



DMEPOS Fee Schedule: July 2026 Quarterly Update

Related Change Request (CR) Information	
Number: 14513	Release Date: July 1, 2026
Effective Date: July 1, 2026	Implementation Date: July 6, 2026
Transmittal Number: R13846CP	
Title: July Quarterly Update for 2026 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 guidance on continuing to use the KF modifier on claims for HCPCS codes E0747, E0748, and E0760 for dates of service on or after May 18, 2026.

Key Updates

The DMEPOS fee schedule file updates are available as a [public use file](#) for state Medicaid agencies, managed care organizations, and other interested parties. We didn't update the DMEPOS Parenteral and Enteral Nutrition (PEN) fee schedule file or the DMEPOS fee schedule file this quarter.

FDA Reclassification of Non-Invasive Osteogenesis Stimulators

Starting May 18, 2026, FDA reclassified these 3 non-invasive bone growth stimulators (also known as osteogenesis stimulators) from class III to class II, per final order [91 FR 20352](#):

- **E0747:** Osteogenesis Stimulator, Electrical, Non-Invasive, Other than Spinal Applications
- **E0748:** Osteogenesis Stimulator, Electrical, Non-Invasive, Spinal Applications
- **E0760:** Osteogenesis Stimulator, Low Intensity Ultrasound, Non-Invasive

After further consideration, we're not making any changes to the fee schedules for these codes at this time. We'll pay for these items as if no change in class has occurred.

For dates of service on or after May 18, 2026, continue to bill claims for HCPCS codes E0747, E0748, and E0760 with the KF modifier. We'll reject the claim if you exclude the KF modifier.

If you submitted a claim for these codes without the KF modifier for dates of service between May 18, 2026, and the implementation of CR 14513, your DME MAC will adjust the claim to ensure you get paid at the KF fee schedule amount.

Background

We update 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. Refer to 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 PEN, splints, casts, and intraocular lenses inserted in a physician's office. The DMEPOS fee schedule file includes national payment amounts for lymphedema compression treatment items established per [42 CFR 414.1650](#).

Payment for Items Furnished in Former Competitive Bidding Areas

Effective 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 back and 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. 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. We then 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.

In CY 2026, for items where we awarded contracts in Round 2021, we adjust the fee schedule amounts for items you provide in areas that were CBAs as of December 31, 2023, based on the SPAs for each specific CBA, increased by the projected change in the CPI-U for the 12-month period ending January 1, 2026, is 2.8%. Similarly, for items included in Round 2021 but where we didn't award contracts in Round 1 of the CBP, we're increasing the 2025 adjusted fee schedule amounts by the projected CPI-U of 2.8% for CY 2026.

We update a former CBA ZIP Code file quarterly, as necessary, which contains the CBA ZIP Codes used in pricing claims for an item provided in a CBA. The former CBA ZIP Code file contains the ZIP Codes for the CBAs included in Round 2021.

DMEPOS Rural ZIP Codes

We use the ZIP Code associated with the address used for pricing a DMEPOS claim to determine 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, which we update quarterly, as necessary.

Regulations at [42 CFR 414.202](#) define a rural area as a geographical area represented by a postal 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.

More Information

We issued CR 14513 to your MAC as the official instruction for this change. For more information, find your [MAC's website](#).

Document History

Date of Change	Description
July 7, 2026	Initial article released.

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