

**M00F03**  
**Prevention and Health Promotion Administration**  
**Maryland Department of Health**

***Executive Summary***

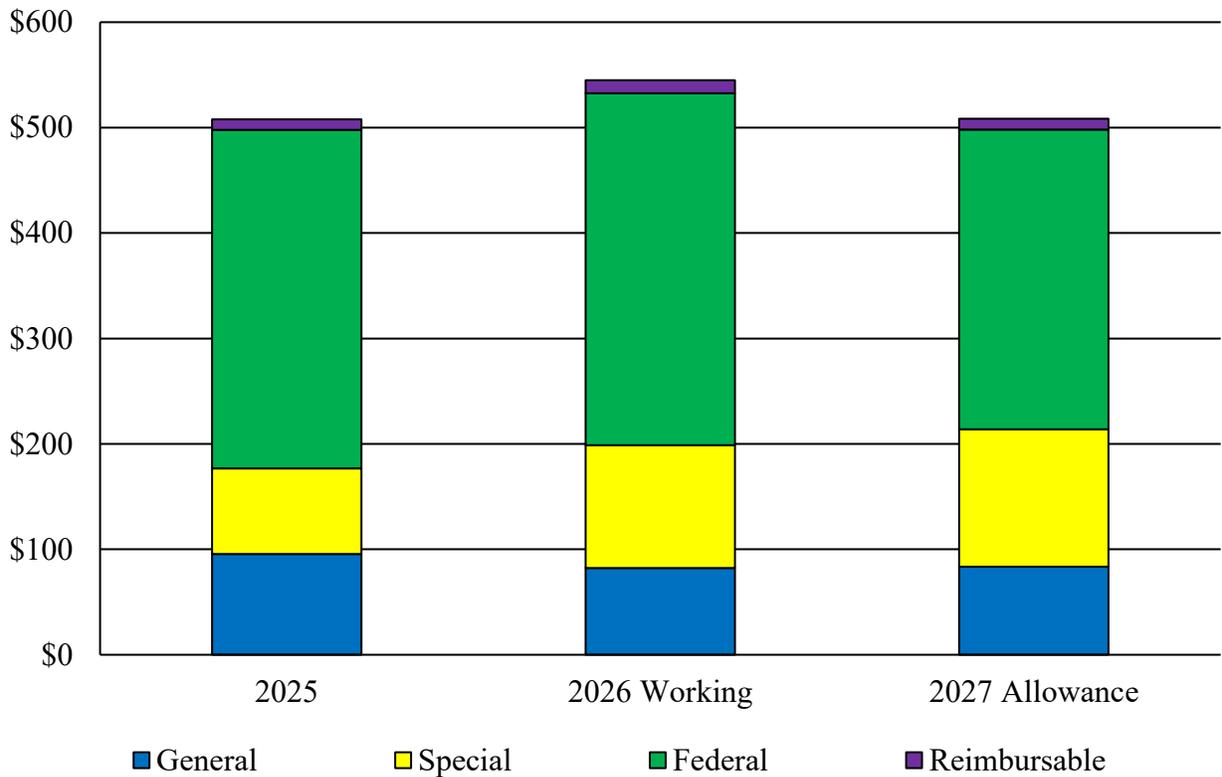
---

The mission of the Maryland Department of Health (MDH) Prevention and Health Promotion Administration (PHPA) is to protect, promote, and improve the health and well-being of Marylanders and their families through the provision of public health leadership and community-based health efforts.

***Operating Budget Summary***

---

**Fiscal 2027 Budget Decreases \$36.6 Million, or 6.7%, to \$508.3 Million**  
**(\$ in Millions)**



Note: The fiscal 2026 working appropriation accounts for deficiencies. The fiscal 2027 allowance accounts for contingent reductions. The fiscal 2027 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency’s budget.

For further information contact: Naomi Komuro

naomi.komuro@mga.maryland.gov

- The fiscal 2027 allowance includes \$1.73 million in general fund reductions and a \$1 million special fund appropriation contingent on legislation, the Budget Reconciliation and Financing Act (BRFA) of 2026.
- The fiscal 2026 working appropriation includes a \$4.99 million deficiency to support screening and treatment services for sexually transmitted infections with special funds available from excess revenue from Maryland AIDS Drug Assistance Program (MADAP) rebate revenues.

## ***Key Observations***

---

- ***Impacts of Federal Vaccine Schedule Changes:*** In January 2026, the Centers for Disease Control and Prevention (CDC) released an updated immunization schedule for children, which downgraded six vaccines previously recommended for all children, to be recommended for those at high-risk or to be administered at the discretion of caregivers and primary care providers. CDC also changed mandatory immunization-related measures states were required to report annually. The changes have led to policy change by MDH. The department has issued its own vaccine guidance and joined a multi-state coalition to develop and issue public health guidance, including on immunizations.
- ***Fiscal 2027 Includes Grant Dollars from Pediatric Cancer Fund:*** Chapters 253 and 254 of 2022 established the Pediatric Cancer Fund. The fiscal 2023 appropriation included \$5 million for the fund, but MDH has not yet expended any funds. MDH reported delays in developing regulations and establishing a Pediatric Cancer Research Commission, which is required by subsequent legislation altering the allowable uses of the fund. MDH fully appointed the commission in October 2025 and indicates that it will begin grantmaking in fiscal 2027. The fiscal 2027 allowance includes \$2.5 million.

## **Operating Budget Recommended Actions**

1. Amend contingent language to increase the general fund reduction and adjust the contingency to align with the provision in the Budget Reconciliation and Financing Act of 2026.

## **Updates**

- The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Program enrollment grew in federal fiscal 2025 and is projected to continue increasing in fiscal 2026 and 2027. The fiscal 2027 allowance increases due to higher projected enrollment and rising food costs.

**M00F03**  
**Prevention and Health Promotion Administration**  
**Maryland Department of Health**

## ***Operating Budget Analysis***

---

### **Program Description**

PHPA's mission is to protect, promote, and improve the health and well-being of Marylanders and their families through the provision of public health leadership and community-based health efforts in partnership with local health departments, public- and private-sector agencies, health care providers, and community-based organizations. PHPA is organized into five bureaus:

- the Infectious Disease Prevention and Health Services Bureau;
- the Infectious Disease Epidemiology and Outbreak Response Bureau;
- the Maternal and Child Health Bureau;
- the Environmental Health Bureau; and
- the Cancer and Chronic Disease Bureau.

PHPA accomplishes its mission by focusing, in part, on the prevention and control of infectious diseases, investigation of disease outbreaks, protection from food-related and environmental health hazards, and helping impacted persons live longer, healthier lives. Additionally, PHPA works to assure the availability of quality primary, prevention, and specialty care services with special attention to at-risk and vulnerable populations. Finally, the agency aims to prevent and control chronic diseases, engage in disease surveillance and control, prevent injuries, provide health information, prevent overdose deaths, and promote healthy behaviors.

