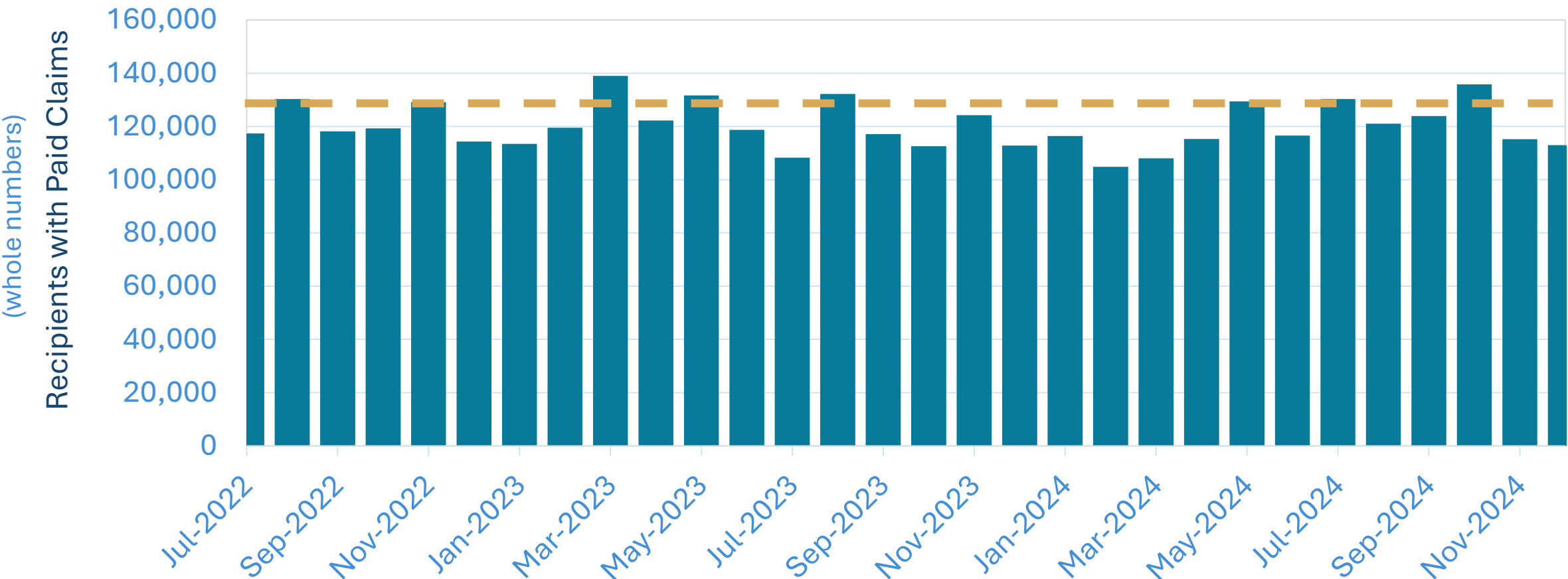
**Source:** Data is for claims with a paid date within the SFY 2024 (07/01/2023 - 06/30/2024). The source for claims processed by Behavioral Health's ASO are the Optum Alaska Reconciliation Detail Reports. All other claims were extracted from MMIS/COGNOS. Medicaid providers are allowed to submit claims up to one year after the date of service.

# Recipients / Month Remains Flat



Recipients with Paid Claims, July 2022 - December 2024

■ Recipients      — Linear (Recipients with Paid Claims)



DATA SOURCE: Long-Term Forecast of Medicaid Enrollment and Spending in Alaska: FY2025-FY2045 [unpublished draft report]

# Federal Medicaid Match



State & federal government split Medicaid costs based on the Federal Medical Assistance Percentage (FMAP):

