

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 13388	Date: September 5, 2025
	Change Request 14214

SUBJECT: October Quarterly Update for 2025 Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Fee Schedule

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to update the DMEPOS fee schedule on a quarterly basis, when necessary, in order to implement fee schedule amounts for new and existing codes, as applicable, and apply changes in payment policies. This recurring update notification applies to publication 100-04, Medicare Claims Processing Manual, chapter 23, section 60.

EFFECTIVE DATE: October 1, 2025

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: October 6, 2025

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	23/60/3 Gap-filling DMEPOS Fees

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Recurring Update Notification

Attachment - Recurring Update Notification

Pub. 100-04	Transmittal: 13388	Date: September 5, 2025	Change Request: 14214
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II. GENERAL INFORMATION

A. Background: Payment on a fee schedule basis is required for certain Durable Medical Equipment (DME), prosthetic devices, orthotics, prosthetics, and surgical dressings by Subsection (§)1834(a), (h), and (i) of the Social Security Act (the Act). Also, payment on a fee schedule basis is a regulatory requirement at 42 Code of Federal Regulations (CFR) §414.102 for Parenteral and Enteral Nutrition (PEN), splints, casts and Intraocular Lenses (IOLs) inserted in a physician's office. Also, the DMEPOS fee schedule file includes national payment amounts for lymphedema compression treatment items established in accordance with §1834(z) of the Act and regulations at 42 CFR §414.1650.

Section 1834(a)(1)(F)(ii) of the Act mandates adjustments to the fee schedule amounts for DME items included in the DMEPOS Competitive Bidding Program (CBP) for payment of the items in areas that are not included in the CBP. Sections 1834(h)(1)(H)(ii), 1842(s)(3)(B) and 1834(z)(3) of the Act provide authority to adjust the fee schedule amounts or national payment amounts for, respectively, off-the-shelf orthotics, enteral nutrients, equipment, and supplies (enteral nutrition), and lymphedema compression treatment items based on information from the DMEPOS CBP. The methodologies for adjusting DMEPOS fee schedule or national payment amounts are established at 42 CFR §414.210(g). The DMEPOS and PEN fee schedule files contain Healthcare Common Procedure Coding System (HCPCS) codes that are subject to fee schedule adjustments using information on the payment determined for these items under the CBP, as well as codes that are not subject to the CBP or fee schedule adjustments.

Beginning January 1, 2024, there is a gap period in the DMEPOS CBP. All Medicare Round 2021 DMEPOS CBP contracts for Off-the-Shelf (OTS) back braces and OTS knee braces expired on December 31, 2023. Additional information on the gap period is available at <https://www.cms.gov/medicare/payment/fee-schedules/dmepos-competitive-bidding>. During the gap period, payment for items and services that were included in the CBP are equal to 80 percent of the lesser of the supplier's charge or the fee schedule amount for the item less any unmet Part B deductible. Pursuant to §414.210(g)(10), the fee schedule amounts for items and services furnished in former CBAs are based on the 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 Urban (CPI-U) for the 12-month period ending on the date after the contract periods ended. The fee schedule amounts are increased once every 12 months on the anniversary date of the first day after the contract period ended by the projected percentage change in the CPI-U for the 12-month period ending on the anniversary date. For the purpose of updating the adjusted fee schedule amounts for items furnished in former CBAs for Calendar Year (CY) 2025, the projected change in the CPI-U for the 12-month period ending January 1, 2025, is 2.9 percent. A former CBA ZIP code file contains the CBA ZIP codes used in pricing a claim for

an item furnished in a CBA and will be updated on a quarterly basis as necessary. Effective January 1, 2025, the former CBA ZIP code file contains the ZIP codes for the CBAs included in Round 2021.

