





Frontiers in Medical Device Reprocessing Innovative Health November 2020 Newsletter



Reprocessing patent

The first ever US patent for reprocessing technology, US Patent 10,830,682, was issued to Innovative Health emerging technology engineers for a "test method development for mass flow identification of occluding small particles in microlumens". This proprietary method has helped Innovative Health obtain clearance for complex electrophysiology devices with microlumens. Innovative Health engineers are among the industry's best, and their drive and talent are what makes it possible for us to reprocess devices others say are impossible to reprocess. Aaron Fowler Sr. R&D Engineer, Head of Emerging Technologies, says: "This not only proves we can 'do the impossible', it also shows that as we advance reprocessing technology, we are focused on protecting patients from the unseen. Re-using medical devices is a serious endeavor which requires the utmost attention to patient safety."

Reprocessing and effects of the pandemic

The pandemic has fundamentally changed things in healthcare: There are persistent concerns about the resiliency of the supply chain, a great focus on cost reductions and an emerging mindset that more "stuff" should be re-used as opposed to thrown away after a single use. See our story in <u>Medical Device and Diagnostic Industry</u>. A combined effect is that hospitals are dialing up their reprocessing of single-use devices – increasing collection compliance, more diligently buying back and including more devices in their reprocessing programs. This has made Innovative Health very busy, and we salute our hospital partners for picking up the challenge and making their facilities more financially and clinically sustainable.

Advisor mapping catheters from St. Jude Medical

In August, Innovative Health received clearance to reprocess St. Jude Medical's Advisor HD Grid mapping catheter, and we are now able to reprocess and offer all St. Jude mapping catheters. The Advisor HD Grid, similar to Biosense Webster's Pentaray eco mapping catheter, has a microlumen, and Innovative Health used our proprietary, patent-pending lumen cleaning technology to achieve the FDA clearance. Innovative Health is the only reprocessing company to offer all St. Jude Medical mapping catheters, ensuring cost savings regardless of St. Jude Medical mapping catheter choice.

Mapping catheters

Innovative Health's new clearances to reprocess St. Jude Medical's Advisor HD Grid Mapping Catheter completes our portfolio of major mapping catheters from all major manufacturers. This paves the way for additional savings in EP labs, regardless of brand choice. Mapping catheters are both clinically and financially critical in electrophysiology procedures. The results of the procedure are only as good as the map the electrophysiologist creates with the mapping catheter, and access to the newest and best catheters directly impact procedure success. New mapping catheters are expensive – using reprocessed mapping catheters can allow labs to use newer technology without going broke. See our mapping catheter <u>video</u>.

Transseptal needles

In July, Innovative Health announced that we have received FDA clearance for reprocessing the St. Jude Medical BRK Transseptal Needle and the Baylis Medical NRG Transseptal Needle. Innovative Health's clearance to reprocess these market-leading transseptal needles is a milestone in single-use device reprocessing, as no other company is able to offer reprocessed transseptal needles and unlock additional savings in electrophysiology procedures.

New website

At Innovative Health, we have just launched a completely new website! Please check it out at <u>innovative-health.com</u>. We have focused on making it clearer how Innovative Health plays a role in the economics of EP procedures. Additionally, we have built easier ways to look in our product catalog and to look at a timeline of events – so you can always see what is happening at Innovative Health!

Supply Chain Lessons from the Pandemic

How hospitals can reduce costs and better control their supply chain became particularly relevant when electrophysiology administrators and clinicians prepared for the reopening of service lines that had been shut down during the initial phase of the coronavirus crisis. As reprocessing provides substantial savings across hospital service lines, the industry's role in answering this is significant. See our July article in <u>DOTMed Healthcare Business News</u>.

The Financial Importance of the Electrophysiology Service Line

EP procedures play a key role in the financial metrics of many hospitals. Depending on payer mix, the EP service line can at times serve as a profit contributor that offsets losses on other service lines, such as ICU and patient care units. On the other hand, with an unfortunate payer mix, a hospital will have a hard time keeping EP procedures profitable, especially for cases that are complicated and take longer time. See our July article in <u>Healthcare Business Today</u>.

Medtronic's attack on reprocessing

In August, Medtronic started advising hospitals that they cannot use Medtronic reprocessed mapping catheters in EP procedures - in spite of the fact that Innovative Health has received FDA clearance for the device. This means there is no functional difference, no added patient risk. Following Medtronic's advice could result in added procedure costs. In a <u>video</u>, Innovative Health's CEO, Rick Ferreira finds it disappointing that Medtronic chooses a direction that will increase hospital costs rather than helping hospitals get back on their feet financially – and surprising, given Medtronic's claims that they are committed to value based care and reducing the cost of healthcare. Rick Ferreira invites Medtronic to meet and discuss in front of hospital staff.

5 minutes in healthcare

In early September, Philip Jacobus from DOTMed Healthcare Business News interviewed Innovative Health's Rick Ferreira about the importance of reprocessing in healthcare and the longterm challenges preventing greater adoption of reprocessing in the industry. This interview appears in the publication's <u>Five Minutes in Healthcare</u> segment, which followed an <u>interview with Dan</u> <u>Vukelich</u>, President of the Association of Medical Device Reprocessors, in August.

New EP Technology and the Role of Reprocessing

In EP Lab Digests' September issue, Bradley P. Knight, MD, FACC, FHRS, Editor-in-Chief wrote in the <u>Letter From the Editor</u>, "Any technology or technique that is better, safer, or faster will only be adopted if it is at least cost neutral. More efforts are needed to develop strategies that require fewer catheters and take advantage of reprocessing." This underscores the need to leverage reprocessing as a means to access newer and better technologies.

Central Maine case study

Central Maine Medical Center is a 250-bed hospital in Lewiston, Maine with a busy electrophysiology (EP) lab. The hospital is a Premier member, a part of the Yankee Alliance purchasing network and has been using reprocessed EP devices for several years. While success with single-use device reprocessing has been limited in the past, today, Central Maine is on track to save hundreds of thousands of dollars in 2020 using reprocessed EP devices. Read our <u>case study</u> about Central Maine's EP reprocessing program.

Outlook

As we finish the fourth quarter of 2020, Innovative Health is looking back at a year with many challenges, but also the emergence of a more reprocessing friendly healthcare environment. We continue to seek FDA clearances for more advanced electrophysiology devices – breaking the boundaries of reprocessing. Increasingly, we will see this happen in collaboration with original manufacturers.

*The third-party trademarks used herein are for device identification and are trademarks of their respective owners.

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