Home Oxygen Company

Your Medical Equipment Solution

Re: Changes in Medicare Payment for **YOUR OXYGEN EQUIPMENT**

Dear Customer,

This is to notify you that recent changes in the law have altered the way Medicare pays for your oxygen equipment and supplies. The new rules became effective on January 1, 2009.

The new rules require that after 36 monthly rental payments have been paid by Medicare the supplier is to continue to provide the oxygen equipment without Medicare payment for any period of medical necessity until the end of the 5-year reasonable useful lifetime of the equipment. Medicare will continue to pay for the oxygen contents refills for portable and/or stationary equipment beyond the 36-month period up to the end of the equipment's 5-year useful life.

One of the questions raised due to the payment changes is what happens to your oxygen equipment at the end of its 5-year useful life? Quoting from the CMS brochure prepared for Medicare oxygen patients:

> **At the end of the 5-year period, your supplier's obligation to continue furnishing your oxygen and oxygen equipment ends, and you may elect to obtain replacement equipment from any supplier. Your current supplier will probably alert you before the 5-year period is over so that you have time to decide whether to obtain the replacement equipment from them or from another enrolled supplier that you choose if you decide to switch providers. A new 36-month payment period and 5-year supplier obligation period start once the old 5-year period ends and the new oxygen and oxygen equipment you require is furnished.**

Our records indicate that the oxygen equipment you currently have from us is at, or near, the expiration of its 5-year useful life. We are contacting you so you may decide whether to obtain your replacement oxygen equipment from us, your current supplier, or from another supplier of your choice. We certainly hope that you will choose to continue our relationship and elect to have us continue to provide your oxygen services.

Please indicate your choice, sign and return the attached form in the enclosed envelope so we may know whether or not you would like us to continue our services by providing replacement equipment after the 5-year useful life of your current equipment expires. If

you choose to use another oxygen provider, please contact us so that we may coordinate with your new supplier concerning our pick-up of the equipment you are using now. Please feel free to contact us at 209.523.0202 if you have any questions.

Sincerely,

Home Oxygen Company

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Please check your choice:

☐ I elect to have Home Oxygen Company provide me with replacement oxygen equipment after the expiration of the 5-year useful life of my current equipment.

☐ I elect to have another supplier furnish my oxygen equipment. Please contact me to arrange a time to pick up my current equipment.

Signature:_____ Date: _____

If you would like to continue service with Home Oxygen Company please provide the information below as we will need new chart notes and testing from your physician:

Current Physician: _____

Date of Last Appointment: _____