

PACIFIC EDGE UPDATES BILLING POLICIES FOR US TESTING

DUNEDIN, New Zealand – Cancer diagnostics company Pacific Edge (NZX, ASX: PEB) today announces an update to its billing policies in the US for Cxbladder tests.

From 17 July 2023, Pacific Edge will provide for enhanced patient responsibility where a patient's insurer declines to pay for a Cxbladder test. Pacific Edge will also update its Patient Assistance Program to assist lower income patients with making their bill more affordable.

The new process requires all patients not covered by a contracted health insurer to be informed by the ordering physician of the patient's responsibility when ordering the test. All patients will be required to sign an Advance Beneficiary Notice of Non-Coverage (ABN). They will also be encouraged to complete a Patient Assist form as part of the test ordering process. Where a patient's sample is received without ABN and Patient Assist forms, customer service agents will contact the patient to obtain complete information before the test is processed.

The Enhanced Patient Responsibility approach follows the finalization in early June of a Local Coverage Determination (LCD)¹ that could see Medicare coverage of Cxbladder tests cease on 17 July 2023. Medicare and Medicare Advantage tests represented ~60% of commercial Cxbladder tests performed in the year to 31 March 2023, accounting for 77.7% of Operating Revenue.

Pacific Edge Chief Executive Dr Peter Meintjes said: "Despite the determination by Novitas, thousands of urologists across the US and around the world share our view that Cxbladder offers clinically valuable and actionable information. This information can improve the standard of care for patients suspected of or previously affected by bladder cancer, can offer improved patient management options for physicians, and spare patients from unnecessary invasive urinary tract examinations.

"When clinicians explain to patients that a Cxbladder test may allow them to safely avoid a cystoscopy, we expect many will accept some patient responsibility for payment if their insurer declines to cover the test".

"While the impact on demand for our tests in the US is uncertain, we expect the new approach to improve collections in the event of denial from any non-contracted insurer, including Medicare and make some contribution to revenues after 17 July."

Released for and on behalf of Pacific Edge by Grant Gibson Chief Financial Officer.

For more information:

Investors:

Dr Peter Meintjes
Chief Executive
Pacific Edge
P: 022 032 1263

Media:

Richard Inder
The Project
P: +64 21 645 643

¹ Novitas, the Medicare Administrative Contractor with jurisdiction for Pacific Edge's US laboratory finalized the LCD (L39365) on 2 June 2023 noting that Cxbladder tests were not 'not considered medically reasonable and necessary', the threshold required for coverage under the US Social Security Act

OVERVIEW

Pacific Edge: www.pacificedgedx.com

Pacific Edge Limited (NZX/ ASX: PEB) is a global cancer diagnostics company leading the way in the development and commercialization of bladder cancer diagnostic and prognostic tests for patients presenting with hematuria or surveillance of recurrent disease. Headquartered in Dunedin, New Zealand, the company provides its suite of Cxbladder tests globally through its wholly owned, and CLIA certified, laboratories in New Zealand and the USA.

Cxbladder: www.cxbladder.com

Cxbladder is a urine-based genomic biomarker test optimized for the detection and surveillance of bladder cancer. The Cxbladder evidence portfolio developed over the past 14 years includes more than 20 peer reviewed publications for primary detection, surveillance, adjudication of atypical urine cytology and equivocal cystoscopy. Cxbladder is the focal point of numerous ongoing and planned clinical studies to generate an ever-increasing body of clinical utility evidence supporting adoption and use in the clinic to improve patient health outcomes. Cxbladder has been trusted by over 4,400 US urologists in the diagnosis and management of more than 100,000 patients, including the option for in-home sample collection. In New Zealand, Cxbladder is accessible to 75% of the population via public healthcare and all residents have the option of buying the test online.