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Health Care Items in President Trump's FY 2027 Budget Request

On Friday (April 3), the White House published a FY 2027 budget request that outlines the Administration's plans for the federal budget, including several health care agencies. While the President's budget request details the Administration's funding priorities, ultimately, it is up to Congress to set the federal budget.

Overall, the budget requests a 10%, or \$73 billion, cut to non-defense spending and a \$445 billion increase in defense spending from FY 2026. The budget requests a 12.5%, or \$15.8 billion, cut to the US Department of Health and Human Services (HHS) and renews the Administration's request from last year to create a new Administration for a Healthy America (AHA), which would consolidate several existing agencies, and establishes a new National Center for Chemicals and Toxins. The budget also re-establishes the Administration for Strategic Preparedness and Response (ASPR) and the Advanced Research Projects Agency for Health (ARPA-H) as their own divisions.

[FY 2027 Budget Request](#), [Topline Fact Sheet](#), [Budget Estimates by Agency](#), [Other Budget Documents](#), [HHS Budget in Brief](#)

Summary of key health provisions

The budget requests \$111.1 billion in discretionary budget authority for HHS, a \$15.8 billion decrease from FY 2026. The budget requests:

- \$17.5 billion for the new Administration for a Healthy America;
- \$7.2 billion for the Food and Drug Administration (FDA), up \$232 million from FY 2026;
- \$9.1 billion for the Indian Health Service, up \$958 million from FY 2026;
- \$13.3 billion for the Centers for Disease Control and Prevention (CDC), down \$475 billion from FY 2026;
- \$41.5 billion for the National Institutes of Health (NIH), down \$5 billion from FY 2026;
- \$6.8 billion for Centers for Medicare & Medicaid Services (CMS), down \$1.4 billion from FY 2026;
- \$3.3 billion for ASPR, down \$356 million from FY 2026;
- \$945 million for ARPA-H, down \$555 million from FY 2026; and
- \$50 million for Office of the National Coordinator for Health Information Technology, down \$19 million from FY 2026.

The budget request would create a new Administration for Children, Families, and Communities that combines the Administration for Children and Families and the Administration on Community Living. The budget request also would eliminate other programs. For example, the budget would eliminate:

- ASPR's Hospital Preparedness Program;

- The Community Services Block Grant; and
- Sexual Risk Avoidance Program and the Teen Pregnancy Prevention (TPP) program.

Administration for a Healthy America. The Administration for a Healthy America (AHA) would combine 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 several centers and programs from the Centers for Disease Control and Prevention (CDC) into a single, unified entity. The budget states that the new agency “will improve coordination of health resources for Americans and will focus on areas including Primary Care, Maternal and Child Health, Mental and Behavioral Health, HIV/AIDS, and Health Workforce development.” The budget includes \$1.9 billion in discretionary funding for Health Centers and \$923 million in discretionary funding for maternal and child health programs formerly managed by HRSA. The budget also includes \$2.5 billion for Ryan White HIV/AIDS Programs previously housed in HRSA, including \$165 million for the Ending the HIV Epidemic (EHE) Initiative.

FDA. The budget includes \$57 million to ensure the safety of the US food supply and \$5 million to help the FDA develop new testing methods that can replace or reduce animal testing. The budget provides \$9 million to establish the FDA PreCheck Program. The budget also includes \$3.9 billion in total user fees to support food and medical product safety programs.

CDC. The budget aims to “refocus CDC on its core mission and supports foundational capacities, including data, surveillance, laboratory science, and global preparedness.” The budget provides an additional \$22 million for the Infection Prevention Control Initiative, which focuses on antimicrobial-resistant threats, and an additional \$33 million for the Healthy and Safe Food Initiative, which focuses on preventing and identifying foodborne and waterborne diseases. The budget also creates a new National Center for Chemicals and Toxins that would streamline environmental health and chemical/toxicological programs into a single entity. The budget also includes two legislative proposals to give CDC authority to set data reporting requirements to public health entities and allow non-competitive conversion of fellows to employees.

NIH. The budget proposes implementing NIH’s policy to cap indirect cost rates at 15% and provide upfront funding for research project grants. The budget would invest \$60 million in integrative chronic disease research, \$25 million for the National Institute on Aging to advance the understanding of the causal biomarkers of aging and disease, and \$25 million to support alternatives to animal models. The budget also would consolidate the National Institute of Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism into the new National Institute of Substance Use and Addiction Research. It also proposes to eliminate three Institutes or Centers: National Institute on Minority Health and Health Disparities; Fogarty International Center (FIC), National Center for Complementary and Integrative Health

CMS. The budget proposes to move the 340B Drug Pricing Program from HRSA to CMS, which also oversees the Medicaid Drug Rebate program. The budget would provide \$21 million for 340B, up \$8 million from FY 2026. CMS also would invest in new claims processing systems that leverage AI and updating digital infrastructure to modernize Medicare.gov, CMS-managed provider identity and directory services, and internal data processing. The budget also includes a discretionary request for efforts to safeguard CMS program integrity that will supplement other CMS program integrity funds.

Administration for Strategic Preparedness and Response (ASPR). The budget proposes to refocus ASPR by supporting effective biodefense programs through the development of medical countermeasures, maintaining critical supplies in the Strategic National Stockpile (SNS) for emergencies, and strengthening domestic pharmaceutical resilience through the procurement and maintenance of the Strategic Active Pharmaceutical Ingredients Reserve.

Global Health Programs. The budget includes \$5.1 billion for Global Health, down \$4.3 billion from FY 2026. The Budget would eliminate certain disease-specific accounts and provide more flexibility in how funds are allocated to recipient countries.

Veterans Affairs (VA). The Budget requests \$144.9 billion in discretionary budget authority for VA for 2027, an \$11.5 billion or 9-percent increase from the 2026 enacted level. This includes providing a total for medical care of \$175.5 billion in 2027. This is comprised of \$123.4 billion in discretionary medical care funding and \$52.1 billion in mandatory funding from the Toxic Exposures Fund. The Budget supports programs such as those that would restructure the contract vehicle for VA to purchase care for veterans from community providers and invest in access to residential rehabilitation treatment programs for eligible veterans experiencing mental health issues, substance use disorders, or homelessness.

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

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