



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Indian Health Service

Catastrophic Health Emergency Fund (CHEF) Fiscal Year 2026 Threshold

AGENCY: Indian Health Service, Department of Health and Human Services.

ACTION: Notice.

SUMMARY: This notice announces the Catastrophic Health Emergency Fund (CHEF) threshold established at \$19,630 for Fiscal Year 2026 CHEF requests.

SUPPLEMENTARY INFORMATION: The Indian Health Service (IHS) administers the CHEF pursuant to section 202 of the Indian Health Care Improvement Act (IHCIA). The purpose of the CHEF is to meet the extraordinary medical costs associated with the treatment of victims of disasters or catastrophic illnesses who are within the responsibility of the Service. The CHEF was established by section 202 of the IHCIA, Pub. L. No. 94-437 (25 U.S.C. 1621a). The Patient Protection and Affordable Care Act, Pub. L. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. 111-152 (collectively, the Affordable Care Act or “the ACA”), reauthorized the IHCIA and amended the CHEF, directing the Secretary to promulgate regulations governing the administration of the CHEF. The final CHEF regulation (2024-19421 (89 FR 70527)) was published on August 30, 2024, in the Federal Register, establishing the threshold cost of \$19,000 for Fiscal Year (FY) 2024. See 42 C.F.R. 136.503(a). The threshold amount in subsequent years is calculated from the threshold amount of the previous year, and increased by the percentage increase in the medical care expenditure category of the Consumer Price Index for all urban consumers (United States city average) for the 12-month period ending with December of the previous year. See 42

C.F.R. 136.503(b). The Consumer Price Index is released monthly. For FY 2026, “December of the previous year” is December 2024, because December 2025 is part of FY 2026. The “12-month period ending with December of the previous year” is therefore December 2023 to December 2024. The medical care expenditure category for this 12-month period was 2.8%, thereby increasing the threshold from \$19,095 for FY 2025 to \$19,630 for FY 2026 CHEF requests. See <https://www.federalregister.gov/documents/2025/11/26/2025-21314/catastrophic-health-emergency-fund-chef-threshold> for the FY 2025 CHEF Threshold Notice.

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[FR Doc. 2026-04827 Filed: 3/11/2026 8:45 am; Publication Date: 3/12/2026]