## ***Performance Analysis: Managing for Results***

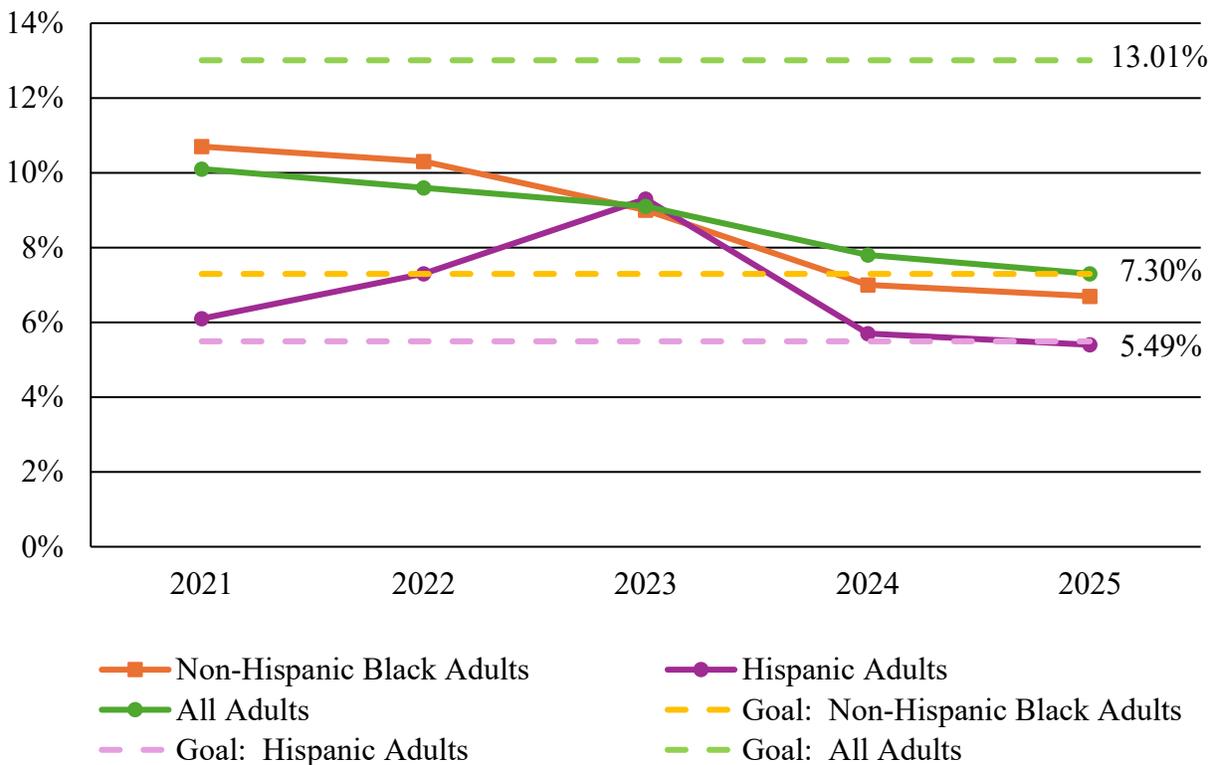
---

### **1. State Tobacco Abatement Metrics for Adults Out of Date**

PHPA sets annual performance goals related to reducing tobacco usage among adults and youth, including, since fiscal 2019, to reduce the proportion of Maryland adults who smoke cigarettes by 31.9% compared to the calendar 2011 level. For the last several years, the proportion of adults who smoked cigarettes has been lower than the proportion in calendar 2011. In fiscal 2024, 7.8% of adults smoked cigarettes, 5.2 percentage points lower than the goal of 13%. PHPA also aims to reduce tobacco usage among adults in certain racial and ethnic groups at higher risk for heart-related conditions and lung cancer compared to other populations. The first of these

goals is to, by calendar 2028, reduce the proportion of non-Hispanic Black adults who smoke cigarettes from the calendar 2011 rate of 18.9% to 7.3%. The second is to reduce the proportion of Hispanic adults who smoke cigarettes from the calendar 2011 rate of 19.9%, to 5.5%. As seen in **Exhibit 1**, each of these objectives have been met as of fiscal 2025. The Department of Legislative Services (DLS) has pointed out previously that the goal for reducing overall adult cigarette usage has been met for several years in a row and should be updated. During the 2025 legislative session, PHPA indicated that it would update the goal with the submission of the fiscal 2027 Managing for Results data; however, the goal has not yet been updated. **PHPA should comment on its plans to update its goals related to adult cigarette usage to reflect current trends and population health objectives.**

**Exhibit 1  
Adult Cigarette Usage  
Fiscal 2021-2025**



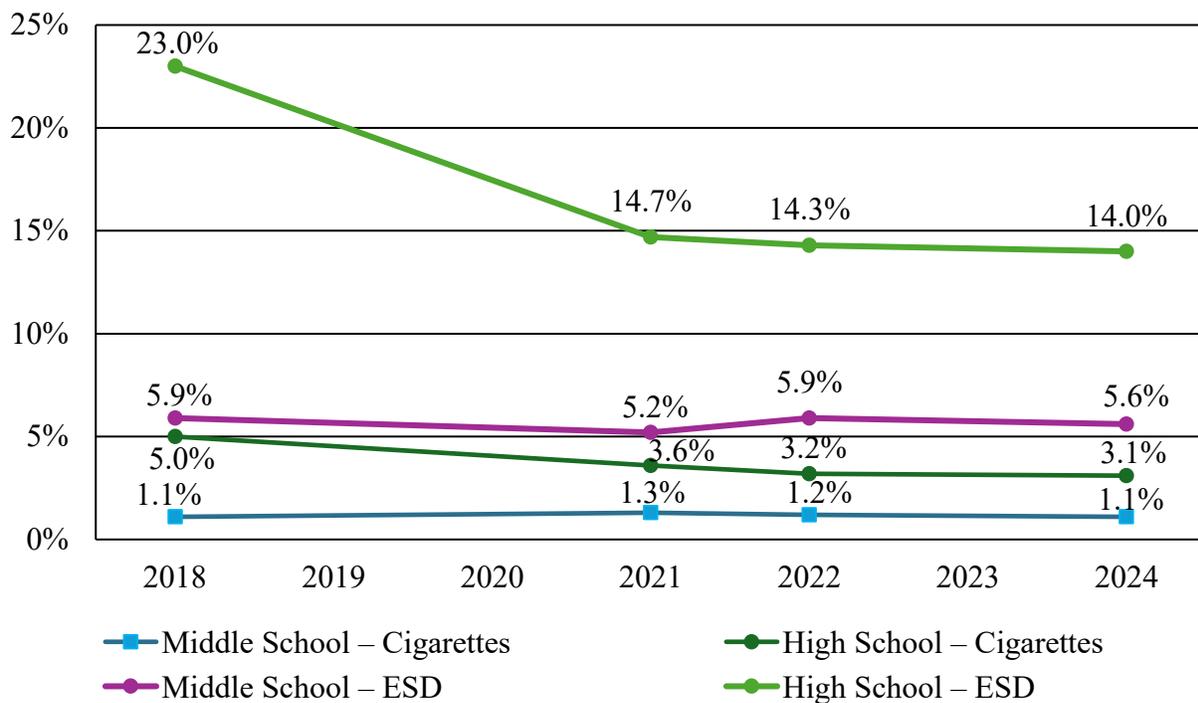
Note: Fiscal 2025 data for all adults is an estimate; actuals will be available at the end of calendar 2026.

