



33<sup>rd</sup> Alaska State Legislature  
House Finance Budget Subcommittee  
Department of Health  
FY25 HOUSE FINANCE BUDGET SUBCOMMITTEE  
NARRATIVE REPORT

**Chair:**

Rep. Will Stapp  
Capitol Room 513  
465-3004

**Members:**

Rep. Mike Prax  
Capitol Room 108  
465-4797

Rep. CJ McCormick  
Capitol Room 416  
465-4942

Rep. Dan Saddler  
Capitol Room 204  
465-3738

Rep. Justin Ruffridge  
Capitol Room 104  
465-2693

Rep. Jesse Sumner  
Capitol Room 421  
465-4833

Rep. Genevieve Mina  
Capitol Room 420  
465-3424

Rep. Zack Fields  
Capitol Room 13  
465-2647

**Committee Aide:**

Bernard Aoto  
465-6541

March 07, 2024

The House Finance Budget Subcommittee for the Department of Health held a total of five meetings consisting of division budget presentations and discussions over the Governor's proposed and amended budget. Based on those considerations, the Subcommittee has made several changes to the Governor's operating budget and submits the following recommended operating budget for FY25 to the House Finance Committee:

**RECOMMENDATIONS**

Fund Source	(dollars are in thousands)
Unrestricted General Funds (UGF)	\$973,183.5
Designated General Funds (DGF)	\$54,693.1
Other Funds	\$98,171.5
Federal Funds	\$2,337,512.1
<b>Total</b>	<b>\$3,463,560.2</b>

Compared to the FY25 Adjusted Base, the Subcommittee recommendations represent a decrease of \$6,905.6 (0.7%) in Unrestricted General Funds, an increase of \$171.9 (0.3%) in Designated General Funds, a decrease of \$900.3 (0.9%) in Other funds, and an increase of \$308,796.8 (15.2%) in Federal funds for a total increase of \$301,162.8 (9.5%) in all fund sources.

**POSITIONS**

Permanent Full-Time (PFT)	1536
Permanent Part-Time (PPT)	5
Temporary	60
<b>Total</b>	<b>1601</b>

Compared to the FY25 Adjusted Base, the Subcommittee recommendations represent an increase of twenty-five PFT positions (1.7%) within the Department.

**BUDGET ACTION**

The Subcommittee reviewed and discussed each of the Governor's proposed transactions in detail. After consideration, most of the items were adopted unchanged. There were also several changes made by the committee.

Highlights (dollars are in thousands):

The following are items unchanged from the Governor's proposal:

- \$862.3 GF Match increment with \$897.4 in Federal Receipt authority to support funding for 20 permanent positions authorized in FY23 and FY24 in the Public Assistance Field Services allocation.
- \$4,151.1 GF Match increment with \$10,237.6 in Federal Receipt authority to fund the second year of Medicaid eligibility for postpartum mothers in support of SB58 which was passed by the Legislature in FY24.

The following are items changed by the subcommittee:

- Reduction of \$10,000.0 in Medicaid Services in anticipation of decreased utilization due to ongoing Medicaid Redetermination process.
- \$935.0 GF Match increment with \$935.0 in Federal Receipt authority to maintain Health Information Exchange operations.
- \$1,500.0 GF Match temporary increment to FY30 which is spread out between Public Health Laboratories and Epidemiology allocations to support efforts to eliminate congenital syphilis.
- \$500.0 GF Match temporary increment to FY30 which is spread out between Public Health Laboratories, Nursing, and Epidemiology allocations to adopt recommendations in the Alaska Tuberculosis Elimination Plan.
- Reduced the authority of the Commissioner to transfer funds between appropriations within the Department (except for appropriations from Medicaid Services) from \$15,000.0 to \$10,000.0 and maintains wordage to require the Department to report to the Legislature any transfers made in the last fiscal year.

### **SUBCOMMITTEE AMENDMENTS**

The Chair set an amendment deadline and welcomed amendments from all members. There were twelve amendments received. The committee adopted two amendments, rejected six amendments, and four amendments were not offered or withdrawn.

Adopted Amendments (dollars are in thousands):

- \$1,200.0 Gen Fund to restore the funding that was listed as a decrement to fund Public Health Nursing Grants.
- \$821.5 Gen Fund and accompanying intent language to support increased rates for the General Relief Temporary Living Assistance Program

### **ATTACHED REPORTS**

The House Finance Budget Subcommittee for the Department of Health adopted the attached reports:

- DOH Agency Totals
- DOH Transaction Compare: FY25 Adjusted Base to House Subcom
- DOH Transaction Compare: FY25 Gov Amend to House Subcom
- Wordage

Respectfully Submitted,



Representative Will Stapp

Chair, House Finance Subcommittee for Department of Health