

Policy Alert: Advance Appropriations for Indian Health Services Proves Critical in Shutdown, Blanket Exceptions Needed to Protect All Tribal Programs

Category: Policy Blog

written by NCUIH | October 1, 2025

On September 30, 2025, Congress failed to reach an agreement on the House-passed Continuing Resolution (CR) to maintain FY 2025 funding through November 21. This failure resulted in the expiration of government funding and the first shutdown in six years. A government shutdown halts most discretionary funding, forces widespread staff furloughs, and may trigger Reductions in Force (RIFs).

“Advance funding for the Indian Health Service is saving lives today. This Administration and Congress have committed to the fulfillment of trust and treaty responsibilities. We urge Congress and the Administration to extend exceptions to all of Indian Country to reduce any further impacts and protect our communities.” – Francys Crevier (Algonquin), CEO of NCUIH.

NCUIH Action

On September 29, 2025, NCUIH signed on to a [letter](#) by the [Coalition for Tribal Sovereignty](#) (CTS) to OMB Director Russell Vought calling for an immediate directive to except all federal employees serving Tribal Nations, Tribal citizens, and Tribal communities from any shutdown-related furloughs or reductions in force. In addition to the letter, CTS provided Director Vought with a [list of funded accounts](#) essential to protecting health services, housing, and public safety in Indian Country.

NCUIH echoes this call, stressing the urgent need for a blanket exception for all programs serving Indian Country, particularly as reports emerge of HHS staff working on IHS-related programs being furloughed.

Impacts on Indian Country

Indian Health Service (IHS)

Fortunately, due to strong bipartisan support, the Indian Health Service (IHS) received advance appropriations for FY 2026, meaning IHS will continue to receive funding and [all 14,801 IHS staff will be protected from furloughs](#). Urban Indian Organizations are covered under the advance appropriations. While most IHS operations will continue unimpacted, several IHS accounts do not receive advance appropriations. These include facilities construction, sanitation facilities

construction, Contract Support Costs and 105(l) leases, the Indian Health Care Improvement Act Fund, and Electronic Health Records line item.

Health and Human Services (HHS)

The [HHS Contingency Plan](#) states that 32,460 employees (41%) will be furloughed, and HHS will cease all non-exempt and non-excepted activities. HHS programs are critical for Urban Indian Organizations (UIOs) and Tribal organizations. While some programs are insulated because they do not rely on an October 1 funding cycle, HHS agencies cannot award new grants during a shutdown. In addition, existing grant management activities may be deemed non-essential, leading to delays in communication and possible disruptions in disbursements.

Next Steps

There is no clear indication of how long this shutdown will last. The Senate is expected to continue debating the House-passed CR through the weekend, while the House of Representatives is not expected to return until next week.

NCUIH will work with Tribal partners, federal agencies, and congressional allies to minimize the shutdown's impact on American Indian and Alaska Native communities.

Past experience shows any disruption in funding in the Indian health system can have grave consequences. During the 2019 government shutdown, funding disruptions led to reduced services and facility closures, resulting in tragic consequences including loss of life due to opioid overdoses in some communities.

We urge policymakers to prioritize Tribal health and safety by ensuring that all Tribal-serving staff and programs are fully protected.

NCUIH Contact: Meredith Raimondi, Vice President of Policy and Communications, mraimondi@ncuih.org