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 in accordance with §414.210(g). The DMEPOS Rural ZIP code file contains the ZIP codes designated as rural areas. ZIP codes for non-contiguous Metropolitan Statistical Areas (MSAs) are not included in the DMEPOS Rural ZIP code file. The DMEPOS Rural ZIP code file is updated on a quarterly basis as necessary. Regulations at §414.202 define a rural area to be a geographical area represented by a postal ZIP code where at least 50 percent of the total geographical area of the ZIP code is estimated to be outside any Metropolitan Statistical Area (MSA). A rural area also includes any low population density ZIP Code within an MSA that is excluded from a CBA established for that MSA.

B. Policy: This instruction provides updates for the DMEPOS fee schedule file for October 2025. There are no updates to the PEN file or the DMEPOS Rural ZIP code file for October 2025 (Quarter 4).

These updates will be available as Public Use Files (PUFs) for State Medicaid Agencies, managed care organizations, and other interested parties on the CMS website at <https://www.cms.gov/medicare/payment/fee-schedules/dmepos/dmepos-fee-schedule>.

Codes Added and Deleted

New DMEPOS codes added to the Healthcare Common Procedure Coding System file (HCPCS) file, effective October 1, 2025, are listed in the business requirements below.

As part of this update, fee schedules amounts are added to the DMEPOS fee schedule file for the following HCPCS Level II codes discussed in CMS' First Biannual 2025 Non-Drug and Non-Biological Items and Services HCPCS code application review cycle:

A4453

A4459

E0658

E0659

The following code is deleted from the HCPCS file, effective September 30, 2025:

E0716

Additionally, HCPCS Level II code E0765 is deleted from the DMEPOS fee schedule file, effective September 30, 2025.

No new codes are added or deleted to the PEN fee schedule file, effective October 1, 2025.

Pursuant to regulations for DMEPOS items and services at 42 CFR §414.114, §414.240, and §414.1670 CMS obtained public consultation on national Medicare benefit category determinations and/or payment determinations for these codes during CMS' First Biannual 2025 Non-Drug and Non-Biological Items and Services HCPCS code application review cycle. A narrative summary for the Medicare benefit category and/or payment determinations for these items is available on the CMS website at www.cms.gov/medicare/coding-billing/healthcare-common-procedure-system/current-prior-years-level-ii-coding-decisions.

2024 Deflation Factors

We have identified an error affecting several of the 2024 deflation factors listed in the January 2025 DMEPOS Fee Schedule Update Change Request (Transmittal 12291, CR 13888) and Chapter 23, Section 60.3 of the Claims Processing Manual. This update corrects the 2024 deflation factors in the Claims Processing Manual for the following payment categories:

- Surgical Dressings - corrected from 0.447 to 0.446
- Parenteral and Enteral Nutrition (PEN) - corrected from 0.486 to 0.485
- Splints and Casts - corrected from 0.745 to 0.743
- Intraocular Lenses (IOL) - corrected from 0.732 to 0.730

No other payment categories or years are affected by this error.

III. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HH H		FIS S	MC S	VM S	CW F	
14214.1	The CMS shall notify the Medicare contractors via e-mail when the revised payment data in the cloud is available for their retrieval.									CMS, PCS
14214.2	The A/B MACs Part A, A/B MACs for Home Health and Hospice (HHH) shall retrieve the DMEPOS FI fee schedule data from the cloud service and implement it into their testing and production regions. The cloud data will be available on or after September 1, 2025.	X		X						Hybrid Cloud Data Center (HDC)
14214.3	The DME MACs, A/B MACs Part B shall retrieve the DMEPOS fee schedule data from the cloud service and implement it into their testing and production regions. The cloud data will be available on or after September 1, 2025.		X		X					Hybrid Cloud Data Center (HDC)
14214.3.1	Upon email notification from CMS, Data Centers shall download the DMEPOS revised payment data from the cloud service and work with Part B MACs to implement it into their testing and production regions.		X							Hybrid Cloud Data Center (HDC)
14214.4	The DME MACs and/or HCDC shall retrieve the 2025 Rural ZIP code data from the cloud service on or after				X					Hybrid Cloud

