

# Report: HHS Program Operations Strained By Staffing, Funding Cuts

Sep 25, 2026, 3:56 PM EDT

(Inside Health Policy)

Congress has so far rejected many of President Donald Trump's proposed cuts to federal health agencies and programs, but a new report warns steep workforce losses and other disruptions across HHS have left agencies with less capacity to carry out the work lawmakers continue to fund.

To help reverse the losses, Trust For America's Health is urging Congress to provide at least \$11.58 billion for the Centers for Disease Control and Prevention in fiscal 2027, protect the Prevention and Public Health Fund and restore staffing and operating capacity across federal health agencies. The group also recommends steps to ensure appropriated funding is released for its intended purposes and federal grantmaking remains predictable and transparent.

The 139-page report, released by the nonprofit TFAH, points to what the group calls a growing "funding-function gap" between the money Congress appropriates and the staffing, expertise and administrative capacity agencies need to make sure those departments function the way they're supposed to. While TFAH says more funding is needed to narrow that gap, the group argues appropriations alone will not be enough to restore the institutional knowledge, technical expertise, relationships with grantees and grant-administration capacity lost during the past two years.

"Even if Congress again rejects the deepest reductions, continued flat funding, workforce attrition and hiring constraints, grant-administration disruptions, and sustained uncertainty could further erode public health capacity," the report states. "Reversing that trajectory will require rebuilding capacity, not simply preserving funding levels."

According to the report, which compared federal workforce levels at the end of fiscal 2024 with May 2026, CDC lost roughly 28% of its workforce, while FDA staffing declined about 22%, HRSA about 38% and SAMHSA about 42%. Across HHS overall, employment fell about 21%, from 92,620 to 73,186 workers, according to Office of

Personnel Management data cited in the report. Quarter-over-quarter staffing has continued to drop despite HHS' public commitment to hiring 12,000 new employees.

Those figures, however, are not a real-time snapshot of the agencies as of September. The workforce data run through May 31, and TFAH cautions that they measure net changes in headcount -- including retirements, resignations, transfers and other departures -- rather than layoffs alone.

Congress in February rejected many of the Trump administration's proposed fiscal 2026 cuts, maintaining CDC's program-level funding at roughly \$9.1 billion, essentially flat with fiscal 2025. Lawmakers also declined to eliminate the Prevention and Public Health Fund or adopt the administration's proposed consolidation of several HHS agencies and programs into a new Administration for a Healthy America.

In his latest proposed fiscal 2027 budget, Trump has again proposed shrinking the department by about 12.5%, reducing the department's discretionary funding to roughly \$111.1 billion. The proposal is currently stalled in Congress. Last month, the House passed another continuing resolution to keep the government funded through Dec. 11.

**But even if Congress again rejects the administration's proposed cuts, TFAH argues that maintaining funding would not by itself restore capacity already lost across the department.** To illustrate that point, TFAH highlighted CDC's workforce decline since the end of fiscal 2024. The agency fell from 12,820 employees to 9,218 as of May 2026 -- a roughly 28% reduction that left CDC with its lowest headcount since fiscal 2008.

The report says the decline has left fewer program officers, scientists, grant managers, epidemiologists and other specialists available to issue grants, process payments, review data, provide technical assistance and support state and local health departments during outbreaks and other emergencies.

For example, because teams responsible for administering grants, tracking chronic disease trends and providing technical assistance for CDC's chronic disease programs were reduced, the agency had less capacity to support state and local health departments carrying out those programs.

“We have a public health system that was already under strain, and workforce, funding, and institutional disruptions have intensified that strain,” TFAH President and CEO J. Nadine Gracia said in announcing the report.

The report also points to the termination of 444 CDC grants representing \$5.78 billion in unliquidated obligations as another example of disruptions affecting previously awarded federal funding. Some of those terminations remained subject to litigation, court orders or subsequent reversals.

More broadly, the amount of money CDC actually paid out to grantees and other recipients also fell. Those payments totaled \$13.3 billion in 2025, about 22% less than in 2024, and were running 27% below the same point in 2025 as of July 21. TFAH cautioned that the figures do not show why spending fell, noting that grant cycles, expiring pandemic-era funds and other factors can affect when federal dollars are distributed.

**TFAH says those recent disruptions come on top of a longer-running decline in public health purchasing power.** While CDC’s program-level funding increased from about \$7.3 billion in fiscal 2016 to \$9.1 billion in fiscal 2026, the report calculates that funding fell roughly 7% after accounting for inflation and about 12% on a per-capita basis.

The group warns that Trump’s fiscal 2027 budget proposal could add to that pressure. The budget would cut chronic disease prevention and health promotion activities currently housed at CDC by about 67%, reduce the Public Health Emergency Preparedness cooperative agreement from \$735 million to \$350 million, and cut Public Health Infrastructure and Capacity funding from \$360 million to \$260 million.

At the same time, the proposal calls for targeted increases in several administration priorities, including emerging infectious disease surveillance, public health data modernization, immunization and food safety. -- *James Jarvis* ([jjarvis@iwpnews.com](mailto:jjarvis@iwpnews.com))