Source: Department of Budget and Management; Department of Legislative Services

## Tobacco Usage Rates Among Youth Decline for Most Measures

PHPA also measures usage rates for cigarettes, electronic smoking devices (ESD), and any tobacco product among middle school and high school students. Over the last several years, cigarette usage among youth has decreased, while ESD usage has increased. As seen in **Exhibit 2**, in fiscal 2024, 1.1% of middle school students and 3.1% of high school students smoked cigarettes, each of which declined 0.1 percentage point from fiscal 2022. With this data, PHPA has met its goal to reduce high school cigarette usage to 3.5% but has not yet reached its goal of reducing middle school cigarette usage to 0.5%. ESD usage and usage of any tobacco products among both age groups surpassed PHPA’s goals in fiscal 2024 but declined from their fiscal 2022 levels by an average of 3.6% and 3.1%, respectively. Data for these two groups is available through surveys administered to students every two years. These surveys were not conducted during the COVID-19 pandemic in calendar 2020 but were instead conducted in calendar 2021.

**Exhibit 2**  
**Tobacco Usage Among Youth**  
**Fiscal 2018-2024**



ESD: electronic smoking devices

Note: Rates are measured biannually, but the calendar 2020 survey was issued in calendar 2021.

Source: Department of Budget and Management; Department of Legislative Services

## **Proposed Reduction to Tobacco Cessation Funding Mandate**

Chapter 37 of 2021 increased the mandated appropriation for tobacco use reduction from \$10.0 million to at least \$18.25 million beginning in fiscal 2021. Due to the Governor vetoing and the legislature subsequently overriding the veto, the increase in funding was first included in the State budget in fiscal 2023. The BRFA of 2026 includes a provision that would reduce the mandate to \$17.52 million beginning in fiscal 2027. However, the fiscal 2027 budget plan includes a general fund reduction of \$730,000 contingent on enactment of legislation eliminating the funding mandate for tobacco use reduction activities. **Therefore, DLS recommends modifying the language to align with the provision in the BRFA as introduced by making the general fund reduction contingent on legislation reducing the funding mandate.**

After accounting for the contingent reduction, the fiscal 2027 allowance includes \$18.4 million (\$3.2 million general funds) for tobacco prevention and cessation activities. **PHPA should clarify how it determined the new mandated level of \$17.52 million and explain the impact that this reduction will have on tobacco use reduction programs locally and statewide. DLS also recommends increasing the contingent general fund reduction by \$850,000 to provide the proposed mandated appropriation of \$17.52 million in fiscal 2027.**

## **Fiscal 2025**

### **Federal Recissions**

PHPA receives funding from seven federal grants that were thought to be at risk of recission or cancellation in fiscal 2025, including supplemental grants issued through COVID-19 relief legislation. These grants support epidemiology and infectious disease research, address COVID-19-related health disparities, and fund community-based behavioral health programs and represent \$77.4 million of PHPA's fiscal 2026 budget. However, to date, PHPA has not lost any federal funding from these sources. Six of the seven grants continued in fiscal 2025 and 2026 under a preliminary injunction issued by a federal judge on May 16, 2025. Of these, two ended September 30, 2025, and the other four have been granted a no-cost extension and will expire July 31, 2026. One grant, the Affordable Care Act Personal Responsibility Education Program, which provides funding for sexual education programming, was thought to be at risk due to a federal notice directing states to remove gender identity references from sexual education materials paid for with federal dollars. Maryland is participating in multi-state litigation challenging this directive. The grant remains active while the litigation is ongoing. **Given the uncertainty of future funding, PHPA should comment on its efforts to monitor ongoing changes at the federal level and communicate with grantees.**

## **Fiscal 2026**

### **Status of Legislative Additions**

Section 21 of the fiscal 2026 Budget Bill (Chapter 602 of 2025) included \$780,000 in general funds for the following legislative priorities in PHPA:

- \$400,000 in general funds for a grant to Planned Parenthood of Maryland, Inc;
- \$200,000 in general funds to support the Professional and Volunteer Firefighter Innovative Cancer Screening Technologies Program;
- \$130,000 in general funds for a grant to the University of Maryland Capital Region Medical Center for an apheresis machine; and
- \$50,000 in general funds for a grant to the Ronald McDonald House Charities of Greater Washington, D.C. for the Built by Love Impact Fund.

PHPA confirmed that it had issued one-time grant funding to Planned Parenthood of Maryland, the University of Maryland Capital Region Medical Center, and the Ronald McDonald House Charities of Greater Washington, D.C. Grant applications for the Professional and Volunteer Firefighter Innovative Cancer Screening Technologies Program were released January 15, 2026, and as of January 22, 2026, PHPA was actively evaluating proposals. The department anticipates awarding grant funding in April 2026. Chapters 782 and 783 of 2024 repealed the \$100,000 annual funding mandate and instead authorized the Governor to include at least \$500,000 in the annual budget for the program. The fiscal 2026 working appropriation provides \$600,000 for the program, including the legislative addition. The fiscal 2027 allowance includes \$400,000.

In addition, §21 provided \$2.0 million in special funds from the Cigarette Restitution Fund to supplement the appropriation for Statewide Academic Health Center Cancer Research Grants. In January 2026, PHPA confirmed that it had allocated additional funding for the Statewide Academic Health Center Cancer Research Grants to the University of Maryland and Johns Hopkins University as planned, bringing the total fiscal 2026 appropriation for the grant program to \$15 million. The fiscal 2027 allowance level funds the grant program at \$15 million, which exceeds the annual mandated appropriation of \$13 million for the grants.

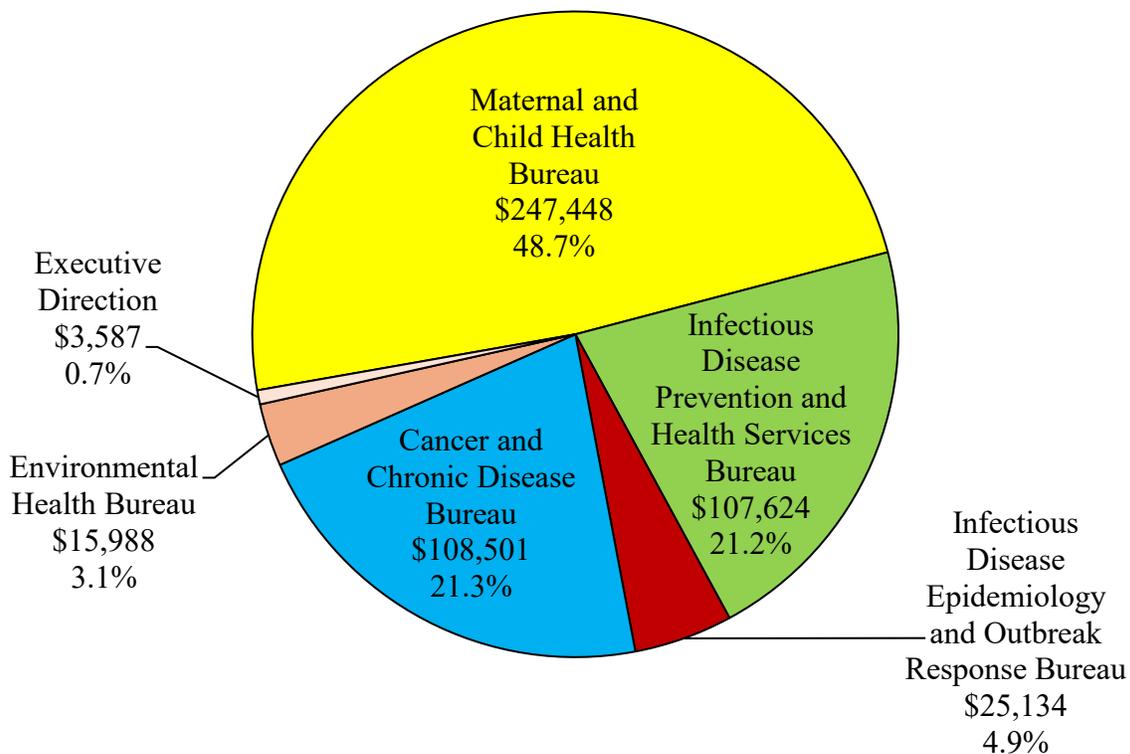
### **Proposed Deficiency**

The fiscal 2027 allowance includes one proposed deficiency appropriation that increases the special fund appropriation by \$4.99 million for screening, treatment, and supportive services for sexually transmitted infections. Funding is available through greater than anticipated revenue from MADAP rebates.

