

ONE HUNDRED NINETEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON ENERGY AND COMMERCE  
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April 19, 2026

**MEMORANDUM**

To: Subcommittee on Health Members and Staff  
From: Committee on Energy and Commerce Majority Staff  
Re: Subcommittee on Health Hearing on April 21, 2026

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**I. INTRODUCTION**

The Subcommittee on Health will hold a hearing on Tuesday, April 21, 2026, at 10:00 a.m. (ET) in 2123 Rayburn House Office Building. The hearing is entitled “The Fiscal Year 2027 Department of Health and Human Services Budget.”

**II. WITNESSES**

- **The Honorable Robert F. Kennedy, Jr.**, Secretary, U.S. Department of Health and Human Services

**III. BACKGROUND**

The Trump Administration has released its Department of Health and Human Services (HHS) budget for fiscal year (FY) 2027. The FY 2027 budget requests a total of \$111.1 billion in discretionary budget authority for the upcoming fiscal year.<sup>1</sup>

The proposal establishes the Administration for a Healthy America (AHA), which is made up of a combination of the Office of the Assistant Secretary for Health (OASH), the Health Resources and Services Administration (HRSA), the Substance Abuse and Mental Health Services Administration (SAMHSA), and particular centers and programs from the Centers for Disease Control and Prevention (CDC).<sup>2</sup> It also establishes the National Center for Chemicals and Toxins within CDC, consolidating the Agency for Toxic Substances and Disease Registry, CDC’s National Institute for Occupational Safety and Health and National Center for Environmental Health, the Food and Drug Administration’s (FDA) National Center for

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<sup>1</sup> U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS), *Budget in Brief: Fiscal Year 2027* at 3 (Apr. 3, 2026), <https://www.hhs.gov/sites/default/files/fy-2027-budget-in-brief.pdf>.

<sup>2</sup> *Id.*

Toxicological Research, and the National Institutes of Health's (NIH) National Institute for Environmental Health Sciences.<sup>3</sup>

Further, the proposal reestablishes the Administration for Strategic Preparedness and Response (ASPR) and the Advanced Research Projects Agency for Health (ARPA-H) as distinct divisions under HHS.<sup>4</sup>

The budget also requests \$50 million in total program funding for the Office of the National Coordinator for Health Information Technology to support efforts to develop and implement standards and policies that support patients' ability to access electronic health care data.<sup>5</sup>

Of note, the proposal centers around promoting the health and wellness of every American through the reduction of chronic disease burdens and support for strategic advancements in health, including, but not limited to, supporting behavioral health services, promoting food safety, strengthening tribal services, supporting research and innovation, ensuring the resiliency of critical health security infrastructure, and modernizing key infrastructure and operations.<sup>6</sup>

This memorandum provides key highlights of the funding request for HHS agencies within the Committee's jurisdiction.

#### **A. Food and Drug Administration**

The proposal includes \$7.2 billion in total program level funding for the Food and Drug Administration (FDA), a \$160.5 million, or 3.3 percent, increase from the FY 2026 enacted level.<sup>7</sup> This includes \$3.3 billion in budget authority, a decrease of 1.4 percent or \$47.8 million below the FY 2026 enacted level, and \$2.92 billion in user fees, or an increase of 7.7 percent or \$280.1 million above the FY 2026 enacted level.

The proposal includes several initiatives to ensure FDA can carry out its mission of protecting the public health while implementing the administration's top health priorities, including Making America Healthy Again and supporting U.S. global competitiveness.

FDA's FY 2027 budget proposal includes a \$41.6 million request to meet the statutory non-user fee appropriation thresholds to obligate user fee revenue, which will be dedicated to timely application reviews and approvals.<sup>8</sup> It also provides \$57.0 million to MAHA initiatives, including the removal of unsafe chemicals in the food supply, supporting artificial intelligence and machine learning initiatives, and investments in alternatives to animal testing.<sup>9</sup> Under the

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<sup>3</sup> *Id.* at 4.