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FIS S	MC S	VM S	CW F	
	September 1, 2025.									Data Center (HDC)
14214.4.1	The A/B MACs Part B, A/B MACs Part A, A/B MACs Part HHH, DME MACs and/or HCDC shall retrieve the 2025 Rural ZIP code file (filename: MU00.@DMECBIC.RURZIP.C25Q04.V0901) on or after September 1, 2025.	X	X	X	X					Hybrid Cloud Data Center (HDC)
14214.4.2	Contractors shall notify CMS of successful receipt via email to price_file_receipt@cms.hhs.gov stating the name of the mainframe file received (e.g., Rural ZIP code file) and the entity receiving the file (e.g., include states, contractor/carrier numbers, quarter, and if Part A, Part B, or both).	X	X	X						
14214.5	The A/B MACs Part A, A/B MACs for Home Health and Hospice (HHH) and/or HCDC shall retrieve the 2025 Rural ZIP code data from the cloud service on or after September 1, 2025. Note: In the event of unexpected circumstances or issues, CMS shall provide further instruction to the MACs and DCs via email to load the Mainframe Files instead of the Cloud data.	X		X						Hybrid Cloud Data Center (HDC)
14214.6	Contractors shall use the DMEPOS payment data in business requirements 14214.2, 14214.3 and the Rural Zip code cloud data/file in requirements 14214.4, 14214.4.1 and 14214.5 retrieved from the cloud service or mainframe to pay claims for items with dates of service beginning October 1, 2025. An October update to the 2025 PEN fee schedule files is not required.	X	X	X	X					

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HH H		FIS S	MC S	VM S	CW F	
14214.7	Contractors shall be aware the HCPCS codes listed below are being added to the HCPCS effective October 1, 2025, and shall be added to the Common Working File (CWF) categories (category codes in parentheses) and systems where necessary as follows: A4288 (60) E0150(60) E0658 (1,60) E0659 (1,60) L5657 (3,60) L6034 (3,60) L6035 (3,60) L6036 (3,60) L6038 (3,60) L6039 (3,60) L1007 (3,60)		X		X				X	CVM
14214.8	Contractors shall be aware that the following HCPCS code is revised effective October 1, 2025, and shall be deleted from the CWF category (category code in parentheses) and systems where necessary as follows: E0765 (4)								X	

IV. PROVIDER EDUCATION

Medicare Learning Network® (MLN): CMS will develop and release national provider education content and market it through the MLN Connects® newsletter shortly after we issue the CR. MACs shall link to relevant information on your website and follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 for distributing the newsletter to providers. When you follow this manual section, you don't need to separately

track and report MLN content releases. You may supplement with your local educational content after we release the newsletter.

Impacted Contractors: A/B MAC Part A, A/B MAC Part B, A/B MAC Part HHH, DME MAC

V. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
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Section B: All other recommendations and supporting information: N/A

VI. CONTACTS

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VII. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 0

Medicare Claims Processing Manual

Chapter 23 - Fee Schedule Administration and Coding Requirements

Table of Contents

(Rev. 13388; Issued: 09-05-25)

60.3 - Gap-filling DMEPOS Fees

(Rev. 13388; Issued: 09-05-25; Effective: 10-01-25; Implementation: 10-06-25)

Gap-filling is used in establishing fee schedule amounts for new DMEPOS items or services that do not have a fee schedule pricing history. If a HCPCS code is new and describes items and services that have a fee schedule pricing history (classified and paid for previously under a different code, including codes for miscellaneous items, e.g., E1399, and including fee schedule amounts established by CMS or the MACs), the fee schedule amounts for the new code are established using the process included in section 60.3.1 of this manual.