## Fiscal 2027 Overview of Agency Spending

The fiscal 2027 allowance includes \$508.3 million across the five bureaus in PHPA. As seen in **Exhibit 3**, the Maternal and Child Health Bureau comprises nearly half of the budget (\$247.4 million) and includes funding for the WIC program (\$163.6 million). Spending on infectious disease prevention and response makes up approximately 21% of the budget (\$132.7 million) and includes MADAP special funds for HIV prevention and treatment programs. Spending in the Cancer and Chronic Disease Bureau comprises 21.3% of the budget and includes funding for tobacco cessation programs, after accounting for a general fund reduction of \$730,000 that is contingent on a provision in the BRFA of 2026 that would reduce this mandate.

**Exhibit 3**  
**Overview of Agency Spending**  
Fiscal 2027 Allowance  
(\$ in Thousands)



Note: The fiscal 2027 allowance accounts for contingent reductions. The fiscal 2027 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency's budget.

Source: Governor's Fiscal 2027 Budget Books

## Proposed Budget Change

As seen in **Exhibit 4**, the fiscal 2027 allowance decreases by \$36.6 million compared to the fiscal 2026 working appropriation, after accounting for the deficiency and contingent reductions. The overall reduction is driven primarily by the end of COVID-19 relief supplements to Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases grants (\$62.6 million). There is also a decrease in spending for the Immigrant and Refugee Health Program (\$7.5 million of reimbursable funds) due to declining enrollment. The reductions are partially offset by increases in a few areas. Spending for the WIC food assistance program increases by \$17.8 million due to increased enrollment. The budget grows by \$5 million for the new Public Health Abortion Grant Program, established by Chapters 435 and 436 of 2025, which expands access to abortion care and is supported with special funds from Maryland insurance premiums. There is also an increase of \$7.4 million in special funds for MADAP programs, to spend down elevated fund balance, discussed further in the section below.

**Exhibit 4**  
**Proposed Budget**  
**MDH – Prevention and Health Promotion Administration**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b>General Fund</b>	<b>Special Fund</b>	<b>Federal Fund</b>	<b>Reimb. Fund</b>	<b>Total</b>
Fiscal 2025 Actual	\$95,499	\$81,191	\$321,180	\$9,932	\$507,802
Fiscal 2026 Working	82,153	116,538	333,760	12,436	544,887
Fiscal 2027 Allowance	83,603	130,407	284,035	10,237	508,282
Fiscal 2026-2027 \$ Change	\$1,451	\$13,868	-\$49,725	-\$2,199	-\$36,605
Fiscal 2026-2027 % Change	1.77%	11.90%	-14.90%	-17.68%	-6.72%

**Where It Goes:**

**Change**

**Personnel Expenses**

Salary increases more than offset by higher turnover rate and transfer of 33 positions out of PHPA.....	-\$6,190
Employee and retiree health insurance .....	2,048
Deferred compensation match due to statewide change in budgeting.....	184
Workers' compensation premium assessment.....	16
Accrued leave payouts.....	-47

**Health Programs for Women, Children, and Families**

Federal funding for WIC, driven by increase in enrollment.....	17,776
Transferred programs from BHA to provide SUD recovery services to pregnant and parenting women and designate a SUD counselor onsite at local departments of social services .....	8,869

*M00F03 – MDH – Prevention and Health Promotion Administration*

<b>Where It Goes:</b>	<u><b>Change</b></u>
New Public Health Abortion Grant Program established by Chapters 435 and 436 of 2025.....	5,000
First year of grant awards from the Pediatric Cancer Fund.....	2,475
Fiscal 2026 special fund deficiency for a one-time support screening and treatment services for sexually transmitted infections, available through excess MADAP fund balance.....	-4,990
Reduction in reimbursable funds for the Immigrant Health Program and Refugee Health Program due to lower participation attributed to federal policy changes resulting in fewer immigrant and refugee arrivals.....	-7,498
<b>Infectious Disease Research and Services</b>	
Increased spending on HIV prevention and treatment programs to spend down MADAP rebate revenue .....	7,441
Anticipated increase in federal CDC grant for infectious disease research.....	1,945
Expiration of COVID-19 supplemental funds for ELC grant .....	-62,585
<b>Other Changes</b>	
Contractual employees increase by 6.41 FTEs.....	332
Reduction in mandated tobacco cessation program spending, contingent on legislation .....	-730
Lower expenditures from the Cannabis Public Health Fund due to projected decreases in revenue .....	-1,254
Other changes .....	602
<b>Total</b>	<b>-\$36,605</b>

- BHA: Behavioral Health Administration
- CDC: Centers for Disease Control and Prevention
- ELC: Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases
- FTE: full-time equivalent
- MADAP: Maryland AIDS Drug Assistance Program
- MDH: Maryland Department of Health
- PHPA: Prevention and Health Promotion Administration
- SUD: substance use disorder
- WIC: Special Supplemental Nutrition Program for Women, Infants, and Children

Note: Numbers may not sum to total due to rounding. The fiscal 2026 working appropriation accounts for deficiencies. The fiscal 2027 allowance accounts for contingent reductions. The fiscal 2027 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency’s budget.

