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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
Department of Health and Social Services

Initial CLY

DATE: November 13, 2026

SUBJECT: Delaware Health Fund Advisory Committee
Fiscal Year 2028 Recommendations

On behalf of the Delaware Health Fund Advisory Committee (HFAC), I present the Fiscal Year 2028 (FY28) Health Fund Recommendations. This year marked the first cycle under the formal request for proposals (RFP) process established by Senate Bill 296 of the 153rd General Assembly. The Committee's recommendations reflect a competitive, scored application review and two public meetings.

The State anticipates receiving $19,300,000 in Tobacco Master Settlement Agreement (MSA) payments, plus $1,000,000 in projected interest for FY28. With an available reserve balance of $11,829,600, the total funds available are $32,129,600.

The Committee recommends FY28 allocations totaling $23,645,150, leaving a recommended reserve balance of $8,484,450. Approximately 65% of the recommended funding supports cancer and tobacco programs, well above the 45% statutory requirement. The details of this recommendation are set forth more fully in the attached spreadsheet.

Applications were submitted through the State's Bonfire procurement system and scored by Division of Public Health staff and Committee members on six criteria: statement of need, alignment with Health Fund priorities, program design and feasibility, measurable outcomes and evaluation, organizational capacity and past performance, and budget reasonableness and sustainability. The Committee met on November 2 and November 9, 2026, and adopted these recommendations on November 9 by a vote of 8 to 1.

The Committee's FY28 recommendations are as follows:

- Fund core Cancer Programs and Tobacco Prevention and Control Programs at their FY27 levels or FY28 requests, recognizing their direct alignment with the Fund's statutory mission.

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- Fund Workforce Development Programs at 50% of their FY27 levels, reflecting the Committee's intent to transition these programs to the General Fund:
    - Delaware Tech New Nurse Development Program at $1,610,500
    - Delaware Tech Paramedic Instructional Program at $175,000
    - Polytech Adult Education Practical Nursing Program at $40,250
- Fund returning Health-Related Programs that scored above 80 on the RFP at their FY27 levels. Healthy Communities Delaware is recommended at $800,000, which combines its administrative costs and the Innovation Fund, funded as separate lines in FY27, at a reduced level. Delaware Hospice is not recommended for funding based on its RFP score.
- Fund state-designated Health-Related Programs at their FY27 levels or FY28 requests, with the Diabetes and Heart Disease Prevention and Control Program reduced to $92,000.
- Fund new applicants that scored 85 or higher on the RFP at 80% of their request, with a maximum award of $500,000.
    - Under this approach, six organizations not currently funded by the Health Fund are recommended for funding: YMCA of Delaware, Code Differently, Community Education Building, Advanced Family Care, the Metropolitan Wilmington Urban League, and Impact Community Supports.
- Provide $500,000 to the Bayhealth Foundation Delaware Kidney Care Access program to fund out-of-hospital dialysis for uninsured Delawareans.

The Committee remained cognizant of the continued decline in MSA revenue when making its FY28 recommendations. These recommendations draw the reserve down from $11.8 million to $8.5 million, and several members expressed concern about sustaining the Fund in future years. Members also noted that electronic cigarettes and other emerging nicotine products, which are a growing concern among youth, generate no MSA revenue.

In adopting these recommendations, the Committee applied RFP score thresholds to both new and returning applicants. Applicants are strongly encouraged to continue to monitor funding allocations as the state’s FY2028 budget process continues, as amounts and recipients in the enacted FY28 budget may differ from Committee recommendations.

In addition to the funding recommendations, members offered the following feedback for future cycles:

- Application materials should clearly communicate how new and returning applicants will be evaluated.
- The Committee should consider award ceilings for returning applicants, in addition to new applicants, to help rebuild the reserve.
- State-funded programs, particularly workforce development, should continue to transition to other funding sources. Instructions should clarify how educational institutions and other state partners apply.
- Members support continued refinement of the scoring rubric and review timeline.

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As Chair of the HFAC, I would like to commend the members for their dedication and contribution to the Health Fund process. I would also like to thank Candi Biles of the Division of Public Health for her work administering this year's RFP process.

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

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

FY28 HFAC FUNDING RECOMMENDATIONS (Dollar amounts are presented in thousands)

