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White House Releases ‘Skinny Budget’ Request for Fiscal Year 2026

*Proposals would reduce funding for HHS and other health agencies;
full budget request expected later this month*

President Trump today released his [discretionary spending budget blueprint](#) for fiscal year (FY) 2026. The “skinny budget” request, which includes top line discretionary funding priorities, is not binding but can act as a starting point for Congress and the administration as they begin the appropriations process to fund the government. The administration later this month is expected to issue its full budget request, which will include its proposed changes to mandatory spending and tax policy.

Highlights of some of the provisions affecting hospitals and health systems follow.

DISCRETIONARY BUDGET PROPOSALS THAT COULD IMPACT HOSPITALS AND HEALTH SYSTEMS

Department of Health and Human Services (HHS): The budget proposes \$93.8 billion for HHS, which is a 26.2% reduction from the FY 25 enacted level.

Make America Health Again (MAHA): The budget proposes \$500 million for the MAHA initiative. The administration says this funding will allow the HHS secretary to tackle nutrition, physical activity, healthy lifestyles, over-reliance on medication and treatments, the effects of new technological habits, environmental impacts, and food and drug quality and safety across HHS.

Health Resources and Services Administration (HRSA): The budget proposes to reduce funding by \$1.73 billion and consolidate a variety of programs that were formerly part of HRSA. Based on the high-level details provided, the administration proposes cuts to maternal and child health programs (\$274 million) and workforce programs (\$1 billion reduction). The budget proposes to maintain \$6 billion for priority activities that were formerly part of HRSA.

Centers for Disease Control and Prevention (CDC): The budget proposes to reduce CDC funding by \$3.6 billion and refocus the agency’s mission on core activities such as emerging and infectious disease surveillance and maintaining the nation’s public health infrastructure, while eliminating or streamlining programs the administration identifies as waste. The budget proposes maintaining more than \$4 billion in funding for CDC.

National Institute of Health (NIH): The budget proposes to reduce funding by \$18 billion to reform and refocus NIH research activities in line with the president's commitment to MAHA, including consolidating programs into five new focus areas: The National Institute on Body Systems Research; National Institute on Neuroscience and Brain Research; National Institute of General Medical Sciences; National Institute of Disability Related Research; and National Institute on Behavioral Health. The budget also proposes to eliminate funding for the National Institute of Minority and Health Disparities. The budget also retains the Advanced Research Projects Agency for Health (ARPA-H). It proposes to maintain \$27 billion in funding for NIH research.

Substance Abuse and Mental Health Services Administration (SAMHSA): The budget would reduce SAMHSA funding by \$1.1 billion and proposes several reductions to grants that the administration believes are duplicative or too small to have a national impact. The budget would maintain \$5.7 billion for activities that were formerly part of SAMHSA.

Centers for Medicare & Medicaid Services (CMS): The budget proposes a reduction of \$674 million to eliminate funding the administration believes has been used to carry out non-statutory and wasteful activities and support projects, while maintaining funding for core Medicare and Medicaid operations. It would eliminate health-equity focused activities.

Administration for Strategic Preparedness and Response (ASPR): The budget proposes to eliminate funding for the Hospital Preparedness Program (\$240 million). The budget proposes allowing states and territories to scope and fund hospital preparedness.

Agency for Healthcare Research and Quality (AHRQ): The budget proposes reducing funding by \$129 million to eliminate what the administration believes is duplicative and wasteful grants and contracts. AHRQ also would end new grants and offload contracts and interagency agreements outside of core statistical activities. The proposal also reflects that AHRQ functions have been reorganized and integrated into the new HHS Office of Strategy.

FURTHER QUESTIONS

If you have further questions, please contact AHA at 800-424-4301.