VyRal

A LeakReceipts Field Guide

LeakReceipts for DME & HME Suppliers

The Field Guide: where the money leaks, how to prove it, and how to close it

For: DME and HME Supplier — Payer Denial Recovery

by VyRal Dynasty

LeakReceipts for DME & HME Suppliers The Field Guide: where the money leaks, how to prove it, and how to close it

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How every number in this book is labeled.

- **VERIFIED** means the figure comes from a named, dated source, and the source is printed next to it.
- **CALCULATED** means it is arithmetic on verified numbers or on your own numbers, and the math is shown.
- **ESTIMATE** means a reasoned range, and it is always called one.
- **STRUCTURAL** marks a standing rule of the trade (a law, a contract term, how the paperwork works), not a market figure.
- **STILL BEING MEASURED** means VyRal has not verified a figure yet, so no number is printed.

If a number is not labeled, it is a blank for you to fill from your own paper.

What this book is not. This is education, not legal, tax, accounting or financial advice. Where a fix says a professional decides, a professional decides. Nothing here says that any company, customer or person did anything wrong. The fixes show you how to check your own paper and ask in writing.

About how this book was made. This book was assembled with AI from VyRal's sourced research on this trade and checked against those sources. AI can make mistakes. Before you act on a figure, check it against the source printed beside it. Rules and rates change, and every figure carries its date for that reason.

Before you share any document with anyone, Vera included, black out account numbers, Social Security numbers and anything else you would not hand a stranger.

Contents

1. The short answer for your trade
2. What people in your trade say hurts
3. Get your paper together
4. Leak 1: DMEPOS Improper-Payment Rate & Root Cause
5. Leak 2: National DME Enrollment Moratorium — EXPIRED 2026-08-27, New Enrollment Reopened (confirmed against CMS's own announcement)
6. Leak 3: Proof of Delivery: 7-Year Retention, Produce on Demand
7. Leak 4: Timely Filing — the One Leak With No Back Door
8. Leak 5: Capped-Rental Continuity Risk
9. Leak 6: The Appeal Cascade Deadlines
10. Leak 7: Self-Employment / Entity-Structure Tax Boundary
11. Leak 8: Pride Economy: The Truck, the Warehouse, the Equipment
12. More leaks to check
13. Grow it: the next rung
14. The household side: TrueNET
15. Your 30-day leak plan
16. Take it into LeakReceipts
17. Sources
18. Your leak log

The short answer for your trade

This is one of the rare lanes where the government itself publishes the leak. CMS's own data puts the Medicare DMEPOS improper-payment rate at 24.1% — about $2.3 billion — for FY2025 (up from 21.4% in FY2024), and more than four-fifths of that is paperwork: missing or insufficient documentation, not fraud and not a real coverage dispute. That means most of it is both preventable at intake and recoverable on appeal, if a supplier works the deadlines instead of writing the denial off. It also means your work sits directly under the federal government's most aggressive healthcare-fraud enforcement, including the national moratorium on new DME enrollment CMS ran from February 27 to August 27, 2026 — so the same discipline that recovers legitimately-owed dollars is also what keeps a supplier clearly on the right side of that line.

Your leak map

Every leak this book covers, biggest first. The size grade is VyRal's research grade for how much money a leak tends to move in this trade. It is a grade, not a dollar figure. Your own paper sets the dollars.

#	Leak	Size grade	Evidence	Fixes
1	DMEPOS Improper-Payment Rate & Root Cause	Major	VERIFIED	1
2	National DME Enrollment Moratorium — EXPIRED 2026-08-27, New Enrollment Reopened (confirmed against CMS's own announcement)	Major	VERIFIED	1
3	Proof of Delivery: 7-Year Retention, Produce on Demand	Major	VERIFIED	1
4	Timely Filing — the One Leak With No Back Door	Major	VERIFIED	1
5	Capped-Rental Continuity Risk	Significant	VERIFIED	1
6	The Appeal Cascade Deadlines	Significant	VERIFIED	1
7	Self-Employment / Entity-Structure Tax Boundary	Moderate	STRUCTURAL	1
8	Pride Economy: The Truck, the Warehouse, the Equipment	Small but common	STRUCTURAL	1

Then there are 3 more leaks to check, each with its own fixes, in the chapter called More leaks to check.

What people in your trade say hurts

Before we built a single fix, we went and read what people in this trade say out loud: forums, trade press, regulators' complaint files and court records. These are the pains that kept coming up, the ones with the most sources first. If one of them is yours, you're not imagining it.

About a quarter of DME claim dollars fail review, mostly on paperwork, and prepayment denials now hit first

I delivered the chair, the patient has it, and Medicare still won't pay because one note or signature is missing. Now they deny before paying instead of asking for records later.

Found in 3 public sources; newest dated 2026-09-10. VERIFIED count from VyRal's public research log; the sources are listed at the back.

Medicare Advantage prior authorization delays pay and denials can land after delivery

With the Advantage plans, I wait on approval before I can bill, and sometimes they deny after the patient already has the equipment. Most denials get overturned, but only if I fight them.

Found in 3 public sources; newest dated 2026-09-10. VERIFIED count from VyRal's public research log; the sources are listed at the back.

New nationwide bid round could shut small suppliers out of CGMs, ostomy, urological and brace lines

Medicare is picking about ten national winners for supplies I ship every month. If I don't win, or bid too low to win, I lose those patients or serve them at a loss for years.

