

[Tribal Leaders Recommend Increased Urban Indian Health Funding for Fiscal Year 2028](#)

Category: Policy Blog

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On January 21-22, 2026, the Indian Health Service (IHS) held their Area Report Presentations Webinar for Fiscal Year (FY) 2028 where Tribal leaders from all 12 IHS Areas and leaders from Native organizations, including the National Council of Urban Indian Health (NCUIH), presented on their budget requests. Following the FY 2028 Area Report Presentations, Tribal leaders and organizations convened for the National Tribal Budget Formulation Work session from February 10-12.

This critical two-day session saw representatives from all 12 IHS Areas consolidate regional needs into a unified national strategy. A key highlight of these recommendations is a proposed **\$1.5 billion increase** for the Urban Indian Health line item, elevating it to **Priority 10** overall. NCUIH stands firmly behind the Workgroup's vision and applauds the Tribal leaders' historic commitment to closing the funding gap for urban Indian health.

Area Report Highlights

Several Areas featured the work of Urban Indian Organizations (UIOs) in their presentations and advocated for increased allocation of funding and/or resources for urban Indian health.

Background on Area Budget Formulation

As part of the trust responsibility to provide health care to all American Indian and Alaska Native people, Tribal leaders present their funding needs each year to the Secretary of the U.S. Department of Health and Human Services and the Director of the Office of Management and Budget. The recommendations are formed through the Tribal Budget Formulation Workgroup and serve as a framework for the Administration in setting budget amounts for their annual requests to Congress. This process ensures the federal government has the resources to provide health care to all American Indian and Alaska Native people in fulfillment of the trust responsibility.

NCUIH's Budget Priorities

NCUIH presented the following top priorities for urban Indian health for FY 2028 during the Area Report Webinar:

1. Full funding for IHS and the Urban Indian line item
 - a. This funding is necessary to address health priorities for Native in urban areas, including:
 - i. Ensuring Urban Indian Health funding keeps pace with population growth.

- ii. Providing funding for UIO facilities and infrastructure.
- iii. Expanding service offerings to Native patients in urban areas.
- 2. Establishing Permanent 100% FMAP for services provided to Medicaid beneficiaries at UIOs
- 3. Increased funding for behavioral health
- 4. Special Diabetes Program for Indians (SDPI) reauthorization
- 5. Funding for health information technology and electronic health records

NCUIH endorses a budget in which IHS, Tribal Facilities, and UIOs are all fully funded to improve health outcomes for all Native people no matter where they live.

Next Steps

At least one tribal representative from each Area along with technical team members will coordinate to complete follow-up work on the budget recommendation and testimony that will be presented.