



March 28, 2025

HHS unveils layoff, restructuring plan

On Thursday (March 27), the Department of Health and Human Services (HHS) announced a restructuring plan that will reduce full-time HHS employees by about 24%, consolidate the number of HHS divisions from 28 to 15, and reduce the number of regional offices from 10 to five. In a video announcing the reorganization, HHS Secretary Robert F. Kennedy Jr. said the transition will be “a painful period” for the department but noted the focus will be on eliminating administrative employees while preserving core functions to improve services.

The announcement prompted [pushback](#) from Democrat lawmakers, including House Energy & Commerce Committee ranking Democrat Frank Pallone (D-NJ), Energy and Commerce (E&C) health subcommittee ranking member Diana DeGette (D-CO) [and](#) Senate Finance Committee ranking member Ron Wyden (D-OR). The National Treasury Employees’ Union (NTEU), which represents workers at the Food and Drug Administration (FDA) and some other HHS agencies, strongly criticized the move, saying, “If this disastrous plan is carried out and the agency loses an additional 10,000 employees, as proposed, the impact to public health services across the country will be devastating.” They added, “The American people do not support indiscriminate cuts curtailing or eliminating local health programs, endangering the health and safety of children and families, and inflicting real economic harm in small towns and big cities across the country. The administration’s claims that such deep cuts to the [FDA] and other critical HHS offices won’t be harmful are preposterous.” The FDA and the Centers for Disease Control and Prevention (CDC) will be disproportionately impacted, each losing nearly 20% of their workforce.

E&C Chair Brett Guthrie (R-KY) and Health Subcommittee Chair Buddy Carter (R-GA), also released a [statement](#) on the restructuring, saying “For decades, HHS and its sub-agencies have grown significantly, creating redundancies and—in some cases—conflicting objectives. It is critical that the department is in a position to accomplish its core and essential mission to support all Americans... We look forward to working with Secretary Kennedy to protect patients, support innovations, and improve the health and wellbeing of the American people.”

- More information: [Press release](#), [Fact sheet](#)

Summary of Workforce Reductions

As part of the plan, HHS will reduce its total full-time workforce from 82,000 to 62,000 employees. The plan calls for workforce reductions of:

- About 3,500 at the FDA,
- About 2,400 at CDC,
- About 1,200 at the National Institutes of Health (NIH); and
- About 300 at Centers for Medicare and Medicaid Services (CMS).

HHS said the layoffs will target workers focused on policy, human resources, information technology, procurement, and communications. The agency also said it would not affect drug, medical device, or food reviewers or inspectors and will not impact Medicare and Medicaid services. A notice sent to the union for HHS workers said the layoffs could begin as soon as Friday (March 28).

Summary of Agency Restructuring

As part of the restructuring, HHS said it will:

- Create a new “Administration for a Healthier America” (AHA) which will consolidate the Office of the Assistant Secretary for Health (OASH), Health Resources and Services Administration (HRSA), Substance Abuse and Mental Health Services Administration (SAMHSA), Agency for Toxic Substances and Disease Registry (ATSDR), and National Institute for Occupational Safety and Health (NIOSH). According to the fact sheet, divisions of the AHA will include primary care, maternal and child health, mental health, environmental health, HIV/AIDS, and workforce, with support from the Surgeon General and Policy team.
- Move the Administration for Strategic Preparedness and Response (ASPR) under the CDC
- Merge the Assistant Secretary for Planning and Evaluation (ASPE) and the Agency for Healthcare Research and Quality (AHRQ) to create a new Office of Strategy
- Create a new Assistant Secretary for Enforcement to combat waste, fraud, and abuse

The effective date for the reorganization is May 27.

If you have questions, please contact [Heather Meade](#) or [Heather Bell](#).

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