

Amended Penalties for Violation of HIPAA and ARRA

HHS will determine penalty amounts by considering the nature and extent of the violation, whether there was willful neglect and the measures taken to correct the violation.

Tier	Violation Circumstances	Penalty Amount
Tier A	Violator was unaware and under reasonable circumstances, could not have known a violation had taken place.	\$100 per violation (up to \$25,000 per calendar year)
Tier B	Violator had reasonable cause and did not willfully neglect the violation.	\$1,000 per violation (up to \$100,000 per calendar year)
Tier C	Violator did willfully neglect but took appropriate measures to correct the violation.	\$10,000 per violation (up to \$250,000 per calendar year)
Tier D	Violator did willfully neglect and did not take necessary measures to correct the violation.	\$50,000 per violation (up to \$1,500,000 per calendar year)