

IMPACTS OF RISING COSTS FOR OSTOMY & UROLOGICAL SUPPLIES

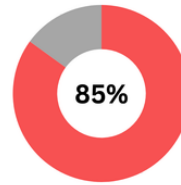
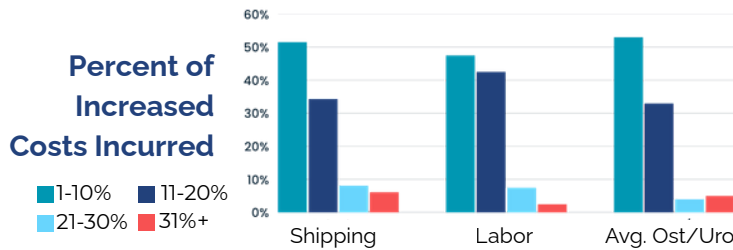
Unsustainable market pressures are making it harder for HME providers to provide essential ostomy and urological supplies. **Action must be taken to protect access to care.**

A SYSTEM OUT OF BALANCE:

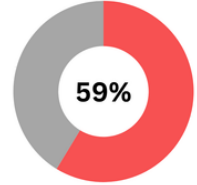
HME providers face rising costs and stagnant reimbursement¹

up to **20%**
Increased costs of labor, shipping, & cost of goods

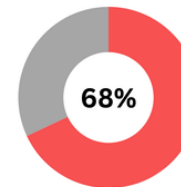
95%
Received no payer reimbursement increases
Excluding Medicare CPI-U Adjustment



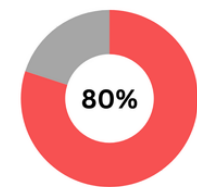
Incurred **increased ost/uro supplies costs** in last 12 mo.



Received advance notice or expectation of ost/uro **price increases** this year



Incurred **increased labor costs**



Incurred **increased shipping costs**

SUPPLY CHAIN DISRUPTION¹

53%
Delays up to 30 days

35%
Delays 31 to 60 days

Delayed Fulfillment of Providers' Product Acquisition

48% Experienced **supply chain disruptions** in the last 12 mo.

84% Ship the majority of ostomy & urological supplies to end users

25% Minimum **increase of shipping costs** by major carriers since 2023³

44%

are considering or actively planning to **stop providing ostomy and/or urological supplies** due to cost pressures¹

37%

Fewer HME provider locations nationwide since 2013²

MARKET CHALLENGES

Respondents report that reimbursement policies, inflation, Third Party Administrators (or payer alternative payment arrangements), and challenges managing operational costs negatively impact their ability to provide disposable supplies.¹

1) National AAH supplier market impact survey, March-April '26. 2) AAH analysis of Medicare DMEPOS supplier, Jan '26. 3) partnership.com/blog/post/fedex-ups-general-rate-increase
Note: Home Medical Equipment (HME) providers are also referred to as "suppliers"