## **MADAP Fund Balance and Rebate Revenue Rebound in Fiscal 2025**

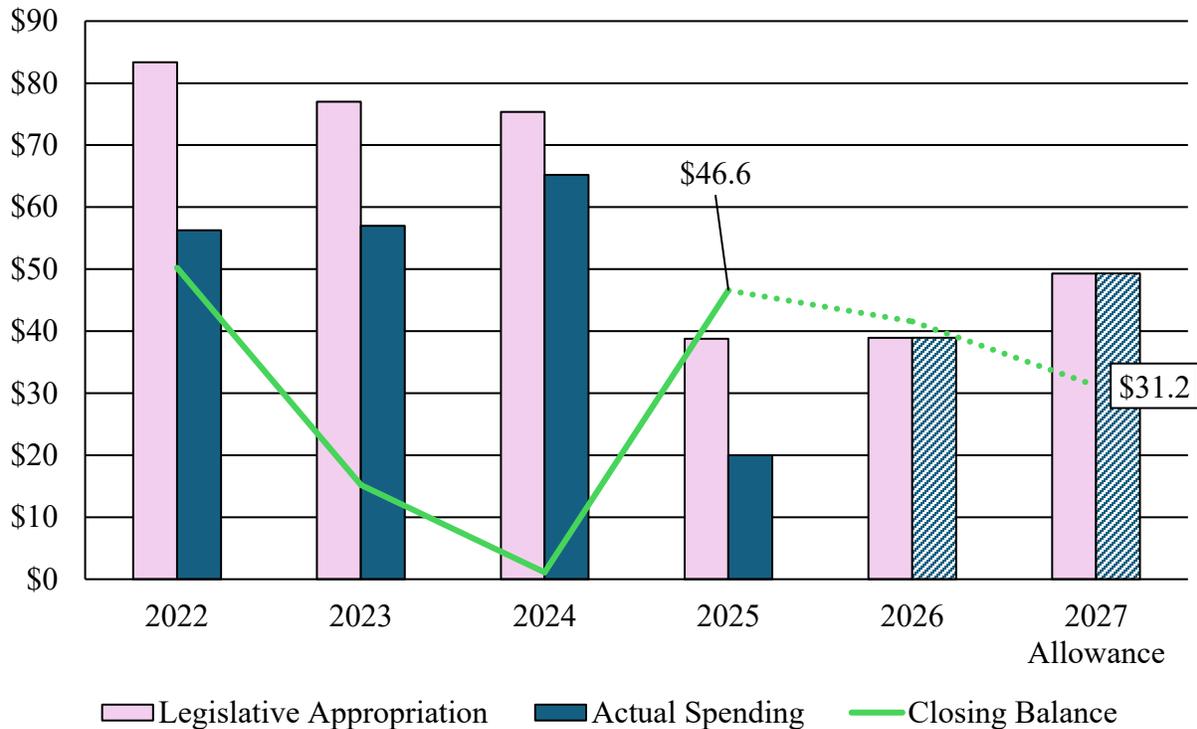
PHPA supports prevention activities and services for people living with HIV/AIDS through the MADAP. The program is funded through the Ryan White HIV/AIDS Program, which is formula funding based on HIV infection rates, and special funds through MADAP pharmaceutical rebates. Maryland receives rebates on medications purchased with federal Ryan White Part B

*M00F03 – MDH – Prevention and Health Promotion Administration*

grants or general funds. PPHA has indicated rebate revenues have decreased over the last several years due to several factors, including the onset of generic pharmaceuticals, HIV drug vendors changing how they calculate rebate eligibility, and fewer vendors willing to keep a separate stock of drugs for patients paying through Ryan White Part B grant funding versus those paying out of pocket or through private insurance. In addition, as new infections decrease and HIV outcomes improve, both the federal and special fund sources will continue to decline. PPHA reports that in calendar 2024, 785 people aged 13 and above in Maryland were diagnosed with HIV, which is about 38% fewer than those diagnosed in calendar 2014 (1,259).

In fiscal 2023, the closing MADAP rebate balance dropped to \$15.2 million from \$50.2 million at the close of fiscal 2022. At the close of fiscal 2024, the balance was \$1.1 million. Given the rapid decline of available balance and rebate revenue, PPHA took measures to streamline the program, improve revenue collection efforts, and increase efficiencies in revenue management. In fiscal 2025, special fund revenues totaled \$64.6 million, higher than PPHA had projected. Fiscal 2026 and 2027 revenue is projected to be about 40% of that figure, \$38.9 million in each year. As seen in **Exhibit 5**, annual spending decreased significantly between fiscal 2024 and 2025, when the MADAP fund balance was very low and PPHA projected decreased revenues. Fiscal 2025 special fund expenditures were \$20 million, leaving a closing fund balance of \$46.6 million. The fiscal 2026 working appropriation includes \$38.9 million, and the fiscal 2027 allowance includes \$49.3 million for program expenditures. If revenue and spending continue as projected, the fund balance will remain steady at fiscal 2026 close and decrease slightly in fiscal 2027. As noted above, fiscal 2027 expenditures increase compared to fiscal 2026 in order to spend down excess MADAP revenue. **PPHA should comment on other efforts to spend down the fund balance while ensuring sustainable spending on MADAP programs based on service demand and available revenue.**

**Exhibit 5  
MADAP Fund Balance and Spending  
Fiscal 2025-2027**



MADAP: Maryland AIDS Drug Assistance Program

Note: Actual spending and ending fund balance in fiscal 2026 and 2027 are estimates. The projected fiscal 2026 closing balance accounts for a \$4.99 million deficiency appropriation to support services for sexually transmitted infections, budgeted outside of the Maryland AIDS Drug Assistance Program.

Source: Department of Budget and Management; Maryland Department of Health; Department of Legislative Services

**Budget Reconciliation and Financing Act**

The fiscal 2027 budget plan includes two general fund reductions and one special fund appropriation contingent on provisions in the BRFA of 2026. One provision, discussed in the Performance Analysis section, would reduce the funding mandate for tobacco use reduction activities from \$18.25 million to \$17.52 million. The other provision would expand authorized uses of the Advance Directive Program Fund and effectuate a fund swap reducing \$1 million in general funds and replacing it with special funds from the fund. This fund generates revenue from a health insurance tax distributed to MDH by the Maryland Insurance Administration (MIA), and the current fund balance is \$1,858,762. The fiscal 2027 allowance includes a contingent

*M00F03 – MDH – Prevention and Health Promotion Administration*

general fund reduction of \$1.0 million and a corresponding \$1.0 million special fund appropriation, contingent on the enactment of legislation expanding the authorized uses of the fund.

***Personnel Data***

---

	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 26-27</b>
	<b><u>Actual</u></b>	<b><u>Working</u></b>	<b><u>Allowance</u></b>	<b><u>Change</u></b>
Regular Positions	566.00	541.00	508.00	-33.00
Contractual FTEs	<u>50.46</u>	<u>19.34</u>	<u>25.75</u>	<u>6.41</u>
<b>Total Personnel</b>	<b>616.46</b>	<b>560.34</b>	<b>533.75</b>	<b>-26.59</b>

***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions		74.64	14.69%
Positions and Percentage Vacant as of 12/31/2025		81.60	16.06%
 Vacancies Above Turnover		6.96	

- The fiscal 2027 allowance includes 508.0 regular positions in PHPA, 33.0 fewer positions than the fiscal 2026 working appropriation. The change is due primarily to transfers from PHPA to other areas of MDH. The decrease is driven by the transfer of 16.0 positions into the Office of the Deputy Secretary of Public Health Services for the MDH Internship Program, which is supported by the federal Public Health Infrastructure Grant. There were additional transfers out of PHPA into Medicaid (8.0), the Office of the Chief Medical Examiner (4.0), Health Regulatory Commissions (3.0), the Behavioral Health Administration (2.0), and Spring Grove Hospital Center (1.0). The realignment of 4.0 positions from the Public Health Administration were partially offset by the transfer of 3.0 positions from PHPA into the MDH Office of the Secretary.
- As of December 31, 2025, PHPA had 81.60 vacant positions, which is 6.96 more than budgeted turnover in the fiscal 2027 allowance. The majority of vacant positions are in the Infectious Disease and Environmental Health Services. Of the total vacant positions, 33 have been vacant for at least one year. If all of the transferred positions are currently filled, the number of vacant positions remains higher than budgeted turnover, despite budgeted turnover increasing substantially from 6.48% in fiscal 2026, to 14.69% in fiscal 2027. However, if many of the transferred positions are currently vacant, then the increase in budgeted turnover in fiscal 2027 could result in shortfalls for personnel costs. **PHPA should specify how many of the transferred positions are vacant, if applicable. Additionally, PHPA should comment on its plans to fill or abolish its long-term vacant positions.**

*M00F03 – MDH – Prevention and Health Promotion Administration*

- On October 22, 2025, the Board of Public Works approved the abolition of 502.7 positions statewide, including 170.7 vacant positions and 332.0 positions associated with the Voluntary Separation Program (VSP). In PPHA there were 9.0 abolished positions (8 through the VSP and 1 vacant position), representing \$1.3 million in general fund savings in fiscal 2026.

