



2022 Reimbursement Rates for Remote Monitoring of Respiratory Patients in the U.S.

Melbourne, Australia – 21 February 2022: Adherium Limited (ASX: ADR), a leader in respiratory eHealth, remote monitoring, and data management solutions, is pleased to communicate that the United States Centers for Medicare & Medicaid Services (CMS) recently published the 2022 reimbursement rates for Current Procedural Terminology (CPT®) codes for Remote Physiologic Monitoring (RPM) and Remote Therapeutic Monitoring (RTM) services.

The official publication of CMS reimbursement rates for both RPM and RTM presents a clear compensation pathway for physicians to remotely monitor respiratory patients prescribed Asthma and COPD medications. This is a significant development for Adherium's business model when a reimbursement structure exists to utilize its Hailie® sensors and services.

Summary regarding the RPM and RTM codes and their 2022 reimbursement rates are outlined in the Appendix section below.

The current generation of Hailie® sensors may be used for RTM by monitoring respiratory therapy adherence and the new, next generation sensors may be used for RPM with physiological parameters and automatically transmitting data directly to the patient's healthcare provider.

"This is the first time a set of CPT codes for remote therapeutic monitoring has been included in the Physician Fee Schedule and it is an indication that some of the transformations in digital health policy initiated in response to COVID-19 are beginning to have some permanence in the U.S.," said Adherium Chief Executive Officer, Rick Legleiter. "Adherium's business and product strategy remains consistent, and the Company is well positioned to take advantage of this increasingly positive reimbursement environment by growing our technology offering with adherence from our current digital smart inhalers and adding a physiological digital product offering to the software platform with our next-generation devices."

“Adherium is making great progress in establishing a leading position in providing clinicians a holistic view of patient status with digital smart inhalers providing both adherence and physiological parameters alongside other digitally enabled sensors including peak flow meters. Integrated into a single software platform this series of devices can uniquely provide clinicians with meaningful data they want and need to manage at risk and difficult to treat patients and for which payors reimburse.”

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About Adherium (ASX: ADR)

Adherium is a provider of integrated digital health solutions and a worldwide leader in connected respiratory medical devices, with more than 180,000 sold globally. Adherium’s Hailie® platform solution provides clinicians, healthcare providers and patients access to remotely monitor medication usage parameters and adherence, supporting reimbursement for qualifying patient management.

The Hailie® solution includes a suite of integration tools to enable the capture and sharing of health data via mobile and desktop apps, Software Development Kit (SDK) and Application Programming Interface (API) integration tools, and Adherium’s own broad range of sensors connected to respiratory medications. Adherium’s Hailie® solution is designed to provide visibility to healthcare providers of medication use history to better understand patterns in patient respiratory disease.

Learn more at www.adherium.com

This ASX announcement was approved and authorised for release by the Board of Adherium.

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Appendix

About RTM and RPM codes

The Current Procedural Terminology (CPT®) code set is maintained by the American Medical Association. The CPT codes describe medical, surgical, and diagnostic services designed to standardise information on medical services and procedures among providers, patients, and payers for administrative, financial, and analytical purposes. The use of this code set is mandated by almost all U.S. health insurance payment and information systems, including CMS.

The RTM codes (98975, 98976, 98980, 98981) support the collection of non-physiological data with focus on adherence, therapy and response, while RPM codes (99453, 99454, 99457, 99458) reimburse providers for the review of physiological data (e.g., weight, blood pressure, pulse oximetry, respiratory flow rate, blood sugar). These codes include the initial set up and provisional training to patients on how to use the medical device; regular monthly health data and alert transmissions; and the development of treatment plans.

While RPM is classified as an Evaluation and Management (E/M) service, RTM codes (98980, 98981) are classified as general medicine, which can be billed by physicians and also eligible qualified healthcare professionals. Although CMS permits therapists and other qualified healthcare professionals to bill RTM treatment management codes, direct supervision is required. Under direct supervision, the billing practitioner must immediately be available to furnish assistance and direction throughout the performance of the service and their physical presence is required.

The reimbursement rates for the new RTM closely resemble those of RPM: Initial set-up and patient education (99453 for RPM, 98975 for RTM), and treatment management codes (99457-99458 for RPM, 98980-98981 for RTM) vary within US\$1.00 depending on the geographic region and clinical setting of services being rendered, while the device supply codes (99454 for RPM, 98976 for RTM) are identical regardless of region and setting.

CMS Reimbursement Rates for Remote Physiologic Monitoring Codes*

CPT Code	Descriptor	Rate US\$
99453	Initial Set-up and Patient Education	\$19.03
99454	Device Supply for Monitoring Physiologic Parameters e.g., respiratory flow rate (with daily recordings or programmed alert transmissions)	\$55.72
99457	Monitoring/Treatment Management Services First 20 minutes	\$50.18
99458	Monitoring/Treatment Management Services Each additional 20 minutes	\$40.84

CMS Reimbursement Rates for Remote Therapeutic Monitoring Codes*

CPT Code	Descriptor	Rate US\$
98975	Initial Set-up and Patient Education	\$19.38
98976	Device Supply for Monitoring Respiratory System (with daily recordings or programmed alert transmissions)	\$55.72
98980	Monitoring/Treatment Management Services First 20 minutes	\$50.18
98981	Monitoring/Treatment Management Services Each additional 20 minutes	\$40.84

*Reimbursement rates provided show 2022 National rate for Non-Facility settings. Actual rates vary by provider and depend on site-of-care. CMS is a federal agency within the United States Department of Health and Human Services (HHS) that administers the Medicare program and works in partnership with state governments to administer Medicaid along with other programs and responsibilities.