



Some Basics on Medicaid in Alaska

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What is Medicaid?

- Medicaid was created by the federal government under the Social Security Act in 1965 to pay for health care for individuals who are low-income—many of whom are employed. It is administered by the states, which also share a portion of the costs.
- Over the decades, it has been expanded to include people with disabilities, children, pregnant women, single adults, and seniors.
- Medicaid is a major component of Alaska's current health care system and infrastructure in both urban and rural communities because it's a major payer for health care services.
- Alaska authorized its original Medicaid program back in 1972, and in the year 2000 launched Denali Kidcare, which is the Medicaid program covering children.
- A major change occurred in the program in 2015 when Alaska, like many other states, expanded its eligibility to include single adults aged 19-64 with household income up to 138% of the poverty level. Enrollment grew significantly after that.
- The economic benefit of this expansion to Alaska was significant. In the first three years, nearly \$1 billion in federal funding flowed into Alaska's health care industry as a result. In addition to expanding coverage, it contributed to new jobs in Alaska's health care sector.

Source: [HealthInsurance.org, LLC](https://www.healthinsurance.org/)

Who Receives Medicaid in Alaska?

- In 2024, Medicaid provided critical health care access and coverage to roughly 1 in 3 Alaskans who meet [Income Eligibility Limits](#). That's ~246,000 of us.
- It can be long-term or fill a coverage gap for a short time.
- Broadly, Alaskans covered by Medicaid include:
 - **Pregnant Women:**
 - Nearly 38% of all births in Alaska are covered
 - **Children:**
 - Approximately 94,000 children from low-income families or who have a disability; the vast majority are from working families
 - Covers primary care for children's mental health
 - Most children in foster care depend on Medicaid
 - **Seniors & People with Disabilities:**
 - Supports 80% of all residents in nursing homes or assisted living facilities, including younger people with disabilities
 - Supports people with disabilities of all ages
 - **Adults:**
 - Medicaid covers working adults who don't have employer insurance or don't make enough to afford private insurance
 - 54% of Alaskan adults (not disabled or elderly) with Medicaid coverage are working
 - Nearly 1 in 10 veterans has Medicaid coverage; Alaska has the highest population of veterans per capita in the U.S.
 - Medicaid covers treatment for people with opioid addiction, supporting the state's focus on the opioid epidemic

Sources: [State of Alaska](#), [KFF's Alaska fact sheet](#), [Urban Institute](#)

What is Currently Happening with Medicaid Funding?

What We Know Today

- Congress recently passed a “budget resolution” that serves as a sort of blueprint to guide Congress’ budget-related legislation this year. The resolution lays out a potential \$880 billion in cuts to Medicaid nationwide.
- The House and Senate are now in the process of drafting “reconciliation bills” that outline spending, which could include significant Medicaid cuts or changes impacting Alaska’s program.

What We DO NOT Know Today

- We will surely be hearing more in the coming weeks and months, what *if* any actual proposed cuts will be for Alaska.
- It’s incumbent on us as Alaskans to understand Medicaid and what the impacts could be on people who receive health care through Medicaid, our communities, and the economy.

Additional Resources

- [State of Alaska Department of Health](#)
- [KFF Fact Sheet on Alaska and Medicaid](#)
- [KFF Build A Custom State Report tool](#)
- [Georgetown University Fact Sheet on Alaska and Medicaid](#)