Verrica Pharmaceuticals Receives Permanent J-Code (J7354) for YCANTH™ from Centers for Medicare and Medicaid Services

WEST CHESTER, PA – Jan. 29, 2024 (GLOBE NEWSWIRE) – Verrica Pharmaceuticals Inc. ("Verrica" or "the Company") (Nasdaq: VRCA), a dermatology therapeutics company developing medications for skin diseases requiring medical interventions, today announced that the Centers for Medicare & Medicaid Services (CMS) has issued a permanent J-Code (J7354) for YCANTH™, which is the only FDA-approved treatment for molluscum contagiosum. Under the Healthcare Common Procedure Coding System (HCPCS) process, the J-Code for YCANTH™ will become fully published April 1, 2024.

"By securing a permanent J-Code for YCANTH, we have successfully reached a critical milestone in our commercial strategy that we expect will help us accelerate YCANTH utilization among the U.S. Medicaid and Medicare patient populations," said Ted White, President and Chief Executive Officer of Verrica Pharmaceuticals. "In addition to greater patient access, we also anticipate a permanent J-Code will result in a more streamlined billing and reimbursement process for YCANTH."

J-codes are a type of HCPCS Level II code commonly used to designate non-orally administered drugs and other medical devices. J-codes help determine how managed care organizations reimburse medical providers for products and services. Inaccurately reporting medical services can cause insurance complications and make it harder to get rebates. J-codes allow providers to use the same code across all payers for reimbursement. Using a standardized code reduces the risk of billing errors and allows companies to receive pass-through payments through government-sponsored healthcare plans.[1]

[1] Source: https://practiceforces.com/blog/what-are-j-codes-medical-billing/

About YCANTH™

YCANTH™ is a proprietary drug-device combination product that contains a GMP-controlled formulation of cantharidin delivered via a single-use applicator that allows for precise topical dosing and targeted administration for the treatment of molluscum. YCANTH™ is the first product approved by the FDA to treat molluscum — a common, highly contagious skin disease that affects an estimated six million people in the United States, primarily children. Please visit YCANTHPro.com for additional information.

In addition, Verrica has successfully completed a Phase 2 study of VP-102 for the treatment of common warts and a Phase 2 study of VP-102 for the treatment of external genital warts.

YCANTH™ should only be administered by a trained healthcare professional.

YCANTH™ is not for home use.

About Verrica Pharmaceuticals Inc.
Verrica is a dermatology therapeutics company developing medications for skin diseases requiring medical interventions. On July 21, 2023, Verrica's lead product, YCANTH™ (cantharidin), became the first treatment approved by the FDA to treat adult and pediatric patients two years of age and older with molluscum contagiosum, a highly contagious viral skin infection affecting approximately 6 million people in the United States, primarily children. VP-102 is also in development to treat common warts and external genital warts, two of the largest remaining unmet needs in medical dermatology since YCANTH's approval. Verrica is developing VP-103, its second cantharidin-based product candidate, for the treatment of plantar warts. Verrica has also entered a worldwide license agreement with Lytix Biopharma AS to develop and commercialize VP-315 (formerly LTX-315 and VP-LTX-315) for non-melanoma skin cancers including basal cell carcinoma and squamous cell carcinoma. For more information, visit www.verrica.com.

Forward-Looking Statement

Any statements contained in this press release that do not describe historical facts may constitute forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements may be identified by words such as "believe," "expect," "may," "plan," "potential," "will," and similar expressions, and are based on Verrica's current beliefs and expectations. These forward-looking statements include the Company's expectations with regard to the permanent J-Code accelerating YCANTH utilization among patient populations and streamlining the billing and reimbursement process for YCANTH. These statements involve risks and uncertainties that could cause actual results to differ materially from those reflected in such statements. Risks and uncertainties that may cause actual results to differ materially include uncertainties inherent in the drug development process and the regulatory approval process, Verrica's reliance on third parties over which it may not always have full control, and other risks and uncertainties that are described in Verrica's Annual Report on Form 10-K for the year ended December 31, 2022, Verrica's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023, and other filings Verrica makes with the U.S. Securities and Exchange Commission. Any forward-looking statements speak only as of the date of this press release and are based on information available to Verrica as of the date of this release, and Verrica assumes no obligation to, and does not intend to, update any forward-looking statements, whether as a result of new information, future events or otherwise.

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