



## **H.R. 8871, *DME Scammer Prevention Act***

Rep. Bean (R-FL)

### **Background:**

- **Durable medical equipment (DME) fraud using stolen provider or beneficiary information** is rampant in Medicare – leaving **seniors and taxpayers on the hook** for unneeded orders of equipment and supplies like orthotic braces, catheters, or glucose monitors.
  - **24% of Medicare DME payments** are improper.
  - **\$278 million in improperly paid continuous glucose monitors** in 2024 alone.
  - **\$59 million in fraudulent billed orthotic braces** from one fraud scheme involving kickbacks to providers.
- Medicare’s **outdated and unjustified** billing systems leave **DME prone to fraud**.
  - **Over 40,500 paper claims are submitted each year**, creating barriers for billing claims to be screened by fraud detection technology.
  - DME suppliers currently have a **full year to submit claims**, presenting challenges for detecting anomalous billing patterns.
- Congress and the Trump Administration are taking swift action to **crack down on bad actors**:
  - In June 2025, DOJ charged members of a transnational criminal gang with fraudulently billing **\$11 billion in catheters**.
  - In February 2026, CMS Administrator Dr. Oz announced a **6-month nationwide moratorium** on Medicare enrollment of new DME suppliers.
  - The Trump Administration made permanent the **Fraud Detection Operation Center**, which has **suspended over \$1.8 billion in fraudulent payments**.
  - In February 2026, Congress passed legislation that **grows DME anti-fraud protections**.

### **H.R. 8871, *DME Scammer Prevention Act*:**

- **Modernizes DME billing to prevent fraud** by requiring DME suppliers to **submit electronic billing claims**, allowing CMS to **deploy modern technology** to better **track and catch cases of fraud**.
- Allows CMS to **better detect unusual billing patterns in a timely manner** by requiring DME suppliers to **submit claims within 90 days** of the physician order.
- Requires GAO to submit a report to Congress on how contractors are working to **combat DME fraud** and what **further improvements** can be made.