NEUROGESX

NeurogesX Receives Qutenza®-Specific J-Code From Centers for Medicare and Medicaid Services (CMS)

SAN MATEO, Calif., Nov. 19, 2010 /PRNewswire/ -- NeurogesX, Inc. (Nasdaq: NGSX), a biopharmaceutical company focused on developing and commercializing novel pain management therapies, today announced that the Centers for Medicare and Medicaid Services (CMS) has granted a unique, Level II Health Care Common Procedural Coding System (Level II HCPCS), commonly referred to as a J-code, for Qutenza® (capsaicin) 8% patch. J-codes are used by providers to bill Medicare Part B, Medicaid and most private plans for drugs administered in physician's offices and hospital outpatient departments.

The J-code, J7335, "Capsaicin 8% Patch, Per 10 Square Centimeters," will be effective for dates of service on or after January 1, 2011, and will assist providers in obtaining reimbursement for Qutenza. Qutenza is indicated in the United States for the management of neuropathic pain associated with postherpetic neuralgia (PHN).

Anthony DiTonno, President and CEO, commented, "We are pleased to have made substantial progress on the reimbursement front since launching Qutenza in April 2010. Within the first month of launch, Qutenza coverage was confirmed under Medicare Part B and we received a temporary C-Code for the hospital outpatient use in July. We believe that a permanent J-code for Qutenza, when it goes into effect in January 2011, will facilitate the reimbursement process for all of our customer segments, from the largest institutions to small private practices."

The Healthcare Common Procedure Coding System (HCPCS) National Panel reviewed the Qutenza application submitted to CMS and decided to assign a unique, product-specific J-code for use by all payers. The HCPCS National Panel is made up of members of the private insurance industry, Medicaid, and Medicare.

About Qutenza®

Qutenza (capsaicin) 8% patch, a localized dermal delivery system containing a prescription strength capsaicin, is approved by the U.S. Food and Drug Administration (FDA) for the management of neuropathic pain associated with postherpetic neuralgia (PHN).

Clinical studies have shown that a single one-hour Qutenza application can provide three months relief from pain associated with PHN, the nerve pain that can occur after shingles.

In clinical trials, serious adverse reactions included application-associated pain and increase in blood pressure. The most common treatment-emergent adverse reactions (greater than or equal to 5% of Qutenza patients and greater than control) were application-site erythema, application-site pain, application-site pruritus, and application-site papules.

Qutenza is also approved in the E.U. and is marketed by Astellas Pharma Europe Ltd. (Astellas), the European subsidiary of Tokyo-based Astellas Pharma Inc.

About NeurogesX, Inc.

NeurogesX, Inc. (Nasdaq: NGSX) is a San Francisco Bay Area-based biopharmaceutical company focused on developing and commercializing novel pain management therapies. NeurogesX was founded on the concept that use of prescription-strength capsaicin could help manage the pain associated with neuropathic pain conditions. Since its inception, NeurogesX has leveraged its passion to help people with pain to efficiently develop this concept, resulting in the commercial launch of Qutenza® (capsaicin) 8% patch in 2010. The Company continues to apply its knowledge and expertise in the development of other novel treatments for pain.

The Company's lead product, Qutenza, is a localized dermal delivery system containing prescription strength capsaicin that is currently approved in the United States and the European Union. Qutenza is now available in the United States for the management of neuropathic pain associated with postherpetic neuralgia (PHN). In Europe, Qutenza is being marketed by Astellas Pharma Europe Ltd. (Astellas), the European subsidiary of Tokyo-based Astellas Pharma Inc., for the treatment of peripheral neuropathic pain in non-diabetic adults, either alone or in combination with other medicinal products for pain.

The Company is currently preparing to submit a supplemental new drug application (sNDA) to expand the U.S. label for Qutenza for the management of pain due to HIV-associated neuropathy (HIV-AN) also known as HIV-distal sensory neuropathy

(HIV-DSP).

The Company's most advanced product candidate, NGX-1998, is a topically applied liquid formulation containing a high concentration of capsaicin designed to treat pain associated with neuropathic pain conditions such as PHN. NGX-1998 has completed three Phase 1 studies and patient dosing is underway in a Phase 2 clinical trial in PHN patients.

The Company's early-stage pipeline includes pre-clinical compounds which are prodrugs of acetaminophen and various opioids. The Company has evaluated certain of these compounds *in vitro* and *in vivo*.

Safe Harbor Statement

This press release contains forward-looking statements for purposes of the Private Securities Litigation Reform Act of 1995 (the Act). NeurogesX disclaims any intent or obligation to update these forward-looking statements, and claims the protection of the Safe Harbor for forward-looking statements contained in the Act. Examples of such statements include but are not limited to: statements regarding the date that the new J-code is expected to become effective and the benefits of such code for potential users and sales and marketing efforts for NeurogesX; and the potential submission to the U.S. Food and Drug Administration of a supplemental new drug application for label expansion of Qutenza. Such statements are based on management's current expectations, but actual results may differ materially due to various risks and uncertainties, including, but not limited to: difficulties or delays in the commercialization of Qutenza, including with respect to manufacture and supply of Qutenza; unexpected adverse side effects of Qutenza; physician or patient reluctance to use Qutenza, despite the Company's efforts and strategies to commercialize Qutenza; and difficulties or delays in the further development of Qutenza and efforts towards label expansion; and potential competitors and competitive products. For further information regarding these and other risks related to NeurogesX' business, investors should consult NeurogesX' filings with the Securities and Exchange Commission.

NeurogesX, Inc.
Stephen Ghiglieri
Executive Vice President, COO and CFO
(650) 358-3310

The Ruth Group
Sara Pellegrino (investors)
(646) 536-7002
spellegrino@theruthgroup.com

Jason Rando (media)
(646) 536-7025
jrando@theruthgroup.com

SOURCE NeurogesX, Inc.