



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

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July 1, 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; Strengthening Oversight of Accrediting Organizations (AOs) and Preventing AO Conflicts of Interest, and Related Provisions*

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) entitled “Medicare Program; Strengthening Oversight of Accrediting Organizations (AOs) and Preventing AO Conflicts of Interest, and Related Provisions” (RIN: 0938-AU88). We received the rule on June 15, 2026. It was published in the *Federal Register* on June 16, 2026. 91 Fed. Reg. 36370. The effective date of the rule is June 16, 2027.

According to CMS, this rule sets forth provisions to strengthen the oversight of Medicare national accrediting organizations by addressing conflicts of interest, establishing consistent standards, processes, and definitions, and updating the validation and performance standards systems. CMS states that the rule also revises the psychiatric hospital survey process, adds a limitation on terminated deemed providers and suppliers when reentering the program, and provides technical corrections for End-Stage Renal Disease facilities and Transplant Programs.

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, flowing style.

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  
ENTITLED  
“MEDICARE PROGRAM; STRENGTHENING OVERSIGHT OF  
ACCREDITING ORGANIZATIONS (AOS) AND PREVENTING AO CONFLICTS OF INTEREST,  
AND RELATED PROVISIONS”  
(RIN: 0938-AU88)

(i) Cost-benefit analysis

The Department of Health and Human Services (HHS), Centers for Medicare & Medicaid Services (CMS) prepared an analysis of the costs and benefits of this rule. 91 Fed. Reg. 36370, 36456–61 (June 16, 2026). CMS estimated that the rule will result in annual costs of \$2,607,552, and annual producer surpluses of up to \$2,975,600. *Id.* at 36460.

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

CMS determined that this rule will have a significant economic impact on a substantial number of small entities and prepared a Regulatory Flexibility Analysis. 91 Fed. Reg. at 36461–62. CMS further stated that the Secretary of HHS certified that the rule will not have a significant impact on the operations of a substantial number of small rural hospitals. *Id.* at 36462.

(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 will not have an effect on state, local, or tribal governments, in the aggregate, or on the private sector, of \$100 million in 1995 dollars, updated annually for inflation, in any one year. 91 Fed. Reg. at 36462.

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

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

On February 15, 2024, CMS published a proposed rule. 89 Fed. Reg. 11996. CMS stated that they received comments from various interested parties. 91 Fed. Reg. at 36378. CMS responded to comments in this rule. *See id.* CMS stated that it also made technical changes in this rule to some of the proposed and existing requirements to make the provisions more understandable, but CMS did not publish a proposed rule before making those changes. *Id.* at 36462–63. CMS explained that such procedures are not required if an agency finds good cause that a notice-and-comment procedure is impracticable, unnecessary, or contrary to the public interest and incorporates a statement of the finding and its reasons in the rule issued. *Id.* at 36463. CMS stated that because the changes were for purposes of greater clarity in the wording of the provisions and were not intended as new policy or additional requirements beyond what already exists in the regulations or what has been previously proposed with public comments received and addressed in this rule, CMS believes that a notice-and-comment

procedure is both impracticable and unnecessary, and that it would be contrary to the public interest to delay this rule through such a procedure. *Id.* at 36463.

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 36446.

Statutory authorization for the rule.

CMS promulgated this rule pursuant to sections 1302 and 1395hh of title 42, United States Code.

Executive Order No. 12866 (Regulatory Planning and Review)

CMS stated that this rule is significant under the Order. 91 Fed. Reg. at 36456.

Executive Order No. 13132 (Federalism)

CMS determined that this rule does not have federalism implications. 91 Fed. Reg. at 36462.