

Inspire Medical Systems, Inc. Class Action Lawsuit

U.S. Securities Litigation

Inspire Medical Systems, Inc. (NYSE: INSP): Inspire Medical Systems, Inc. has been sued for securities fraud after a significant stock drop resulting from potential violations of the federal securities laws. The decline in Inspire's share price caused significant losses to investors. The class action lawsuit asserts securities fraud claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 on behalf of investors in Inspire stock. The class action is pending in the U.S. District Court for the District of Minnesota and is captioned *City of Pontiac Reestablished General Employees' Retirement System v. Inspire Medical Systems, Inc., et al.*, No. 0:25-cv-04247.

If you lost money on your investments in Inspire, you are encouraged to submit your information.

Why Was Inspire Sued for Securities Fraud?

Inspire develops and manufactures an implantable medical device for the treatment of sleep apnea. The latest version of the device is the Inspire V. The company announced FDA approval of Inspire V on August 2, 2024.

During the relevant period, Inspire repeatedly assured investors that it had taken all necessary steps to facilitate the launch of Inspire V and that it would launch the device as soon as sufficient inventory was available to meet supposedly high demand. The company said its preparations included focusing on "operational readiness and building sufficient inventory" and working with payors "to make sure that policies are updated" to ensure prompt claim approvals and payments. Inspire also touted the success of a "soft launch" of Inspire V and asserted that "from technology . . . to the approval, to the reimbursement, . . . and the support with the policies," it was "ready to throw the switch and be able to move into full launch."

As alleged, in truth, Inspire failed to take basic steps to prepare clinicians and payors for the rollout, resulting in significant delays in adoption of the device. Moreover, the launch

suffered from weak demand, as many customers already had excess inventory of the company's older devices.

Why did Inspire's Stock Drop?

On August 4, 2025, Inspire disclosed that the Inspire V launch was facing an "elongated timeframe" and as a result, it was reducing its 2025 earnings per share guidance by more than 80%. The company attributed the longer timeframe to a number of previously undisclosed factors including that many implanting centers "did not complete the training, contracting and onboarding required prior to the purchase and implant of Inspire V," that certain "software updates for claims submissions and processing did not take effect until July 1, [2025]" which meant implanting centers could not bill for procedures until that date, and that demand for the Inspire V was poor because Inspire's customers had a backlog of older versions of the company's device.

On this news, the price of Inspire stock dropped \$42.04 per share, or more than 32%, from \$129.95 per share on August 4, 2025, to \$87.91 per share on August 5, 2025.

What is the Inspire Leadership Deadline?

You may ask the Court no later than January 5, 2026, which is the first business day after 60 days from the date of the publication of notice of pendency of the action, to appoint you as Lead Plaintiff through counsel of your choice. To be a member of the Class, you need not take any action at this time. The ability to share in any potential future recovery is not dependent on serving as Lead Plaintiff.

Contact Us:

If you lost money when Inspire securities dropped in price, you are encouraged to submit your information to speak with an attorney about your rights.

You can also contact:

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All representation is on a contingency fee basis, there is no cost to you. Shareholders are not responsible for any court costs or expenses of the class action lawsuit. The Firm will seek court approval for any potential fees and expenses.

Why Bleichmar Fonti & Auld LLP?

BFA is a leading international law firm representing plaintiffs in securities class actions and shareholder litigation. It has been named a top plaintiff law firm by *Chambers USA*, *The Legal 500*, and *ISS SCAS*, and its attorneys have been named “Elite Trial Lawyers” by the *National Law Journal*, among the top “500 Leading Plaintiff Financial Lawyers” by *Lawdragon*, “Titans of the Plaintiffs’ Bar” by *Law360* and “SuperLawyers” by Thomson Reuters. Among its recent notable successes, BFA recovered over \$900 million in value from Tesla, Inc.’s Board of Directors, as well as \$420 million from Teva Pharmaceutical Ind. Ltd.

Attorney advertising. Past results do not guarantee future outcomes.