

Updated Announcement: US Reimbursement Codes for TALi Train

There was a minor typographical error in the quote by the Novita Managing Director. This has now been updated to the following and rectified in the attached updated announcement:

"TALi Train is currently the only regulatory cleared early childhood digital cognitive assessment and training program and with all development and compliance requirements achieved we are now set to execute on our go to market strategy to realise the potential of this world-leading technology"

Your faithfully,



Stephen Denaro
Company Secretary

ASX Release

U.S. Reimbursement Codes for TALi Train

HIGHLIGHTS

- **FDA cleared digital therapeutic TALi Train (digital attention treatment program) to be delivered via U.S. Reimbursement Code system**
- **TALi Detect and TALi Train able to begin to report using CPT codes - a significant development for company growth**
- **TALi Train to be a complimentary or alternate option for those requiring attention testing and training with more than 8 million children in the USA currently diagnosed with ADHD and/or ASD¹**
- **Potential partner and insurer discussions progressing well with an accelerated timeline now in place**

Novita Healthcare Ltd (**ASX: NHL**) (“**Novita**” or the “**Company**”) a leading early childhood technology business targeting ATTENTION in children through its breakthrough TALi platform, is pleased to announce that it has received a determination that TALi Train can begin to report using multiple CPT Codes for reimbursement in the U.S.

This additional significant development to the one outlined for TALi Detect (see announcement from 24th October 2019) allows for patient reimbursement for TALi Train (digital attention treatment program) under CPT codes 96130, 96131, 96132 and 96133² with the determination provided by The Pinnacle Health Group.

The Company has been provided guidance that the CY2019 Medicare Physician Fee Schedule (MPFS) national payment value is up to USD\$235.70 (approximately AUD\$341.59) to be allocated at a yet to be determined rate between participants delivering the service and Novita. The MPFS national value is the national value that will be approved for the health care provider if coverage criteria have been met. It is the responsibility of the provider to select and report the appropriate code(s).

Commenting on the CPT Code, Glenn Smith, Managing Director said:

“TALi is quickly being recognised as a new, scalable and effective non-invasive technology for assessment and treatment of attention. The area of digital healthcare, in particular

¹ <https://www.cdc.gov/ncbddd/adhd/data.html>

² For further information on these codes please refer to: <https://www.ama-assn.org/>

therapeutics is now a growing multi-billion dollar segment with all global tech companies, insurers and traditional healthcare participants actively involved in the segment. TALi Train is currently the only regulatory cleared early childhood digital cognitive assessment and training program and with all development and compliance requirements achieved we are now set to execute on our go to market strategy to realise the potential of this world-leading technology”.

The Company intends to provide further guidance on the deployment and billing schedule for both TALi Detect and TALi Train in the near future as it works with physicians, customers and any potential partners in the U.S. during launch over the coming quarters.

As outlined in the announcement dated 24th October 2019, research indicates that students with ADHD incurred a higher annual cost to the U.S. Education system. Specifically, a student with ADHD incurred an average annual incremental cost to society of \$5,007, as compared to \$318 for students in the comparison group. These results suggest that prevention and intervention strategies are greatly needed to offset the large financial impact of educating youth with ADHD³.

TALi Train, is a 25 session (20 minutes a session) intensive program that strengthens children’s three core attention skills – Selective Attention, Sustained Attention and Executive Attention. TALi Train has already been validated by randomised controlled clinical trials as an early intervention program to help improve attention in both typically developing children and children with attention disorders. It is also cleared for use by regulatory authorities with FDA, TGA and CE mark clearance.

ABOUT THE AMA (AMERICAN MEDICAL ASSOCIATION) CPT CODES

Devised and administered by the American Medical Association (AMA) <https://www.ama-assn.org/>, the Current Procedural Terminology (CPT®) codes offer doctors and health care professionals a uniform language for coding medical services and procedures to streamline reporting, increase accuracy and efficiency.

CPT codes are also used for administrative management purposes such as claims processing and developing guidelines for medical care review. The CPT terminology is the most widely accepted medical nomenclature used across the country to report medical, surgical, radiology, laboratory, anesthesiology, genomic sequencing, evaluation and management (E/M) services under public and private health insurance programs.

The development and management of the CPT code set rely on a rigorous, transparent and open process led by the CPT® Editorial Panel. Created more than 50 years ago, this AMA-convened process ensures clinically valid codes are issued, updated and maintained on a regular basis to accurately reflect current clinical practice and innovation in medicine.

³ The Estimated Annual Cost of ADHD to the U.S. Education System: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4123753/>

ABOUT NOVITA

Novita Healthcare Limited (ASX: NHL) is a leading early childhood technology business targeting ATTENTION in children through its breakthrough Tali platform. Tali combines evidence based proprietary algorithms inside a game-based program to assess and strengthen core attention in early childhood (www.talihealth.com).

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