# Insmed Provides Update on IPLEX(TM) Launch; Company Shares Details on Payer Usage Program and Pricing

RICHMOND, Va., Jun 09, 2006 (BUSINESS WIRE) -- Insmed, Inc (NASDAQ: INSM) today provided an update on the launch of IPLEX (mecasermin rinfabate (rDNA origin) injection) and the Company's payer Utilization Program for the treatment of patients with severe short stature associated with severe primary IGF-I deficiency (Primary IGFD).

On May 23, 2006, Insmed announced the IPLEX Utilization Program to approximately 800 national payers as part of its comprehensive launch communications. In a letter to payers, Insmed informed them of the availability and pricing of IPLEX. Prominent in the announcement was a statement specifically detailing Insmed's pricing commitment to this market.

Insmed proactively created the utilization program, and informed the payer universe that the annual charge for therapy is limited to actual milligrams prescribed and used. The utilization program assures that there is no charge for unused product remaining after the prescribed dose is extracted. Any remaining product discarded as waste is accounted for, and replaced by the company at no charge to the payer or patient, to assure that the payer or patient pays only for the amount dosed and administered. The utilization program, and other distribution activities, is managed by Insmed's single point of contact system, PlexPoint(TM).

"Insmed is committed to the Primary IGFD market place. Everything we've done during launch was designed to increase patient access to this important once-a-day therapy," remarked Philip J. Young, Chief Business Officer. "We made the decision to bring IPLEX to the market as rapidly as possible after receiving FDA approval and Orphan Designation in December 2005. As part of our launch we proactively announced the IPLEX Utilization Program, the first of its kind in the industry, guaranteeing payers and patients they would only pay for IPLEX that is prescribed and used."

Insmed is aware that price comparisons between the available IGF-I replacement therapies have been attempted. However, the company believes that it would be inappropriate to draw conclusions from unbalanced pricing comparisons as the assumptions are not based in fact, nor reinforced by market practices and physician prescribing trends. The therapeutic dose range for IPLEX is 1 mg/kg to 2 mg/kg taken once daily. A comparison using only the 2 mg/kg dose is inappropriate in light of the fact that the patients with the best growth response in the pivotal study, (efficacy which was similar to published studies with rhIGF-I), received approximately 1.4 mg/kg, once daily.

"We believe we have a competitively priced product with an excellent safety and efficacy profile. We are pleased with how well the market is responding to IPLEX at this early stage and believe that the attributes of IPLEX will continue to prove attractive to prescribing physicians, payers and patients," Young added.

Insmed is committed to this utilization program until the release of a shelf stable, multi-dose vial and delivery system, which is planned to be available in 2007. We believe our manufacturing facility in Boulder, Colorado provides us with the capability to manage the cost of IPLEX within a reasonable range while we continue the development of a new product formulation.

The Insmed Sales and Managed Care teams are working to ensure that the target audiences are aware of the Utilization Program and the attributes of IPLEX therapy. Pricing for IPLEX, the only FDA approved once-daily IGF-I replacement therapy, is available on all of the standard pharmaceutical databases. Further information about IPLEX is available at www.go-IPLEX.com or by calling 1-866-go-IPLEX (1-866-464-7539).

About Insmed Incorporated

Insmed is a biopharmaceutical company focused on the development and commercialization of drug candidates for the treatment of metabolic diseases and endocrine disorders with unmet medical needs. For more information, please visit www.insmed.com. The Company's leading product, IPLEX was approved as an orphan drug by the United States Food and Drug Administration in December 2005 for the treatment of growth failure in children with severe primary IGF-I deficiency (Primary IGFD) or with growth hormone (GH) gene deletion who have developed neutralizing antibodies to GH.

About IPLEX

IPLEX, a complex of recombinant human IGF-I and its binding protein IGFBP-3 (rhIGF-I/rhIGFBP-3), is the only once-daily IGF-I replacement therapy. It is also the only FDA-approved therapy that provides both IGF-I and IGFBP-3 to treat children with severe primary IGFD. The drug which was launched in the second quarter of 2006, is also being investigated for various other indications with unmet medical needs, including extreme insulin resistance, myotonic muscular dystrophy and HIV Associated Adipose Redistribution Syndrome (HARS).

About the Condition

Severe primary IGFD is a genetic or acquired condition in which patients do not generate sufficient quantities of insulin-like growth factor-I (IGF-I) due to a defect in the growth hormone (GH) receptor/IGF-I pathway. Gene mutations leading to growth failure due to IGF-I deficiency have been identified in the growth hormone receptor, in the GH receptor signalling pathway, and in the IGF-I gene itself. Patients with severe primary IGFD present with marked short stature and a poor prognosis for adult stature.

Statements included within this press release, which are not historical in nature, may constitute forward-looking statements for purposes of the safe harbor provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this press release include, but are not limited to, statements regarding our IPLEX utilization program, regulatory and business strategies, manufacturing capabilities, product costs, plans and objectives of management and growth opportunities for existing or proposed products. Such forward-looking statements are subject to numerous risks and uncertainties, including risks that product candidates may fail in the clinic or may not be successfully launched, marketed, manufactured or reimbursed, we may lack financial resources to complete development of product candidates, the FDA may interpret the results of our studies differently than we have, competing products may be more successful, demand for new pharmaceutical products may decrease, the biopharmaceutical industry may experience negative market trends and other risks detailed from time to time in our filings with the Securities and Exchange Commission. As a result of these and other risks and uncertainties, actual results may differ materially from those described in this press release. For further information with respect to factors that could cause actual results to differ from expectations, reference is made to our reports filed by the Company with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The forward-looking statements made in this release are made only as of the date hereof and Insmed disclaims any intention or responsibility for updating predictions or financial guidance contained in this release.