



DermTech Announces Contract With New York Health Plan for the Foundational Assay of Its DermTech Melanoma Test (DMT)

April 26, 2023

SAN DIEGO--(BUSINESS WIRE)--Apr. 26, 2023-- DermTech, Inc. (NASDAQ: DMTK) ("DermTech" or the "Company"), a leader in precision dermatology enabled by a non-invasive skin genomics platform, today announced an agreement with a physician-founded, member-focused and community-based not-for-profit health plan in New York. The contract, which is in addition to a favorable coverage policy that became effective April 15, 2023, enhances access to the foundational assay of the DermTech Melanoma Test (DMT) for the approximately 400,000 members of this plan. The DMT is an innovative, non-invasive way to enhance melanoma detection with a greater than 99 percent negative predictive value (NPV).

"We are eager to bolster our relationship with this key payer in New York and further reduce barriers to access with our test now available as an in-network benefit," said Chris Murphy, senior director of payer access, DermTech. "The DMT test results are clinically meaningful and actionable, improve patient care and reduce healthcare costs. After reviewing our portfolio of clinical and health economic data, payers are recognizing the value of our test and resulting benefits to their membership, network providers and health plans."

DermTech's total covered lives in the U.S. are approximately 126 million, which includes 68 million for Medicare/Medicare Advantage and 58 million for commercial and governmental payers.

About The DermTech Melanoma Test

DermTech originally marketed its foundational assay under the name Pigmented Lesion Assay (PLA). The PLA assesses pigmented skin lesions, moles or dark skin spots for melanoma. In particular, the PLA detects expression of the LINC00518 (LINC) and preferentially expressed antigen in melanoma (PRAME) genes using reverse transcription-polymerase chain reaction (RT-PCR). The Company introduced its second-generation test in 2021 as an add-on assay to PLA, which is designed to identify the presence of mutations in TERT gene promoter region using DNA sequencing. The Company has since branded its PLA and TERT add-on-assay as the DermTech Melanoma Test (DMT). The DMT may be ordered with or without the add-on test for TERT. Positive results for LINC, PRAME or TERT correlate with a lesion at higher risk for melanoma. If none of the biomarkers are detected, this result indicates a greater than 99% probability that the mole being tested is not melanoma.

About DermTech

DermTech is a leading genomics company in dermatology and is creating a new category of medicine, precision dermatology, enabled by its non-invasive skin genomics platform. DermTech's mission is to improve the lives of millions by providing non-invasive precision dermatology solutions that enable individualized care. DermTech provides genomic analysis of skin samples collected non-invasively using our Smart Stickers™ DermTech markets and develops products that facilitate the early detection of skin cancers and is developing products that assess inflammatory diseases and customize drug treatments. For additional information, please visit [DermTech](https://www.dermtech.com).

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. The expectations, estimates, and projections of DermTech may differ from its actual results and consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "outlook," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, expectations and evaluations with respect to: the performance, patient benefits, cost-effectiveness, commercialization and adoption of DermTech's products and the market opportunity for these products, DermTech's positioning and potential revenue growth, financial outlook and future financial performance, ability to maintain or improve its operating efficiency and reduce operating expenses, implications and interpretations of any study results, expectations regarding agreements with or reimbursement or cash collection patterns from Medicare or commercial payers and related billing practices or number of covered lives, and DermTech's ability to expand its product offerings and develop pipeline products. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside of the control of DermTech and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) the outcome of any legal proceedings that may be instituted against DermTech; (2) DermTech's ability to obtain additional funding to develop and market its products; (3) the existence of favorable or unfavorable clinical guidelines for DermTech's tests; (4) the reimbursement of DermTech's tests by Medicare and commercial payers; (5) the ability of patients or healthcare providers to obtain coverage of or sufficient reimbursement for DermTech's products; (6) DermTech's ability to grow, manage growth and retain its key employees and maintain or improve its operating efficiency and reduce operating expenses; (7) changes in applicable laws or regulations; (8) the market adoption and demand for DermTech's products and services together with the possibility that DermTech may be adversely affected by other economic, business, and/or competitive factors; and (9) other risks and uncertainties included in the "Risk Factors" section of the most recent Annual Report on Form 10-K filed by DermTech with the Securities and Exchange Commission (the "SEC"), and other documents filed or to be filed by DermTech with the SEC, including subsequently filed reports. DermTech cautions that the foregoing list of factors is not exclusive. You should not place undue reliance upon any forward-looking statements, which speak only as of the date made. DermTech does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based.

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Source: DermTech, Inc.