

Introduction

Medicare is a health insurance program offered in the United States for people who are age 65 or older, people under age 65 with certain disabilities, and people of all ages with end-stage renal disease. This guide outlines selected portions of the standard Medicare program which many insurers use as a beginning template when deciding on their own rules, regulations, and allowed amounts.



Standard Medicare

- A “fee-for-service” plan — the plan holder pays for a service, submits a claim to Medicare, and (if the service is covered in the policy) receives reimbursement
- Two Parts:
 - **Part A** – Hospital Insurance
 - Covers inpatient hospital and skilled nursing facility stays, and some home health care
 - **Part B** – Medical Insurance
 - Covers outpatient hospital services, certain home health services, durable medical equipment, and eligible physician services
 - There is a monthly premium, and annual deductibles that apply
 - An allowable fee is determined by Medicare for each supply/service
 - Medicare is responsible for 80% of the fee after the deductible is met
 - Beneficiary is responsible for 20% co-payment after the deductible is met

Ostomy Supply Coverage Under Standard Medicare

Medicare coverage depends on the healthcare setting – home, home health care, skilled nursing facility, custodial nursing. For home and custodial nursing (residing in a nursing home or assisted living facility without the need for skilled care) the rules are outlined below:

- Can order up to 3 months of product at a time
- Ostomy supplies are covered for people with a surgically created opening (stoma) to divert urine, or fecal contents outside the body
 - The quantity of ostomy supplies needed depends on the type of ostomy, its location, its construction, and skin condition around the stoma
 - Variation according to individual patient need will occur, and needs may vary over time
- A physician order is required for payment of the supplies and is usually obtained by the ostomy supplier. An order is required in the following circumstances:
 - This is the first time you require supplies
 - There is an increase in your supply need
 - There is a change in the type of supplies required
 - You choose to alternate between drainable and closed pouches

- Utilization Guidelines:

- Medicare allows a usual maximum quantity of supplies each month. The table below provides the general allowable amounts
- If you require more ostomy supplies than what is listed in this table, your physician will need to provide a medical justification for the additional supplies
- The ostomy supplier will need to have that medical justification on file when billing the Medicare program for the additional supplies

General Product Allowables on Selected Hollister Products*

* Extended wear products (e.g., **Adapt** Barrier Rings) do not currently have defined usual maximum quantities. Therefore, individual consideration will determine how many are allocated per month.

Product	Maximum Allowed Per Month
New Image Two-Piece Pouching System	
Flat, Standard Wear Skin Barriers with Floating Flanges	20
Drainable Pouches	20
Closed Pouches	60
Urostomy Pouches	20
Irrigator Sleeves	4
Premier One-Piece Pouching System	
Drainable Pouches with Flat, Standard Wear Skin Barriers	20
Closed Pouches with Flat, Standard Wear Skin Barriers	60
Stoma Caps	31
Pouchkins Pediatric Pouching System	
One-Piece Drainable and Urostomy Pouches	20
Two-Piece Skin Barriers	20
Two-Piece Drainable and Urostomy Pouches	20
Two-Piece Mini-Pouches	60
Pediatric Ostomy Belt	1
Accessories	
Adapt Skin Barrier Paste	4 oz
Adapt Stoma Powder	10 oz
Adapt Stoma Lubricant	4 oz
Ostomy Belt	1
Skin Gel Protective Dressing Wipes	150

The reimbursement information provided by Hollister Incorporated is intended to provide general information relevant to the reimbursement of Hollister products only. Reimbursement policies can vary considerably from one insurer to another. Coverage and payment policies for the same insurer, such as Medicare, can vary from one region to another, and may change from time to time. Hollister does not guarantee coverage or payment of products. This information is designed as a guideline only as of February, 2010.

For product questions, sampling needs, or detailed clinical questions concerning our products call **1.888.740.8999**



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