



Gibbons SFY 2026 Report: New Jersey Department of Health Presents Its FY 2026 Budget Proposal

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This is the first in a series of posts that offers a detailed look into the budget proposals for the major departments that constitute the state government.

On April 3, 2025, and April 7, 2025, New Jersey Department of Health (NJDOH) Commissioner Dr. Kaitlan Baston appeared before the Senate Budget and Appropriations Committee and the General Assembly Budget Committee, respectively, to testify and take questions on the NJDOH's \$1.4 billion proposed FY 2026 State budget.

Backdrop of Federal Funding Cuts

Last week, the Trump administration sought to cut over \$11 billion in public health grants allocated to U.S. states during the COVID-19 pandemic. While the Trump administration's efforts have been temporarily halted by a federal judge, the grant funding at risk is used by states to track, prevent, and control infectious diseases, including measles and bird flu. Commissioner Baston testified that nearly \$300 million was cut from the Centers for Disease Control and Prevention, which was earmarked, in part, for local public health department funding. The Commissioner also highlighted that the funding supported direct care and disease and addiction prevention efforts.

Investments in New Jersey's Hospital and Health Care System

The NJDOH's Health Systems Branch oversees and ensures appropriate care in more than 2,000 regulated facilities statewide, including hospitals, nursing homes, and other healthcare facilities. The State budget provides \$3.6 billion in direct subsidies for hospital systems – an increase of more than \$2.9 billion since Governor Murphy took office – across various programs, including \$336.5 million for Graduate Medical Education and \$210 million for the Quality Improvement Program. In conjunction with the

Department of Human Services, over \$600 million will be allocated for charity care-focused funding, which will continue New Jersey's interdepartmental approach to inpatient and outpatient services at acute care hospitals.

The Commissioner commented that despite uncertainty at the federal level, the NJDOH's proposed budget includes investments to bolster New Jersey's public health infrastructure, including \$3.8 million for the New Jersey Center of Excellence for Cancer Surveillance and \$5 million for New Jersey Cancer Education and Early Detection (NJCEED), the NJDOH's cancer screening program. Commissioner Baston noted that the NJDOH screened more than 44,000 people for breast, cervical, prostate, and colon cancer in the past year.

The budget also allocates \$405 million to cover patient care, operations, and staffing for the four State psychiatric hospitals: Ancora Psychiatric Hospital, Greystone Park Psychiatric Hospital, Trenton Psychiatric Hospital, and Ann Klein Forensic Center.

Additionally, Commissioner Baston said that the Office of Health Care Affordability and Transparency moved to the NJDOH this year, reinforcing the department's commitment to addressing costly medical debt.

Disease Prevention

Commissioner Baston stated that prior to the COVID-19 pandemic, New Jersey had herd immunity to measles. This means that roughly 95 percent of people in the State had achieved immunity against the virus, making it difficult for the infection to spread. The Commissioner further stated that New Jersey is currently hovering at 91-92 percent on average statewide and that in order to get back to herd immunity, vaccinations must be available and the NJDOH needs to maintain the ability to track who has been vaccinated. The proposed budget includes \$1 million for vaccinations to make sure needed vaccinations get to vulnerable populations and homebound individuals. The Commissioner further stated that New Jersey must be vigilant about preventing and containing outbreaks in anticipation of and during the 2026 World Cup.

The budget also provides over \$12 million to support the AID Drug Distribution Program to ensure that HIV patients can afford treatment and prevent new infections. Through the NJDOH and the New Jersey Department of Environmental Protection (NJDEP), \$500,000 is allocated for Legionnaires' disease prevention.

Maternal Health Care

The Commissioner stated that the Murphy administration's commitment to addressing maternal mortality rates and improving healthcare equity and access for women is reflected in the proposed budget. The Commissioner commented that the NJDOH and the administration have worked to expand access to care, provide more support for at-risk populations, and ensure better outcomes for pregnant and postpartum women. The proposed FY 2026 State budget continues investments in the New Jersey Maternal Mortality Review Committee and the New Jersey Maternal Data Center, which aim to provide data regarding maternal health and related outcomes and end preventable morbidity, mortality, and racial disparities in New Jersey maternal care.

The administration has also proposed investing over \$1 million to grow the perinatal workforce, including doulas and midwives.

Reproductive Freedom

This year's budget contains the single-largest investment in reproductive health care in New Jersey's history, at \$50 million. Commissioner Baston stated that since 2018, the Murphy administration has invested \$268 million in comprehensive reproductive healthcare, despite continued attacks on access to such services at the federal level and in other states.

Be on the lookout for our next post about the NJDEP's recent hearing before the Assembly Budget Committee.

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