



SEB Expert Call

CMS Coverage Expansion in the US

David McGill, VP Market Access
Embla Medical

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Today's Speaker

David McGill, Embla Medical



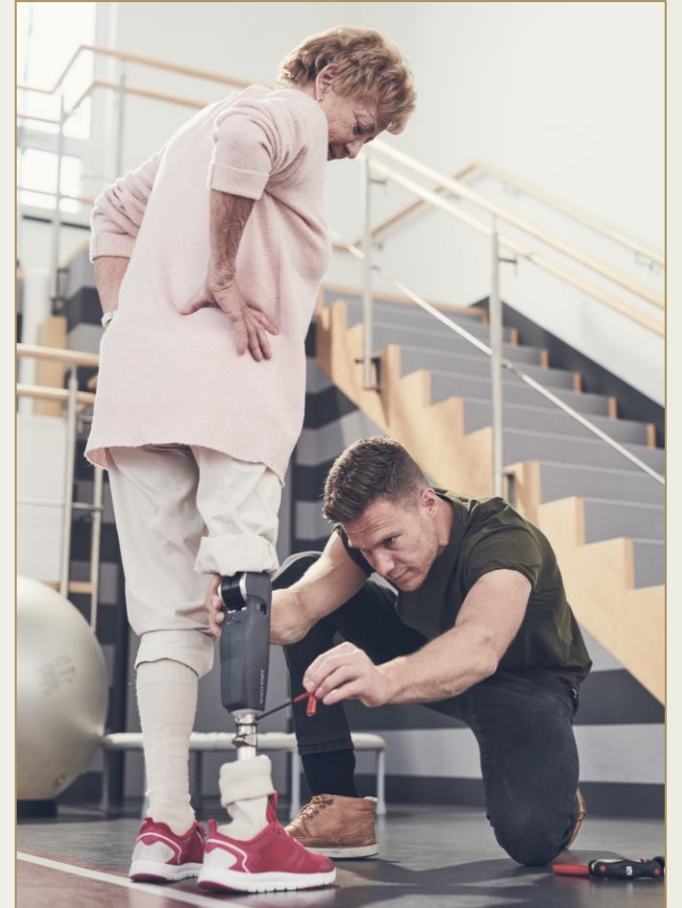
David McGill
VP, Market Access
Americas
Embla Medical

- 1996: Became an above-knee amputee when he was hit by a car while trying to help a stranded motorist
- 2000: Co-founded a successful O&P patient-care facility in New York, managing operations and claims
- 2006: Joined Össur (Embla Medical), creating and leading the Reimbursement and Legal departments
- 2018: First leader of Össur's U.S. Patient Care business, overseeing an organization that more-than doubled in four years to 70 locations across 18 states with over 400 employees
- 2022: Established Embla Medical's Market Access function across all business areas in the Americas
- Former President of the American Orthotic and Prosthetic Association and the National Association for the Advancement of Orthotics and Prosthetics/former Board Chair of the Amputee Coalition

Medicare Expands Access to Advanced Bionics

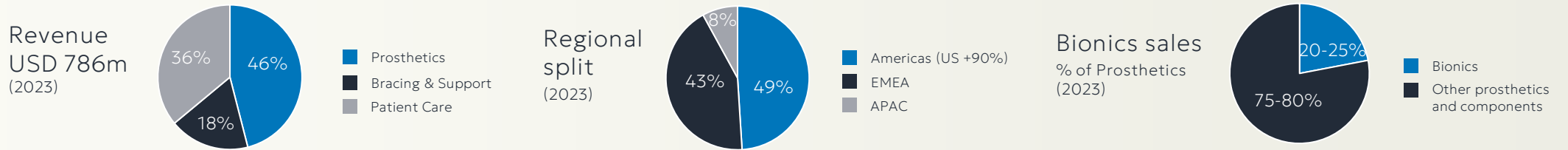
Coverage Expansion Key Facts

- The Big Takeaway: Less-mobile patients get access to microprocessor-controlled knees (MPKs)
- Why? Clinical research shows MPKs provide significant benefits to less-mobile amputees
- Secondary Benefit: Less-mobile amputees now getting a MPK are also eligible to receive more advanced feet
- Unexpected Win: Updated requirements also create opportunities for *all* lower-extremity amputees to get more advanced devices

