

ACADEMIC AMERICAN PEDIATRIC PEDIATRIC ASSOCIATION SOCIETY ASSOCIATION OF MEDICAL SCHOOL PEDIATRIC DEPARTMENT CHAIRS SOCIETY FOR PEDIATRIC RESEARCH

PPC Update June 13, 2025

OMB RELEASES PRESIDENT'S HHS BUDGET IN BRIEF. On May 30, the Trump administration released its budget request and funding priorities for Fiscal Year (FY) 2026, which included the release of the <u>Budget</u> <u>in Brief</u> document for the Department of Health and Human Services (HHS). This document, which follows the "<u>skinny budget</u>" released in early May, provides more details about HHS's specific funding request and how the administration plans to restructure the department. The budget proposes reducing HHS's budget from \$127 billion to \$95 billion in FY 2026, representing a roughly 25 percent budget cut. The budget doubles down on proposals previously laid out in the skinny budget, including those for overhauling the National Institutes of Health (NIH), merging several agencies into a new Administration for a Healthy America (AHA), and eliminating other key child health programs.

The budget allocates \$27.5 billion in funding for NIH, a decrease of roughly 40 percent compared to its FY 2025 funding level. The budget proposal calls for consolidating NIH's current 27 institutes and centers (ICs) down to only 8. Only three institutes – the National Cancer Institute, the National Institute of Allergy and Infectious Diseases, and the National Institute on Aging – would be preserved, albeit with reduced budgets. The remaining ICs would be either eliminated or consolidated into new institutes. The Eunice Shriver Kennedy National Institute of Child Health and Human Development (NICHD) would be merged with the National Institute on Deafness and Other Communications Disorders (NIDCD) to create a brand-new National Institute for Child and Women's Health, Sensory Disorders, and Communication (NICWHSDC). This new institute would be funded at \$1.4 billion, which is less than the combined budgets of NICHD and NIDCD; additional details about the proposed NICWHSDC can be found on the NIH website. Additionally, the budget suggests relocating the Advanced Research Project Agency for Health (ARPA-H) to the newly proposed Assistant Secretary for a Healthy Future office, which would be housed within the Office of the Secretary. The budget also proposed moving the National Institute of Environmental Health Sciences to the newly formed AHA. The budget also assumes the administration will successfully be able to implement its proposed 15 percent cap on indirect cost rates, which has previously been blocked in the courts.

The proposed cuts to NIH threaten to lead to a <u>decrease in the number of new grants awarded</u> and could affect existing grants for ongoing research projects. According to the budget, <u>NIH will provide its</u> <u>grant recipients with all appropriated funding for research projects up front</u> in a multi-year funded (MYF) award model. While awarding all funding up front may provide grant recipients with greater autonomy, it may also result in a smaller number of grants being rewarded during budget out-years. The budget document states that NIH has already begun implementing MYF when issuing funds for existing research projects. <u>Hundreds of NIH staff have sent an open letter to Director Jay Bhattacharya</u> expressing concern over the agency's delay and termination of research grants, staff firings, and a host

of other actions that have transpired across the agency the past few months. Despite the uncertainty over future research grants, <u>Bhattacharya has promised to spend all of the agency's currently</u> <u>appropriated funds</u> by the end of the current fiscal year.

The budget's newly proposed Administration for a Healthy America (AHA) would merge the Health Resources Services Administration (HRSA) with several other HHS agencies. The budget also calls for eliminating a number of important health workforce programs, such as the Children's Hospitals Graduate Medical Education (CHGME) program, and programs supporting maternal and child health like the Emergency Medical Services for Children (EMSC) program. The Center for Disease Control and Prevention (CDC) would see its budget slashed by nearly 40 percent, from its current \$9.2 billion to \$4.1 billion. To narrow the CDC's scope to infectious diseases only, the budget proposes eliminating most of <u>CDC's work in preventing HIV/AIDS along with a number of its global immunization initiatives</u>. It also proposes eliminating a number of noninfectious disease initiatives within the agency, such as those related to youth violence prevention and firearm injury and mortality prevention research.

Importantly, the proposals set forth in the president's budget are non-binding. The ultimate budget for HHS and its subagencies for FY 2026 will be determined by Congress as part of the annual appropriations process. The House is expected to hold a "markup" of its own version of the appropriations bills funding HHS programs in mid-July. The PPC will continue to engage in extensive advocacy efforts with Congress during the appropriations process to protect crucial child health programs under threat.

TRUMP ADMINISTRATION RELEASES "MAKE AMERICA HEALTHY AGAIN" COMMISSION REPORT. On

May 22, the Make America Healthy Again (MAHA) Commission <u>released its first report</u> titled, <u>"The MAHA Report: Making Our Children Healthy Again (Assessment)."</u> The report was required by President Trump's February 2025 <u>Executive Order</u> establishing the MAHA Commission and is intended to be an assessment of the current state of child health in the U.S. The report finds that "the health of American children is in crisis," and alleges that the drivers of that crisis are a poor diet (including ultra-processed foods), exposure to environmental chemicals, pervasive technology use, and overmedication. However, news reporting on the report has found it includes <u>citations</u> to studies that do not exist, while other cited studies appear to be <u>mischaracterized</u>.

The report lists a number of next steps at the end of the document and calls for a number of research initiatives and policy reforms. This report is a precursor to a series of policy recommendations that the Commission is expected to release in August.

WHAT WE'RE READING

- <u>UC Berkeley researchers team up for first-of-its-kind lawsuit over Trump funding cuts</u>, June 5, 2025 (NBC News)
- RFK Jr.'s Report Actually Nails What's Wrong With American Health, June 5, 2025 (Slate)
- <u>Trump formally asks Congress to claw back approved spending targeted by DOGE</u>, June 3, 2025 (AP News)

• <u>NIH staff stage walkout during director's town hall as tensions persist over research cuts,</u> ideology, May 26, 2025 (CNN)

- Advocacy Opportunity. The Senate has begun consideration of the budget reconciliation bill that was passed by the House, the One Big Beautiful Bill Act (H.R. 1). As it stands, the bill contains significant cuts and policy changes to child health programs like Medicaid and SNAP which, if passed, would have major impacts on children and families' ability to access quality, affordable care and nutritious foods. Share with your senators why these programs are so important for children and families in your state and why any cuts would harm child health.

Here's how to contact your Senators:

- By Phone: You can call the U.S. Capitol switchboard at (202) 224-3121 to be connected to your senator's office and ask to speak with the health staff. To find your U.S. senators, visit Senate.gov and use the "Find Your Senators" feature at the top left of the page. The contact information for their Washington, DC, office is available on their websites.
- By Email: You can also send emails to your senators using the contact form on their websites.

To make your message as powerful as possible, **we strongly encourage you to customize your outreach** to illustrate why these programs are so important for the patients you care for, such as by sharing a deidentified, brief anecdote. For more information on the importance of Medicaid/CHIP in your state, check out these <u>2025 Medicaid fact sheets</u>.