

PAXMAN comments on AMA decision on CPT code for scalp cooling

The AMA (American Medical Association) in the USA has decided not to introduce a specific CPT code that would facilitate patient cost reimbursement for scalp cooling at this time. The decision is largely based on the fact that the patient base is not yet considered to be sufficient. PAXMAN expects AMA to review its position as scalp cooling gradually becomes more common in the USA.

As previously communicated by PAXMAN, the company welcomes AMA's work to introduce a CPT code for all FDA approved scalp cooling treatments. PAXMAN is not responsible for the application to the AMA, but the company has provided AMA with information when needed.

"This decision is of course disappointing, but it is not unexpected since scalp cooling is still a relatively new type of treatment in the USA. It is however important to emphasise that the AMA is now aware of the issue and is not against introducing a CPT code when the patient base is larger", says PAXMAN's CEO Richard Paxman. He points out that PAXMAN is experiencing significant growth in the USA, both in terms of installed systems and enrolled patients.

"We have only had our FDA clearance for breast cancer since last spring, and our addressable market in the USA was multiplied just a few weeks ago as our clearance was expanded to include solid tumours. Even so, PAXMAN's scalp cooling equipment is already available at all of the top five leading cancer centres in the USA, and we have over 289 scalp cooling systems installed and/or ordered in the country in total. We therefore expect a very strong patient enrolment in 2018, and this is of course something that the AMA will consider when they review the need for a CPT code in the future. Our Board and Management are not concerned by these news, and it should not have any effect on our current growth strategy", says Richard Paxman.

PAXMAN is engaged in multiple activities to ensure that as many patients as possible can receive reimbursement for their scalp cooling costs. In addition to supporting the introduction of a CPT code, the company is also reviewing options to introduce HCPCS codes for scalp cooling, and the company's management has an encouraging dialogue with several leading insurance companies. In addition, PAXMAN is engaged in the effort to include scalp cooling in the national cancer care guidelines in the USA, which would quickly and efficiently increase the number of patients offered access to scalp cooling.

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About PAXMAN

The Paxman Scalp Cooling System has been developed by the Paxman family to reduce hair loss in breast cancer patients undergoing chemotherapy. The concept behind the system came when the mother of four, Sue Paxman, experienced first-hand the trauma of chemotherapy-induced hair loss. With more than 3,000 systems delivered in to hospitals, clinics and treatment centres around the world, PAXMAN is the leading supplier of Scalp Cooling technology. PAXMAN's scalp-cooling cap is made from lightweight, biocompatible silicone that is soft and flexible, providing a snug yet comfortable fit during treatment. PAXMAN AB (publ) has its headquarters in Karlshamn (Sweden), with subsidiaries in Huddersfield (UK) and Houston, Texas (US).

The PAXMAN share is listed on Nasdaq First North. FNCA Sweden AB is the company's Certified Adviser.