All DMEPOS items and services subject to payment on a fee schedule basis as mandated by sections 1833(o)(2)(A), 1834(a), (h), and (i) of the Social Security and/or by regulations at 42 CFR 414.102 and 414.210 must have national fee schedule amounts established by CMS or interim local fee schedule amounts established by the MACs for use in paying claims for the items and services. Effective February 28, 2022, interim local fee schedule amounts established by the MACs for paying claims on an interim basis are considered a fee schedule pricing history for continuity of pricing purposes under §60.3.1 below for the time before national fee schedule amounts are established, but can be considered by CMS in developing national fee schedule amounts. Once national fee schedule amounts are established for an item or service, the national fee schedule amounts become the new fee schedule pricing history for the item or service for continuity of pricing purposes under §60.3.1 below. Local fee schedule amounts established by the MACs for use in paying claims prior to February 28, 2022 are considered a fee schedule pricing history for continuity of pricing purposes under §60.3.1 below.

The DME MACs or A/B MACs must establish fee schedule amounts for DMEPOS items and services billed using HCPCS codes for miscellaneous items not otherwise classified under the HCPCS (e.g., E1399, L2999, and L8699). Once the fee schedule amounts are established for DMEPOS items and services billed using HCPCS codes for miscellaneous items, these fee schedule amounts would only change when update factors are applied, to correct an error in the calculation of the fee schedule amounts, for based on program instructions.

For DME items, the DME MACs must apply the DME payment method depending on the DME class the item falls under (e.g., the item would be paid on a capped rental basis if it is expensive, not customized, not oxygen and oxygen equipment, and does not require frequent and substantial servicing in order to avoid risk to the patient).

National fee schedule amounts established by CMS and interim local fee schedule amounts established by the DME MACs and A/B MACs Part B shall be gap-filled for items for which charge data were unavailable during the fee schedule data base year using the fee schedule amounts for comparable equipment. Fee schedule amounts for new HCPCS codes for items and services without a fee schedule pricing history are established using existing fee schedule amounts for comparable items when items with existing fee schedule amounts are determined to be comparable to the new items and services. A comparison can be based on, but not limited to the following components: physical, mechanical, electrical, function and intended use, and additional attributes and features. When examining whether an item is comparable to another item, the analysis can be based on the items as a whole, its subcomponents, or a combination of items. A new product does not need to be comparable within each category, and there is no prioritization to the categories.

Examples of Attributes in Each Component Category

- Physical: Aesthetics, Design, Customized vs. Standard, Material, Portable, Size, Temperature Range/Tolerance, Weight
- Mechanical: Automated vs. Manual, Brittleness, Ductility, Durability, Elasticity, Fatigue, Flexibility, Hardness, Load Capacity, Flow-Control, Permeability, Strength
- Electrical: Capacitance, Conductivity, Dielectric Constant, Frequency, Generator, Impedance, Piezo-electric, Power, Power Source, Resistance
- Function and Intended Use: Function, Intended Use
- Additional Attributes and Features: “Smart”, Alarms, Constraints, Device Limitations, Disposable, Parts, Features, Invasive vs. Non-Invasive.

If unable to identify comparable item(s), other sources of pricing data can be used to calculate the gap-filled fee schedule amount for the new item. These sources include using supplier or commercial price lists with prices in effect during the fee schedule data base year. Data base “year” refers to the time period mandated by the statute and/or regulations from which Medicare allowed charge data is to be extracted in order to compute the fee schedule amounts for the various DMEPOS payment categories. For example, the fee schedule base year for inexpensive or routinely purchased durable medical equipment is the 12 month period ending June 30, 1987. Supplier price lists include catalogues and other retail price lists (such as internet retail prices) that provide information on commercial pricing for the item. Potential appropriate sources for such commercial pricing information can also include payments made by Medicare Advantage plans as well as verifiable information from supplier invoices and non-Medicare payer data (e.g., fee schedule amounts comprised of the median of the commercial pricing information adjusted as described below). DME MACs and A/B MACs shall gap-fill based on current instructions released each year for implementing and updating the payment amounts.

If the only available price information is from a period other than the base period, apply the deflation factors that are included in the current year implementation instructions against current pricing in order to approximate the base year price for gap-filling purposes.

