





Frontiers in Medical Device Reprocessing Innovative Health October 2021 Newsletter



Heart Rhythm Society 2021 Scientific Sessions

Heart Rhythm Society's Scientific Sessions took place in Boston on July 28-31 this year. Innovative Health was there with a <u>strong message from our CEO</u> about reprocessing and the industry. There were fewer participants than in earlier years – and fewer new product launches. As every year, the conference was <u>dominated by the large manufacturers</u> with few interesting new technology or service solutions. We also had the opportunity to review the conference.

The Pandemic and Single-Use Device Reprocessing

Just as many hospitals this Spring were getting back to a more viable situation from a patient care and financial perspective, the pandemic hit again with a surge in new cases that once again closed some EP labs and reduced procedure volume. Many lessons can be drawn from the pandemic, but the role of reprocessing as a cost reduction and supply chain resiliency strategy stands out as an important one: More of our hospital partners are expanding their reprocessing programs and have become more diligent in realizing the cost savings they can access from their reprocessing programs.

Clinical Integration

In July, Innovative Health launched our <u>Clinical Integration program</u>: The Innovative Health Clinical Integration Team now works directly with EP labs to align clinical, technological, and administrative goals in order to simultaneously optimize savings and patient care quality. The team is led by Aaron DeTate, who has managed EP labs for years and has a strong background in both clinical, financial, and operational aspects of EP lab management. The program's purpose is to more effectively tie together the various components of an effective EP reprocessing program and increase savings by an average of 30%.

SxanPro helps EP labs reduce waste and recover dollars

Innovative Health has signed <u>an agreement</u> to partner with SxanPro, a supply management technology company focused on reducing waste from hospital overstock. Innovative Health provides access to the SxanPro technology for our EP Lab partners: An app on a smart phone allows the staff to quickly scan inventory and immediately generate lists of devices with lot numbers, expiration dates, etc. SxanPro can also help monetize excess inventory. You can meet the owner to learn more about this solution.

Cardiology

This year, Innovative Health has started preparing a portfolio of devices that can help the Cath Lab reduce per-procedure costs - similar to what we have done in the EP Lab. Opportunities for savings are substantial, and Innovative Health's reprocessing technology is well-suited to clean and inspect even the more complex cardiology devices. Initial work has begun with a number of Cath Labs across the country, and FDA is reviewing our first Cath Lab device. Our whitepaper details the opportunities and challenges of Cath Lab reprocessing. Innovative Health will also participate in the 2021 Transcatheter Cardiovascular Therapeutics (TCT) conference, and host a Roundtable about Cath Lab reprocessing in the near future.

FDA clearances and reprocessing growth

Innovative Health continues to submit documentation to FDA for additional clearances to sell reprocessed catheters – in the EP Lab and now also in the Cath Lab. This enables us to keep building out our industry-leading portfolio of reprocessed cardiology devices – to increase hospital savings on cardiology procedures. Our hospital partners also understand that savings are not produced by FDA clearances – program compliance and the inclusion of new devices into the reprocessing program are what makes the difference between a successful reprocessing program and one that is realizing smaller savings. Innovative Health currently has 4 submissions under review with FDA.

EP Cables

At Innovative Health, we continue to be concerned about the reprocessing of EP cables in the hospital's Sterile Processing Department (SPD). SPDs are usually not equipped to ensure that manufacturer IFUs are followed and that cables don't fail during the procedure. IFU cleaning requirements can vary between cables within the same family, and some IFUs require testing while others don't. In fact, we went as far as to issue an industry alert on the issue. More and more EP Labs send their cables to Innovative Health for reprocessing in order to reduce risk and ensure that all cables have been tested before use.

Emerging Technologies

Reprocessing has historically been burdened by technological limits to what devices can be safely reprocessed and thoroughly tested/inspected. This has limited the level of savings that can be achieved in the EP Lab and beyond. In response to this, Innovative Health has formed an Emerging Technologies team, charged with developing new reprocessing technologies that will enable cost-savings to be realized on more devices, modalities and clinical areas. Innovative Health has already obtained patents for its boundary-breaking reprocessing technology.

Reprocessing and Circular Economy Solutions in US Healthcare

The pandemic and the climate crisis have changed the agenda for and in healthcare: Device reuse has become a central topic. Single-use device reprocessing is arguably the most effective circular economy solution in US healthcare, offering cost savings as well as environmental benefits. In July, Innovative Health published a whitepaper on this topic: Hospitals seeking more financially and environmentally sustainable solutions can turn to reprocessing as a proven, impactful circular economy solution. Reprocessing has had a big impact, but legislative and administrative barriers still exist for the practice to spread and become a model for US healthcare seeking circular economy solutions.

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