## ***Issues***

---

### **1. State Vaccine Guidance and Federal Guidance**

While the federal government issues guidance on vaccine schedules for people of all ages, only states have the authority to establish and enforce vaccine mandates. There are rare circumstances, such as during a public health emergency, in which the federal government can issue nationwide vaccine mandates or alter states' mandates. As the national regulatory body for medical treatments and immunization, the Federal Drug Administration (FDA) reviews and assesses the safety and efficacy of vaccine candidates, approves qualifying vaccines, and monitors the safety of approved vaccines. CDC issues guidance with recommended doses and schedules of vaccines approved for children and adults. CDC-recommended vaccines qualify for coverage under the Centers for Medicare and Medicaid Services (CMS) Vaccine for Children program and must be covered at no cost by most insurers. The CDC's guidance typically follows the recommendations of the Advisory Committee on Immunization Practices (ACIP), which makes vaccine schedule recommendations based on its review of available data and research. Members of the ACIP are appointed by the U.S. Department of Health and Human Services (HHS) Secretary and are clinical, scientific, and public health experts in immunization, as well as one member without technical expertise who represents consumers. While CDC usually adopts ACIP recommendations, it may deviate at the discretion of the CDC Director or Secretary of Health and Human Services.

On January 5, 2026, HHS released a memo announcing new changes to federal vaccine recommendations for children and adolescents. CDC published the updated vaccine schedules on the same day. Typically, CDC would release guidance based on recommendations from ACIP, which meets publicly a few times per year to review studies and evidence. CDC appears to follow at least some of ACIP's recommendations, including those related to COVID-19. The new guidance reduces the number of recommended routine vaccines for children and updates prior changes to the children and adult vaccine schedules released in October 2025. The previous list of recommended immunizations for all children included 17 vaccines. Rather than remove any vaccine from the child vaccine schedule completely, the new guidance reorganizes recommended vaccines into three tiers: (1) recommended for all children; (2) recommended for high-risk groups; and (3) recommended under "shared clinical decision-making" (SCDM). CDC qualifies vaccines listed under SCDM as those that can be decided upon on an individual basis and informed by caregivers and health care providers, although all vaccines on prior schedules would also have been decided upon by caregivers. CDC no longer recommends for all children vaccines that prevent infection from rotavirus, COVID-19, influenza, hepatitis A, hepatitis B, and meningococcal. The new guidance also reduces the number of recommended doses of human papilloma virus (HPV) vaccine from two (if cycle begins before the age of 15) or three (if cycle begins at age 15 or older) doses to one.

Because all vaccines previously on the list of vaccines recommended for all children remain on the CDC's recommended vaccine schedule, most insurers will continue to cover the cost of these vaccines. However, because the recommended dose of HPV was reduced to one, insurers

are only required to cover the cost of one dose. FDA has not approved a one-dose HPV vaccine. According to ACIP, health insurers will cover vaccine doses in accordance with the prior vaccine schedule through calendar 2026. In addition to changes to insurance coverage, federal guidance on vaccines can affect vaccine uptake by influencing the public's trust in certain vaccines that have been reviewed and approved by FDA for safety and effectiveness. Significant changes to federal recommendations can also cause confusion among consumers due to conflicting guidance between State and federal governments.

In addition to changing the recommended vaccine schedule, in December 2025, CMS removed certain immunization measures from the Child Core Set and Adult Core Set, which are sets of metrics states report on vaccine uptake among Medicaid and Children Health Insurance Program enrollees. Data from the core sets are publicly available and support public health program objectives and approaches in states and nationwide. Beginning in calendar 2024, states are required to report certain metrics, and CMS can withhold Medicaid payments from states that do not report the required data timely. The recent changes removed four required measures from the Child Core Set, including childhood immunization status, immunizations for adolescents, and prenatal immunization status for those under 21 and age 21 and over. States may continue to report these measures voluntarily. In addition to the child immunization measures, CMS removed two immunization-related measures and two measures related to tobacco cessation and asthma from the Adult Core Set. While states may continue to report this data, available nationwide data on vaccine trends may decrease as a result of these actions. States use data from other states to compare outcomes and inform policies, funding, and guidance related to vaccines.

## **Immunization Policy in Maryland**

Following the CDC's announcement in January, MDH indicated that the State's vaccine guidance would follow the American Academy of Pediatrics (AAP) recommended vaccine schedule, which differed from the CDC guidance for the first time in 30 years. In September 2025, Maryland joined the Northeast Public Health Collaborative, a multistate coalition established to set public health guidelines, including vaccine recommendations. Other coalition members include Connecticut, Delaware, Massachusetts, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, and New York and Baltimore cities. In response to the federal government no longer recommending COVID-19 vaccinations for individuals under the age of 65, the coalition released its own COVID-19 vaccine guidance in September 2025.

Chapter 738 of 2025 requires insurance policies and nonprofit health service plans to include all visits for and costs of childhood and adolescent immunizations recommended by ACIP as of December 31, 2024. The legislation applies to all policies, contracts, and health benefit plans issued, delivered, or renewed in the State on or after January 1, 2026. Chapter 738 also authorizes qualified pharmacists to administer vaccines that are recommended by ACIP or approved by FDA to individuals age seven or older.

SB 385/HB 637 of 2026 (the Vax Act) are administration bills that would authorize the Maryland Secretary of Health to issue recommendations for immunizations, screenings, and preventive services for people of all ages. The bill specifies that the recommendations would

follow guidance from AAP, the American College of Obstetricians and Gynecologists, and the American Academy of Family Physicians, as well as consider relevant guidance from the Maryland Statewide Advisory Commission on Immunizations, HHS, CDC, including ACIP, FDA, and the U.S. Preventive Services Task Force. The bill requires the Secretary of Health to publish vaccine recommendations to the MDH website and distribute recommendations to licensed health professionals across the State and to MIA. In addition, the bill specifies that in most circumstances, insurance carriers must cover the cost of vaccinations included in the department's set of recommendations and must follow guidance from ACIP that was active on December 31, 2024. The bill would take effect July 1, 2026, and would apply to health plans in the State on January 1, 2027.

## **2. Pediatric Cancer Fund Roll Out**

Chapters 253 and 254 established the Maryland Pediatric Cancer Fund and required MDH to distribute grants for pediatric cancer research, prevention, and treatment. Chapters 924 and 925 of 2024 altered the allowable uses of fund dollars to pediatric cancer research only and established a Pediatric Cancer Research Commission to oversee the grant process. MDH indicated the Commission would have input in the administration of the fund, such as grant program regulations and awardee criteria. The fiscal 2023 budget for the MDH Office of the Secretary included the mandated funding level of \$5 million from the Dedicated Purpose Account for the Pediatric Cancer Fund. PHPA has not yet expended any money from the fund due to delays in developing regulations and establishing a Pediatric Cancer Research Commission to advise the grant process, and the fund balance remains at \$5 million.