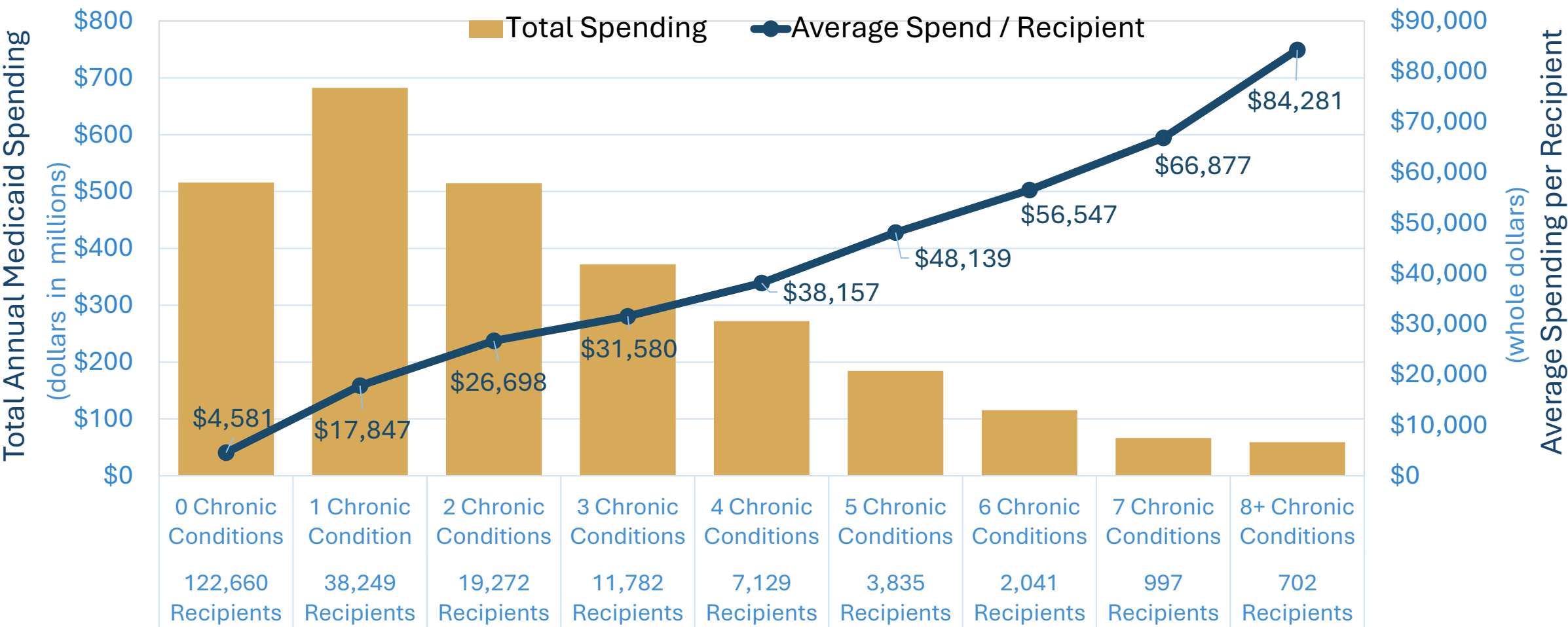
- Calculated each year
- 50% federal floor
- Different eligibility categories have different FMAP rates

Category	FY2025 FMAP
Indian Health Services (IHS)	100.00%
Expansion Population	90.00%
Children's Health Insurance Program (CHIP)	66.08%
Breast & Cervical Cancer (BCC)	66.08%
1915(k) Community First Choice	57.54%
Regular Medicaid	51.54%

