

## **AMERICAN MEDICAL ASSOCIATION APPROVES CPT CODE FOR ELECTRONIC BRACHYTHERAPY FOR TREATMENT OF EARLY BREAST CANCER**

### **New Code Opens Door to Broader Adoption of X-ray Based Radiation Therapy**

**FREMONT, Calif., – July 25, 2007** – The American Medical Association (AMA) Common Procedural Terminology (CPT) Editorial Panel recently approved a CPT Code for the use of electronic brachytherapy, a novel form of high dose rate radiation therapy for the treatment of early stage breast cancer. According to Xoft, Inc., developer of the Axxent<sup>®</sup> Electronic Brachytherapy System, a proprietary cancer treatment platform, this decision is an important step in accelerating the adoption of the new treatment option that is designed to deliver targeted radiation therapy directly to cancer sites with minimal radiation exposure to surrounding healthy tissue.

The CPT code for electronic brachytherapy became effective July 1, 2007 and will be included in the upcoming AMA CPT 2008 codebook. Additionally, the Category III CPT Code 0182T: high dose rate electronic brachytherapy, per fraction, has been assigned a New Technology Ambulatory Payment Classification (APC). The APC payment includes the high dose rate electronic brachytherapy radiation treatment and the cost of the X-ray source.

CPT codes are used by physicians and medical facilities to bill commercial insurers and Medicare for the full range of services they provide. This New Technology APC assignment secures payment for Medicare patients who receive the Axxent Electronic Brachytherapy radiation treatment in the hospital outpatient setting.

“We have been eagerly awaiting the Xoft’s Axxent System as a new option for high dose rate partial breast radiation treatment,” said Carl Bogardus, MD of the University of Oklahoma. “The cost benefits and excellent safety and convenience of the Xoft System are overwhelmingly persuasive to utilize in our practice. And, the assignment of the electronic brachytherapy CPT and New Technology APC broadens our ability to offer this innovative technology to our Medicare constituents.”

Designed to help reduce recurrence of breast cancer, the Axxent Electronic Brachytherapy System uses a miniaturized X-ray source that can deliver localized and targeted radiation treatment in virtually any clinical setting under the supervision of a radiation oncologist. Cleared by the U.S. Food & Drug Administration (FDA) for the treatment of early stage breast cancer, the Axxent System is designed to deliver therapy directly to cancer sites with minimal radiation exposure to surrounding healthy tissue. Eliminating the need for heavily shielded environments, it gives radiation oncologists the flexibility to deliver therapy in a broader range of clinical settings.

Use of the Axxent Electronic Brachytherapy System also provides the opportunity to reduce the time required for radiation therapy for early stage breast cancer from seven weeks (for external radiation

therapy) down to five days. As a result, tens of thousands of patients will have greater access to therapy that is delivered more easily and conveniently. This may accelerate patient choice of breast sparing lumpectomy surgery with adjuvant radiation therapy over the alternative of a full mastectomy.

“The AMA decision to grant a CPT code for Electronic Brachytherapy is significant because it creates a benchmark for working towards broad reimbursement with private payers. We anticipate this will facilitate rapid and widespread access to this new treatment option and make it available to women who want to take advantage of breast conserving therapy,” said Michael Klein, president and CEO, Xoft. “With Medicare patients representing approximately 60 percent of the breast cancer patient base, it’s also very appropriate that this New Technology APC assignment will enable hospital outpatient providers to receive appropriate reimbursement for this important technology, making it more accessible to Medicare beneficiaries.”

**About Xoft, Inc.**

Xoft is developing leading-edge new technologies for the practice of radiation oncology through Electronic Brachytherapy, which utilizes proprietary miniaturized x-ray tube technology. The Axxent® Electronic Brachytherapy System, Xoft's first treatment system, is currently being used in Accelerated Partial Breast Irradiation (APBI) for the treatment of early-stage breast cancer. This solution provides a therapeutic dose of intracavitary radiation directly to the region at risk without the complex handling and resource logistics necessary when performing brachytherapy using radioactive isotopes.

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