




**Delaware Health
and Social Services**

Office of the Secretary

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MEMORANDUM

TO: Governor Matt Meyer
Members of the General Assembly

FROM: Christen Linke Young 
Cabinet Secretary

DATE: November 14, 2025

SUBJECT: Delaware Health Fund Advisory Committee
Fiscal Year 2027 Recommendations

On behalf of the Delaware Health Fund Advisory Committee (HFAC), I present the Fiscal Year 2027 (FY27) Health Fund Recommendations. The Committee's decisions reflect months of application review, hours of public discussion, and a strong commitment to sustainable stewardship of the Fund.

The State anticipates receiving \$19,646,000 in Tobacco Master Settlement Agreement (MSA) payments, plus \$1,400,000 in projected interest for FY27. With an available reserve balance of \$12,112,300, the total funds available are \$33,158,300.

The Committee recommends FY27 allocations totaling \$19,651,700, leaving a recommended reserve balance of \$13,506,600. The details of this recommendation are set forth more fully in the attached document.

The Committee's FY27 recommendations are as follows:

- Fund core Cancer Programs and Tobacco Prevention and Control Programs at 100% of their FY27 requests, recognizing their direct alignment with the Fund's statutory mission and continued success in prevention and early detection.
- Fund Workforce Development Programs with step-down adjustments to reflect the Committee's intent to transition these programs to the General Fund:
 - Delaware Tech Nursing at \$1.5 million.
 - Paramedic Training at 60% of the FY27 request.
 - Polytech Adult Education at its FY27 allocation.
- Fund Health-Related Programs at FY26 levels.

- Set the Innovation Fund at \$1 million to continue community-based health improvement grants and scale the Healthy Communities request in proportion to the Innovation Fund amount.
- Reduce or eliminate long-standing programs that are less closely aligned with the Health Fund’s roots in tobacco and cancer initiatives.
- Provide targeted support for new tobacco or cancer prevention proposals:
 - Brandywine Counseling, Metropolitan Urban League of Wilmington, and YMCA Youth Vaping Prevention requests.
 - Cancer care and prevention programs at Beebe Healthcare and Nemours funded were funded at 50%.
 - Funding was not allocated to a variety of high-quality proposals that did not have close ties to cancer and tobacco programs.

The Committee remained cognizant of the continued decline in revenue from the MSA when making its FY27 recommendations. Throughout its review, the Committee maintained a focus on the core legislative intent of the Fund—to support tobacco prevention and cessation, cancer prevention and treatment, and other innovative, health-improving initiatives—and evaluated each program’s alignment with those priorities.

By way of background, during the FY 25 recommendation process, the Committee discussed transitioning certain state-run programs that rely on Health Fund dollars back to General Fund support. In keeping with this principle, the HFAC did not consider most new or continued funding applications from state-run programs. The Committee recognizes that OMB ultimately determines which programs transition to the General Fund and expressed appreciation for OMB’s continued collaboration in this effort.

In addition to the funding recommendations, the Committee noted the continued need to refine and strengthen the application and review process. While prior updates have improved consistency and transparency, members agreed that further enhancements could help ensure a fairer and more data-informed evaluation of both new and established applicants.

Members noted that the current timeline does not always allow sufficient time to review complete outcome data before considering new applications. Members also noted that adopting a more formal procurement process and developing a formal scoring rubric could be beneficial in promoting clearer evaluation criteria, greater equity across applicants, and stronger alignment with the statutory intent of the Fund.

As Chair of the HFAC, I would like to commend the members for their dedication and contribution to the Health Fund process:

Senator Bryant Richardson
 Senator Nicole Poore
 Mr. Donald Fulton
 Mr. Perry Patel
 Ms. Autumn Tuxward

Representative Stephanie T. Bolden
 Representative Nnamdi Chukwoucha
 Mrs. Elisabeth Massa
 Dr. Cimone Sylver
 Dr. Marshala Lee

Please do not hesitate to contact me if you have any questions.

CLY:jb

Attachments

pc: Health Fund Advisory Committee Members
Brian Maxwell, Director, Office of Management and Budget
Suzanne Milewski, Office of Management and Budget
Ruth Ann Jones, Office of the Controller General
Victoria Brennan, Office of the Controller General