



DMEPOS Fee Schedule: October 2025 Quarterly Update

Related CR Release Date: September 5, 2025	MLN Matters Number: MM14214
Effective Date: October 1, 2025	Related Change Request (CR) Number: CR 14214
Implementation Date: October 6, 2025	Related CR Transmittal Number: R13388CP
Related CR Title: October 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

Action Needed

Make sure your billing staff knows about these updates effective October 1, 2025:

- Added and deleted HCPCS codes
- Corrected 2024 deflation factors originally found in the January 2025 DMEPOS fee schedule quarterly update

Background

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

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

Payment for Items Provided 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 included in the CBP is equal to 80% of the lesser of the supplier's charge or the fee schedule amount for the item, less any unmet Medicare Part B deductible. Per [42 CFR 414.210\(g\)\(10\)](#), we base fee schedule amounts for items and services provided in former Competitive Bidding Areas (CBAs) on the single payment amounts in effect in the CBA on the last day of the CBP contract. Then, we increase that amount by the projected percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) for the 12 months following the end of the contract.

We increase the fee schedule amounts once every 12 months on the anniversary date of the first day after the contract period ends. For CY 2025, the projected change in the CPI-U for the 12-month period ending January 1, 2025, is 2.9%.

We update a former CBA ZIP Code file quarterly, which contains the CBA ZIP Codes used in pricing claims for an item provided in a CBA, as necessary. Effective January 1, 2025, the former CBA ZIP Code file contains 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 Rural ZIP Code file. We update the rural ZIP Code file quarterly as necessary.

Per [42 CFR 414.202](#), rural areas are geographical areas represented by a ZIP Code where at least 50% of the total geographical area of the ZIP Code is estimated as 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.

Key Updates

CR 14214 updates the DMEPOS fee schedule file for October 2025. This update will be available as a [Public Use File](#) for state Medicaid agencies, managed care organizations, and other interested parties.

Codes Added or Deleted

We're adding these 11 codes to the HCPCS file effective October 1, 2025:

- A4288
- E0150
- E0658
- E0659
- L1007
- L5657
- L6034
- L6035
- L6036
- L6038
- L6039

We're also adding fee schedule amounts to the DMEPOS fee schedule file for these 4 HCPCS Level II codes discussed in our first biannual 2025 non-drug and non-biological items and services HCPCS code application review cycle:

- A4453
- A4459
- E0658
- E0659

Per regulations at [42 CFR 414.114](#), [414.240](#), and [414.1670](#), we obtained public consultation on national Medicare benefit category determinations and payment determinations for these codes during the review cycle. See the [narrative summary for the Medicare benefit category](#) and payment determinations for these items.

We're deleting E0716 from the HCPCS file effective September 30, 2025. In addition, we're deleting HCPCS Level II code E0765 from the DMEPOS fee schedule file effective September 30, 2025.

We aren't adding or deleting any codes from the PEN fee schedule file effective October 1, 2025.

2024 Deflation Factors

We identified an error affecting several 2024 deflation factors listed in [CR 13888](#) and the [Medicare Claims Processing Manual, Chapter 23](#), section 60.3. CR 14214 corrects these 4 deflation factors:

- Surgical dressings – corrected from 0.447 to 0.446
- PEN – corrected from 0.486 to 0.485
- Splints and casts – corrected from 0.745 to 0.743
- IOLs – corrected from 0.732 to 0.730

This error doesn’t affect other payment categories or years.

More Information

We issued CR 14214 to your MAC as the official instruction for this change. For more information, find your [MAC’s website](#).

Document History

Date of Change	Description
September 12, 2025	Initial article released.

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