

Reaction to CMS draft payment proposal for skin substitutes

15 July 2025

Coloplast welcomes the effort by the authorities to increase quality care for Medicare recipients while significantly reducing unnecessary spending.

On 14 July 2025, CMS announced a substantially changed Physician Fee Schedule, where the Average Selling Price (ASP) pricing model for the Private Office (outpatient setting) is abandoned, and replaced with the fixed payment of \$125/cm² for all products for the implementation year 2026.

The new calendar year 2026 Physician Fee Schedule rule is now in the 60-day comment window and should be finalized in October, with the policy changes taking effect on 1 January 2026.

Coloplast welcomes the effort by the authorities to increase quality care for Medicare recipients with payment and coverage policy changes. The previously announced coverage change (Local Coverage Determination policy), that requires covered products to be supported by Randomized Controlled Studies, is also set to take place on 1 January 2026.

Kerecis currently has two product brands, MariGen® and Shield®, affected by CMS payment and coverage policies, with a current average price for the Private Office of \$110/cm². Around 20% of Kerecis total revenue comes from the Private Office segment.

Contacts

Investors and analysts

Anders Lonning-Skovgaard
Executive Vice President, CFO
Tel. +45 4911 1111

Aleksandra Dimovska
Vice President, Investor Relations
+45 4911 2458
dkadim@coloplast.com

Simone Dyrby
Sr. IR Manager
+45 4911 2981
dksdk@coloplast.com

Coloplast was founded on passion, ambition, and commitment. We were born from a nurse's wish to help her sister and the skills of an engineer. Guided by empathy, our mission is to make life easier for people with intimate healthcare needs. Over decades, we have helped millions of people to live a more independent life and we continue to do so through innovative products and services. Globally, our business areas include Ostomy Care, Continence Care, Advanced Wound Care, Interventional Urology and Voice and Respiratory Care.

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