

# *Indiana Public Retirement System v. Inspire Medical Systems, Inc.*

**COURT:** United States District Court for the Southern District of New York  
**CASE NUMBER:** 25-cv-10620  
**CLASS PERIOD:** 08/06/2024 - 08/04/2025  
**CASE LEADERS:** Hannah Ross, Scott R. Foglietta

On December 22, 2025, Bernstein Litowitz Berger & Grossmann LLP (“BLB&G”) filed a class action in the U.S. District Court for the Southern District of New York alleging violations of the federal securities laws by Inspire Medical Systems, Inc. (“Inspire” or the “Company”) and certain of the Company’s current senior executives (collectively, “Defendants”). The action is brought on behalf of all investors who purchased or otherwise acquired Inspire common stock between August 6, 2024, and August 4, 2025, inclusive (the “Class Period”). This case is related to a previously filed securities class action pending against Inspire captioned *City of Pontiac Reestablished General Employees’ Retirement System v. Inspire Medical Systems, Inc.*, No. 0:25-cv-04247 (D. Minn.) (“*City of Pontiac*”).

BLB&G filed this action on behalf of its client, Indiana Public Retirement System, and the case is captioned *Indiana Public Retirement System v. Inspire Medical Systems, Inc.*, No. 25-cv-10620 (S.D.N.Y.). The complaint is based on an extensive investigation and a careful evaluation of the merits of this case. To view the complaint, see the **Case Documents** section of this page.

## **Inspire’s Alleged Fraud**

Inspire is a medical device company that develops and markets the “Inspire” system, an implantable neurostimulation system to treat obstructive sleep apnea. The most recent model of the Company’s device, the “Inspire V,” was scheduled to launch in 2025.

The claims against Inspire and certain of its executives arise from misrepresentations relating to the launch of the Inspire V device. Throughout the Class Period, Defendants told investors that Inspire would be able to launch the Inspire V as soon as it had built up sufficient levels of inventory and reassured investors that the Company would be “ready to go” in regards to physician training, reimbursement, and contracting in order to facilitate the launch. Once the Company had started the soft launch of Inspire V, it continued to assure investors that it was receiving “tremendous” feedback and that it was “ready to throw the switch and be able to move into full launch.” As the Company progressed to the full launch it represented to investors that it was “making very good progress” in transitioning from the previous generation to Inspire V and that “[i]t’s a pretty straightforward process to transition centers to be able to take on Inspire V and centers are excited to do so.” In truth, Defendants knew that the Company was facing several critical issues with the Inspire V launch, including lack of demand and problems with reimbursement codes, and getting treatment centers to complete training and install the prerequisite IT program, SleepSync.

The truth emerged on August 4, 2025, when Inspire announced it was lowering its full year earnings per share guidance by 80%, revealing that it had “encountered certain headwinds that slowed our efforts to transition customers to Inspire V.” According to Inspire, these headwinds included centers not completing “the training, contracting, and onboarding criteria required prior to the purchase and implant of Inspire V,” as well as challenges

“related to adoption of CPT code 64568 for Inspire V for Medicare patients.” As a result of these disclosures, the price of Inspire common stock declined by \$42.04 per share, or 32.4%.

The filing of this action does not alter the previously established deadline to seek appointment as Lead Plaintiff. Pursuant to the November 6, 2025, notice published in connection with the *City of Pontiac* action, under the Private Securities Litigation Reform Act of 1995, investors who purchased Inspire common stock during the Class Period may, no later than January 5, 2026, seek to be appointed as Lead Plaintiff for the Class. Any member of the proposed Class may seek to serve as Lead Plaintiff through counsel of their choice, or may choose to do nothing and remain a member of the proposed Class.

If you wish to discuss this action or have any questions concerning this notice or your rights or interests, please contact Scott R. Foglietta of BLB&G at 212-554-1903, or via e-mail at [scott.foglietta@blbglaw.com](mailto:scott.foglietta@blbglaw.com).

## Case Documents

- December 22, 2025 - Initial Complaint
- December 22, 2025 - PSLRA Notice