

Magnus Medical, Inc.

SAINT® Neuromodulation System

CMS Advisory Panel on Hospital Outpatient Payment Meeting

August 24, 2026

Presenters

- Brandon Bentzley, MD PhD
 - Board-Certified Psychiatrist
 - Magnus Medical, Co-Founder and Chief Scientific Officer
- Eric Greig, Cooley LLP, Partner

Magnus Medical Overview

- SAINT® System (Stanford Accelerated Intelligent Neuromodulation Therapy)
 - Breakthrough medical device cleared by FDA for the treatment of major depressive disorder in adults who fail to achieve improvement from medication
 - Personalized, image-guided, accelerated transcranial magnetic stimulation (TMS)
- Magnus Medical was founded in 2020 to advance the development of this innovative neuromodulation treatment for major depressive disorder

Agenda

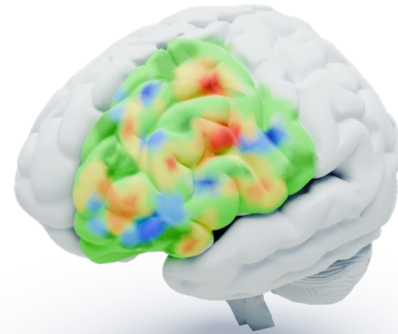
1. SAINT® Neuromodulation System Overview
2. Treatment-Resistant Major Depressive Disorder: SAINT Improvements on Standard of Care
3. Request: Retain 2026 APC assignments for SAINT Neuromodulation Therapy Services (0890T, 0891T, and 0892T) for CY 2027

SAINT[®] is the Only TMS Therapy Combining fMRI Targeting and a 5-day TMS Treatment Protocol



Pre-SAINT Imaging: Functional & Structural MRI

Approximately 45-minute
scan to map the brain using
our proprietary sequences
(existing MRI codes apply)



SAINT STEP 1

Individual Target Identification (0889T)

Proprietary algorithm
identifies optimal spot in each
patient's brain for precise,
individualized stimulation



SAINT STEP 2

Intensive 5-day TMS Therapy Protocol (0890T, 0891T, or 0892T)

Theta burst stimulation, with real-
time image guidance, delivered
in five, >10-hour treatment
sessions on 5 consecutive days

Best in Class Efficacy Repeated Across Clinical Trials

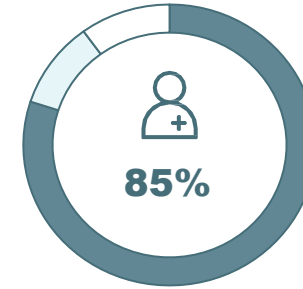
Cole 2020, *AJP*

Open Label
90% remitted by MADRS

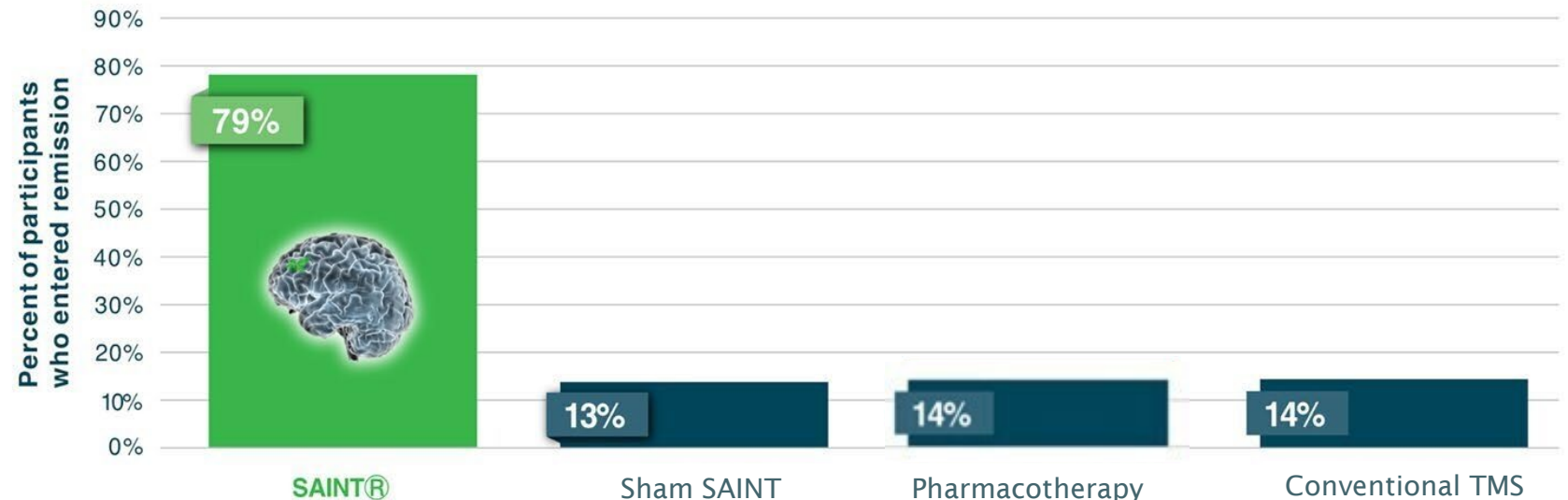
Cole 2022, *AJP*

RCT
79% remitted – Active
13% remitted – Sham

In clinical trials, **SAINT** relieved symptoms for **85% of clinical trial participants**, with no serious adverse events, in just 5 days



