

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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MEDICARE PARTS C AND D OVERSIGHT AND ENFORCEMENT GROUP

Date: June 5, 2026

To: All Medicare Advantage Organizations, Medicare Advantage – Prescription Drug Plans, Prescription Drug Plans, Section 1876 Cost Plans, and Medicare-Medicaid Plans

From: John A. Scott, Director
Medicare Parts C and D Oversight and Enforcement Group

Subject: Standard Civil Money Penalty Amount Update

On June 21, 2019, the Centers for Medicare & Medicaid Services (CMS) released the final version of its revised Civil Money Penalty (CMP) calculation methodology that is used when the agency calculates a penalty amount.¹ The methodology outlined the approach for annually increasing minimum penalty amounts using the cost-of-living multiplier published each year by the Office of Management and Budget (OMB). CMS updated and announced the minimum penalty and aggravating factor amounts in 2022 and committed to announcing standard minimum penalty and aggravating factor amounts on an annual basis.

In April of this year, OMB instructed agencies to continue using 2025 civil penalty levels in 2026². Therefore, CMS's minimum penalty amounts did not increase. The following table shows the 2025 and 2026 minimum CMP amounts:

¹ This document is accessible in the "Downloads" section of the following CMS webpage:
<https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/PartCandPartDENforcementActions-.html>

² Per OMB Memorandum M-26-11, *Cancellation of Penalty Inflation Adjustments for 2026, Regarding the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015*, published April 17, 2026, there will be no updated cost-of-living adjustment for 2026, and agencies will continue using the 2025 civil monetary penalty levels.

Table 1: 2025 and 2026 Per Determination and Per Enrollee Standard Minimum Penalty and Aggravating Factor Amounts.³

Penalty Type	Penalty Amount 2025	Penalty Amount 2026
Per Determination CMP Standard Minimum Penalty	\$26,544	\$26,544
Per Determination CMP Aggravating Factor	\$6,635	\$6,635
Per Enrollee CMP Standard Minimum Penalty	\$265	\$265
Per Enrollee Aggravating Factor	\$132	\$132
Per Enrollee Untimely or Inaccurate Material Standard Minimum Penalty Amount	\$34	\$34
Per Enrollee CMP Untimely or Inaccurate Material Aggravating Factor	\$21	\$21

This document is also accessible in the “Downloads” section of the following CMS webpage: <https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/PartCandPartDEnforcementActions-.html>.

If you have questions, please send them to: part_c_part_d_audit@cms.hhs.gov.

³ These are minimum penalty amounts that CMS typically uses. It should be noted that CMS has the authority to issue a CMP up to the maximum amount permitted under regulation (42 C.F.R. §§ 422.760(b)(1) and 423.760(b)(1)) for each affected enrollee or each determination as warranted. The annually adjusted maximum per determination or per enrollee amount for 2025 was \$48,833.