A Non-Invasive Neurostimulation Oral Appliance for Obstructive Sleep Apnea

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**CCCp is a Debilitating Disease**

Complete concentric collapse of the palate (CCCp) is a severe form of obstructive sleep apnea marked by repeated airway obstruction during sleep.

![Image of palate and blocked airway]

- **Prevalence:** 250M worldwide
- **USA:** 8M
- **Quality of Life and Function:** 2x Risk of Stroke Heart Attack Diabetes
- **$13.5B** economic costs per year

**There is No Solution**

50% of patients fail CPAP. Surgery and neurostimulation are highly invasive and often exclude CCCp patients.

- **Fail CPAP**
- **Untreated**

Up to 1 million people are left with untreated severe disease every year.

**SomnOSA Fills the Void**

<table>
<thead>
<tr>
<th>Targets CCCp</th>
<th>Mandibular Devices</th>
<th>Tongue Stimulators</th>
<th>Palatal Surgery</th>
<th>SomnOSA</th>
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<tbody>
<tr>
<td>Non-invasive</td>
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<tr>
<td>Treats severe disease</td>
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<td>Treats root cause</td>
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**Clinical and Customer Validation**

The SomnOSA solution has been shown to **increase airway muscle tone in-clinic.**

- **50+ interviews with clinicians and patients**
- **1000+ hours of ethnography**
- **100%** of sleep clinicians and patients surveyed would use SomnOSA over alternatives.

**Large Market Potential**

- **All Palatal Collapse (2.3M patients)** ($9.2B)
- **Concentric Collapse (1M patients)** ($4B)
- **Market Penetration (27K patients)** ($108M)

**Non-Invasive Neurostimulation**

- **Fitted In Clinic**
- **Deployed At Home**
- **Fitting Procedure:**
  1. Fit
  2. Manufacture
  3. Titrate
  4. Home

**Adds Value for All Stakeholders**

- **Pricing Strategy**:
  - **Sale Price per Device:** $4K
  - **COGS:** $485
  - **Gross Margin:** 88%
  - **Average Reimbursement:** $5K

- **Savings and Revenue**:
  - **Payer Spending per Patient**:
    - **Now:** $3.4K
    - **SomnOSA:** $800 (↓42.5%)
    - **Extra:** $500 ($800) (↑500%)
  - **Clinician Revenue per Patient**:
    - **Now:** $1000
    - **SomnOSA:** $2000 (↑100%)

**Next Steps Are De-Risked**

- **Intellectual Property**:
  - April 2023: Method and utility patent
  - 2024-2026: Patents portfolio

- **Regulatory**:
  - FDA Breakthrough Class II De Novo

- **Reimbursement**:
  - Coding New insurance code
  - Coverage

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