

## **FOR IMMEDIATE RELEASE**

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### **PROXIMA THERAPEUTICS ANNOUNCES ADDITIONAL REIMBURSEMENT CODES FOR MAMMOSITE RADIATION THERAPY SYSTEM**

*New Reimbursement Codes Effective January 1 Will Increase Availability of MammoSite,  
the Most Widely-Used Method of Partial Breast Irradiation*

**ALPHARETTA, GA—December 16, 2004**—Proxima Therapeutics, Inc. today announced that the Centers for Medicare and Medicaid Services (CMS) has assigned new Healthcare Common Procedure Coding System (HCPCS) codes for placement of its MammoSite balloon catheter. The codes, 19297 and 19296, will be used by physicians to report the placement of a balloon catheter into the breast for interstitial radiation therapy, either at the time of lumpectomy or in a separate procedure, respectively. The payment categories assigned by CMS include the cost of the MammoSite device and will provide appropriate reimbursement for physicians that perform the procedure, effective January 1, 2005.

Previously, reimbursement was available only in the hospital outpatient setting and physicians relied on other general codes to claim reimbursement. The new codes will enable physicians to be reimbursed for the procedure when performed in the hospital outpatient setting or in their office, which is generally more convenient for the patient and more efficient for the physician.

MammoSite is a proprietary balloon catheter that facilitates the delivery of partial breast irradiation, the emerging practice of delivering radiation only to the tissue where cancer is most likely to recur while minimizing the exposure of healthy tissue. The device enables physicians to deliver an entire course of radiation from inside the breast over a five-day period. MammoSite is the most widely-used partial breast irradiation treatment in the world, and since its clearance by the FDA in May 2002, has been used to treat more than 7,000 early-stage breast cancer patients at hundreds of U.S. hospitals and treatment centers.

A study published in the *American Journal of Surgery* found that, over the course of six years, partial breast irradiation produces comparable results to whole-breast radiation therapy in preventing breast cancer recurrence in women with early-stage breast cancer who are treated with breast-conserving therapy.

“The move by CMS to offer additional codes to physicians to reimburse for the procedure of placing the MammoSite catheter will improve access to this important treatment,” said Timothy Patrick, president and chief executive officer of Proxima Therapeutics, Inc. “With thousands of women treated in less than three years,

MammoSite is an attractive option to women because it is a targeted treatment that easily fits into their lifestyles and minimizes unnecessary radiation exposure to healthy breast tissue and organs. We expect this code to increase utilization of the treatment by permitting appropriate payment and simplifying the reimbursement process.”

The announcement by CMS should also permit more appropriate payment systems to be developed for non-Medicare patients. Private payer systems commonly establish reimbursement levels based upon Medicare codes and payment rates.

#### **About MammoSite**

MammoSite is a minimally invasive balloon catheter that is inserted into the cavity created by a lumpectomy. During a five-day course of therapy, a tiny radioactive seed attached to a wire is inserted into the balloon, delivering prescribed levels of radiation under precise computer control to the targeted tissue surrounding the cavity. No source of radiation remains in the patient’s body between treatments or after the final procedure. Since its clearance by the FDA in May 2002, MammoSite has been used to treat thousands of early-stage breast cancer patients. For a list of treatment centers, refer to [www.mammosite.com](http://www.mammosite.com).

Safety and performance of MammoSite were evaluated in a multi-center study, which involved women with early-stage breast cancer. The results of the study were published in the *International Journal of Radiation Oncology\*Biology\*Physics* (February 2003).

#### **About Proxima Therapeutics, Inc.**

Based in Alpharetta, Ga., Proxima Therapeutics, Inc. is a privately held medical device company established in 1995 to develop site-specific cancer treatment systems for malignant tumors. Marketed products include MammoSite RTS for breast cancer and GliSite RTS for brain cancer. Additional information is available on the company’s Web site at [www.proximatherapeutics.com](http://www.proximatherapeutics.com). Physicians and patients may call 1-866-PROXIMA (1-866-776-9462) for more information.

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