



# TaxNewsFlash

United States

No. 2025-324  
November 14, 2025

## Notice 2025-65: Indexing factor for use by group health plans and health insurance issuers in 2026 under “No Surprises Act” provisions

The [Internal Revenue Bulletin 2025-47](#) (dated November 17, 2025) includes Notice 2025-65, providing the percentage increase—indexing factor—to be used by group health plan and health insurance issuers to calculate the “qualifying payment amount” for items and services provided during 2026 for purposes of certain provisions of the “No Surprises Act.”

### Background

The “No Surprises Act” was enacted to protect participants, beneficiaries, and enrollees in group health plans and group and individual health insurance coverage from surprise medical bills when they receive emergency services, non-emergency services from nonparticipating providers at participating facilities, and air ambulance services from nonparticipating providers of air ambulance services (under certain circumstances).

Regulations were issued in July 2021 to implement provisions under the “No Surprises Act” and to set forth the methodology for calculating the qualifying payment amount—defined generally as the plan’s median contracted rate for the same or similar item or service, indexed for inflation. The regulations also state that the IRS and Treasury Department will annually issue guidance with the indexing factor (rounded to 10 decimal places).

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