<sup>4</sup> *Id.* at 5.

<sup>5</sup> *Id.* at 62.

<sup>6</sup> *Id.* at 4-6.

<sup>7</sup> U.S. FOOD AND DRUG ADMINISTRATION (FDA), *FDA Fiscal Year 2027 Justification of Estimates for Appropriations Committees* at 4 (Apr. 3, 2026), <https://www.fda.gov/media/191778/download?attachment>.

<sup>8</sup> *Id.* at 5.

<sup>9</sup> *Id.* at 6.

budget proposal, \$38.5 million is provided to strengthen the agency's foreign inspections offices and integrate its domestic food safety inspections framework.<sup>10</sup>

The proposal also includes 27 legislative proposals related to oversight of the drug and food supply chains, supporting biologic competition and biosimilar review, addressing conflicts of interest in advisory committees, and providing greater enforcement authority over direct-to-consumer (DTC) advertising and products that pose public health risks.<sup>11</sup>

## **B. Indian Health Services**

The federal government has a relationship with 575 federally recognized Tribes across the United States, and this relationship allows the Indian Health Services (IHS) to serve as the principal health care provider for American Indians and Alaskan Natives. The FY 2027 proposed funding for IHS is \$9.1 billion.<sup>12</sup> This is an increase of \$1.1 billion from the FY 2026 enacted level. Funding increases are focused on areas that include improving access to quality clinical services, preventative health efforts, and contract support costs.<sup>13</sup>

## **C. Centers for Disease Control and Prevention**

The proposal includes \$13.3 billion in total program level funding for the Centers for Disease Control and Prevention (CDC), reflecting a \$475 million reduction from the FY 2026 enacted level.<sup>14</sup> The total program level funding includes \$5.3 billion in discretionary funding, \$205 million in Public Health Service (PHS) Evaluation funds, and \$7.8 billion for CDC's mandatory programs.<sup>15</sup>

The budget seeks to refocus CDC's work on preventing, detecting, and responding to health threats, at home and abroad. These efforts include bolstering capabilities related to infectious disease surveillance, laboratory science, outbreak investigations, preparedness and response, and maintaining the nation's public health infrastructure.

The budget proposes \$928 million for Emerging and Zoonotic Infectious Diseases, an increase of \$94 million from the FY 2026 enacted level, which includes \$107 million for CDC's food safety program, \$219 million for the Infection Prevention and Control Initiative, and increasing funding for CDC's Biothreat Radar Initiative from \$23 million in 2026 to \$66 million in FY 2027.<sup>16</sup>

The budget also proposes \$280 million for public health data modernization, a \$65 million increase from FY 2026; \$260 million for public health infrastructure and capacity; \$102

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<sup>10</sup> *Id.*

<sup>11</sup> *Id.* at 16-27.

<sup>12</sup> *Supra* note 1 at 17.

<sup>13</sup> As noted in the budget, the Consolidated Appropriations Act, 2026 (P.L. 119-75) provides \$50 million for the mandatory Special Diabetes Program for Indians for the period from October 1, 2026, to December 31, 2026. The amount listed in the FY 2027 Budget (\$49 million) reflects a reduction of \$1 million for Budget Control Act sequestration.

<sup>14</sup> *Supra* note 1 at 21.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

million to support national public health coordination, communication, and partnerships; \$664 million for work related to CDC's global health programs; \$963 million for the immunization and respiratory diseases program; and \$300 million for a grant program to address sexually transmitted infections, viral hepatitis, and tuberculosis.<sup>17</sup>

The proposal includes \$1 billion to create the National Center for Chemicals and Toxins within CDC.<sup>18</sup> The National Center for Toxins would consolidate the Agency for Toxic Substances and Disease Registry, select programs previously part of CDC's National Institute for Occupational Safety and Health Administration, select programs previously part of CDC's National Center for Environmental Health, FDA's National Center for Toxicological Research, and NIH's National Institute of Environmental Health Sciences.<sup>19</sup>

#### **D. National Institutes of Health**

The proposal includes \$41.2 billion in discretionary funding for the National Institutes of Health (NIH) for FY 2027.<sup>20</sup> The proposal includes several initiatives to ensure NIH can carry out its mission of seeking fundamental knowledge about the nature and behavior of living systems and the application of that knowledge to enhance health, lengthen life, and reduce illness and disability.