Best in class clinical effectiveness



Hospital Resource Investment: SAINT Treatment Day

Costs and Expenses

- **Cost of supplies, clinical labor, and overhead (per day of treatment) estimated at \$1,900 per day**
 - Crosswalk to conventional TMS (CPT codes 90869 and 90868) x 10 units of stimulation per day
 - **Supplies:** Per-day cost of single-use supplies (bite block, earplugs, surgical tape, other items)
 - **Labor:** Up to 290 minutes of a trained TMS technologist, plus nursing support throughout the day
 - **Overhead:** 10+ hours to repeatedly deliver precisely timed stimulation on an hourly basis; dedicated treatment room and separate waiting room; staff for patients to remain onsite for monitoring
- **SAINT software and equipment cost >\$3,500 per day**
- **Estimated total cost to hospitals = \$5,500 per day**
 - No material difference in costs among treatment days

Recognized Cost-Reporting Challenges

- In Q3 2025, hospitals that furnished SAINT informed CMS of cost-reporting issues and challenges that under-reported SAINT costs
 - Inaccurate hospital costs in 2024 led to proposed NT APC assignments for CY 2026 that would have significantly reduced payment
 - In August 2025, HOP Panel recommended that CMS maintain prior-year NT APC assignments due to hospitals' acknowledged cost-reporting issues
 - CMS recognized those cost-reporting challenges in the final CY 2026 OPPS rule, agreeing with the HOP Panel recommendation to maintain prior-year NT APC assignments for SAINT treatment delivery codes
- We appreciate last year's recognition from the HOP Panel and CMS. As a result, hospitals and patients have continued to have reliable access to SAINT treatments throughout 2026.

CY 2027 Proposed NT APC Assignments

- Unfortunately, the same cost-reporting issue from 2024 is present in the 2025 claims data because hospitals did not recognize them until late in 2025, impacting proposed CY 2027 NT APC assignments
 - The health systems confirmed to CMS in May 2026 that they have identified and remediated the cost-reporting issues, but that all 2025 claims for SAINT treatment delivery procedures were impacted
 - CMS again proposes to assign SAINT treatment delivery procedures to significantly lower NT APCs based on those inaccurate hospital-reported costs
- If finalized for CY 2027, these ~50% payment reductions would again restrict patient access to SAINT

CPT ® Code	Description	2026 NT APC and Payment Rate	Proposed 2027 APC and Payment Rate
0890T	Accelerated, repetitive high-dose functional connectivity MRI-guided theta-burst stimulation, including target assessment, initial motor threshold determination, neuronavigation, delivery and management, initial treatment day.	1525 (\$3,750.50)	1521 (\$1,950.50) -\$1,800.00 reduction (~48%)
0891T	Accelerated, repetitive high-dose functional connectivity MRI-guided theta-burst stimulation, including neuronavigation, delivery and management, subsequent treatment day.	1525 (\$3,750.50)	1520 (\$1,850.50) -\$1,900.00 reduction (~51%)
0892T	Accelerated, repetitive high-dose functional connectivity MRI-guided theta-burst stimulation, including neuronavigation, delivery and management, subsequent motor threshold redetermination with delivery and management, per treatment day.	1525 (\$3,750.50)	1523 (\$2,750.50) -\$1,000.00 reduction (~27%)

Magnus Respectfully Asks CMS to Retain the 2026 NT APC Assignments for SAINT® Delivery Procedures

- 2025 claims analysis shows the vast majority (90%) of claims were reported by two hospitals (Providers 2 and 4 in Table 1) that acknowledged to CMS in writing that their cost reporting for SAINT services was not accurate in 2025
 - Providers 1 and 3 have accurate reported costs, but less than 10% of the 2025 claims volume
 - 2026 claims are expected to be more consistent with actual costs, but are not available
- These acknowledged cost-reporting challenges do not support CMS' proposed dramatic reimbursement reduction for the same service
- **Magnus requests that CMS again retain the current New Tech APC assignments for SAINT treatment delivery services for CY 2027**

Table 1

Facility	Average Reported Cost (2025 Claims)		
	0890T	0891T	0892T
Provider 1	\$3,459	\$3,459	\$3,459
Provider 2	\$ 1,878	\$ 2,078	\$2,204
Provider 3	\$ 3,647	\$3,634	\$3,662
Provider 4	\$1,011	\$1,011	N/A

*2025 hospital cost analysis provided by Braid-Forbes Health Research

Conclusion

Request: Recommend that CMS maintain CY 2026 APC assignments for SAINT services (codes 0890T, 0891T, 0892T) for CY 2027 to ensure continued outpatient access to this highly effective, accelerated therapy for severe depression

- Proposed APC assignments are based on inaccurate claims data
 - Acknowledged—in writing—by hospitals to CMS
 - Corrected for 2026, but currently unavailable and not reflected in CY 2027 OPPS Proposed Rule
- Reimbursement reductions from proposed APC reassignments are significant and will create barriers to continued access
- High variability in reported costs do not support dramatic change in payment policy
- Significant differences in payment among SAINT services will create inappropriate market distortion

Thank you!