



441 G St. N.W.  
Washington, DC 20548

B-338297

April 22, 2026

The Honorable Mike Crapo  
Chairman  
The Honorable Ron Wyden  
Ranking Member  
Committee on Finance  
United States Senate

The Honorable Brett Guthrie  
Chairman  
The Honorable Frank Pallone, Jr.  
Ranking Member  
Committee on Energy and Commerce  
House of Representatives

The Honorable Jason Smith  
Chairman  
The Honorable Richard Neal  
Ranking Member  
Committee on Ways and Means  
House of Representatives

Subject: *Department of Health and Human Services, Centers for Medicare & Medicaid Services: Medicare Program; Contract Year 2027 and Certain Contract Year 2026 Policy and Technical Changes to the Medicare Advantage Program, Medicare Prescription Drug Benefit Program, and Medicare Cost Plan Program*

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of Health and Human Services, Centers for Medicare & Medicaid Services (CMS) titled “Medicare Program; Contract Year 2027 and Certain Contract Year 2026 Policy and Technical Changes to the Medicare Advantage Program, Medicare Prescription Drug Benefit Program, and Medicare Cost Plan Program” (RINs: 0938-AV40 & 0938-AV63). We received the rule on April 7, 2026. It was published in the *Federal Register* on April 6, 2026. 91 Fed. Reg. 17384. The stated effective date of the rule is June 1, 2026.

According to CMS, this rule revises the Medicare Advantage (Part C), Medicare Prescription Drug Benefit (Part D), and Medicare cost plan regulations to implement changes related to Star Ratings, marketing and communications, drug coverage, enrollment processes, special needs plans, and other programmatic areas.

The Congressional Review Act (CRA) requires a major rule to have a delayed effective date of at least 60 days from the later of its publication in the *Federal Register* or its receipt by Congress. 5 U.S.C. § 801(a)(3)(A). This rule was published in the *Federal Register* on April 6,

2026. 91 Fed. Reg. 17384. The House of Representatives received the rule on April 7, 2026. 172 Cong. Rec. H2883, 2884 (daily ed. Apr. 14, 2026). The Senate received the rule on April 8, 2026. 172 Cong. Rec. S1839 (daily ed. Apr. 20, 2026). The rule has a stated effective date of June 1, 2026. Therefore, the stated effective date is less than 60 days from the date of receipt by Congress.

Enclosed is our assessment of CMS's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. If you have any questions about this report or wish to contact GAO officials responsible for the evaluation work relating to the subject matter of the rule, please contact me at (202) 512-8156.

A handwritten signature in black ink that reads "Shirley A. Jones". The signature is written in a cursive style with a large, prominent "S" at the beginning.

Shirley A. Jones  
Managing Associate General Counsel

Enclosure

cc: Calvin E. Dukes II  
Regulations Coordinator  
Department of Health and Human Services

REPORT UNDER 5 U.S.C. § 801(a)(2)(A) ON A MAJOR RULE  
ISSUED BY THE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES,  
CENTERS FOR MEDICARE & MEDICAID SERVICES  
TITLED  
“MEDICARE PROGRAM; CONTRACT YEAR 2027 AND CERTAIN CONTRACT YEAR 2026  
POLICY AND TECHNICAL CHANGES TO THE MEDICARE ADVANTAGE PROGRAM,  
MEDICARE PRESCRIPTION DRUG BENEFIT PROGRAM,  
AND MEDICARE COST PLAN PROGRAM”  
(RINS: 0938-AV40 & 0938-AV63)

(i) Cost-benefit analysis

The Department of Health and Human Services, Centers for Medicare & Medicaid Services (CMS) prepared an analysis of the costs and benefits for this rule. 91 Fed. Reg. 17384, 17577 (Apr. 6, 2026). CMS estimates annualized monetized costs to decrease by \$21.2 million at a three percent discount rate and by \$20.7 million at a seven percent discount rate. *Id.* at 17577. CMS estimates annualized monetized transfers of \$1,625.7 million at a three percent discount rate and \$1,541.5 million at a seven percent discount rate, all representing transfers from the federal government to Medicare Advantage organizations and Part D sponsors. *Id.*

(ii) Agency actions relevant to the Regulatory Flexibility Act (RFA), 5 U.S.C. §§ 603–605, 607, and 609

CMS certified that this rule will not have a significant economic impact on a substantial number of small entities. 91 Fed. Reg. at 17579.

(iii) Agency actions relevant to sections 202–205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532–1535

CMS determined that this rule is not anticipated to impose an unfunded mandate on state, local, or tribal governments, in the aggregate, or on the private sector of \$193 million or more. 91 Fed. Reg. at 17580.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 *et seq.*

On November 28, 2025, CMS issued a proposed rule. 90 Fed. Reg. 54894. CMS stated that it received comments on the proposal and addressed comments within the scope of the proposal throughout this rule. 91 Fed. Reg. at 17387.

Paperwork Reduction Act (PRA), 44 U.S.C. §§ 3501–3520

CMS determined that this rule contains information collection requirements under the Act. 91 Fed. Reg. at 17559.

Statutory authorization for the rule

CMS promulgated this rule pursuant to sections 1102 and 1302 of title 42, United States Code.

Executive Order No. 12866 (Regulatory Planning and Review)

CMS stated that the Office of Information and Regulatory Affairs has determined this rulemaking is significant under section 3(f)(1) of the Order. 91 Fed. Reg. at 17566.

Executive Order No. 13132 (Federalism)

CMS determined that this rule does not have federalism implications. 91 Fed. Reg. at 17580.