The research priorities of the NIH include a focus on ending the chronic disease epidemic; understanding the biomarkers for aging and disease; harnessing scalable, privacy-preserving data sharing across NIH institutes and partners; continuing innovative research through the Common Fund; ensuring the replication and reproducibility of research; promoting alternatives to animal models; and safeguarding biomedical research by enhancing the safety and security of NIH-funded research.

The budget also proposes to consolidate and reorganize the NIH's twenty-seven Institutes and Centers (IC) into twenty-two ICs, in addition to capping indirect cost rates at 15 percent and proposing to fully-fund all research project grants upfront in 2027.<sup>21</sup>

#### **E. Centers for Medicare and Medicaid Services**

The Program Management budget for the Centers for Medicare & Medicaid Services (CMS) provides funding for the administration of federal health programs, such as Medicare, Medicaid, the Children's Health Insurance Program (CHIP), and the Federal Exchange. The proposal requests \$6.8 billion in total funding for these activities.<sup>22</sup> The budget includes \$811 million to support the operations of traditional Medicare (Parts A and B), as well as \$155 million for Medicaid and CHIP administration.<sup>23</sup> The budget also provides \$487 million for the Survey and Certification program to strengthen oversight frequency of health care facilities, allowing

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<sup>17</sup> *Supra* note 1 at 21-23.

<sup>18</sup> *Supra* note 1 at 23.

<sup>19</sup> *Id.*

<sup>20</sup> *Supra* note 1 at 25.

<sup>21</sup> *Id.*

<sup>22</sup> *Supra* note 1 at 33.

<sup>23</sup> *Supra* note 1 at 33.

CMS to complete mandatory surveys for 78 percent of nursing homes and 85 percent of hospices nationwide.<sup>24</sup>

The budget further prioritizes protecting Americans from health care fraud by requesting strategic investments in the Health Care Fraud and Abuse Control (HCFAC) Program and the Medicaid Integrity Program. The budget makes \$976 million in additional discretionary spending requests in FY 2027, on top of an estimated \$1.8 billion in mandatory spending.<sup>25</sup> The budget estimates the HCFAC discretionary investment will yield \$1.2 billion in savings in 2027.<sup>26</sup> The budget also maintains mandatory appropriations for the Medicaid Integrity Program, which totals \$108 million in FY 2027.<sup>27</sup> The budget highlights that Medicare program integrity efforts have yielded a rate of return of over \$14 for every \$1 spent in FY 2024 and have generated over \$10 billion annually in savings.<sup>28</sup> Program integrity efforts in Medicaid saved federal taxpayers an estimated \$1.5 billion in FY 2024.<sup>29</sup>

The budget also includes policies to eliminate unnecessary programmatic spending and ensure CMS can improve care delivery for Americans, including moving the 340B Drug Discount Program from the Health Resources and Services (HRSA) to CMS.<sup>30</sup> Additionally, the budget proposes funding to modernize certain systems and infrastructure at the agency. These proposals include investments in an updated claims processing system for traditional Medicare, as well as for digital technology initiatives that support Medicare beneficiary and provider identity verification, interoperability, and data infrastructure.<sup>31</sup>

## **F. Administration for a Healthy America**

The budget proposes to establish a new agency called the Administration for a Health America (AHA). AHA intends to combine the General Departmental Management (GDM) and Office of the Assistant Secretary for Health (OASH), the Health Resources and Services Administration (HRSA), the Substance Abuse and Mental Health Services Administration (SAMHSA), and several centers and programs previously under the Centers for Disease Control and Prevention (CDC).<sup>32</sup> The organization of AHA would consist of the following components: Primary Care, Maternal and Child Health, Mental and Behavioral Health, HIV/AIDS, Health Workforce, and AHA Policy, Research, and Oversight (including the Surgeon General).<sup>33</sup>