As of October 2025, the 13-person commission has been fully appointed. Per the legislation, the commission is comprised of a Secretary of Health designee and 12 Governor-appointed individuals from various medical and scientific backgrounds with expertise in pediatric cancers or with lived experience in pediatric cancer. PHPA has indicated that it will hire a full-time program administrator to oversee the program. The fiscal 2027 allowance includes \$2.5 million for Pediatric Cancer Fund grants. **PHPA should comment on when it plans to release a request for proposals and when it will hire the program administrator. Considering the grant program is supported with fund balance and does not have an ongoing revenue source, PHPA should discuss how the grants will be used on one-time purposes and the timing for distributing the grants.**

## ***Operating Recommended Actions***

---

1. Amend the following language to the general fund appropriation:

Further provided that this appropriation shall be reduced by ~~\$730,000~~ \$1,580,000 contingent upon the enactment of legislation ~~eliminating~~ reducing the funding mandate for tobacco use reduction activities.

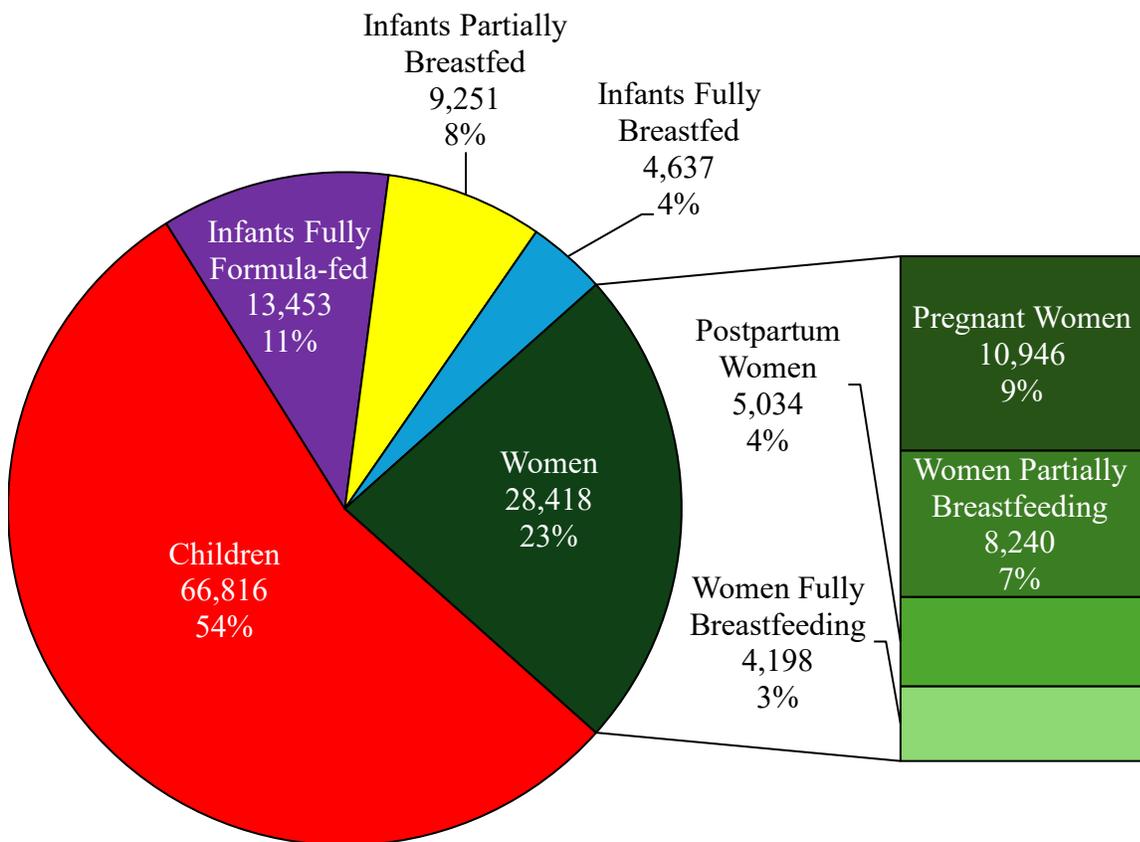
**Explanation:** This action amends contingent language to increase the general fund reduction by \$850,000 to provide the proposed mandated appropriation for tobacco use reduction activities and align the language with the provision in the Budget Reconciliation and Financing Act of 2026.

## Updates

### 1. WIC Enrollment Increases in Fiscal 2025

WIC is a federal program designed to promote adequate nutrition in mothers and young children. WIC also provides nutrition education, breastfeeding promotion and support, and referrals to social and health services. As shown in **Exhibit 6**, most participants are infants or children, while women comprise less than one-quarter of Maryland participants.

**Exhibit 6**  
**Average Monthly Maryland WIC Enrollment by Category**  
**Federal Fiscal 2025**

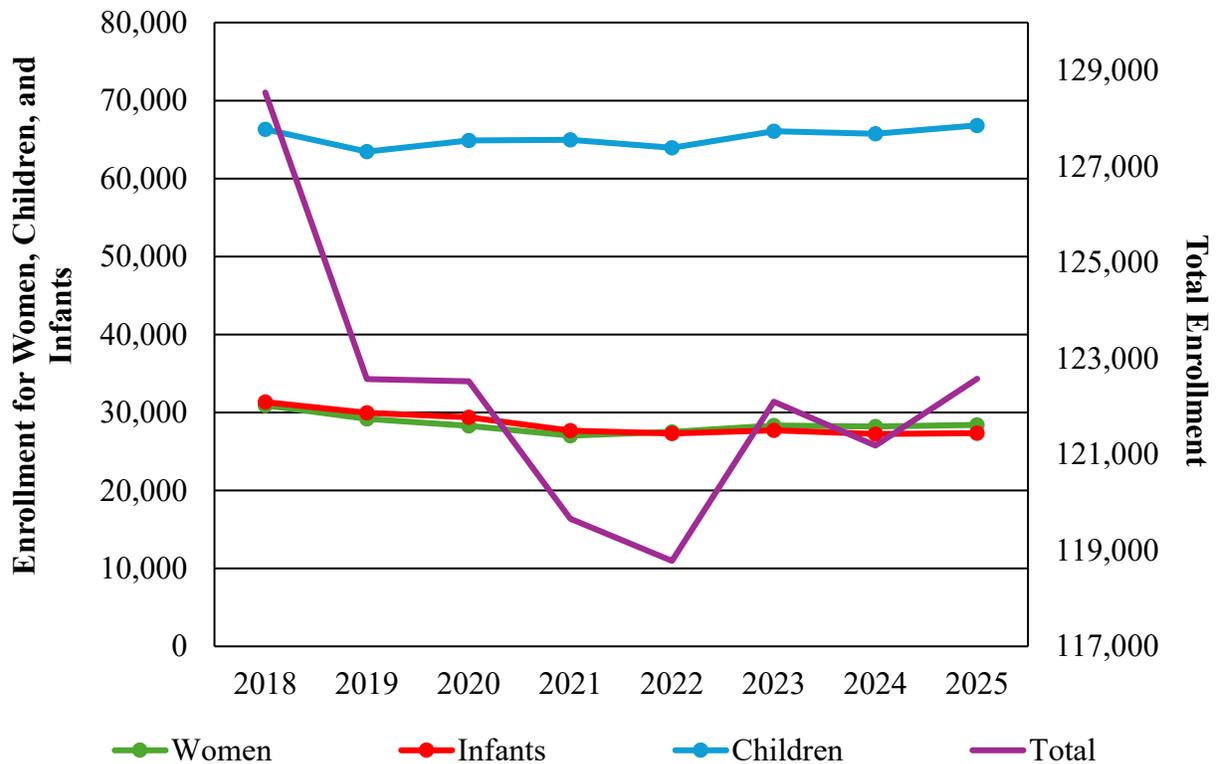


WIC: Special Supplemental Nutrition Program for Women, Infants, and Children

Source: U.S. Department of Agriculture, Food and Nutrition Service; Department of Legislative Services