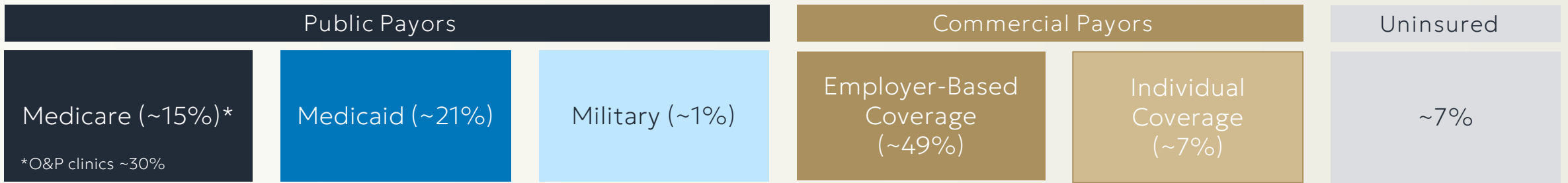


A Meaningful Mid-to-Long-Term Growth Opportunity

Breakdown of Embla Medical sales today related to Bionics (2023 figures)



US Payor Landscape

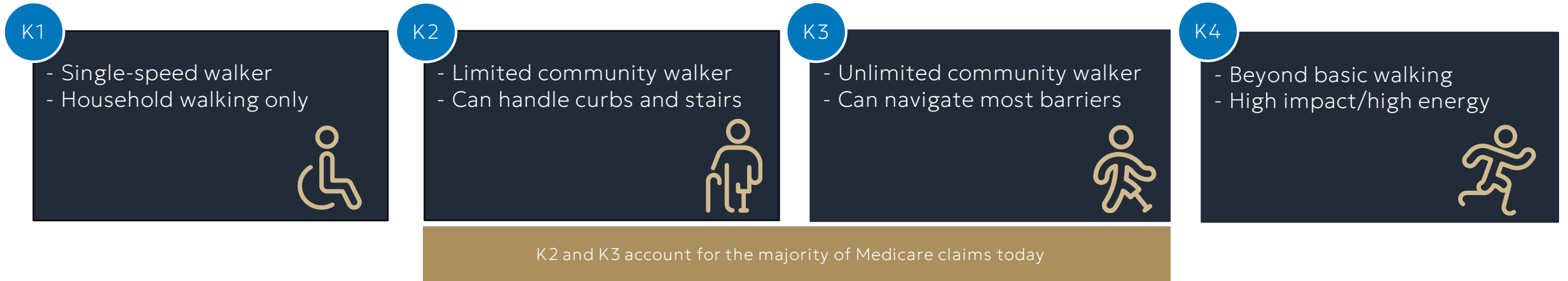


Medicare total annual spend on lower limb prosthetics: USD ~800M (Medicare + Medicare Advantage)*

Nearly all commercial payors use Medicare's coding and fees as a baseline
Commercial payors usually set their fee schedules as a % of Medicare's

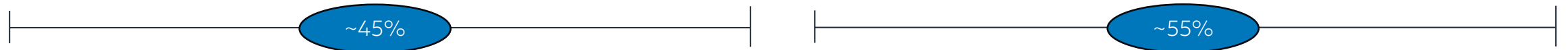
The Bonus: “Functional Level Characteristics” Improves Access

- Functional levels (“K-levels”) determine access to different types of prosthetic knees and feet
- Before this coverage expansion, lower K-level means less access to advanced devices



- New Functional Level Characteristics lists apply to *all lower extremity prosthetic claims*.
- Will promote “K-level shift” – some K2 and K3 patients will now get classified as K3 and K4.

Medicare Claims



Medicare Payments



5 Medicare total annual spend on lower limb MPKs: USD ~100M (Medicare + Medicare Advantage)

OUR VISION

To enable Life Without
Limitations

OUR MISSION

We Improve People's Mobility

Q&A