

Fiscal Note

State of Alaska
2025 Legislative Session

Bill Version:	CSHB 151(HSS)
Fiscal Note Number:	3
(H) Publish Date:	4/25/2025

Identifier: HB151-DOH-MS-4-16-25
 Title: MEDICAL ASSISTANCE: CHILDREN UNDER AGE 6
 Sponsor: GALVIN
 Requester: (H) HSS

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)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates					
			FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits			11,929.7	11,929.7	11,929.7	11,929.7	11,929.7	11,929.7
Miscellaneous								
Total Operating	0.0	0.0	11,929.7	11,929.7	11,929.7	11,929.7	11,929.7	11,929.7

Fund Source (Operating Only)

1002 Fed Rcpts (Fed)			8,947.3	8,947.3	8,947.3	8,947.3	8,947.3
1003 GF/Match (UGF)			2,982.4	2,982.4	2,982.4	2,982.4	2,982.4
Total	0.0	0.0	11,929.7	11,929.7	11,929.7	11,929.7	11,929.7

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 (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 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/26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:

Previous fiscal note was indeterminate; expenditures have been updated to reflect expected costs.

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Division:	Medicaid Services	Date:	04/16/2025
Approved By:	Pam Halloran, Assistant Commissioner	Date:	04/18/25
Agency:	Department of Health		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

Analysis

This legislation would establish continuous Medicaid eligibility for children under six years of age, permitting uninterrupted enrollment through the child's sixth birthday regardless of changes in income or household composition, except in limited circumstances.

Fiscal Impact:

This change is expected to increase total Medicaid expenditures by extending coverage for children who might otherwise lose eligibility during the year.

Medicaid Services has calculated an increase of \$11,929.7 annually, with 75 percent federal and 25 percent general fund match funding. This increase was calculated using fiscal year 2024 eligibility and spending data of children ages 0 through 5 extracted from the Medicaid claims system. An average monthly cost was determined by dividing total medical claims spending by total member count, then dividing that annual figure by 12 months. An estimate of non-covered months of eligibility was determined by evaluating one age group of children, five-year old's, and taking the difference of their total months of actual Medicaid coverage from 60 months or five years of coverage. The annual Medicaid Services spending increase was determined by multiplying the average monthly cost against the number of non-covered months and dividing that resulting amount by five years. The federal match percentage is based on actual fiscal year 2024 medical claims spending of children ages one thru five and evaluating how much of that was federal versus general fund.

Based on the analysis, the number of children ages 1-5 who could potentially benefit from continuous enrollment is 27,167. An average of 26 additional months of coverage would result from continuous enrollment. Children ages 1-5 who enroll for Medicaid are enrolled for an average of 34 months. This bill allows for 60 months of enrollment.

Implementation Considerations:

Implementation of this policy will require federal approval through an 1115 Demonstration Waiver. The waiver process will involve staff resources by the Division of Public Assistance, dedicated to policy development, fiscal analysis, stakeholder engagement, regulatory revision, and coordination with the Centers for Medicare and Medicaid Services (CMS). The estimated timeline for full implementation—including waiver development, federal review and approval, adoption of necessary regulatory changes, and system readiness—is approximately 12 months.