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Renessa® Treatment for Incontinence Assigned a Category I CPT® Code
Reimbursement code for innovative in-office procedure will be effective January 2011

NEWARK, CALIFORNIA, November 4, 2010 – Novasys Medical, Inc., a developer of innovative therapies in women’s health, announced today that CPT Code 53860 will be in effect in January 2011. The code, which is specific to the non-surgical Renessa treatment for women with stress urinary incontinence (SUI), will be published in the American Medical Association’s 2011 edition CPT codebook. CPT codes are used to report medical procedures and services under public and private health insurance programs.

“The establishment of a unique Category I CPT Code for Renessa is a tremendous milestone for women suffering with SUI and has been a long awaited event for our customers, employees and investors” said Scott Cramer, Novasys Medical President and Chief Executive Officer. “We anticipate that when the new code becomes effective in January, many payers will include Renessa in their list of covered services, enabling more women affected by the debilitating and embarrassing effects of SUI access to this safe and effective non-surgical therapy,” he continued. Currently Renessa is covered by Medicare in 31 states, by Aetna nationwide, by Blue Shield of California, and by several other large regional commercial plans across the country.

Novasys is expanding commercial operations in response to the growing demand for the Renessa procedure based on current insurance coverage, and expects to increase these efforts as additional coverage and demand result from the implementation of the new CPT code.

Female Stress Urinary Incontinence (SUI)

SUI is the involuntary leakage of urine associated with coughing, sneezing, laughing and recreational activities. It is caused by a variety of factors -- most commonly childbirth -- and often restricts the social, professional, and personal lives of an estimated 15 million women in the U.S. alone. With currently available surgical and non-surgical SUI therapies, many patients and physicians have concerns about safety, recovery, compliance and/or effectiveness. Experts estimate 80-90% of women with SUI do not seek treatment of any kind.

The FDA-cleared Renessa System includes a small probe which a physician passes through the natural opening of the urethra (transurethral). The probe gently heats the tissue in the bladder neck and upper urethra. The heat denatures the collagen in the tissue, and upon healing, the tissue becomes firmer and more resistant to leaks. The Renessa treatment can be performed in the convenience of a physician's office, or in an outpatient setting, using local anesthesia. There are no incisions, bandages or dressings required. Recovery is rapid and comfortable, with minimal post-procedure limitations. More than 350 urologists, urogynecologists and gynecologists have been trained and have performed the Renessa procedure in nearly 3,000 patients.

About Novasys Medical

Novasys Medical, Inc. is a privately held, venture-backed company which develops innovative therapies in women's health. The company's initial focus is the development and commercialization of the Renessa System, a proprietary, non-surgical approach to the treatment of female stress urinary incontinence (SUI).

For more information, please visit www.novasysmedical.com or call (510) 226-4060.

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