# Chronic Conditions Drive Spending



## Chronic Conditions & Medicaid Spending



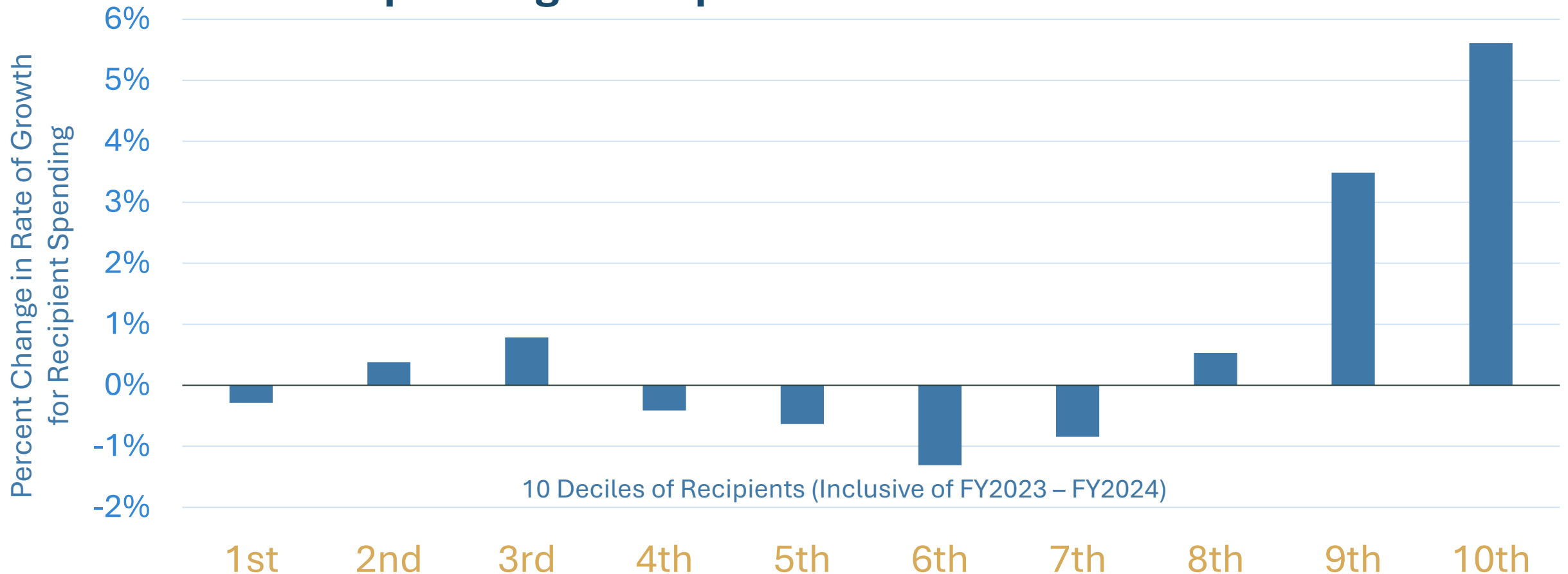
DATA SOURCE: Long-Term Forecast of Medicaid Enrollment and Spending in Alaska: FY2025-FY2045



