

Increase in Civil Monetary Penalties for Violations of HIPAA and ACA

April 12, 2022

HHS recently issued a final rule (the "**HHS Rule**"), which sets out the inflation-adjusted civil monetary penalty ("**CMP**") amounts that HHS is authorized to assess or enforce, including for violations of HIPAA and the Affordable Care Act ("**ACA**"). The following adjusted CMP amounts are applicable to violations that occur after November 2, 2015, for which CMPs are assessed on or after March 17, 2022:

		Prior Amount	Adjusted Amount
Violations under a "did not know/would not have known through exercising reasonable diligence" standard	Minimum:	\$120	\$127
	Maximum:	\$60,226	\$63,973
	Calendar Year Cap:	\$1,806,757	\$1,919,173
Violations under a "reasonable cause/not willful neglect" standard	Minimum:	\$1,205	\$1,280
	Maximum:	\$60,226	\$63,973
	Calendar Year Cap:	\$1,806,757	\$1,919,173
Violations under a "willful neglect" standard, with timely correction	Minimum:	\$12,045	\$12,794
	Maximum:	\$60,226	\$63,973
	Calendar Year Cap:	\$1,806,757	\$1,919,173
Violations under a "willful neglect" standard, with untimely correction	Minimum:	\$60,226	\$63,973
	Maximum:	\$1,806,757	\$1,919,173
	Calendar Year Cap:	\$1,806,757	\$1,919,173

In addition, the maximum penalty for each failure by a health insurance issuer to provide a Summary of Benefits and Coverage to covered individuals was increased from \$1,190 to \$1,264. Plan sponsors are advised to assess current compliance with the HIPAA and ACA requirements that apply to their group health plans and take any necessary remedial action.

The HHS Rule is available [here](#).