



**NEW YORK CITY DEPARTMENT OF
HEALTH AND MENTAL HYGIENE**

Michelle Morse, MD, MPH

Acting Health Commissioner

**Testimony
of
Michelle Morse, MD, MPH
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New York City Department of Health and Mental Hygiene
before the
New York City Council Committee on Health
and the
New York City Council Committee on Finance
on
The FY2026 Executive Budget**

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Good afternoon, Chair Brannan, Chair Schulman, and members of the committees. I am Dr. Michelle Morse, Acting Commissioner of the New York City Department of Health and Mental Hygiene. I am joined today by our Chief Financial Officer, Aaron Anderson, and members of our senior leadership team. Thank you for the opportunity to testify today on the Department's Executive Budget for fiscal year 2026.

In the months since I last testified before this council, the Health Department has continued to serve New Yorkers each and every day. And we've done so despite major changes in federal public health funding, infrastructure, and messaging.

On March 25th—the day after our preliminary budget hearing—the federal government announced the rescission of \$11.4 billion in public health funding. That money was allocated by Congress to help state and local health departments recover from the COVID-19 pandemic and reinforce critical public health infrastructure. Of that funding, approximately \$100 million came to our agency.

The majority of that funding is earmarked for critical disease control and outbreak prevention infrastructure. That includes improving our data systems to manage much larger amounts of data and staffing our public health lab, which diagnoses diseases like measles in just hours.

We have not yet lost that funding: a coalition of 23 states and the District of Columbia sued the administration for their illegal revocation of congressionally allocated funds. New York State Attorney General Letitia James is leading that lawsuit.

Last week, a federal judge issued a preliminary injunction that requires the administration to preserve funding for the states involved in the lawsuit. Here in New York City, about 20% of our agency's budget is federally funded, which amounts to 600 million dollars—100 million of which is now tied up in the courts.

Those attempted funding cuts have not been the only challenge. About 20,000 of our colleagues at Health and Human Services have either been fired or have left the agency this year. The administration also proposed a dramatic restructuring to HHS, and the confusion created by that reorganization—paired with the impact of staffing reductions—is already creating downstream administrative hurdles for us.

We are also paying close attention to the proposed public health and healthcare funding cuts in the White House "skinny" budget and the budget reconciliation process.

Meanwhile, there has been a groundswell of misinformation that is fueling mistrust in longstanding public health interventions like water fluoridation, milk pasteurization, the value of health equity interventions, and childhood vaccinations.

Amid all of this, we've kept up a considerable drumbeat of critical public health work locally and we've remained steadfast in our commitment to health equity. At the New York City Health Department, data is our superpower. Our citywide data reveals consistent patterns of worse health outcomes—and a greater right to resources—in historically redlined neighborhoods. We're working to interrupt longstanding cycles of disinvestment by prioritizing those neighborhoods.

Science and data guide every component of our vast network of programming across the city, and we are committed to maintaining and expanding that work. After all, our data shows

significant remaining health inequities from overdose deaths to Black maternal mortality to heart disease, diabetes, and cancer.

We are particularly focused on preventing chronic disease, which accounts for roughly 40% of all deaths before the age of 65. It is the leading cause of death across all racial and ethnic groups in New York City.

Earlier this year, we released a cross-agency report that puts forward bold new strategies for chronic disease management and prevention, as well as a citywide diabetes reduction plan. We're deploying programs that increase access to affordable, healthy food, healthcare, outdoor space, and more.

Across every issue, our programs form an invisible shield for our city. Ultimately, that's what's at stake as we discuss the Executive Budget today. Our work is wide ranging. For example:

- To protect the wellbeing of the more than 400,000 children in New York City childcare, we make sure childcare centers are safe and that workers have background clearance and opportunities for training.
- To inform our public health interventions, more than 200,000 New Yorkers participate in our survey-based research.
- To support parents who are pregnant or who have young children, we've provided more than 20,000 families with nurses and doulas.
- To meet New Yorkers where they are and build trust on the ground, we train more than 5,000 community health workers, who have shifted from COVID-focused engagement to chronic disease.
- To promote the sexual health of every New Yorker, our Sexual Health Clinic staff see more than 40,000 patients a year—about 60% of whom are uninsured.
- To aid the early development of New York City's children, we provide more than 30,000 children and their caregivers with early intervention services, including occupational therapy, speech therapy, and physical therapy.
- And to care for some of our most vulnerable residents, we work with more than 200 community providers to support more than 800 programs providing housing, clinical support, and mental health programming.

Every piece of our work requires a sustained investment. And the past few months have made it clear that we can't rely on the federal government to support our work. We anticipate an increased reliance on state and city dollars in the months and years ahead.

About 29% of our budget is funded through New York State. We were pleased to see a number of initiatives included in the 2026 budget, including an expanded Empire State Child Tax Credit, \$450 million in funding for SUNY Downstate, and a one-year extension of the Medicaid Managed Care carve out for School-Based Health Centers. The budget also includes \$25 million

in new statewide funding to allow providers to cover the full cost of medication abortion and other abortion services.

While there are a number of good things in this year's state budget, it fails, yet again, to redress the inequity of NYC's Article 6 match. Every county in the state receives a 36% reimbursement from the state for core public health services—except New York City, which only receives 20%. I want to acknowledge the members of this Council, particularly Chair Schulman, who used their voice and platform to advocate strongly for this funding restoration.

The state legislature now has the opportunity to pass legislation to fix this injustice by voting on Senate Bill 4801 and Assembly Bill 2705, which was put forward by Senate Health Committee Chair Rivera and Assemblymember Gonzalez-Rojas.

As State Health Commissioner McDonald said, this is the very definition of an inequity. New York City has the largest population of Black, Indigenous, and people of color in the state. We are also home to the most low-income individuals and the majority of Medicaid recipients in all of New York State. And we are the most global city in the country—when it comes to infectious disease, that means New York City is often hit first and hardest. Despite all that, we've lost upwards of 90 million dollars a year in state public health funding since our matching funds were cut in 2019.

We are in the midst of an extremely distressing time for public health. The state can alleviate some of this uncertainty by passing legislation and providing New York City residents with the funding they are owed from the state government.

At the city level, we're grateful to see a continued commitment to public health funding in the 2026 Executive Budget. In particular, we were pleased to see new dollars allocated for critical programs, including \$3.8 million for rapid STI testing at our Sexual Health Clinics; \$7.2 million for tuberculosis case management; and over \$100 million in baselined funding to support school nursing costs, which have grown significantly since the pandemic.

The Executive Budget also sustains a range of existing operations and programs like letter grading for mobile food vendors and creating opportunities for food insecure New Yorkers to purchase groceries with monthly credits from Groceries to Go. We're grateful to see the Executive Budget dedicate the necessary resources for many of our core operations.

That said, we are living through a particularly volatile time in public health. We have a responsibility not just to care for New Yorkers, but to serve as a national leader and a universal trusted source in public health. We're committed to do just that.

Thank you for your attention. I'm happy to take your questions.