Found in 3 public sources; newest dated 2026-09-17. VERIFIED count from VyRal's public research log; the sources are listed at the back.

Fraud crackdown freezes payments first; a lapsed bond or unreported change can stop all billing

The fraud busts are real, but the honest shops feel it too. One missed bond renewal or address change and Medicare stops paying me while I sort it out.

Found in 2 public sources; newest dated 2026-09-10. VERIFIED count from VyRal's public research log; the sources are listed at the back.

State Medicaid proposes deep DME rate cuts on rates frozen for years

Medicaid hasn't raised what it pays me in close to twenty years, and now the state wants to cut some items by more than half.

Found in 1 public source; newest dated 2025-11-10. VERIFIED count from VyRal's public research log; the sources are listed at the back.

Get your paper together

Every fix in this book starts with paper, not memory. Memory rounds in the other side's favor. Paper doesn't.

Pull the last 90 days. Put it all in one folder, paper or phone, and label each piece with its date. Black out account numbers and Social Security numbers before you share anything with anyone.

The paper that proves each leak:

- Your contracts, invoices, statements, pay records and the messages around them.

My folder checklist

Last 90 days of statements or pay records _____

Every contract or agreement I work under _____

Every invoice, ticket or settlement for the same 90 days _____

The messages that changed a price, a scope or a date _____

Leak 1: DMEPOS Improper-Payment Rate & Root Cause

Size grade: Major · Evidence: VERIFIED

What it is. CMS's own data puts the Medicare DMEPOS improper-payment rate at 21.4% (~$1.9B) for FY2024. Root cause: 46.1% insufficient documentation + 29.2% no documentation = ~75% documentation; 10.1% medical necessity; 14.3% other; 0.3% incorrect coding.

Why it leaks. Three of every four improper-payment dollars is a paperwork problem, not fraud and not a real coverage dispute — which means most of it was both preventable at intake and recoverable on appeal, yet suppliers routinely write these denials off as final.

The number to hold it against. 21.4% improper-payment rate (about $1.9B) on Medicare durable medical equipment (DMEPOS) claims, FY2024; about 75% of it documentation-related. Source: CMS, 2024 Medicare FFS Supplemental Improper Payment Data.

VERIFIED · Primary — government or regulator

> **Ask yourself:** When a claim gets denied, do you know whether it's a documentation problem you can fix and appeal, or a real coverage issue — or did it just get written off without checking?

1. Documentation denials written off as final instead of fixed and appealed

Fix approved · leak evidence: Verified

Fix 1 — Do it yourself (free).

1. Pull every denial from the last 12 months and sort by reason code: clerical (wrong code, modifier or date), missing documents (order, proof of delivery, records), or a real coverage issue.
2. Clerical errors: request a reopening within 1 year of the remittance, through the Noridian Medicare Portal or myCGS. Note: medical-necessity denials and KX/GA/GY/GZ modifier changes cannot be reopened. They go to redetermination.
3. Missing documents: get the document, then file a redetermination within 120 days of the denial.
4. Real coverage issues: decide case by case whether to appeal.

5. Find your top three denial reasons and fix that step at intake, so the next claim goes out complete.

Fix 2 — The words to send, under your own name. Fill in the brackets, keep a copy, and send it from your own email or by mail. Nobody sends it for you.

> REOPENING REQUEST (clerical error; use the portal when available)
>
> [YOUR COMPANY] | NPI [NPI] | PTAN [PTAN]
> [DATE]
> To: [Dme mac name], Reopenings
>
> Beneficiary: [NAME], Medicare number [MBI]
> Claim number: [ICN] | Date of service: [DATE]
> Item: [HCPCS]
>
> Please reopen this claim to correct a clerical error. The claim showed [What was billed]. It should have shown [CORRECT ENTRY]. Supporting record: [DOCUMENT].
>
> [YOUR NAME], [TITLE] | [PHONE]
>
> For documentation denials, use the redetermination letter and attach the missing document.

Fix 3 — Done for you. **LeakReceipts · Claims & Disputes Desk**

WE DO: read your remittances, sort each denial by reason, show which ones are clerical (reopening) and which need a missing document (redetermination), show the deadline on each, and draft each request. We show your top denial reasons so you can fix intake. YOU DO: get the documents, file every request yourself, and change your intake steps.

Keep it closed. An intake checklist for each product line: order, proof of delivery and any required notes in hand before the claim goes out.

What this fix can't decide for you. Coverage and medical-necessity questions are decided by the DME MAC and the prescriber. We sort and draft. We do not predict outcomes.

My receipt for this leak			
Owed by my paper	Paid or billed	Gap (CALCULATED: owed – paid)	Fix 2 sent · answer

FREE FIRST CHAPTER

That's Leak 1 of 8.

The full Field Guide for DME & HME Suppliers walks through every leak on the map you just read: why it happens, the paper that proves it, and three fixes for each one — one you do yourself for free, the words to send under your own name, and what LeakReceipts can do for you while the decision stays yours.

Get the full guide:
leakreceipts.com/ebooks/dme-and-hme-suppliers

Run it on your own numbers:
leakreceipts.com

WE WALK BY FAITH NOT BY SIGHT — 2 Corinthians 5:7