

New HHS Budget Details

Executive agencies began sending their “budget in brief” documents to Congress on Friday, expanding on the skinny budget released by the Trump administration last month. The White House is seeking non-defense budget cuts of more than 22%, along with a flat military budget, in the coming fiscal year. The U.S. Department of Health and Human Services (HHS) would receive \$94.7 billion in discretionary funding under the President’s proposal. The budget would consolidate the National Institutes of Health (NIH) from 27 to 8 institutes, while reducing NIH funding by nearly 40% - from \$48.5 billion to \$27.5 billion. Funding for the Centers for Disease Control and Prevention would be reduced from more than \$9 billion to just over \$4 billion. Funding for the Food and Drug Administration (FDA) would be reduced from \$7 billion to approximately \$6.5 billion. The newly established Administration for Healthy America, under which several existing agencies would be consolidated – including the Substance Abuse and Mental Health Services Administration and the Health Resources and Services Administration - would receive \$14 billion in funding. Further details on the HHS FY 2026 budget in brief can be found [here](#). Appropriators in the House of Representatives will begin marking up their own fiscal year 2026 funding bills this week, starting with the Military Construction-Veterans Affairs and Agriculture-FDA bills. The panel aims to consider all 12 annual appropriations measures by the end of July.

Health Policy Briefing

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Senate Begins Work on House-Passed Reconciliation Bill

Congress returns to session this week with the Senate preparing to take up the GOP's budget reconciliation package. House Speaker Mike Johnson (R-La.) has urged the chamber to not make significant changes to the One Big Beautiful Bill Act (H.R. 1), citing the narrow margin by which the bill was passed by the House of Representatives on May 22. Several Republican senators, however, have expressed concerns with the Medicaid-related provisions of the House package, making it likely that the health portions of the bill will be revised before final passage. The legislation must also still undergo the "Byrd Bath" to ensure compliance with the rules of reconciliation in the Senate. Republicans are aiming to send the reconciliation package to President Donald Trump for his signature before the July 4 recess.

Ways and Means Republicans Write Administration on Pharmaceutical Tariffs

Twenty Republican members of the House Ways and Means Committee have written to the Department of Commerce on the issue of pharmaceutical tariffs. The lawmakers warn that instituting broad tariffs could lead to drug shortages and price increases that create a barrier to access for American patients. The [letter](#), which was led by Reps. Nicole Malliotakis (R-N.Y.) and Greg Murphy, M.D. (R-N.C.), urges the administration to "concentrate on the most significant threat to America's health and national security — namely, the People's Republic of China and its efforts to dominate the supply chain for critical drugs." The only GOP members of the committee who did not sign the letter were Chair Jason Smith (R-Mo.) and Reps. Jodey Arrington (R-Texas), Kevin Hern (R-Okla.), David Kustoff (R-Tenn.), Greg Steube (R-Fla.), and Beth Van Duyne (R-Texas). While the administration has not indicated what specific size or target of pharmaceutical tariffs it is considering, the President has stated that duties could be anywhere from 25% to 200%.

GAO Recommends Increased Oversight of NIH External Research

The Government Accountability Office (GAO) has released a new [report](#) recommending that the NIH strengthen its oversight of ongoing research grants awarded to outside entities. The GAO found that NIH staff responsible for reviewing grantees' financial and progress reports did not consistently take action when such reports were late, nor are unused funds consistently tracked by the agency. Recipients are required to file final reports within a year of a project's end. As of August 2024, nearly 1,000 final reports - 0.2% of awards made from fiscal 2014 through fiscal 2024 - were missing. GAO recommends that the agency identify the cause of the missing reports, analyze how to manage unused balances for projects at the end of the funding period, and require tracking of unused balances across NIH institutes, centers, and offices.

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Upcoming Congressional Hearings and Markups

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House Rules Committee markup of H.R. 2483 – SUPPORT for Patients and Communities Reauthorization Act of 2025; 4:00 p.m.; June 3

Senate Health, Education, Labor, and Pensions Committee hearing “Reauthorization of the Over-the-Counter Monograph Drug User Fee Program;” 10:00 a.m.; June 4

House Appropriations subcommittee markup of Fiscal Year 2026 Military Construction, Veterans Affairs, and Related Agencies Bill; 10:00 a.m.; June 5

House Appropriations subcommittee markup of Fiscal Year 2026 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Bill; 10:30 a.m.; June 5

House Appropriations full committee markup of Fiscal Year 2026 Military Construction, Veterans Affairs, and Related Agencies Bill, Subcommittee Allocations; 2:00 p.m.; June 10

House Appropriations full committee markup of Fiscal Year 2026 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Bill; 10:00 a.m.; June 11

House Appropriations subcommittee markup of Fiscal Year 2026 Labor, Health and Human Services, Education, and Related Agencies Bill; 5:00 pm.; July 21

