



DMEPOS Fee Schedule: April 2025 Quarterly Update

Related CR Release Date: April 2, 2025	MLN Matters Number: MM13990
Effective Date: April 1, 2025	Related Change Request (CR) Number: CR 13990
Implementation Date: April 7, 2025	Related CR Transmittal Number: R13122CP
Related CR Title: April Quarterly Update for 2025 Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Fee Schedule	

Affected Providers

- Physicians
- Suppliers
- Other providers billing Medicare Administrative Contractors (MACs) for DMEPOS services they provide to Medicare patients

Action Needed

Make sure your billing staff knows about:

- New HCPCS codes
- New fee schedule amounts
- New HCPCS codes on the fee schedule file for:
 - DMEPOS repairs and servicing
 - Complex rehabilitative power wheelchair accessories
 - Lymphedema compression treatment items

Background

CMS updates the DMEPOS fee schedule quarterly, as necessary, to implement fee schedule amounts for new and existing codes, as applicable, and apply changes in payment policies. See the [Medicare Claims Processing Manual, Chapter 23](#), section 60 for the DMEPOS fee schedule update process.

We pay for certain DME prosthetic devices, orthotics, prosthetics, and surgical dressings on a fee schedule basis per section 1834(a), (h), and (i) of the [Social Security Act](#). Regulations at [42 CFR 414.102](#) also require payment on a fee schedule for parenteral and enteral nutrition (PEN), splints, casts, and intraocular lenses inserted in a physician's office. Additionally, the DMEPOS fee schedule includes national payment amounts for lymphedema compression treatment items established per section 1834(z) of the Social Security Act and regulations at [42 CFR 414.1650](#).

Payment for Items Furnished in Former Competitive Bidding Areas

Starting January 1, 2024, there's a gap period in the DMEPOS Competitive Bidding Program (CBP). All Medicare Round 2021 DMEPOS CBP contracts for off-the-shelf (OTS) back braces and OTS knee braces expired on December 31, 2023.

During the gap period, payment for items and services that we included in the CBP are equal to 80% of the lesser of the supplier's charge or the fee schedule amount for the item. Per [42 CFR 414.210\(g\)\(10\)](#), the fee schedules for items and services provided in former Competitive Bidding Areas (CBAs) are based on Single Payment Amounts (SPAs) in effect in the CBA on the last day before the CBP contract period of performance ended, increased by the projected percentage change in the Consumer Price Index for All Urban Consumer (CPI-U) for the 12-month period on the date after the contract periods ended. We increase the fee schedule amounts once every 12 months on the anniversary date of the first day after the contract period ended with the CPI-U.

For CY 2025 for items we included in Round 2021 and awarded contracts, we adjusted the fee schedule amounts for items provided in areas that were CBAs as of December 31, 2023, based on the SPAs for each specific CBA, increased by the projected percentage change in the CPI-U of 2.9% for the 12-month period ending January 1, 2025. Also, for items we included in Round 2021 but we didn't award contracts, we increased the 2024 fee schedule amounts by the projected CPI-U of 2.9% for CY 2025.

More information on the [gap period](#) is available.

A former CBA ZIP code file contains the CBA ZIP Codes used in pricing a claim for an item provided in a CBA, and we update it on a quarterly basis, as needed. Effective January 1, 2025, the former CBA ZIP Code file will contain the ZIP Codes for the CBAs included in Round 2021.

DMEPOS Rural ZIP Codes

The ZIP Code associated with the address used for pricing a DMEPOS claim determines the rural fee schedule payment applicability for codes with rural and non-rural fee schedule amounts adjusted per 42 CFR 414.210(g). The DMEPOS Rural ZIP Code file contains the ZIP Codes designated as rural areas. We don't include ZIP Codes for non-contiguous Metropolitan Statistical Areas (MSAs) in the DMEPOS ZIP Code file, which we update on a quarterly basis as needed. Regulations at [42 CFR 414.202](#) define a rural area as a geographical area represented by a ZIP Code where at least 50% of the total geographical area of the ZIP Code is estimated to be outside any MSA. A rural area also includes any low population density ZIP Code within an MSA that's excluded from a CBA established for that MSA.

Public Use Files

Updates to the Medicare DMEPOS fee schedule files are available as [Public Use Files](#) for state Medicaid agencies, managed care organizations, and other interested parties.

Codes Added & Deleted

Effective April 1, 2025:

- We added new DMEPOS codes to the HCPCS file and listed them in the business requirement [13990.5 of CR 13990](#)
- We didn't delete any HCPCS codes from the DMEPOS fee schedule file
- We didn't add to or delete any HCPCS codes from the PEN fee schedule file

2025 Labor Payment Amounts for Repairs & Service Codes

As part of this update, we added HCPCS codes K0739, L4205, and L7520 and their Medicare payment amounts to the DMEPOS fee schedule file for processing claims with dates of service on or after April 1, 2025. The codes are:

- K0739 — Repair or nonroutine service for durable medical equipment other than oxygen equipment requiring the skill of a technician, labor component, per 15 minutes
- L4205 — Repair of orthotic device, labor component, per 15 minutes
- L7520 — Repair prosthetic device, labor component, per 15 minutes

The new payment category indicator on the DMEPOS fee schedule file, effective January 1, 2025, that's associated with these codes is LT= labor rates.

