



Inspire Medical Systems, Inc. Announces First BCBS Coverage Policy following Evidence Street’s Positive Therapy Indication Summary

MINNEAPOLIS, MN – January 14, 2019 – Inspire Medical Systems, Inc. (NYSE: INSP) (“Inspire”), a medical technology company focused on the development and commercialization of innovative and minimally invasive solutions for patients with obstructive sleep apnea (“OSA”), announced today that Blue Cross of Idaho has issued a positive coverage policy of Inspire therapy. This is the first coverage policy issued following BCBS Evidence Street’s January 7, 2019 report, which stated there is sufficient evidence to determine that Inspire therapy results in a meaningful improvement in net health outcomes for patients meeting specified criteria.

Blue Cross of Idaho, the state of Idaho’s leading health insurer, is a not-for-profit mutual insurance company covering approximately 500,000 members. Blue Cross of Idaho is an independent licensee of the Blue Cross and Blue Shield Association (BCBSA). The Blue Cross of Idaho policy is effective March 20, 2019. This policy has a few changes from the Evidence Street summary including a BMI of less than 32. This Blue Cross of Idaho is the first policy to include coverage for adolescents who have Down’s syndrome. It is important to note that this indication is not yet approved by the FDA.

In addition to Blue Cross of Idaho, an additional positive coverage policy became effective January 1, 2019 with Ascension Smart Health. These positive coverage decisions are a result of the large and growing body of clinical evidence supporting the use of Inspire therapy for the treatment of moderate to severe obstructive sleep apnea.

Ascension Smart Health is the self-funded medical plan offered to associates of select Ascension entities and their eligible dependents. Ascension is the largest non-profit health system in the U.S. and the world’s largest Catholic health system and includes approximately 156,000 associates plus 34,000 aligned providers and over 2,600 sites of care in 22 states and the District of Columbia. The Ascension SmartHealth policy became effective on January 1, 2019.

“Following the Evidence Street summary this past week, we are very pleased to have the positive coverage decision from Blue Cross of Idaho in such a short time period. We will continue to work with physicians and treatment centers to develop additional positive coverage policies with the regional BCBS systems,” said Tim Herbert, President and Chief Executive Officer of Inspire Medical Systems. “We also plan to build on our already strong body of clinical data supporting Inspire therapy, and believe this clinical and real-world data will further result in coverage decisions by other major health plans and further adoption of Inspire therapy.”

The BCBSA’s Evidence Street platform provides health care decision-makers easy access to impartial medical evidence reviews for devices, diagnostics and pharmaceuticals and was created to make BCBSA’s evidence review process of medical technologies and therapies more transparent, efficient and comprehensive. BCBSA collects and analyzes available peer-reviewed evidence, then synthesizes that data and ascertains if the evidence is sufficient or insufficient to determine the effect on health outcomes.

About Inspire Medical Systems

Inspire is a medical technology company focused on the development and commercialization of innovative and minimally invasive solutions for patients with obstructive sleep apnea. Inspire's proprietary Inspire therapy is the first and only FDA-approved neurostimulation technology that provides a safe and effective treatment for moderate to severe obstructive sleep apnea.

For additional information about Inspire, please visit www.inspiresleep.com.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts are forward-looking statements, including, without limitation, statements regarding the potential impact of BCBS's positive assessment, future positive insurance coverage and adoption of Inspire therapy. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "anticipate," "could," "future," "outlook," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential," "continue," or the negative of these terms or other similar expressions, although not all forward-looking statements contain these words.

These forward-looking statements are based on management's current expectations and involve known and unknown risks and uncertainties that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others: estimates regarding the annual total addressable market for our Inspire therapy in the U.S. and our market opportunity outside the U.S., future results of operations, financial position, research and development costs, capital requirements and our needs for additional financing; commercial success and market acceptance of our Inspire therapy; our ability to achieve and maintain adequate levels of coverage or reimbursement for our Inspire system or any future products we may seek to commercialize; competitive companies and technologies in our industry; our ability to expand our indications and develop and commercialize additional products and enhancements to our Inspire system; our business model and strategic plans for our products, technologies and business, including our implementation thereof; our ability to accurately forecast customer demand for our Inspire system and manage our inventory; our ability to expand, manage and maintain our direct sales and marketing organization, and to market and sell our Inspire system in markets outside of the U.S.; our ability to increase the number of active medical centers implanting Inspire therapy; our ability to hire and retain our senior management and other highly qualified personnel; our ability to commercialize or obtain regulatory approvals for our Inspire therapy and system, or the effect of delays in commercializing or obtaining regulatory approvals; FDA or other U.S. or foreign regulatory actions affecting us or the healthcare industry generally, including healthcare reform measures in the U.S. and international markets; and our ability to establish and maintain intellectual property protection for our Inspire therapy and system or avoid claims of infringement. Other important factors that could cause actual results, performance or achievements to differ materially from those contemplated in this press release can be found under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our final prospectus filed under Rule 424(b) on December 7, 2018, as such factors may be updated from time to time in our other filings with the SEC, which are accessible on the SEC's website at www.sec.gov. These and other important factors could cause actual results to differ materially from those indicated by the forward-looking statements made in this press release. Any such forward-looking statements represent management's estimates as of the date of this press release. While we may elect to update such forward-looking statements at some point in the future, unless required by applicable law, we disclaim any obligation to do so, even if subsequent events cause our views to change. Thus, one should not assume that our silence over time means that actual

events are bearing out as expressed or implied in such forward-looking statements. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this press release.

Investor and Media Contact:

Bob Yedid

LifeSci Advisors

bob@lifesciadvisors.com

646-597-6989