# Growth Greatest in High-Cost Recipients



## FY2023 – FY2024 Percent Growth in Spending / Recipient Across All Deciles

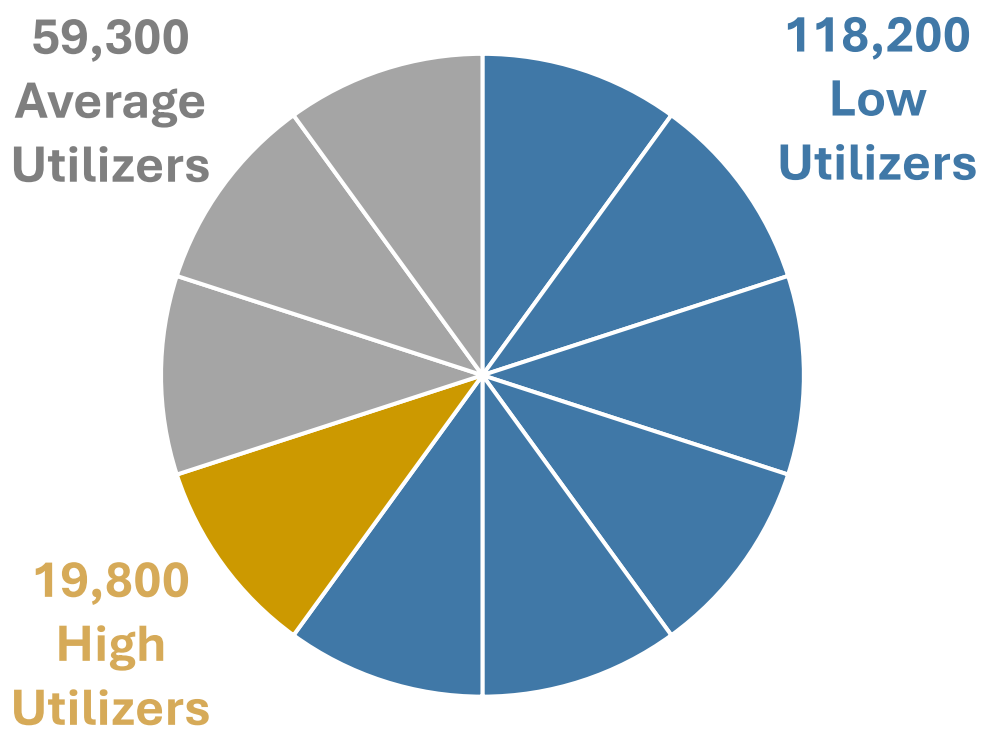


DATA SOURCE: Long-Term Forecast of Medicaid Enrollment and Spending in Alaska: FY2025-FY2045 [unpublished draft report]