The MACs established the fees for codes K0739, L4205, and L5720 in accordance with 42 CFR 414.210(e) and are based on historic supplier charges. Ceiling and flooring don't apply to the labor fees. We updated the fees for codes K0739, L4205, and L7520 in the January 2025 DMEPOS fee schedule update by the percentage increase in the CPI-U for the 12-month period ending with June of the previous year. We established 1 labor fee per state for each code, and the statewide fees appear in the non-rural state field on the DMEPOS fee schedule file. We populated the rural state fields with zeros. Additional information on the fees is available in the MLN Matters® Article [MM13888](#).

New Fee Schedule Amounts

We added fee schedule amounts to the DMEPOS fee schedule file for the following new HCPCS codes, which we established during our Second Biannual 2024 Non-Drug and Non-Biological Items and Services HCPCS Level II code application review cycle:

- A4593
- E0201
- E1032
- E1033
- E1034
- E1832
- E3200
- L0720
- L1933
- L1952
- L5827
- L6700
- L7406

The fee schedule category listed in the DMEPOS file for some of these items may reflect revisions for benefit category determinations made using the procedures at [42 CFR 414.114](#) and [414.240](#).

Per DMEPOS items and services regulations at 42 CFR 414.114 and 414.240, we've obtained public consultation on national Medicare benefit category determinations and payment determinations for these codes during our First Biannual 2024 Non-Drug and Non-Biological Items and Services HCPCS Level II code application review cycle. A narrative [summary](#) for the Medicare benefit category and payment determinations for these items is available.

HCPCS Codes E1028, E1032, E1033 & E1034

We established payment on a purchase basis for capped rental wheelchair accessory codes provided for use with complex rehabilitative power wheelchairs. We consider these accessories as part of the complex rehabilitative power wheelchair and associated lump sum purchase option per [42 CFR 414.229\(a\)\(5\)](#). In our Second Biannual 2024 HCPCS Level II code application review cycle, we split HCPCS code E1028 into the following 3 additional HCPCS Level II codes, starting April 1, 2025:

- E1032 — Wheelchair accessory, manual swingaway, retractable or removable mounting hardware use with joystick or other drive control interface
- E1033 — Wheelchair accessory, manual swingaway, retractable or removeable mounting hardware for headrest, cushioned, any type
- E1034 — Wheelchair accessory, manual swingaway, retractable or removable mounting hardware for lateral trunk or hip support, any type

These codes are eligible for payment on a purchase basis when provided for use with a complex rehabilitative power wheelchair.

We include fees for the KU modifier when billed with E1032, E1033, and E1034 in the April 2025 file for billing when these items are provided with a Group 3 power wheelchair, complex rehabilitative manual wheelchair (HCPCS codes K0005, E1161, E1231, E1232, E1233, and E1234), and certain manual wheelchairs (HCPCS codes E1235, E1236, E1237, E1238, and K1008).

As discussed in the background section above, starting January 1, 2024, there's a gap period in the DMEPOS CBP. We added the 3 new HCPCS codes to the former CBA fee schedule effective April 1, 2025. Because there is a pricing history, we mapped the previous payment amount for the previous HCPCS Level II code E1028 to codes E1032, E1033, and E1034 in the former CBA fee schedule file to ensure continuity of pricing per regulations at [42 CFR 414.236\(a\)](#).

New HCPCS Codes for Lymphedema Compression Treatment Items

The CY 2024 Home Health Prospective Payment System final rule ([CMS-1780-F](#)) established a new benefit category for standard and custom fitted compression garments and additional lymphedema compression treatment items under Medicare Part B per section 4133 of the [Consolidated Appropriations Act](#), 2023. Starting for items provided on or after January 1, 2024, the lymphedema compression treatment items benefit category includes standard and custom fitted compression garments and additional lymphedema compression treatment items that are:

- Primarily and customarily used to serve a medical purpose
- For treating lymphedema
- Prescribed by an authorized practitioner

Effective April 1, 2025, we included the following new HCPCS Level II codes for lymphedema compression treatment items in the HCPCS file and added these codes to the claim processing instructions in the MLN Matters Article [MM13286](#):

- A6515
- A6516
- A6517
- A6518
- A6519
- A6611

More Information

We issued CR 13990 to your MAC as the official instruction for this change. For more information, find your [MAC's website](#).

Document History

Date of Change	Description
April 3, 2025	Initial article released.

View the [Medicare Learning Network® Content Disclaimer and Department of Health & Human Services Disclosure](#).
The Medicare Learning Network®, MLN Connects®, and MLN Matters® are registered trademarks of the U.S. Department of Health & Human Services (HHS).

