



Urban Indian Health Policy & Budget Update – February 2026

Executive Snapshot

Priority Issue	Timing	Why It Matters to UIOs	CCUIH Action
IHS Urban Indian Health Program Realignment	Comments due Feb 27, 2026	May affect UIO oversight and funding structure.	Coordinating Urban comments and unified response.
Medi-Cal H.R.1 Implementation (AI/AN Definition)	State planning underway	Could impact AI/AN eligibility and coverage continuity.	Engaging DHCS and supporting UIO readiness.
Assembly Budget Hearing – H.R.1 & Workforce	Feb 23, 2026	May shape California’s Medi-Cal and workforce response.	Reviewing proceedings and providing member analysis.
Senate Budget Hearing – Federal Impacts	Feb 26, 2026	Addresses federal funding impacts to state health programs.	Monitoring and assessing UIO implications.
DHCS Tribal & Indian Health Program Meetings	Feb 23 & Feb 27, 2026	Affects Medi-Cal implementation and 1115 renewal.	Coordinating Urban priorities and sharing updates.
FY 2026 Labor–HHS Appropriations	Enacted Feb 3, 2026	Continues funding for key Native health programs.	Reviewing allocations and tracking implementation.
340B Rebate Model RFI	Comments due Mar 19, 2026	May affect UIO pharmacy reimbursement.	Analyzing impacts and evaluating comments.
CDC Public Health Grant Litigation	Ongoing (Feb 2026)	Could disrupt public health funding in CA.	Monitoring proceedings and potential impacts.



Indian Health Service (IHS) Updates

- [IHS Urban Indian Health Realignment / Consolidation Proposal \(Jan 27, 2026\)](#): IHS issued a letter to Tribal Leaders and Urban Indian Organization Leaders describing a proposed realignment/consolidation of the Office of Urban Indian Health Programs and **extended the comment period to February 27, 2026**.
 - **Potential Impact to UIOs:** Depending on the final approach, changes could affect program oversight, communication channels, and processes tied to UIO contracts and funding. CCUIH is monitoring and will share member-facing coordination as needed.
 - **CCUIH Action:** In 2025, submitted written comment letters, developed member talking points, and provided verbal input during Urban Confer and consultation sessions. In 2026, continuing engagement by submitting written comment guidance to IHS, developing template letters for UIOs, coordinating member input, and advancing unified Urban priorities through consultation and confer processes.
- [IHS Hiring Initiative \(Jan 29, 2026\)](#): IHS issued a letter outlining a hiring initiative intended to improve staffing capacity across IHS.
 - **Potential Impact to UIOs:** While the initiative focuses on IHS staffing, implementation may influence referral networks, collaboration with IHS partners, and federal operational capacity that interacts with urban Indian health programs.
 - **CCUIH Action:** Will share updates with members and monitor for operational impacts to UIO collaboration and referral systems.
- [March 3–5, 2026: Annual California Tribal Consultation & Listening Session](#) (Pala, CA); registration information circulated to Tribal and Urban leaders
 - **CCUIH Action:** Submitted Urban Confer agenda items; preparing talking points and briefing materials for members; coordinating Urban participation strategy; and convening the CCUIH Board Meeting in conjunction with the session..

California State Updates

- [Legislative Deadlines](#): The California State Senate's 2026 legislative deadlines calendar lists February 20, 2026 as the last day for bills to be introduced.
 - **CCUIH Action:** Will review introduced legislation; identify measures with operational, funding, or policy implications for UIOs; provide



member-facing impact analyses; and engage through comment letters or committee outreach as warranted.

- [Assembly Budget Hearing \(Feb 23, 2026\)](#): Assembly Budget Subcommittee No. 1 on Health held an informational hearing on California’s Response to H.R. 1 (Part 1) and physician workforce development (Room 437).
 - **CCUIH Action:** Will obtain and review hearing materials and testimony; document key takeaways affecting UIOs; share analysis with members; and engage committee staff as appropriate.
- [Senate Budget Hearing \(Feb 26, 2026\)](#): Senate Budget and Fiscal Review Subcommittee No. 3 (Health and Human Services) scheduled an informational hearing on “Federal Actions and their Impacts on State Programs and Funding Sources.”
 - **CCUIH Action:** Will obtain and review hearing materials and testimony; document key takeaways affecting UIOs; share analysis with members; and engage committee staff as appropriate.
- [DHCS Tribal and Indian Health Program Representatives Meeting \(Feb 23, 2026\)](#): DHCS held a hybrid meeting (virtual and in-person, Sacramento) from 9:00 AM–4:00 PM PT. The CalAIM Section 1115 Demonstration Renewal discussion was scheduled from 2:00–3:15 PM PT.
 - **CCUIH Action:** Policy staff in attendance; track statements and proposals relevant to Urban AI/AN communities; provide follow-up analysis to members; submit written comments or engage with committee staff as appropriate; and identify opportunities to ensure UIO inclusion in subsequent budget or policy proposals.
- [DHCS Tribal and Designees of Indian Health Programs Quarterly Webinar \(Feb 27, 2026\)](#): DHCS scheduled a virtual webinar from 2:00–3:00 PM PT on proposed changes to the Medi-Cal Program, including updates related to the CalAIM Section 1115 Demonstration Renewal.
 - **CCUIH Action:** Policy staff in attendance; track statements and proposals relevant to Urban AI/AN communities; provide follow-up analysis to members; submit written comments or engage with committee staff as appropriate; and identify opportunities to ensure UIO inclusion in subsequent budget or policy proposals.
- [DHCS H.R.1 Implementation Planning \(Jan 29, 2026\)](#): DHCS published a statewide implementation plan outlining effective dates and operational considerations for H.R.1 changes to Medi-Cal.
 - **Broad Definition of AI/AN (for eligibility/reporting purposes)** An individual qualifies as American Indian/Alaska Native if they:



- **Self-identify as American Indian or Alaska Native, either alone OR in combination with any other race or ethnicity, AND**
 - Are identified or registered as American Indian by a **Tribal Health Program (THP)** for purposes of reporting or service documentation.
 - **CCUIH Action:** Reviewing DHCS implementation guidance to ensure the broadest permissible definition of AI/AN is applied in practice; engaging DHCS to clarify eligibility and exemption standards; coordinating with UIOs to assess operational impacts; and developing patient-facing education and technical support to ensure Urban AI/AN individuals understand their eligibility protections and maintain Medi-Cal coverage.
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Federal Updates

- **[FY 2026 Labor-HHS Appropriations Enacted \(Feb 3, 2026\):](#)** Congress passed and the President signed the FY 2026 Labor, Health and Human Services, and Related Agencies appropriations bill as part of the Consolidated Appropriations Act, 2026. Reported Native health-related items include \$200 million for the Special Diabetes Program for Indians (SDPI), \$27 million for Good Health and Wellness in Indian Country, \$9 million for the Improving Native American Cancer Outcomes program, approximately \$25.67 million for Tribal Behavioral Health Grants (Native Connections), and report language establishing a Tribal set-aside within the National Health Service Corps that includes support for Urban Indian Health Programs.
 - **CCUIH Action:** Analyzing funding allocations and report language; disseminating summaries to members; monitoring implementation timelines; and identifying funding or partnership opportunities relevant to UIO operations.
- **[HRSA 340B Rebate Model RFI \(Feb 13, 2026; comments due Mar 19, 2026\):](#)** HRSA released a Request for Information (RFI) on a 340B Rebate Model Pilot Program, restarting notice-and-comment work after the prior model pause.
 - **CCUIH Action:** Analyzing potential impacts to UIO 340B operations; coordinating with partners; and evaluating submission of written comments prior to the March 19 deadline.
- **[CDC Public Health Grant Terminations \(Feb 2026\):](#)** HHS/CDC notified Congress of its intent to terminate roughly \$600M in CDC public health grants to California, Colorado, Illinois, and Minnesota. States filed suit challenging the



action and a federal judge granted a temporary restraining order blocking the cuts pending further litigation.

- **CCUIH Action:** Tracking court proceedings and state response; evaluating potential effects on public health infrastructure that interacts with UIOs; and communicating relevant updates to members.

Shaping AI/AN Health Policy: Where We've Been

The CCUIH policy team has been actively engaged in key spaces shaping AI/AN health policy, advocacy, and strategy.

- **MMIP Summit** – Engaging in statewide MMIP prevention, safety, and cross-system coordination efforts.
- **NCAI** – Tracking federal Indian health policy and national advocacy priorities.
- **DUIA Urban Program Executive Directors** – Coordinating with UIO leadership on funding, implementation, and system alignment.
- **CalHHS 988 – Crisis Policy Advisory Group** – Providing input to ensure culturally responsive 988 crisis implementation for AI/AN communities.
- **THCP Community Advisory Board** – Advising on Traditional Health Care Practices implementation and community-informed guidance.
- **Indian Health Collaborative** – Aligning partners to strengthen the Indian Health delivery system across Tribal and Urban settings.
- **H.R. 1 Implementation – DHCS** – Monitoring Medi-Cal exemption and AI/AN definition implementation impacts on UIOs.
- **IHS CAO Planning Studies Workgroup** – Engaging in PRCDA planning and data transparency discussions.
- **CPEHN Statewide Health Equity** – Collaborating on statewide health equity advocacy and budget priorities.
- **Community Health Worker (CHWs) Policy Group** – Advancing CHW policy, reimbursement, and workforce sustainability efforts.
- **NCUIH Policy Workgroup** – Tracking federal policy developments affecting UIOs. (Meeting Monthly with NCUIH one-on-one focused on CA updates).
- **CPCA All Member & Board Meetings** – Representing Urban Indian priorities in statewide health center advocacy.
- **CDPH Tribal Health Equity Advisory Group (THEAG)** – Informing CDPH health equity strategies from an AI/AN perspective.
- **Meetings with UIOs on TH/NH & Counties** – Supporting UIOs in county coordination and TH/NH implementation efforts.