

Cook County FY2026 Budget *Key Takeaways in a Period of Fiscal Uncertainty*



Cook County started the 2026 fiscal year, beginning on December 1, 2025, in a stable financial position due to continued use of prudent budget policies. However, the County enters a period of fiscal uncertainty—it will face serious challenges in the coming year due to cuts in federal funding for social service and health programs, economic uncertainty, and the end of COVID-19 stimulus funding. The County's strong operating reserves, low bonded debt burden, and improving pension funded ratio provide a significant financial cushion as it navigates this uncertainty.

In November 2025, the Cook County Board of Commissioners unanimously approved an FY2026 total budget of \$10.0 billion across all funds. This is a \$71.8 million, 0.7% increase, from the \$9.9 billion budget adopted the prior year. The budget includes no increases to taxes or fees. The projected growth in total expenditures across all funds is attributed primarily to scheduled employee cost-of-living wage increases. Overall, budgeted spending and personnel levels will remain fairly flat compared to the prior year. The County continues to fund pensions at a level sufficient to meet actuarial requirements and reach a 100% funding goal by 2047, while maintaining unrestricted General Fund reserves well above policy targets.

The final budget plan closed a total budget gap of \$211.4 million within the General Fund and Health Fund through higher-than-anticipated natural revenue growth, the use of General Fund balance available from the prior year, and net expenditure reductions, including lower-than-expected healthcare and payroll costs. While the budget is balanced, the County anticipates major federal policy changes, particularly to Medicaid funding, that could impact Cook County's public healthcare programs over the next several years. Federal Medicaid and related policy changes could have as much as a \$400 million negative financial impact in the coming years, primarily affecting Cook County Health and the CountyCare program. As the Health Fund comprises over half of the County's total budget, sustained reductions in federal healthcare support could materially affect the County's financial outlook beyond FY2026. The Civic Federation will release a companion piece on the Cook County Health System's budget in the coming days.

Fiscal Challenges in 2026

- The expiration of federal reduced Affordable Care Act tax credits, resulting in more uninsured patients at county health facilities.
- New requirements for more frequent Medicaid eligibility checks could cause an additional 5%–12% decline in coverage.
- Pressures on the safety-net hospital system, increasing the number of uninsured patients seeking care.
- A projected loss of nearly 29,000 members from CountyCare Medicaid managed care program between FY2025 and FY2026, leading to lower revenues.

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