New CPT codes for digital therapies could sway wary physicians to prescribe more DTx apps

Article



The news: Switzerland-based **University of Auckland** and digital therapeutics (DTx) company **MindMaze** announced a new interventional study (ESPRESSo).





- The study will evaluate the effectiveness of MindMaze's MindPod solution in helping stroke patients recover movement.
- The trial will also test the effectiveness of MindMaze's tool that makes predictions about stroke recovery. It's already used in New Zealand, but MindMaze is currently validating the tool for use in the US.

More on MindMaze: It delivers FDA and CE mark-approved VR-based game therapies to patients with neurological conditions (like acute stroke, Parkinson's, multiple sclerosis, Alzheimer's, and traumatic brain injury).

- In February, the DTx company scored \$105 million in financing to commercialize its products and expand its global partnerships.
- It has partnerships with notable healthcare providers like Mount Sinai, UCSF, and Johns Hopkins.

Last year, MindMaze began collaborating with the American Hospital Association (AHA) which encompasses 90% of US hospitals and health systems.

- In November, the AMA granted MindMaze Current Procedural Terminology (CPT) Category III codes.
- CPT codes that are <u>assigned</u> to every procedure or device a physician uses to treat a patient.
- That means starting this July, healthcare providers will be able to submit claims with a code specifically describing the services provided by **MindMotion** (MindMaze's teleneurorehabilitation platform).

The problem: There aren't many CPT codes associated with digital therapies. If the AMA creates more, doctors could be even more inclined to recommend digital treatments.

- Only 45% of physicians say they're "somewhat likely" to prescribe digital therapeutics, according to a February 2022 Cowen & Company Survey.
- Making reimbursement pathways easier (through more CPT codes) could get skeptical physicians to try out digital therapies.

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 MindMaze's new CPT codes are good news for other DTx developers. That means the AMA is likely open to rolling out new codes for other DTx vendors, too. In fact, last year, Happify Health told Insider Intelligence it plans to meet with the AMA to advocate for more digital therapy codes, including codes for gathering patient data or for inapp virtual check-ins.

Willingness to Prescribe Prescription Digital Therapeutics (PDTs) According to US Physicians, Oct 2021 % of respondents

 Yes, extremely likely
 50%

 Somewhat likely
 45%

 3%
 Unsure

 3%
 No, not likely

 Note: n=200; on clinical data alone/blinded; numbers may not add up to 100% due to rounding.

 Source: Cowen, "Physician Survey on Prescription Digital Therapeutics," Feb 14, 2022

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