Inadequate public health spending and the closure of rural hospitals disproportionately impact the U.S. South and weaken America's health.

The U.S.'s health infrastructure is at a crossroads. In an era of declining budgets, public health facilities have had to contend with increasing disease outbreaks such as measles and whooping cough. Although public health infrastructure is more important than ever, the proposed FY'27 budget includes drastic cuts to the Centers for Disease Control and Prevention (CDC). Moreover, cuts to Medicaid and funding decreases for rural hospitals were passed in 2026 legislation. **The health of American families, including people disproportionately impacted by HIV, depends on reversing these cuts.**

PER-PERSON STATE SPENDING ON PUBLIC HEALTH

Most states spend $51 or less per person, per year. Federal funding is a cornerstone of state public health programs.

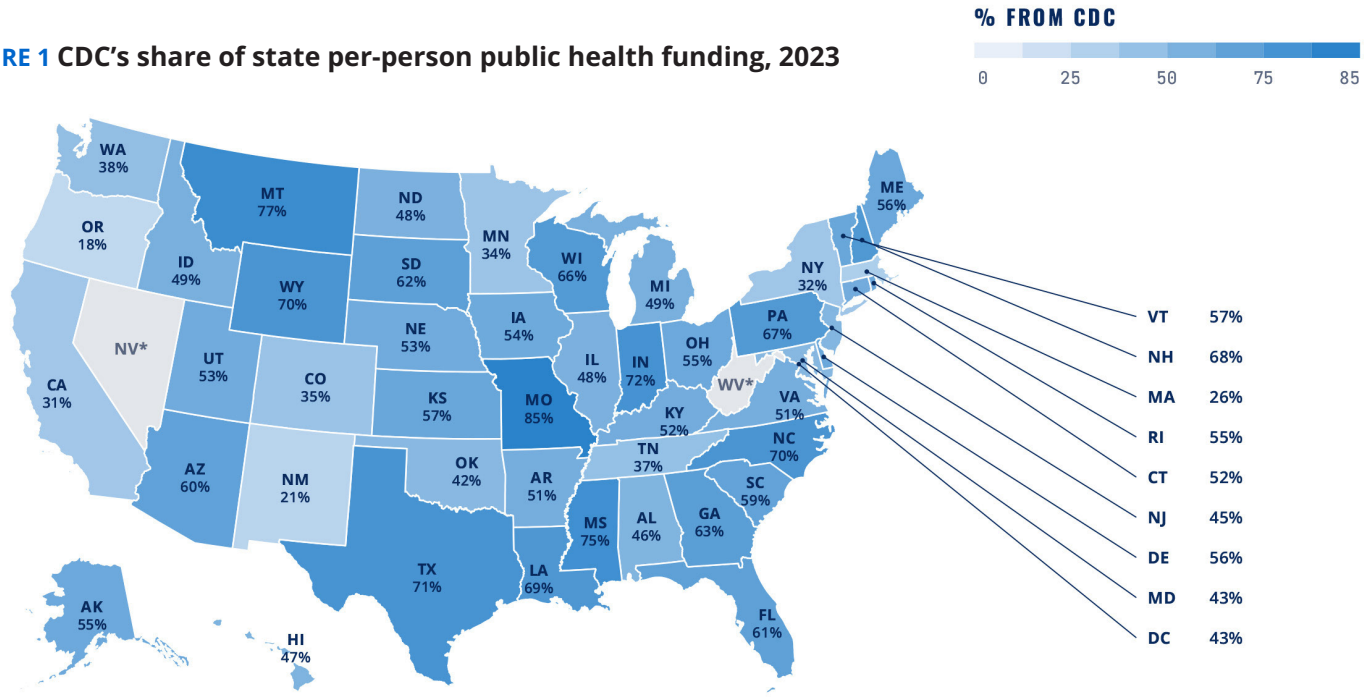
In 2023, the addition of federal CDC dollars comprised 18% to 85% of total per-capita public health spending across states (Figure 1). **CDC comprises 37%–75% of per-person public health funding in the South**—the region with the weakest public healthcare infrastructure as well as **the region with the greatest proportion of HIV diagnoses nationwide.**

STATES' RELIANCE ON CDC FUNDING

18% → 85%

CDC funding makes up anywhere from 18% to 85% of each state's per-capita public health budget.

