



Medicare Claims Processing Manual Update: Gap-Filling DMEPOS Fees

Related CR Release Date: May 16, 2024

MLN Matters Number: MM13617

Effective Date: June 17, 2024

Related Change Request (CR) Number: [CR 13617](#)

Implementation Date: June 17, 2024

Related CR Transmittal Number: R12645CP

Related CR Title: Update to Pub. 100-04 Medicare Claims Processing Manual, Chapter 23, Section 60.3 Gap-filling Durable Medical Equipment Prosthetics Orthotics Supplies (DMEPOS) Fees

Affected Providers

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

Action Needed

Make sure your billing staff knows about:

- Revised Section 60.3, Medicare Claims Processing Manual, [Chapter 23](#)
- Updated factors for gap-filling purposes

Background

CR 13617 updates the gap-filling DMEPOS fees to include update factors for gap-filling purposes. CMS uses gap-filling in establishing fee schedule amounts for new DMEPOS items or services that don't have a fee schedule pricing history.

Note: When gap-filling for capped rental items, it's necessary to first gap-fill the purchase price and then compute the base period fee schedule at 10% of the base period purchase price.

For used equipment, we establish fee schedule amounts at 75% of the fee schedule amount for new equipment.

Gap-filling isn't used in establishing fee schedule amounts for new lymphedema compression treatment items that don't have a fee schedule pricing history. Information on payment for lymphedema compression treatment items is available in Section 181.1, Medicare Claims

Processing Manual, [Chapter 20](#).

The 2024 update factors are:

Year	Class III DME	Other DME, Ostomy, Tracheostomy, and Urological Supplies	Parenteral and Enteral Nutrition	Surgical Dressings	Prosthetics, Orthotics, and Other Prosthetic Devices
2024	2.6%	2.6%	2.6%	2.6%	2.6%

Update factors for prior years are in the table in Section 60.3, Medicare Claims Processing Manual, [Chapter 23](#).

More Information

We issued CR 13617 to your MAC as the official instruction for this change.

For more information, [find your MAC's website](#).

Document History

Date of Change	Description
May 16, 2024	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).