New Revocation and Affiliation Risks Under the CY2027 Home Health Final Rule

Insights 11.06.26

On November 4, 2026, the Centers for Medicare & Medicaid Services (CMS) issued the Calendar Year 2027 Home Health Prospective Payment System final rule, which includes significant changes to Medicare provider enrollment and the revocation authority under 42 C.F.R. § 424.535 and the related affiliation rules. Building on CMS's broader 2026 program-integrity and anti-fraud efforts, the final rule broadens the grounds on which CMS may revoke a provider's or supplier's billing privileges, widens the relationships that can trigger enrollment consequences, and compresses several timeframes that providers rely on.

On January 27, 2027, HLB will host a short webinar walking through what changed and what it means for home health and other Medicare-enrolled providers. Topics we will cover include:

- **A broader definition of "affiliation."** The rule expands the relationships subject to disclosure and potential revocation — adding a new catch-all category reaching marketing, business, fulfillment, financial, and managerial relationships — and eliminates the prior five-year lookback, so older affiliations can now carry enrollment consequences.
- **Expanded revocation grounds and greater use of retroactive effective dates.** CMS gains additional bases to revoke — including risk tied to a provider's location in an area with an excessive concentration of providers — and broader authority to make revocations retroactive, increasing both exposure and potential overpayment liability.

As these changes widen providers' exposure to revocation, HLB brings substantial experience challenging provider revocations — both through the CMS administrative appeals process and through collateral attacks on the underlying agency action — and will address practical defense strategies during the webinar.

Please save the date for our webinar on January 27, 2027. A formal invitation will follow in the coming weeks, and we hope you can join us.

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