House Appropriations full committee markup of Fiscal Year 2026 Labor, Health and Human Services, Education, and Related Agencies Bill; 10:00 am.; July 24

Recently Introduced Health Legislation

H.R.3580 — Oversight of Medicare Billing Code Cost Act – To increase oversight and transparency with respect to Medicare billing codes; Sponsor: Ciscomani, Juan [Rep.-R-AZ-6]; Committees: House - Ways and Means; Energy and Commerce

H.R.3581 — To amend title XIX of the Social Security Act to delay certain disproportionate share hospital payment reductions under the Medicaid program; Sponsor: Crenshaw, Dan [Rep.-R-TX-2]; Committees: House - Energy and Commerce

H.R.3589 — To expand and promote research and data collection on reproductive health conditions, to provide training opportunities for medical professionals to learn how to diagnose and treat reproductive health conditions, and for other purposes; Sponsor: Harshbarger, Diana [Rep.-R-TN-1]; Committees: House - Energy and Commerce

H.R.3593 — To amend the Public Health Service Act to reauthorize certain nursing workforce development programs, and for other purposes; Sponsor: Joyce, David P. [Rep.-R-OH-14]; Committees: House - Energy and Commerce

H.R.3594 — To amend title 10, United States Code, to expand the health care benefits available for Gold Star surviving spouses; Sponsor: Kaptur, Marcy [Rep.-D-OH-9]; Committees: House - Armed Services

H.R.3595 — To amend the Public Health Service Act to provide for the disclosure of certain records relating to substance use disorder medications to State prescription drug monitoring programs, and for other purposes; Sponsor: Kennedy, Mike [Rep.-R-UT-3]; Committees: House - Energy and Commerce

H.Res.449 — Supports the designation of “ALS Awareness Month”; Sponsor: Crow, Jason [Rep.-D-CO-6]; Committees: House - Energy and Commerce

H.Res.456 — Expressing support for the designation of the month of May 2025 as “Progressive Supranuclear Palsy Awareness Month”; Sponsor: Subramanyam, Suhas [Rep.-D-VA-10]; Committees: House - Energy and Commerce

H.R.3627 — To amend title 38, United States Code, to direct the Secretary of Veterans Affairs to submit an annual report that contains data and information on the causes of deaths among veterans, and for other purposes; Sponsor: Edwards, Chuck [Rep.-R-NC-11]; Committees: House - Veterans’ Affairs

H.R.3631 — To criminalize fraudulent statements made with respect to clinical vaccine trials; Sponsor: Green, Mark E. [Rep.-R-TN-7]; Committees: House - Energy and Commerce; Judiciary

H.R.3636 — To amend title 10, United States Code, to improve the process by which the Secretary of Defense verifies that health care professionals of the military departments are appropriately licensed; Sponsor: Kiggans, Jennifer A. [Rep.-R-VA-2]; Committees: House - Armed Services

H.R.3639 — To amend title 38, United States Code, to furnish hospital care and medical services to veterans and dependents who were stationed at military installations at which the veterans and dependents were exposed to perfluorooctanoic acid or other per- and polyfluoroalkyl substances, to provide for a presumption of service connection for certain veterans who were stationed at military installations at which the veterans were exposed to such substances, and for other purposes; Sponsor: Lawler, Michael [Rep.-R-NY-17]; Committees: House - Veterans’ Affairs

H.R.3643 — To amend title 38, United States Code, to improve the annual reports submitted to Congress with respect to the Veterans Benefits Administration and the Veterans Health Administration, and for other purposes; Sponsor: McGuire, John J. [Rep.-R-VA-5]; Committees: House - Veterans’ Affairs

H.R.3655 — To amend the Public Health Service Act to establish the Substance Use Disorder Treatment and Behavioral and Mental Health Workforce Scholarship Program, and for other purposes; Sponsor: Salinas, Andrea [Rep.-D-OR-6]; Committees: House - Energy and Commerce; Ways and Means

H.R.3658 — To authorize the Secretary of Health and Human Services, acting through the Assistant Secretary for Mental Health and Substance Use, to award grants to States, territories, political subdivisions of States and territories, Tribal Governments, and consortia of Tribal Governments to establish an unarmed mobile crisis response program, and for other purposes; Sponsor: Smith, Adam [Rep.-D-WA-9]; Committees: House - Energy and Commerce

H.R.3665 — To amend title XVIII of the Social Security Act to limit the penalty for late enrollment under part B of the Medicare Program to 15 percent and twice the period of no enrollment, and to exclude periods of COBRA, retiree, and VA coverage from such late enrollment penalty; Sponsor: Williams, Nikema [Rep.-D-GA-5]; Committees: House - Energy and Commerce; Ways and Means