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Genomic Health Responds to Flawed CMS Gap-fill Pricing for Oncotype DX® Breast Cancer Test

Company Immediately Seeking Reconsideration to Correct Pricing Before Final Rates Take Effect in January 2016

REDWOOD CITY, Calif., Sept. 28, 2015 /PRNewswire/ -- On Friday, September 25, 2015, the Centers for Medicare and Medicaid Services (CMS), which administers the Medicare program, released a final payment determination, subject to reconsideration, for the Clinical Laboratory Fee Schedule (CLFS) for the Oncotype DX® breast cancer test, representing a 15 percent reduction from its well-established Medicare payment rate that has been in effect since 2006. This rate is based upon a flawed methodology that does not take into account the established \$3,416 rate paid by Noridian Healthcare Solutions, the Medicare Administrative Contractor (MAC) who processes Genomic Health's claims. In addition, the methodology does not take into account the factors set forth in Medicare law to establish payment amounts, such as market rates and resources. These factors were considered when the local MAC originally established the payment rate for the Oncotype DX breast cancer test in 2006, which has been revalidated on multiple occasions by numerous MACs paying Oncotype DX claims over the past nine years.

"CMS can and should adopt the MAC-established rate for the Oncotype DX breast cancer test, the only test validated to predict chemotherapy benefit as evidenced by multiple studies including one of the largest-ever adjuvant breast cancer trials published today in *The New England Journal of Medicine*," said Kim Popovits, Chairman of the Board, Chief Executive Officer and President of Genomic Health. "We will begin working immediately with CMS to ensure our currently established rate extends into 2016."

Additionally, CMS issued a preliminary determination for the Oncotype DX colon cancer test, representing a 79 percent reduction from the well-established Medicare payment rate that has been in effect since 2011. This proposed rate departs from CMS's own precedent over the past several years to delegate rate-setting for these complex tests to the MACs. The MAC-established rates for Genomic Health's Oncotype DX tests are consistent with the market-based rate-setting policies and procedures enacted by Congress under the Protecting Access to Medicare Act (PAMA), which are scheduled to go into effect in 2017. The CMS proposed rates are not consistent with CMS' own policies about rate-setting for new tests and are inconsistent with recommendations from nearly all stakeholders, as well as CMS' recently established Advisory Panel on Clinical Diagnostic Laboratory Tests.

The company will be working closely with the Coalition for 21st Century Medicine and other stakeholders to convince CMS to adopt previously established MAC rates for these tests through the CMS established reconsideration process before final rates take effect in January 2016.

About Oncotype DX®

The Oncotype DX® portfolio of breast, colon and prostate cancer tests applies advanced genomic science to reveal the unique biology of a tumor in order to optimize cancer treatment decisions. The company's flagship product, the Oncotype DX breast cancer test, has been shown to predict the likelihood of chemotherapy benefit as well as recurrence in invasive breast cancer. Additionally, the test predicts the likelihood of recurrence in a pre-invasive form of breast cancer called DCIS. With half a million patients tested in more than 90 countries, the Oncotype DX tests have redefined personalized medicine by making genomics a critical part of cancer diagnosis and treatment. To learn more about Oncotype DX breast cancer tests, visit: www.OncotypeDX.com or www.mybreastcancertreatment.org.

About Genomic Health

Genomic Health, Inc. (NASDAQ: GHDX) is the world's leading provider of genomic-based diagnostic tests that address both the overtreatment and optimal treatment of early-stage cancer, one of the greatest issues in healthcare today. The company is applying its world-class scientific and commercial expertise and infrastructure to lead the translation of massive amounts of genomic data into clinically-actionable results for treatment planning throughout the cancer patient's journey, from diagnosis to treatment selection and monitoring. The company is based in Redwood City, California, with international headquarters in Geneva, Switzerland. For more information, please visit, www.GenomicHealth.com and follow the company on Twitter: [@GenomicHealth](https://twitter.com/GenomicHealth), [Facebook](https://www.facebook.com/GenomicHealth), [YouTube](https://www.youtube.com/GenomicHealth) and [LinkedIn](https://www.linkedin.com/company/GenomicHealth).

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of

1995, including statements relating to the benefits of the test to physicians, patients and payors. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially, and reported results should not be considered as an indication of future performance. These risks and uncertainties include, but are not limited to: the company's ability to successfully achieve increases to reimbursement levels in a reconsideration process with CMS, the ability of test results to change treatment decisions; the risks and uncertainties associated with the regulation of the company's tests; the results of clinical studies; the applicability of clinical study results to actual outcomes; the risk that the company may not obtain or maintain sufficient levels of reimbursement, domestically or abroad, for its existing tests and any future tests it may develop; the risks of competition; unanticipated costs or delays in research and development efforts; and the other risks set forth in the company's filings with the Securities and Exchange Commission, including the risks set forth in the company's quarterly report on Form 10-Q for the year ended June 30, 2015. These forward-looking statements speak only as of the date hereof. Genomic Health disclaims any obligation to update these forward-looking statements.

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