

Q&A for the DMEPOS Moratorium



Q: What is a moratorium?

A: A moratorium is a temporary suspension or halt on the enrollment of new providers or suppliers in specific categories or geographic areas. CMS implements moratoria (plural form of moratorium) as a program integrity measure to prevent fraud, waste, and abuse (FWA) by stopping the enrollment of new providers in areas or categories where there is a significant potential for FWA.

Q: Why has CMS implemented this temporary moratorium?

A: Numerous OIG reports since 1998 have outlined payment safeguard issues associated with DMEPOS suppliers as a whole. For example, in 2024 the OIG stated: “Although CMS has a number of safeguards in place to prevent bad actors from billing DMEPOS in Medicare, fraudulent billing for DMEPOS continues to be a major concern. Recent cases demonstrate that DMEPOS continues to be a target of fraudulent billing and that new schemes have developed.”

Q: When is this effective?

A: The moratorium is effective on February 27, 2026 as posted in the Federal Register.

Q: Where can I find the posting?

A: The Federal Register is located here: <https://public-inspection.federalregister.gov/2026-03971.pdf>

Q: How does this affect new DMEPOS suppliers?

A: No new DMEPOS suppliers of the following types (and no new practice locations of these types) will be enrolled in Medicare for reimbursement unless the supplier’s enrollment application was received by the applicable Medicare contractor prior to this notice’s effective date. The moratorium applies to suppliers of these types seeking to enroll anywhere in the United States, including all states, territories, and the District of Columbia. The seven supplier types are:

- » Medical supply company.
- » Medical supply company with orthotics personnel.
- » Medical supply company with pedorthic personnel.
- » Medical supply company with prosthetics personnel.
- » Medical supply company with prosthetic and orthotic personnel.
- » Medical supply company with registered pharmacist.
- » Medical supply company with respiratory therapist.

Q: How does CMS define a medical supply company?

A: Exclusively for purposes of the moratorium's applicability, a business whose principal function is to furnish DMEPOS supplies (regardless of supply type) directly to another party is considered a medical supply company.

Q: What is an example of a supplier that is not included in this definition of a medical supply company?

A: Grocery stores, pharmacies, and inpatient or outpatient medical providers may offer limited medical supplies, but this is not their principal function. It is, in these examples, the selling of food or toiletries, the dispensing of medicines, the direct provision of medical care (such as a hospital, HHA, physician's office), etc. The moratorium would generally not apply to these DMEPOS suppliers.

Q: Does this moratorium affect suppliers that go through a change of ownership?

A: Yes. This is because a DMEPOS supplier that undergoes a nonexempt change in majority ownership (CIMO) within 36 months of its initial enrollment (or within 36 months of its most recent CIMO) must enroll in Medicare as a brand-new supplier, undergo a survey, and become newly accredited. The supplier's current enrollment is terminated. This means that the supplier's new enrollment is an initial enrollment no less than if the supplier had never enrolled in Medicare before. Therefore, the moratorium would prohibit the supplier in this §424.551 situation from reenrolling in Medicare because the supplier is considered "new."

Q: What if my completed enrollment application is with the Medicare contractor?

A: The moratorium does not apply to any enrollment application that has been received by the Medicare contractor prior to the date the moratorium is imposed.

Q: Can suppliers submit initial enrollment applications during a moratorium period?

A: Initial enrollment applications submitted during a moratorium will be denied and the application will need to be resubmitted once the moratorium is lifted. Existing providers and suppliers should continue to comply with all changes of information and revalidation reporting requirements. The moratorium only impacts new enrollments and not ongoing compliance obligations.

Q: How long will this temporary moratorium be in effect?

A: A temporary enrollment moratorium imposed by CMS remains in effect for six months. However, it may be extended in 6-month increments. CMS evaluates whether to extend or lift the moratorium before the end of the initial 6-month period and, if applicable, before the expiration of any subsequent moratorium period. If the moratorium announced in this notice is extended, CMS will publish a notice of such extension(s) in the Federal Register.

Information for responses retrieved from the following sites:

<https://public-inspection.federalregister.gov/2026-03971.pdf>

<https://www.cms.gov/files/document/dme-moratorium-qa-02252026-pdf.pdf-0>