The fiscal 2027 allowance includes \$163.6 million for WIC benefits, a \$17.8 million (12.2%) increase from the fiscal 2026 working appropriation, due to projected increases in enrollment and food costs. Over the last few years, enrollment in WIC has grown in Maryland and nationwide, due to expanded eligibility during the COVID-19 pandemic and the rising cost of food. As seen in **Exhibit 7**, following steady declines in overall WIC enrollment through federal fiscal 2022, enrollment has mostly grown year over year through federal fiscal 2025. Between federal fiscal 2022 and 2023 enrollment increased by nearly 3% in every category. Increases in federal fiscal 2023 can be attributed largely to individuals rolling off of COVID-19 relief benefits and enrolling in WIC. In addition, national increases in costs of living, including food, impact families’ ability to pay for basic needs subsidized by WIC benefits. Enrollment across all participant groups decreased slightly in federal fiscal 2024 to 121,186 total participants and increased by 1.2% in federal fiscal 2025 to 122,574 participants. This is consistent with national trends, as enrollment increased nationwide by 2.4% between federal fiscal 2024 and 2025.

**Exhibit 7**  
**Average Monthly WIC Enrollment in U.S. States**  
**Federal Fiscal 2018-2025**



WIC: Special Supplemental Nutrition Program for Women, Infants, and Children

Source: U.S. Department of Agriculture, Food and Nutrition Service; Department of Legislative Services

*M00F03 – MDH – Prevention and Health Promotion Administration*

During the federal government shutdown in October 2025, funding for WIC benefits paused. States relied on payments from a \$150 million contingency fund, and recipients received payment for October benefits; however, many states were unable to provide payments for November benefits. In Maryland, the Governor declared a State of Emergency and appropriated \$10 million in emergency funding to support food assistance programs across the State. During the shutdown, MDH continued to distribute WIC benefits to enrollees and process new applications. Following the shutdown, funding for WIC was fully restored for the remainder of federal fiscal 2026. **PHPA should specify the fund source used to continue distributing benefits during the shutdown and whether the \$10 million emergency appropriation was expended in fiscal 2026.**

**Appendix 1**  
**Object/Fund Difference Report**  
**Maryland Department of Health – Prevention and Health Promotion Administration**

<u>Object/Fund</u>	<u>FY 25 Actual</u>	<u>FY 26 Wrk Approp</u>	<u>FY 27 Allowance</u>	<u>FY 26 - 27 \$ Change</u>	<u>% Change</u>
<b>Positions</b>					
01 Regular	566.00	541.00	508.00	-33.00	-6.1%
02 Contractual	50.46	19.34	25.75	6.41	33.1%
<b>Total Positions</b>	<b>616.46</b>	<b>560.34</b>	<b>533.75</b>	<b>-26.59</b>	<b>-4.7%</b>
<b>Objects</b>					
01 Salaries, Wages, and Fringe Benefits	\$65,413,147	\$68,212,871	\$64,223,860	-\$3,989,011	-5.8%
02 Technical and Special Fees	4,145,008	1,778,749	2,110,724	331,975	18.7%
03 Communications	397,209	410,583	315,575	-95,008	-23.1%
04 Travel	451,496	587,746	637,101	49,355	8.4%
06 Fuel and Utilities	251,461	94,008	94,008	0	0.0%
07 Motor Vehicle Operation and Maintenance	177,991	139,037	157,465	18,428	13.3%
08 Contractual Services	229,961,751	245,072,619	203,914,123	-41,158,496	-16.8%
09 Supplies and Materials	134,470,555	129,856,939	149,507,217	19,650,278	15.1%
10 Equipment – Replacement	3,015,703	3,122,409	84,225	-3,038,184	-97.3%
11 Equipment – Additional	1,188,950	1,668,106	372,100	-1,296,006	-77.7%
12 Grants, Subsidies, and Contributions	66,937,416	92,920,698	87,590,151	-5,330,547	-5.7%
13 Fixed Charges	1,391,352	1,022,953	1,004,985	-17,968	-1.8%
<b>Total Objects</b>	<b>\$507,802,039</b>	<b>\$544,886,718</b>	<b>\$510,011,534</b>	<b>-\$34,875,184</b>	<b>-6.4%</b>
<b>Funds</b>					
01 General Funds	\$95,499,046	\$82,152,518	\$85,333,173	\$3,180,655	3.9%
03 Special Funds	81,191,185	116,538,037	130,406,509	13,868,472	11.9%
05 Federal Funds	321,179,893	333,759,709	284,034,530	-49,725,179	-14.9%
09 Reimbursable Funds	9,931,915	12,436,454	10,237,322	-2,199,132	-17.7%
<b>Total Funds</b>	<b>\$507,802,039</b>	<b>\$544,886,718</b>	<b>\$510,011,534</b>	<b>-\$34,875,184</b>	<b>-6.4%</b>

Note: The fiscal 2026 appropriation includes proposed deficiency appropriations. The fiscal 2027 allowance does not include contingent reductions or statewide salary adjustments budgeted within the Department of Budget and Management.

**Appendix 2**  
**Fiscal Summary**  
**Maryland Department of Health – Prevention and Health Promotion Administration**

<u>Program/Unit</u>	<u>FY 25 Actual</u>	<u>FY 26 Wrk Approp</u>	<u>FY 27 Allowance</u>	<u>FY 26 - 27</u>	
				<u>\$ Change</u>	<u>% Change</u>
01 Infectious Disease and Environmental Health Services	\$185,421,426	\$218,290,436	\$152,332,235	-\$65,958,201	-30.2%
04 Family Health and Chronic Disease Services	322,380,613	326,596,282	357,679,299	31,083,017	9.5%
<b>Total Expenditures</b>	<b>\$507,802,039</b>	<b>\$544,886,718</b>	<b>\$510,011,534</b>	<b>-\$34,875,184</b>	<b>-6.4%</b>
General Funds	\$95,499,046	\$82,152,518	\$85,333,173	\$3,180,655	3.9%
Special Funds	81,191,185	116,538,037	130,406,509	13,868,472	11.9%
Federal Funds	321,179,893	333,759,709	284,034,530	-49,725,179	-14.9%
<b>Total Appropriations</b>	<b>\$497,870,124</b>	<b>\$532,450,264</b>	<b>\$499,774,212</b>	<b>-\$32,676,052</b>	<b>-6.1%</b>
Reimbursable Funds	\$9,931,915	\$12,436,454	\$10,237,322	-\$2,199,132	-17.7%
<b>Total Funds</b>	<b>\$507,802,039</b>	<b>\$544,886,718</b>	<b>\$510,011,534</b>	<b>-\$34,875,184</b>	<b>-6.4%</b>

Note: The fiscal 2026 appropriation includes proposed deficiency appropriations. The fiscal 2027 allowance does not include contingent reductions or statewide salary adjustments budgeted within the Department of Budget and Management.