Program / Organization	Status	FY 27 HFAC Rec	FY 27 Budget (enacted)	FY 28 Request	FY28 HFAC Recommended Award	Comments	RFP Scores
Cancer Programs							
Delaware Breast Cancer Coalition, Inc	Returning Recipient	265.1	547.7	822.9	547.7	Level Fund FY27	95.0
Cancer Support Community Delaware	Returning Recipient	138.6	138.6	200.0	138.6	Level Fund FY27	90.8
Jewish Family Services of Delaware, Inc. Cancer Care Connection	Returning Recipient		194.8	224.1	194.8	Level Fund FY27	88.2
Uninsured Action Plan DPH	Returning Recipient	585.4	585.4	585.4	585.4	Flat request	State Designation
Delaware Cancer Consortium DPH	Returning Recipient	8,620.8	9,276.5	8,987.9	8,987.9	Fund FY28 Request (Below FY27 award)	State Designation
Advanced Family Care	New			300.0	240.0	Fund at 80%	88.4
Tobacco Prevention and Control Programs							
Delaware State University - Nursing and Public Health Student Health Prevention Ambassadors	Returning Recipient		214.3	576.7	214.3	Level Fund FY27	92.6
Tobacco Enforcement Program (Division of Alcohol, Tobacco, and Marijuana Enforcement)	Returning Recipient	695.4	695.4	711.6	695.4	Level Fund FY27	State Designation
Youth Prevention - Botvin Life Skills DSCYF	Returning Recipient	50.0	40.0	50.0	40.0	Level Fund FY27	State Designation
University of Delaware Center for Drug and Health Studies	Returning Recipient		18.3	18.3	18.3	Flat request	84.8
Tobacco Prevention and Control Program DPH	Returning Recipient	3,720.7	3,720.7	3,720.7	3,720.7	Flat request	State Designation
Impact Community Supports, inc.	New			110.0	88.0	Fund at 80%	90.6
Code Differently, LLC	Not Previously Funded			412.5	330.0	Fund at 80%	89.8
Metropolitan Wilmington Urban League	Not Previously Funded			150.0	120.0	Fund at 80%	89.8
Office of Tobacco Enforcement (DOJ)	Returning Recipient	295.3	295.3	300.0	300.0	Statutory	Statutory
Health-Related Programs							
University of Delaware Center for Disabilities Studies -Delaware Network for Excellence in Autism	Returning Recipient	230.0	230.0	500.0	230.0	Level Fund FY27	92.0
United Way of Delaware (Health Literacy)	Returning Recipient		100.0	367.5	100.0	Level Fund FY27	86.8
Planned Parenthood of Delaware - Family Planning Service Subsidization	Returning Recipient	86.2	86.2	95.0	86.2	Level Fund FY27	80.2
DE Prescription Assistance Program (DPAP)	Returning Recipient		1,100.0	1,216.5	1,100.0	Level Fund FY27	State Designation
American Lung Association -Community Asthma Program / Delaware Asthma Consortium	Returning Recipient	45.0	45.0	45.0	45.0	Flat request	89.0
Non-Public School Nursing (DPH)	Returning Recipient		620.4	620.4	620.4	Flat request	State Designation
Nurse Family Partnership (DPH)	Returning Recipient		1,040.0	1,040.0	1,040.0	Flat request	State Designation
Personal Attendant Services (DHSS)	Returning Recipient		184.7	184.7	184.7	Flat request	State Designation
Community Education Building	Not Previously Funded			375.0	300.0	Fund at 80%	87.6
YMCA of Delaware	Not Previously Funded			981.3	500.0	Fund at $500,000 Cap	85.0
Bayhealth Foundation -Delaware Kidney Care Access-New	New			2,275.6	500.0	Fund at reduced rate	67.4
Healthy Communities Delaware (Delaware Community Foundation)	Returning Recipient		270.8	2,000.0	800.0	Fund at reduced rate	85.8
Diabetes and Heart Disease Prevention and Control Program (DPH)	Returning Recipient			292.2	92.0	Fund at reduced rate	State Designation
Workforce Development Programs							
New Nurse Development Program (Delaware Technical and Community College)	Returning Recipient	1,546.1	3,221.0	4,221.0	1,610.5	Fund at 50% FY27	State Designation
Paramedic Instructional Program Expansion (DTCC)	Returning Recipient	168.0	350.0	350.0	175.0	Fund at 50% FY27	State Designation
Polytech Adult Education Practical Nursing Program (Polytech)	Returning Recipient	64.4	80.5	80.5	40.3	Fund at 50% FY27	State Designation
			TOTAL:	**31,814.8**	**23,645.2**		
			Total Fund Reserve Balance		**11,829.6**		
			Projected Interest		**1,000.0**		
			FY28 Projected MSA Payment		**19,300.0**		
			Total Fund Projected Balance		**32,129.6**		
			Remaining Funding Balance		**8,484.4**		
Cancer and Tobacco Funding Requirement (45% Minimum)			**Total**		**16,221.1**	**68.6%**	**Meets Requirement**

Do Not Fund	Applicant Status	FY28 Requested Amount	RFP Score
22nd Century Technologies, Inc.	New	744.4	77.6
Latin American Community Center	New	146.6	56.2
Little Big Health Solutions	New	3,214.4	82.4
Health Education - Behavioral Risk Factor Surveillance System (BRFSS) (DPH)	New	300.0	State Designation
Dream Four Foundation	Not Previously Funded	513.7	81.0
Toivoa, Inc.	Not Previously Funded	595.7	84.4
Limen	Not Previously Funded	200.0	78.4
First State, First Shock Early Defibrillation Program (DPH)	Previous Applicant	59.9	State Designation
Delaware Hospice	Previous Applicant	145.0	56.2