The proposal includes \$17.6 billion in total funding for AHA. Of that, the proposal includes \$14.7 billion in discretionary funding, \$2.2 billion in mandatory funding, \$115 million from proposed user fees, and \$533 million in Public Health Service (PHS) Evaluation funding.<sup>34</sup>

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<sup>24</sup> *Supra* note 1 at 35.

<sup>25</sup> *Supra* note 1 at 31.

<sup>26</sup> *Id.*

<sup>27</sup> *Id.*

<sup>28</sup> *Supra* note 1 at 32.

<sup>29</sup> *Id.*

<sup>30</sup> *Supra* note 1 at 35.

<sup>31</sup> *Supra* note 1 at 35-36.

<sup>32</sup> *Supra* note 1 at 44.

<sup>33</sup> *Id.*

<sup>34</sup> *Id.*

Of the discretionary funding, the budget proposes \$1.9 billion for Health Centers for the first quarter of FY 2027, which includes a \$19 million increase for nutrition services in clinical and community settings. The budget also proposes \$316 million for rural-focused grant programs and technical assistance, including \$145 million for the Rural Communities Opioid Response Program; \$588 million for the National Center for Injury Prevention and Control; \$413 million for cancer prevention and control programs; \$35 million for efforts to address Alzheimer's disease and other dementias; \$923 million for maternal and child health programs; \$154 million for work related to disabilities and birth defects; \$30 million to support cross-Department planning and coordination on women's health; \$2.5 billion for Ryan White HIV/AIDS Programs; \$6.8 billion for mental health and substance use disorder work; \$535 million for the 988 Suicide and Crisis Lifeline; \$788 million for health workforce programs; and \$294 million for policy, research, and oversight.<sup>35</sup>

The FY 2027 budget proposes to eliminate various programs currently administered by HRSA, SAMHSA, CDC, and OASH.

### **G. Administration for Strategic Preparedness and Response**

The proposal includes \$3.3 billion in discretionary funding for the Administration for Strategic Preparedness and Response (ASPR), reflecting a \$356 million reduction from the FY 2026 enacted level.<sup>36</sup>

The proposal provides \$1.8 billion for programs under the Biomedical Advanced Research and Development Authority (BARDA), which includes advanced research and development projects (\$654 million), Project BioShield (\$725 million), and BARDA's Pandemic Influenza (\$308 million).<sup>37</sup>

In alignment with Executive Order 14336, ASPR will procure a six-month supply of active pharmaceutical ingredients for the strategic reserve.<sup>38</sup> The budget proposes \$327 million for the development, maintenance, and operation of the Strategic Active Pharmaceutical Ingredient Reserve.<sup>39</sup> The proposal includes additional funding for National Special Security Events (\$15 million), which reflects a \$10 million increase from FY 2026 accounting for emergency medical support that will be provided at the 2028 Olympics in Los Angeles.<sup>40</sup> The proposal also includes \$1 billion for the Strategic National Stockpile.<sup>41</sup>

The budget proposes to eliminate the Hospital Preparedness Program, the Medical Reserve Corps program, and the Preparedness and Response Innovation program.

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<sup>35</sup> *Supra* note 1 at 44-48.

<sup>36</sup> *Supra* note 1 at 49.

<sup>37</sup> *Supra* note 1 at 50.

<sup>38</sup> *Id.*; see also Exec. Order No. 14,336, 90 Fed. Reg. 40223.

<sup>39</sup> *Supra* note 1 at 50.

<sup>40</sup> *Id.*

<sup>41</sup> *Id.*

**IV. STAFF CONTACTS**

If you have questions regarding this hearing, please contact Majority staff of the Committee staff at (202) 225-3641.