The deflation factors for gap-filling purposes are shown below:

Year*	OX	CR	PO	SD	PE	SC	IL
1987	0.965	0.971	0.974	n/a	n/a	n/a	n/a
1988	0.928	0.934	0.936	n/a	n/a	n/a	n/a
1989	0.882	0.888	0.890	n/a	n/a	n/a	n/a
1990	0.843	0.848	0.851	n/a	n/a	n/a	n/a
1991	0.805	0.810	0.813	n/a	n/a	n/a	n/a
1992	0.781	0.786	0.788	n/a	n/a	n/a	n/a
1993	0.758	0.763	0.765	0.971	n/a	n/a	n/a
1994	0.740	0.745	0.747	0.947	n/a	n/a	n/a
1995	0.718	0.723	0.725	0.919	n/a	n/a	n/a
1996	0.699	0.703	0.705	0.895	0.973	n/a	n/a
1997	0.683	0.687	0.689	0.875	0.951	n/a	n/a
1998	0.672	0.676	0.678	0.860	0.936	n/a	n/a
1999	0.659	0.663	0.665	0.844	0.918	n/a	n/a
2000	0.635	0.639	0.641	0.813	0.885	n/a	n/a
2001	0.615	0.619	0.621	0.788	0.857	n/a	n/a
2002	0.609	0.613	0.614	0.779	0.848	n/a	n/a
2003	0.596	0.600	0.602	0.763	0.830	n/a	n/a
2004	0.577	0.581	0.582	0.739	0.804	n/a	n/a
2005	0.563	0.567	0.568	0.721	0.784	n/a	n/a
2006	0.540	0.543	0.545	0.691	0.752	n/a	n/a
2007	0.525	0.529	0.530	0.673	0.732	n/a	n/a
2008	0.500	0.504	0.505	0.641	0.697	n/a	n/a
2009	0.508	0.511	0.512	0.650	0.707	n/a	n/a
2010	0.502	0.506	0.507	0.643	0.700	n/a	n/a
2011	0.485	0.488	0.490	0.621	0.676	n/a	n/a
2012	0.477	0.480	0.482	0.611	0.665	n/a	n/a
2013	0.469	0.472	0.473	0.600	0.653	n/a	0.983
2014	0.459	0.462	0.464	0.588	0.640	0.980	0.963
2015	0.459	0.462	0.463	0.588	0.639	0.978	0.962
2016	0.454	0.457	0.458	0.582	0.633	0.969	0.952
2017	0.447	0.450	0.451	0.572	0.623	0.953	0.937
2018	0.435	0.437	0.439	0.556	0.605	0.927	0.911
2019	0.427	0.430	0.431	0.547	0.595	0.912	0.896
2020	0.425	0.427	0.429	0.544	0.592	0.906	0.891
2021	0.403	0.406	0.407	0.516	0.561	0.859	0.845
2022	0.370	0.372	0.373	0.473	0.515	0.788	0.774
2023	0.359	0.361	0.362	0.460	0.500	0.765	0.752
2024	0.349	0.351	0.352	0.446	0.485	0.743	0.730

* Year price in effect

Payment Category Key:

OX Oxygen & oxygen equipment (DME)

CR Capped rental (DME)

IN Inexpensive/routinely purchased (DME)

FS Frequently serviced (DME)

SU DME supplies

PO Prosthetics & orthotics

SD Surgical dressings

OS Ostomy, tracheostomy, and urological supplies

PE Parental and enteral nutrition

TS Therapeutic Shoes

SC Splints and Casts

IL Intraocular Lenses inserted in a physician's office

IN, FS, OS and SU category deflation factors=PO deflation factors

After deflation, the result must be increased by 1.7 percent and by the annual update factors shown below.

