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Informational Alert on the CMS Temporary Moratorium

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On February 25, 2026, CMS announced a temporary nationwide moratorium on enrollment of DMEPOS supply companies (CMS-6099-N). In its notice, CMS cited several reports by the Office of Inspector General (OIG) concerning “bad actors” billing Medicare fraudulently. Notably, CMS highlighted recent instances of fraud related to off-the-shelf orthotic braces and urinary catheters, as well as several criminal convictions involving multimillion dollar fraud schemes. The moratorium is intended to address serious concerns over fraud, waste, and abuse regarding durable medical equipment and DMEPOS suppliers. Below, we summarize the moratorium in a Question & Answer format.

What is the effect of the moratorium?

While the moratorium is in effect, Medicare contractors will deny any new or initial enrollment applications from affected DMEPOS suppliers.

How long will the moratorium last?

The moratorium is effective starting February 27, 2026, and will remain in effect for 6 months. CMS may renew the moratorium for additional 6-month periods. If it does so, CMS will publish notice of the renewal in the *Federal Register*. CMS may also lift the moratorium at any time under certain conditions (e.g., disaster declaration or public health emergency).

Which suppliers are affected by the moratorium?

The moratorium affects 7 types of suppliers, which CMS refers to as “medical supply companies”:

- 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.

For the moratorium, a “medical supply company” is a business whose principal function is to furnish DMEPOS supplies (regardless of supply type) directly to another party, such as: (1) beneficiaries with a medical order (for example, via mail order); (2) medical providers and suppliers; or (3) both. The moratorium does not include suppliers whose principal function is not the provision of DMEPOS, such as grocery stores, pharmacies, or inpatient or outpatient medical facilities (e.g., hospitals).

For the moratorium, where the medical supply company has the specified required personnel (e.g., medical supply company with orthotics personnel), the medical supply company is included in the moratorium if it has at least one specified professional (e.g., orthotist) serving in an employment, advisory, contractual, or “other role.”

What are some practical consequences of the moratorium?

While the moratorium is effective, a medical supply company’s submission of a new or initial enrollment application will be denied. This means, for example:

- A medical supply company will not be able to enroll a new location
- A medical supply company will not be able to undergo a change in majority ownership (CIMO) within 36 months of its initial enrollment or a previous CIMO, because such changes require submission of a new enrollment
- A medical supply company will not be able to undergo a change in ownership that requires the submission of a new or initial enrollment
- The moratorium will not apply to changes in ownership where there is a stock acquisition that is not within 36 months of an initial enrollment or a previous CIMO.

- The moratorium will not apply to a reactivation of a PTAN that was voluntarily deactivated or one that was deactivated due to not submitting a revalidation.
- The moratorium will not prevent an enrolled supplier from being able to submit other required updates including but not limited to an address change, products supplied, states where services are provided, hours of operation or changes to other information reported on the 855s.

Does the moratorium apply to state Medicaid and CHIP?

The moratorium does not include state Medicaid or CHIP programs. CMS delegated the decision of whether to impose a moratorium to each state. To the extent that a state Medicaid program requires enrollment in Medicare as a condition of enrollment in the state Medicaid program, the moratorium will prevent the affected supplier's enrollment in the state Medicaid program. Similarly, to the extent that a commercial payor requires enrollment in Medicare as a condition of enrollment in the commercial payor's plan, the moratorium will prevent the affected supplier from enrollment in the commercial payor's plan.

Are there any appeal rights?

There is no right for judicial review of the temporary moratorium. A supplier may appeal a denial of enrollment due to the moratorium, but the appeal will be limited to whether the temporary moratorium applied to the supplier. A supplier whose application for enrollment is denied due to the moratorium may receive a refund of the application fee.