

Fiscal Note

State of Alaska
2026 Legislative Session

Bill Version:	CSSB 276(HSS)
Fiscal Note Number:	2
(S) Publish Date:	3/25/2026

Identifier: SB276-DOH-MS-03-13-26
 Title: CONTRACEPTIVES: INSURANCE COVERAGE
 Sponsor: HEALTH & SOCIAL SERVICES
 Requester: (S) 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)

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

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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	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? **Yes**
 If yes, by what date are the regulations to be adopted, amended or repealed? **01/01/27**

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

Analysis

SB276 amends AS 47.07.065 to mandate Medicaid payment for the cost of subsequent dispensing of prescription contraceptives in quantities intended to last for 12 months, irrespective of the Medicaid recipient's eligibility for Medicaid at the time of initial dispensing; the payment for a 12-month supply requirement does not apply when the prescription is filled initially, upon prescription; and consultations, examinations, procedures, and medical services necessary to prescribe, dispense, insert, distribute, administer, or remove prescription contraceptives.

If a beneficiary previously received a prescription from a non-Medicaid enrolled provider, it would not be fillable under the Medicaid program. Department of Health cannot reimburse for prescriptions written by a non-Medicaid provider. This federal rule eliminates the ability of Medicaid to reimburse for "subsequent" refills of a prescription written by a non-Medicaid provider. The beneficiary would need to get a new prescription from a Medicaid-enrolled provider in order to be reimbursable under Medicaid.

This fiscal analysis assumes that standard Medicaid utilization management controls such as preferring specific products and promoting the use of generics would remain consistent with other drug classes. Requests for specific non-preferred or branded products would be reviewed using the standard prior authorization process. Existing electronic prior authorization capabilities would assist with expedited reviews to not delay care.

This legislation stipulates that these changes do not require itemization for services that are reimbursed as a bundled or composite rate and defines "prescription contraceptive" as a "drug or device that requires a prescription and is approved by the United States Food and Drug Administration to prevent pregnancy.

This bill requires the Department of Health to submit to the U.S. Department of Health and Human Services a Medicaid state plan amendment (SPA) necessary for implementation of the bill.

This legislation amends the uncodified law of the State of Alaska by stipulating that the requirements of this bill will become effective only if, on or before January 1, 2027, the U.S. Department of Health and Human Services approves the aforementioned state plan amendment or determines that a state plan amendment is not necessary; and requires the commissioner of the U.S. Department of Health to notify the statutes revisor within 30 days of the decision by the U.S. Department of Health and Human Services.

This legislation stipulates that, if the U.S. Department of Health and Human Services approves the state plan amendment or determines that a state plan amendment is not required, the bill becomes effective the day following the aforementioned notification by the commissioner of the Department of Health to the revisor of statutes.

Promulgation of associated regulations will take approximately nine to twelve months following State Plan Amendment approval by the Centers for Medicare and Medicaid Services.

It is anticipated that there could be duplication of services provided due to a member losing medication or the medication becoming damaged over the 12-month period. It is likely to be minimal and not easily quantified as to how much more frequently this would occur with longer fills. It is anticipated these costs could be absorbed within the current program funding resulting in a zero fiscal note.