

Fiscal Note

State of Alaska
2025 Legislative Session

Bill Version: HB 185
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB185-DOH-PAFS-5-2-25
Title: MEDICAL ASSISTANCE; FAMILY PLANNING
Sponsor: HALL
Requester: (H) HSS

Department: Department of Health
Appropriation: Public Assistance
Allocation: Public Assistance Field Services
OMB Component Number: 236

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personal Services			288.3	288.3	288.3	288.3	288.3
Travel							
Services	1,444.8		60.0	60.0	60.0	60.0	60.0
Commodities			15.0	6.0	6.0	6.0	6.0
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	1,444.8	0.0	363.3	354.3	354.3	354.3	354.3

Fund Source (Operating Only)

1002 Fed Rcpts (Fed)	722.4		181.6	177.1	177.1	177.1	177.1
1003 GF/Match (UGF)	722.4		181.7	177.2	177.2	177.2	177.2
Total	1,444.8	0.0	363.3	354.3	354.3	354.3	354.3

Positions

Full-time			3.0	3.0	3.0	3.0	3.0
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2025) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2026) 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? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/26

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Approved By: Pam Halloran, Assistant Commissioner
Agency: Department of Health
Phone: (907)465-2680
Date: 05/01/2025
Date: 05/02/2025

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

BILL NO. HB185

Analysis

House Bill 185 directs the Alaska Department of Health to seek federal approval to add family planning services and supplies as an optional benefit under the state's Medicaid program. The proposed amendment to AS 47.07.030(b) would extend coverage to non-pregnant individuals of child-bearing age whose household income does not exceed 225 percent of the federal poverty level, as defined by the U.S. Department of Health and Human Services.

The bill requires the department to submit a Medicaid state plan amendment to the Centers for Medicare and Medicaid Services (CMS). The act is contingent upon federal approval—or a determination that approval is not required—by January 1, 2026. If approved, the policy would take effect on January 1, 2026, with notice to the revisor of statutes required within 30 days.

Implementation Considerations:

Implementation will require coordination across policy, program, and system teams. Activities will include development of the state plan amendment, fiscal analysis, regulatory updates, stakeholder engagement, staff training, and collaboration with CMS. The estimated timeline for full implementation is approximately 12 months.

Fiscal Impact:

According to 2023 American Community Survey and state administrative data, there are an estimated 160,000 Alaskans between the ages of 15 and 49. After excluding approximately five percent who are pregnant, the non-pregnant population is estimated at 152,000. Of this group, about half are currently covered under full Medicaid, leaving an estimated 76,000 individuals not enrolled in the program. Within this population, approximately 28,500 individuals are estimated to have household incomes at or below 225 percent of the federal poverty level.

Assuming a projected enrollment uptake rate of 10 to 15 percent, an estimated 3,500 individuals may enroll in coverage annually if HB185 is implemented.

To manage the resulting caseload, the Division of Public Assistance projects the need for three additional Eligibility Technician 2 positions, range 14, step C, in Anchorage. Each position is estimated to cost \$96.1 annually, including salary and benefits, for a total of \$288.3. These costs are expected to be split evenly between federal receipts and general fund match.

Services: Office space, phones, and other reimbursable services agreements for position support: \$60.0 annually, starting in FY2027.

One-time system development cost for FY2026: The Division of Public Assistance estimates a one-time cost of \$1,444.8 to reprogram the ARIES eligibility system to accommodate the new coverage category. With an expected 50 percent federal match, the state share would be \$722.4. Additional updates to the Medicaid Management Information System (MMIS), forms, and training materials are expected to be completed using existing resources.

Commodities: Office supplies: \$6.0 annually.

One-time commodities costs: \$9.0 for computers and office setup.