CMS FRAUD HOT SPOT CMS.GOV/FRAUD

DMEPOS Suppliers

About DMEPOS Suppliers

Medicare Part B covers medically necessary Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) that are furnished by Medicare-enrolled DMEPOS suppliers. Suppliers are tasked with submitting the claim and supplying the item. For some items, CMS requires prior authorization or a face-to-face encounter with a health care provider and a written order prior to delivery.

DMEPOS is a frequent target of fraud and has a high improper payment rate. In 2025, CMS identified **$2.3 billion (24.1%)** in improper payments related to DMEPOS.* As noted below, CMS is taking significant actions to crush fraud conducted by DMEPOS suppliers.

Primary DMEPOS Items Targeted by Fraud Include:

- Urological Supplies
- Surgical Dressings
- Glucose Monitors
- Positive Airway Pressure Devices

Urological Supplies

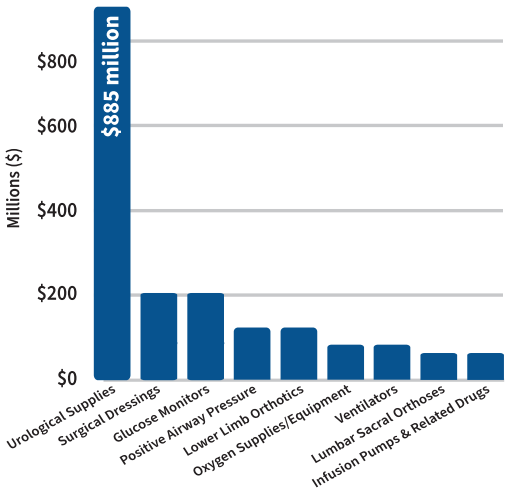
Urological supplies are available through Medicare when coverage requirements are met. This includes certain catheters, drainage/collection devices, and other related supplies. Treating practitioners should document the medical condition requiring the supplies and, when applicable, why a particular type or quantity is medically necessary.

Beneficiaries should pay attention to **unexpected or excessive shipments** and review their Medicare Summary Notices for urological supplies they did not receive or need.

In FY 2025, Urological Supplies had the **highest** projected improper payments of all DMEPOS items (approximately **$885 million**).

The Improper Payment Rate was **74.1%**, with the majority of errors related to missing or insufficient documentation.

2025 DMEPOS Improper Payments



Surgical Dressings

Surgical dressings are covered by Medicare for as long as they are medically necessary. They are limited to primary and secondary dressings required for the treatment of a wound caused or treated by a surgical procedure, or for debridement of a wound or lesion.

In 2025, surgical dressings had an improper payment rate of **47.1%**, with a projected improper payment amount of over **$203 million**.

CMS has identified the following characteristics typically indicative of inappropriate billing of surgical dressings:

- Billing for an excessive number of surgical dressings compared to what was provided to patients
- Surgical dressings billed for but not rendered
- No prior relationship between the beneficiary receiving surgical dressings and the health care provider who ordered them
- Billing for a higher surgical dressing HCPCS code than allowed
- Billing for large numbers of surgical dressings shortly after enrolling in Medicare

Surgical dressings include a primary protective covering of a wound and the materials used to secure the primary dressing, such as adhesive tape, roll gauze, or bandages.

* The improper payment rate is not a fraud rate. Fraud is one cause of improper payments.

** Data.CMS.GOV. Medicare Fee-for-Service Comprehensive Error Rate Testing. Percentages shown are the sample error rate.

For additional information on how CMS is crushing fraud or for resources on reporting suspected fraud, visit www.cms.gov/fraud.

Glucose Monitors

Continuous Glucose Monitors (CGMs) continuously transmit a patient's glucose levels to a software program wirelessly and maintain a digital record of glucose values that can be shared with a health care provider. Some suppliers have billed Medicare for CGMs that **were never provided to the patients**, often without the beneficiary's knowledge or consent. Suppliers have also received kickbacks to bill for CGMs when the beneficiary had **no history of diabetes**, and the device was, therefore, not medically necessary.

In 2025, glucose monitors had an improper payment rate of **17.3%**, with a projected improper payment amount of over **$203 million**.

Fraud Spotlight

On **February 27, 2026**, CMS implemented a **six-month nationwide moratorium** on Medicare enrollment for certain types of DMEPOS suppliers. The moratorium applied to initial enrollment applications and non-exempt changes in majority ownership. The six-month moratorium **ended on August 27, 2026**. Through its current and planned future actions, CMS intends to ensure that only qualified and legitimate DMEPOS suppliers are enrolled in the Medicare program, while strengthening program integrity and reducing fraud, waste, and abuse.

Positive Airway Pressure Devices and Supplies

Positive Airway Pressure (PAP) devices include both single-level continuous PAP (CPAP) and bi-level PAP devices (also referred to as respiratory assist devices). Medicare covers PAP devices for beneficiaries with specific diagnoses, such as obstructive sleep apnea (OSA). These devices are also subject to specific requirements such as evidence of a sleep test and education on how to use the device.

In 2025, the improper payment amount for CPAP devices was over **$122 million**, with an improper payment rate of **10.6%**.

Top Reasons for Errors in PAP Claims*

- Medical record documentation missing clinical evaluation by treating practitioner
- Additional documentation was not received when requested by CMS auditors
- Medical record documentation does not indicate that a sleep test was conducted
- Clinical evaluation does not include assessment of beneficiary for OSA
- Supplier did not provide proof of delivery for the device or supplies
- Beneficiary was already receiving a related device

Preventing DMEPOS Fraud

Inappropriate DMEPOS billing could affect available benefits, increase out-of-pocket costs, or indicate that health information has been stolen. Keep an eye out for unfamiliar DMEPOS charges or solicitation schemes. **If you suspect DMEPOS fraud, contact your provider or supplier or report it at cms.gov/fraud or by calling 1-800-MEDICARE**.

What You Can Do

- Protect your Medicare Beneficiary Identifier (MBI) and Medicare card like a credit card
- If you rent and return equipment, get a dated receipt
- Do not accept products from strangers who call, approach in public, or knock on your door
- Do not accept money or gifts in exchange for your MBI or unnecessary equipment
- Review your Medicare Summary Notice to ensure you needed and received each service listed
- Never sign a blank form from your provider or equipment supplier

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* **OIG**: Most Medicare claims for replacement positive airway pressure device supplies did not comply with Medicare requirements. A-04-14-04056. June 2018.