



September 9, 2026

Dear Tribal Leader and Urban Indian Organization Leader:

I am writing to share an update on the recent passage of the Continuing Appropriations and Extensions Act, 2027, and its impact on funding for the Indian Health Service (IHS).

As you know, the IHS received advance appropriations in the Commerce, Justice, Science; Energy and Water Development; and Interior and Environment Appropriations Act, 2026 (Public Law 119-74), which provides \$5.3 billion in fiscal year (FY) 2027 for most programs in the IHS Services and Facilities accounts. The continuing advance appropriation of funding for Indian health care was made possible through the collective efforts of Congress, the Administration, including the Secretary of the Department of Health and Human Services, and our Tribal and Urban Indian Organization partners. Advance appropriations mean that the IHS can maintain continuity of operations with funding stability for the Indian health system. I am pleased to report that FY 2027 funds will be available for obligation on October 1, 2026, which is when the IHS will begin to distribute funds to IHS programs, Tribal Health Programs, and Urban Indian Organizations.

On September 2, 2026, the Continuing Appropriations and Extensions Act, 2027 (Public Law 119-103) was signed into law; funding the operation of the Federal Government through December 11, 2026. The Continuing Resolution impacts only the portion of the IHS budget not previously enacted in FY 2026 as part of IHS's advance appropriations. These advance appropriations, third party collections, and carryover funds from previously appropriated funds are not impacted by the pro-rata percentage applied by the continuing resolution, and the IHS has access to this full funding amount on October 1, at the beginning of FY 2027.

Activities that did not receive IHS advance appropriations, which include health care facilities and sanitation facilities construction, the Electronic Health Record system, and the Indian Health Care Improvement Fund, will continue to operate using the pro-rata funding amount available under the FY 2027 Continuing Resolution and previously appropriated funds as they are available. Under the Continuing Resolution, the IHS also has the authority to fully fund all Contract Support Costs and Payments for Tribal Leases that are due during the Continuing Resolution period.

The Special Diabetes Program for Indians (SDPI) continues funded as previously reauthorized under P.L. 119-75 (Consolidated Appropriations Act, 2026) at \$49 million, funded through December 31, 2026, pending further action by Congress.

I want to thank each Tribal Leader and Urban Indian Organization Leader for your continued dedication and contributions to the IHS mission and the American Indians and Alaska Natives relatives for generations to come. Sepk' eec'a (Thank you).

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mark Cruz', followed by a large, stylized flourish or initial.

Mark Cruz
Director