

Part III

Administrative, Procedural, and Miscellaneous

26 CFR 601.601: Rules and Regulations.
(Also Part I, §§ 4980H; 54.4980H)

Rev. Proc. 2025-26

SECTION 1. PURPOSE

This revenue procedure provides indexing adjustments for the applicable dollar amounts under § 4980H(c)(1) and (b)(1) of the Internal Revenue Code. These indexed amounts are used to calculate the employer shared responsibility payments (ESRP) under § 4980H(a) and (b)(1), respectively.

SECTION 2. ADJUSTED ITEMS

Under § 4980H(c)(5), in the case of any calendar year after 2014, the applicable dollar amounts of \$2,000 and \$3,000 under § 4980H(c)(1) and (b)(1), respectively, are increased by an amount equal to the product of such dollar amount and the premium adjustment percentage (as defined in § 1302(c)(4) of the Patient Protection and Affordable Care Act¹) for the calendar year. If the amount of any increase is not a multiple of \$10, such increase is rounded to the next lowest multiple of \$10.

¹ Pub. L. 111–148, 124 Stat. 119 (2010).

The Department of Health and Human Services (HHS) published the premium adjustment percentage for 2026 on June 25, 2025, using the most recent National Health Expenditure Accounts (NHEA) income and premium data that was available at the time of publication. For calculation of the 2026 benefit year payment parameters, HHS used the NHEA Projections 2023-2032, the data source that reflected the most recent projections available. Using the NHEA Projections 2023-2032, the premium adjustment percentage for 2026 is the percentage (if any) by which the most recent NHEA projection of per enrollee premiums for private health insurance (excluding Medigap and property and casualty insurance) for 2025 (\$7,885) exceeds the most recent NHEA estimate of per enrollee premiums for private health insurance (excluding Medigap and property and casualty insurance) for 2013 (\$4,714) carried out to ten significant digits. Using this formula, the applicable premium adjustment percentage is 1.6726771319.² For calendar year 2026, the adjusted \$2,000 amount under § 4980H(c)(1) is \$3,340 ($\$2,000 \times 1.6726771319 = \$3,345.3542638$ rounded down to \$3,340), and the adjusted \$3,000 amount under § 4980H(b)(1) is \$5,010 ($\$3,000 \times 1.6726771319 = \$5,018.0313957$ rounded down to \$5,010).

SECTION 3. EFFECTIVE DATE

This revenue procedure is effective for taxable years and plan years beginning after December 31, 2025.

SECTION 4. DRAFTING INFORMATION

The principal author of this revenue procedure is the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes). For

² See 90 FR 27074, 27170 and 27173 (June 25, 2025).

further information regarding this revenue procedure, contact the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes) at (202) 317-5500 (not a toll-free call).