

## COST INCREASES AFFECTING CPAP DEVICES

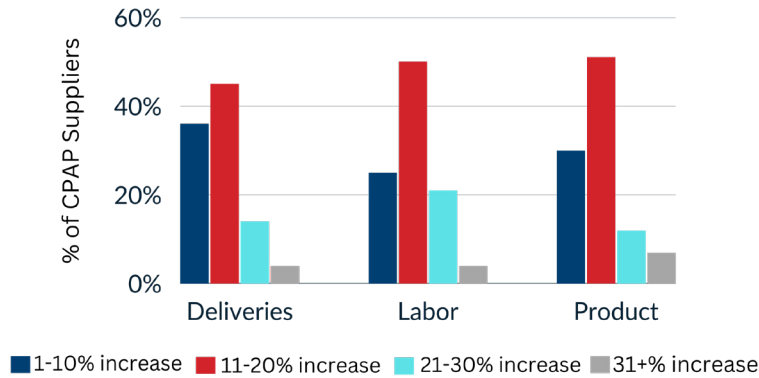
Current reimbursement rates for CPAP devices fail to factor the increased costs and *must be addressed to preserve access to care*

### REPORTED IMPACT ON SUPPLIERS:

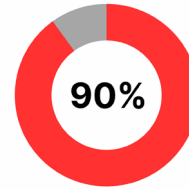
- 11-20%+ Increased cost of goods
- 11-20%+ Increased delivery costs
- 11-20%+ Increased labor costs

**86%** REPORT NO PAYER RATE INCREASES  
*Excluding Medicare CPI-U Adjustment*

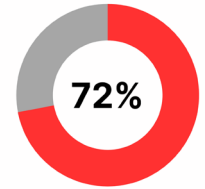
### Percent of Increased Costs Incurred<sup>1</sup>



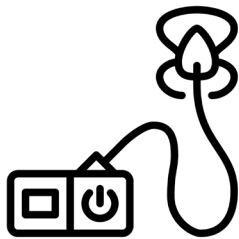
### HME PROVIDERS' COST INCREASES FROM MANUFACTURER/DISTRIBUTOR<sup>1</sup>



Incurred increased CPAP Devices costs in the last 12 months



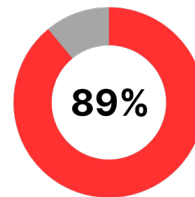
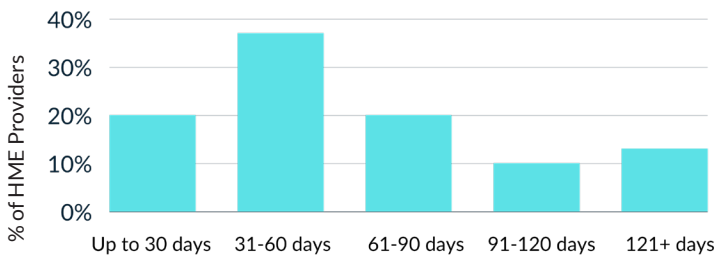
Received advance notice or expectation of CPAP cost increase this year



### CONTINUED MARKET CHALLENGES WITH SUPPLY CHAIN DISRUPTION & INCREASE SHIPPING COSTS<sup>1</sup>

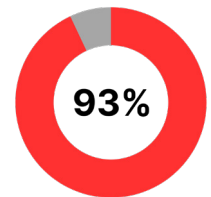
Respondents report supply chain, inflation, labor market, and challenges managing operational costs as issues negatively impacting their ability to provide CPAP devices.

### Supply Chain Interruption - Delayed Time Frame for Order Fulfillment<sup>1</sup>



Increased labor costs

Increased shipping costs



**90%**

experienced higher than normal CPAP device backorders/delays/order cancellations

**84%**

of companies with vacancies are having difficulty filling staffing positions.

**1 in 5**

are considering or actively planning to **stop providing CPAP devices** due to cost pressures<sup>1</sup>

**37%**

fewer HME Providers nationwide since 2013<sup>2</sup>

<sup>1</sup> National AAH supplier survey on CPAP devices & other DME, Aug.-Sept. '23.

<sup>2</sup> AAH analysis of Medicare DMEPOS supplier, July '23.

## UNSUSTAINABLE REIMBURSEMENT CAN JEOPARDIZE PATIENT ACCESS TO CARE

Note: Home Medical Equipment (HME) Providers are also referred to as suppliers