FIGURE 1 CDC's share of state per-person public health funding, 2023



*Source: nchstats.com / CDC public health funding *WV and NV omitted (incomplete state data)*

PROPOSED CDC BUDGET CUT

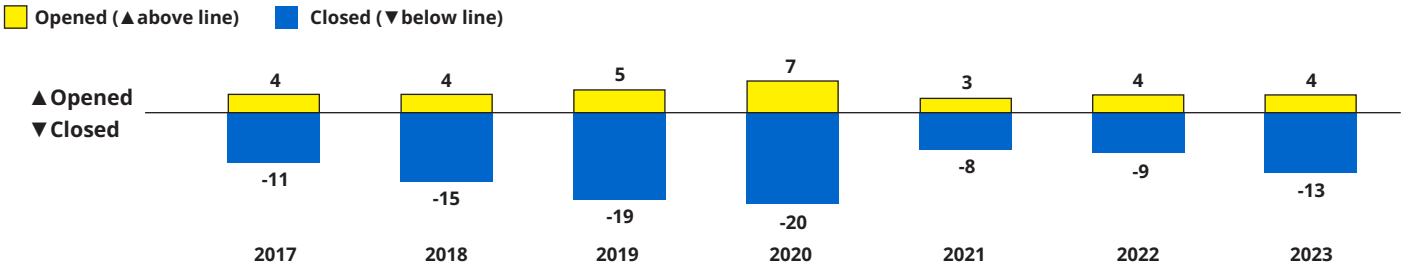
-$3.62 billion

The FY'27 budget proposes cutting CDC's budget by **$3.62 billion**—drastically reducing federal investment in public health in every state. **Between $800M and $1.5B of the cuts** will come from domestic **HIV programs alone.**

Inadequate public health spending and the closure of rural hospitals disproportionately impact the U.S. South and weaken America's health.

Healthcare access is also in jeopardy, particularly in rural areas. Hospital closures in rural America have outpaced hospital openings across administrations from 2017 to 2023 (Figure 2).

FIGURE 2 More rural hospitals closed than opened, 2017–2023



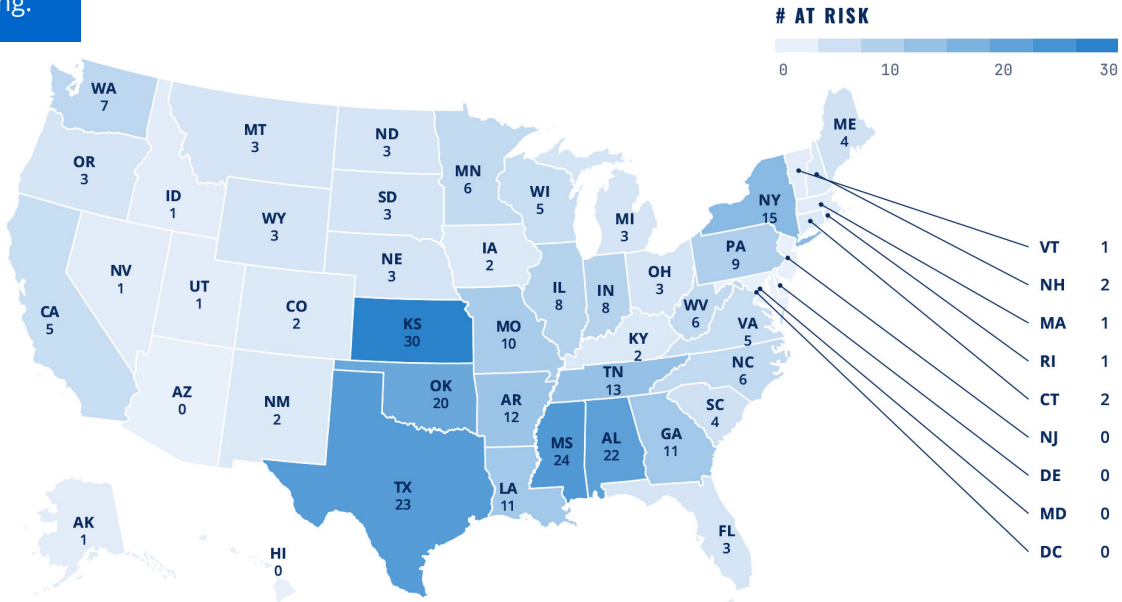
Source: KFF / Cecil G. Sheps Center · Annual rural hospital openings and closures, 2017–2023

ONE-THIRD OF RURAL HOSPITALS ARE AT RISK

1 in 3
of all rural hospitals in the U.S. are at risk of closing.

The financial squeeze hits the Deep South hardest (Figure 3). Eighty-nine rural hospitals are at risk of immediate closure in **Mississippi, Texas, Alabama,** and **Oklahoma.** A quarter of people living with HIV in the South reside in these states. Moreover, **the South has a greater proportion of rural and suburban HIV diagnoses than any other region.**

FIGURE 3
Rural hospitals at immediate risk of closure



Source: Center for Healthcare Quality & Payment Reform (CHQPR)

IMPENDING MEDICAID CUTS

–$665 billion
from state Medicaid budgets, 2025–2034

Reductions in Medicaid funding and new work requirements will only **accelerate the closure of rural hospitals** in the South and nationwide. Medicaid is also the **primary source of insurance for people living with HIV in the U.S.**

Funding public health and rural hospitals is fundamental. The health of American families, including people disproportionately impacted by HIV, depends on reversing these cuts.