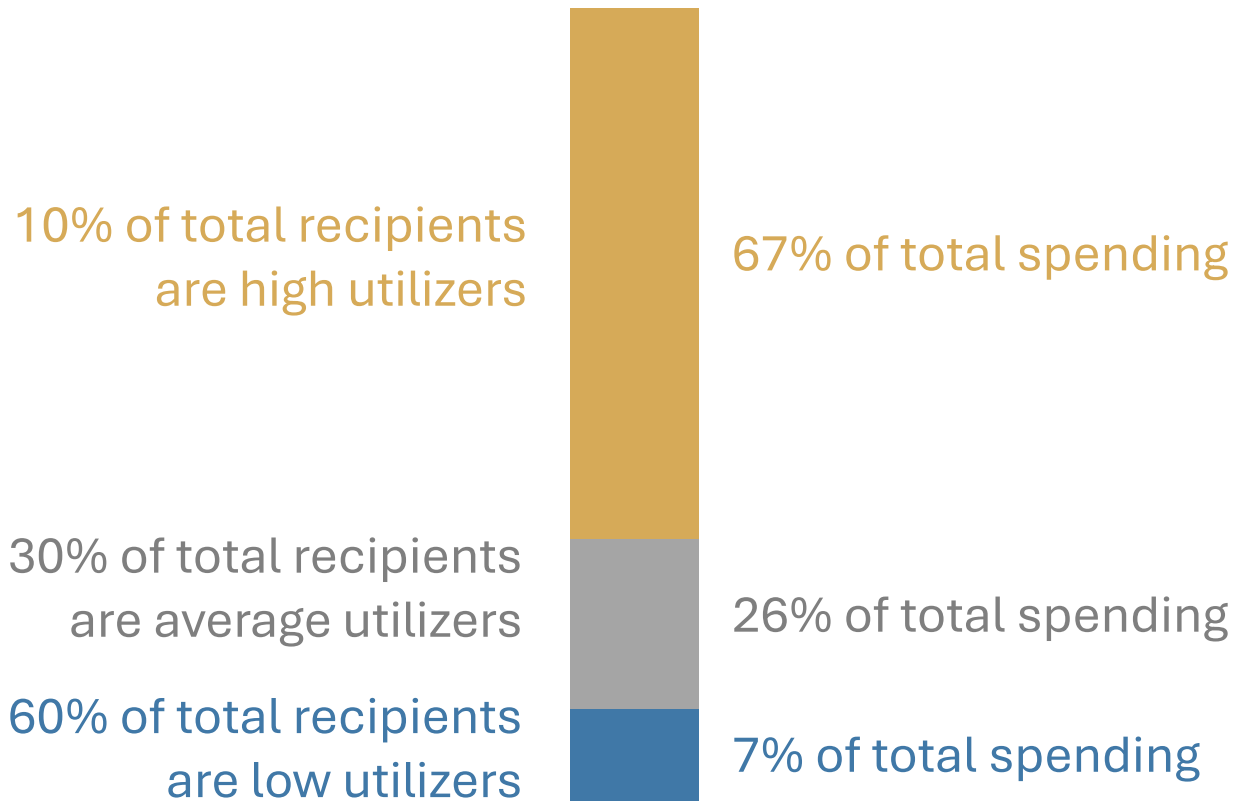
# The Smallest Segment Spends the Most



**Total FY2024 Utilizers  
Split into 10 Equal Segments**

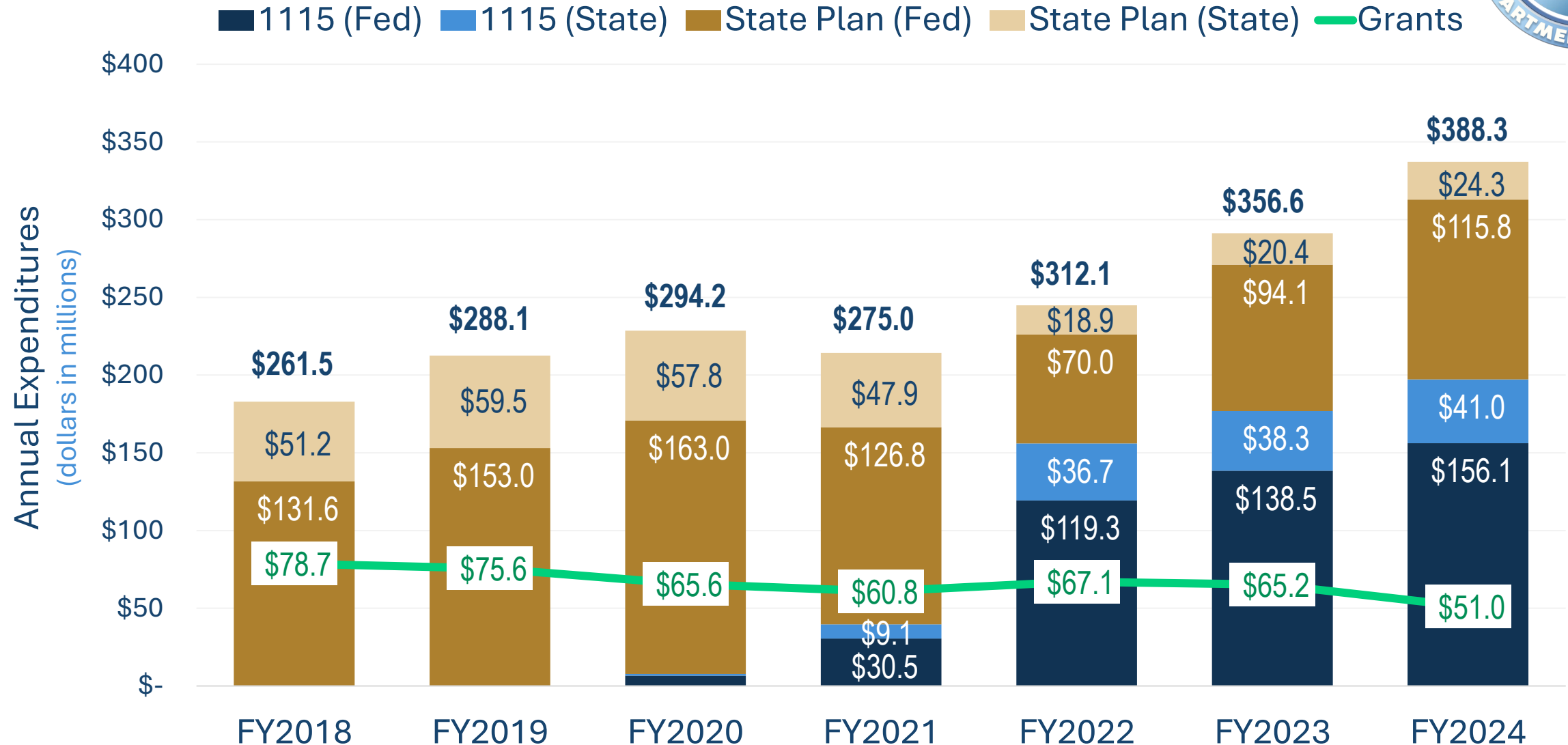


**Utilizer Category Compared to  
Total Actual Spending**



DATA SOURCE: Long-Term Forecast of Medicaid Enrollment and Spending in Alaska: FY2025-FY2045

# Behavioral Health Spend: Medicaid & Grants



# Medicaid Reimbursement Rates vs. Medical Price Inflation



## Before FY2021

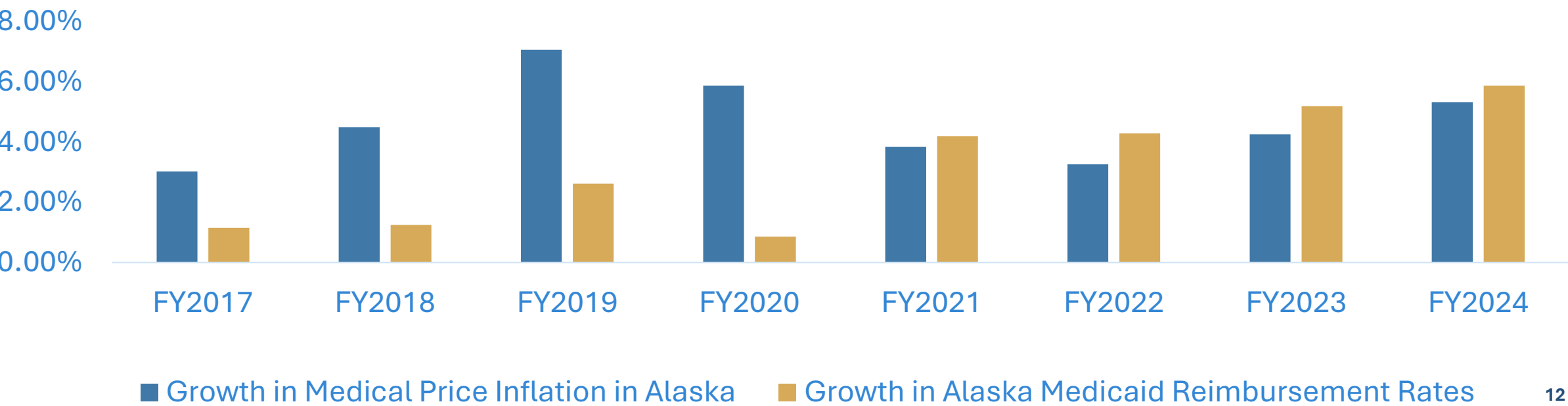
Medical price inflation outpaced Medicaid reimbursement rates by ~3.6% / year

## From FY2021 - FY2023

Medicaid reimbursement rates grew faster than medical price inflation

## Between FY2017 - FY2024

Medicaid reimbursement rates increased by 27%  
Medical price inflation increased by 44%



# 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)

# Questions?

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

