



CMS Decision - No Material Financial Impact to Medicsight

NEW YORK, June 5, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- Medicsight PLC, a subsidiary of MGT Capital Investments, Inc. (NYSE Amex: MGT) and an industry leader in the development of Computer-Aided Detection (CAD) and image analysis software, which assists radiologists in the early detection of disease, comments on the Centers for Medicare and Medicaid Services' (CMS) decision not to reimburse virtual colonoscopy (CT colonography or CTC) for the routine colon cancer screening of Medicare patients in the U.S.

The CMS decision has no material financial impact to Medicsight and only affects 12% of the eligible screening population in the United States. CTC continues to be reimbursed by Medicare for diagnostic procedures under certain conditions. Furthermore, a significant number (over 50 million) of the eligible screening population will have private insurance coverage that is likely to provide for CTC screening. Despite Medicare's decision, 28 US States (and growing) currently mandate coverage for colorectal cancer screening, most adopting the American Cancer Society (ACS) standards which include use of CTC.

A number of private payers have already started to offer CTC as a "covered benefit" in their insurance policies and those payers, including Wellpoint/Anthem, Cigna and several Blue Cross Blue Shield plans, representing approximately 50 million covered patients. There are projected to be 65 million U.S. residents aged between 50-64 by 2015. Currently 80% of this age group currently has private insurance coverage according to Kaiser Permanente, a leading US health insurance provider.

Allan Rowley, Chief Executive Officer of Medicsight, commented: "The Company is excited about the enormous potential to improve colorectal screening compliance with the use of screening CTC and has already begun working with various groups to support coverage among non-Medicare payers."

Perry J. Pickhardt, MD., Associate Professor of Radiology at University of Wisconsin, suggested: "To deny coverage for Medicare beneficiaries of a potentially life-saving test that is better, safer, more convenient and less costly than invasive colonoscopy is clearly a misguided decision that should ultimately be reversed by legislative correction."

Following the CMS decision, Congresswoman Kay Granger (R-Texas), commented, "There is clear evidence that when insurance reimbursement is available for virtual colonoscopies, more people are screened for colorectal cancer. Less than half of those who should be screened receive a colonoscopy. We need to make sure more Americans are screened for this deadly yet preventable disease." (1)

(1) WASHINGTON, D.C., May 12 2009 kaygranger.house.gov

About MGT Capital Investments, Inc.

MGT Capital Investments, Inc. is a technology holding company that focuses on investments in the global healthcare information technology market. The Company has two subsidiaries, Medicsight PLC and Medicexchange Ltd.

Medicsight PLC (AIM: MDST) is a UK-headquartered, research driven, leading developer of computer-aided detection (CAD) and image analysis software for the medical imaging market. The CAD software automatically highlights suspicious areas on computerized tomography (CT) scans of the colon and lung, helping radiologists to identify, measure and analyze potential disease and early indicators of disease. Medicsight's CAD software has been validated using one of the world's largest and most population diverse databases of verified patient CT scan data. Medicsight's ColonCAD(TM) and LungCAD(TM) software products are seamlessly integrated with the advanced 3D visualization workstations of several industry-leading imaging equipment partners.

Medicexchange Ltd. provides medical imaging professionals with a global web portal containing an online sales, jobs and information channel for diagnostic, treatment and surgery planning solutions. This combined with a variety of relevant clinical papers, training materials and content gives these professionals access to information and products that they otherwise would have difficulty accessing.

Additional information can be found at www.mgtci.com.

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