

The Trump Administration's Foreign Aid Review: Reorganization of U.S. Global Health Programs

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Starting on the first day of his second term, President Trump issued several <u>executive actions</u> that have fundamentally changed foreign assistance. These included: an executive order which called for a 90-day review of foreign aid; a subsequent "stop-work order" that froze all payments and services for work already underway; the dissolution of USAID, including the reduction of most staff and contractors; and the cancellation of most foreign assistance awards. Although a waiver to allow life-saving humanitarian assistance was issued, it has been limited to certain services only and difficult for program implementers to obtain. In addition, while there have been several legal challenges to these actions, there has been limited legal remedy to date. As a result, U.S. global health programs have been disrupted and, in some cases, ended. Changes to the Department of Health and Human Services, including proposed cuts and reorganization, are also likely to affect these programs. This fact sheet is part of a series on the status of U.S. global health programs.

Background on U.S. Global Health Programs

- Historically, U.S. global health programs have been <u>overseen and managed</u> by three main federal departments and agencies: the State Department, USAID (now dissolved), and CDC.
 - The State Department is home to the <u>Bureau of Global Health Security and Diplomacy (GHSD)</u>, which leads and oversees <u>PEPFAR</u> (which receives direct appropriations from Congress) as well as <u>global health security</u> and, more recently, other global health programs.
 - USAID, an independent agency established by Congress, had housed and managed most other U.S. bilateral global health programs, including TB, malaria, maternal and child health, and nutrition, receiving direct appropriations from Congress for these efforts. Because the State Department had not historically served as an implementing agency, USAID also managed more than half of PEPFAR's funding, through State department transfers and direct appropriations from Congress.
 - o CDC has global programs for HIV, TB, polio, and global health security, which receive direct Congressional appropriations and also manages and implements PEPFAR funding transferred by State and USAID.
- To carry out global health programs, federal agencies <u>fund other organizations</u>, including non-profits, foreign
 governments, and international and multilateral health organizations, such as the Global Fund to Fight AIDS,
 Tuberculosis and Malaria (Global Fund) and Gavi, the Vaccine Alliance.
- U.S. funding for global health, across multiple federal agencies and for bilateral and multilateral programs, including global health research, totaled \$12.4 billion in FY 2025.

Current Status of U.S. Global Health Programs

The following administration actions have or are likely to have a significant impact on the structure and operations of U.S global health programs:

- Funding freeze/stop-work order: The stop-work order, as part of the foreign aid review, initially froze all bilateral global health programming and services, halting existing work in the field (it was not applied to the Global Fund or Gavi). Because it halted payments, many implementers had to let go of thousands of staff and end some services.
- **Limited waivers:** Certain bilateral global health programs received waivers to allow "life-saving services" to continue, including a limited set of <u>PEPFAR</u> services and <u>TB, malaria, maternal and child health, nutrition and infectious disease outbreak response</u> services. Even with these waivers, services remain disrupted, and implementers faced challenges in getting permission to resume programming and difficulties in getting paid.
- **Dissolution of USAID:** Because USAID was the main implementing agency for global health efforts, its <u>dissolution</u> and loss of most of its staff have reduced program implementation capacity and operations. Announcements of <u>reductions</u> at CDC could further affect global health efforts.
- Cancelled awards: In early 2025 it was <u>reported</u> that the administration canceled 86% of USAID awards. KFF <u>analysis</u> found that of the 770 global health awards identified, 80% were listed as terminated, totaling \$12.7 billion in unobligated funding.

- Other executive orders and actions: In addition to the foreign aid review, several other <u>orders and actions</u> have or will likely affect global health, including: a review of international organization participation, the reinstatement of the Mexico City Policy and withholding of UNFPA funding, and withdrawal from the World Health Organization.
- Reorganization: The administration moved to restructure and/or reduce global health efforts as follows:
 - On March 28, Secretary of State Rubio <u>announced</u> that the State Department and USAID had <u>notified</u>
 Congress of their intent to "restructure certain Department bureaus and offices that would implement programs
 and functions realigned from USAID" as follows:
 - Proposing legislation to abolish USAID as an independent agency.
 - Separating almost all USAID personnel from federal service within the current fiscal year.
 - Identifying USAID programs that "continue to advance the Administration's foreign policy objectives," including a subset of global health activities to be transferred to GHSD. These include programs that help reduce health disparities, deliver lifesaving vaccines, promote maternal and child health, and control malaria, TB, and other diseases.
 - On April 22, Secretary Rubio announced a reorganization of the State Department to "empower the Department from the ground up, from the bureaus to the embassies", including removing redundant offices and non-statutory programs that are "misaligned with America's core national interests." On May 29, the State Department notified Congress with further details, including that GHSD would be reorganized to include three major divisions: Health Programs (with the Office of Health Programs and the Office of Program Transition and Supply Chain), Health Policy and Diplomacy (with the Office of Health Diplomacy and the Office of Program Planning and Evaluation), and Global Health Security (with the Office of Outbreak Detection and Response).
 - With the dissolution of USAID in July 2025, remaining U.S. global health programs were moved to the State Department.
- New Global Health Strategy: In September 2025, the administration released the <u>America First Global Health Strategy</u>, with 3 broad pillars making America safer, stronger, and more prosperous and focusing on HIV, TB, malaria, polio, and global health security. Per the new strategy, the U.S. will:
 - Negotiate bilateral, multi-year agreements with countries receiving U.S. assistance, with implementation and monitoring plans in place by March 31, 2026. Agreements will include co-investment by countries and aim to transition the majority of countries to full self-reliance by the end of the agreement period;
 - Provide 100% of current levels of funding for health commodities and frontline healthcare workers for HIV, TB, malaria, and polio through FY 2026 and reduced funding thereafter;
 - o Rapidly reduce funding for activities other than health commodities and frontline health personnel;
 - Focus global health security activities on surveillance, data sharing and laboratory capacity, to enable early
 detection and rapid containment of outbreaks originating outside the U.S.

What to Watch

- Reorganization. While the reorganization of U.S. global health programs is well underway, there are still many
 questions about what programs will be maintained and how they will be managed, implemented and monitored,
 particularly given the significant reductions in federal staff as well as of health care workers more broadly who
 have been affected by U.S. cuts.
- **Leadership.** Several leadership positions have yet to be announced, including the U.S. Global AIDS Coordinator (which requires Senate confirmation), the U.S. Malaria Coordinator, and others. Whether the administration will choose to nominate or appoint people to these positions is not yet known.
- Funding/President's budget request. The administration's FY 2026 budget request includes a \$6.2 billion reduction in funding for global health through foreign assistance, reductions at HHS, and proposes to eliminate several funding lines (final appropriation amounts will be determined by Congress). The administration also submitted its first rescission package to Congress, including proposed rescissions of \$400 million for PEPFAR and \$500 million for other global health programs. Congress voted to amend the package, exempting PEPFAR funding as well as funding for maternal and child health, TB, malaria, and nutrition from the rescission, although \$500 million in family planning and other programs was rescinded.
- **New Global Health Strategy.** Over the next few months, it is expected that the administration will develop bilateral agreements with countries regarding remaining global health programming including plans to scale down funding, the details of which will significantly shape the future of the global health response.
- Congressional oversight. As budget and reorganization proposals continue to circulate, members of Congress
 could choose to exert their own authority, including seeking further clarification and information about the potential
 impacts of proposed changes.