DMEPOS Fee Schedule Update Factors for Gap-Filling Purposes
(Updates applied to 1986/87 base year amounts unless otherwise noted)

Update factors mandated by sections 1834(a)(14), 1834(h)(1)(E), 1834(h)(4)(A), 1834(i)(1)(B), and 1842(s)(1)(B) of the Social Security Act

Year	Class III DME	Other DME, Ostomy, Tracheostomy, and Urological Supplies	Parenteral and Enteral Nutrition¹	Surgical Dressings²	Prosthetics, Orthotics, and Other Prosthetic Devices³
1989	1.7%	1.7%	n/a	n/a	1.7%
1990	0.0%	0.0%	n/a	n/a	0.0%
1991	3.7%	3.7%	n/a	n/a	0.0%
1992	3.7%	3.7%	n/a	n/a	4.7%
1993	3.1%	3.1%	n/a	3.1%	3.1%
1994	3.0%	3.0%	n/a	3.0%	0.0%
1995	2.5%	2.5%	n/a	2.5%	0.0%

1996	3.0%	3.0%	n/a	3.0%	3.0%
1997	2.8%	2.8%	n/a	2.8%	2.8%
1998	0.0%	0.0%	n/a	0.0%	1.0%

1999	0.0%	0.0%	n/a	0.0%	1.0%
2000	0.0%	0.0%	n/a	0.0%	1.0%
2001	3.7%	3.7%	n/a	3.7%	3.7%
2002	0.0%	0.0%	0.0%	0.0%	1.0%
2003	1.1%	1.1%	1.1%	1.1%	1.1%
2004	2.1%	0.0%	2.1%	0.0%	0.0%
2005	3.3%	0.0%	3.3%	0.0%	0.0%
2006	2.5%	0.0%	2.5%	0.0%	0.0%
2007	0.0%	0.0%	4.3%	0.0%	4.3%
2008	2.7%	0.0%	2.7%	0.0%	2.7%
2009	5.0%	5.0%	5.0%	5.0%	5.0%
2010	0.0%	0.0%	0.0%	0.0%	0.0%
2011	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
2012	2.4%	2.4%	2.4%	2.4%	2.4%
2013	0.8%	0.8%	0.8%	0.8%	0.8%
2014	1.0%	1.0%	1.0%	1.0%	1.0%
2015	1.5%	1.5%	1.5%	1.5%	1.5%
2016	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%
2017	0.7%	0.7%	0.7%	0.7%	0.7%
2018	1.1%	1.1%	1.1%	1.1%	1.1%
2019	2.3%	2.3%	2.3%	2.3%	2.3%
2020	0.9%	0.9%	0.9%	0.9%	0.9%
2021	0.2%	0.2%	0.2%	0.2%	0.2%
2022	5.1%	5.1%	5.1%	5.1%	5.1%
2023	8.7%	8.7%	8.7%	8.7%	8.7%
2024	2.6%	2.6%	2.6%	2.6%	2.6%
2025	2.4%	2.4%	2.4%	2.4%	2.4%

¹ Base Year is 1995

² Base Year is 1992

³ Artificial legs, arms, and eyes (prosthetics); leg, arm, back, and neck braces (orthotics); and all other prosthetic devices other than ostomy, tracheostomy, and urological supplies, parenteral and enteral nutrition, and intraocular lenses inserted in a physician's office

Note that when gap-filling for capped rental items, it is necessary to first gap-fill the purchase price and then compute the base period fee schedule at 10 percent of the base

period purchase price.

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

Gap-filling is not used in establishing fee schedule amounts for new lymphedema compression treatment items that do not have a fee schedule pricing history. Additional information on payment for lymphedema compression treatment items is available at Pub. 100-04 Medicare Claims Processing Manual, Chapter 20, Section 181.1 Payment Policy for Lymphedema Compression Treatment Items.

If within 5 years of establishing fee schedule amounts using supplier or commercial prices, the supplier or commercial prices decrease by less than 15 percent, CMS can make a one- time adjustment to the fee schedule amounts using the new prices. The new supplier or commercial prices would be used to establish the new fee schedule amounts in the same way that the older prices were used, including application of the deflation formula of this section.