



No Adjustment to HHS Civil Monetary Penalty Amounts for 2026

AGENCY: Office of the Assistant Secretary for Financial Resources, Department of Health and Human Services.

ACTION: Notice.

SUMMARY: The Department of Health and Human Services (HHS or the Department) is notifying the public that there will be no Civil Monetary Penalty (CMP) inflation adjustment for 2026 in accordance with the April 17, 2026, guidance from the Office of Management and Budget (OMB). HHS will continue to use the 2025 civil monetary penalty levels because there will be no cost-of-living adjustment for 2026.

FOR FURTHER INFORMATION CONTACT: Jennifer Johnson, Deputy Assistant Secretary, Office of Acquisitions, Office of the Assistant Secretary for Financial Resources, Room 536-H, Hubert Humphrey Building, 200 Independence Avenue SW, Washington DC 20201; (771) 215-0133.

SUPPLEMENTARY INFORMATION:

I. Background

The Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (section 701 of Pub. L. 114-74) amended the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub. L. 101-410, 104 Stat. 890 (1990)), which is intended to improve the effectiveness of CMPs and to maintain the deterrent effect of such penalties requires agencies to adjust the CMPs for inflation annually.

HHS lists the CMP authorities and the amounts administered by its Divisions in tabular form in 45 C.F.R. § 102.3, which was issued in an interim final rule published in the September 6, 2016, Federal Register (81 FR 61538). Annual adjustments were subsequently published on February 3, 2017 (82 FR 9175), October 11, 2018 (83 FR 51369), November 5, 2019 (84 FR 59549), January 17, 2020 (85 FR 2869), November 15, 2021 (86 FR 62928), March 17, 2022 (87

FR 15100), October 6, 2023 (88 FR 69531), August 8, 2024 (89 FR 64815), and January 28, 2026 (91 FR 3665).

II. Calculation of 2025 Fiscal Year Penalties

The annual inflation adjustment for each applicable CMP is determined using the percent increase in the Consumer Price Index for all Urban Consumers (CPI-U) for the month of October of the year in which the amount of each CMP was most recently established or modified. In the December 17, 2024, OMB Memorandum for the Heads of Executive Departments and Agencies, M-25-02, “Implementation of Penalty Inflation Adjustments for 2025, Pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015,” OMB published the multiplier for the required annual adjustment. The cost-of-living adjustment multiplier for 2025, based on the CPI-U for the month of October 2024, not seasonally adjusted, was 1.02598. The multiplier was applied to each applicable penalty amount that was updated and published for fiscal year 2024 and was rounded to the nearest dollar. Those CMP updates were published at 91 FR 3665.

III. Cancellation of 2026 Penalty Inflation Adjustment

Due to a lapse in appropriations from October 1, 2025, until November 12, 2025, BLS was unable to produce the October 2025 CPI-U data. As a result, there was no inflation adjustment multiplier for 2026, which is needed to adjust civil monetary penalties for the 2026 calendar year under the 2015 Act. On April 17, 2026, OMB issued Memorandum M-26-11 informing agencies of the cancellation of the inflation adjustment for 2026. As a result, HHS will continue using the maximum civil monetary penalties as adjusted for inflation by the 2025 adjustment for all penalties imposed after January 15, 2025.

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Department of Health and Human Services.

[FR Doc. 2026-21524 Filed: 10/20/2026 8:45 am; Publication Date: 10/21/2026]