



INNOVATIVE
HEALTH

Frontiers in Medical Device Reprocessing

Innovative Health March 2025 Newsletter



A successful 2024

Hospitals in the United States continue to increase their use of reprocessed single-use medical devices. This leads to substantial savings and reduction in carbon footprint – especially in cardiology. Innovative Health is proud to be part of this process. Between 2023 and 2024, the number of our partner hospitals that saved more than \$1M in cardiology reprocessing grew by 11%. The number of hospitals saving more than \$100,000 grew by 17%. Also, last year, we grew the number of hospitals reprocessing with Innovative Health by 14% - and increased savings across all Innovative Health partner hospitals by 24%. In a healthy reprocessing program, savings grow every year, and in 2024, average savings across all Innovative Health partner hospitals grew by 10%. And lastly, in 2024, Innovative Health helped US healthcare reduce its carbon emissions footprint by an additional 14% over 2023.

Celebrating our employees

At Innovative Health, we develop new re-use technologies, we collaborate with FDA to define these breakthrough technologies, and we work with hospitals to reduce the costs and environmental footprint of cardiology procedures. We do this together. Everybody at Innovative Health plays a unique role, everybody contributes to what we are – and to WHO we are. At Innovative Health, the people make the difference. Please meet members of the Innovative Health family in [this holiday video](#). They tell us all about their backgrounds, the role they play in the company – and what they like about working with Innovative Health.

The 2025 healthcare supply chain

The balance of power between healthcare providers – hospitals – and suppliers in healthcare is out of whack. The largest health system in the US has less than 5% market share, and they are buying from multinational giants such as Johnson & Johnson, Medtronic, and Abbott Laboratories. Health systems in the US lack the necessary bargaining power to buy the right products at the right price. We need Group Purchasing Organizations that can meet the needs of Health systems. Also, hospitals need to address the challenges and opportunities that come with procedures moving out of the hospital. More and more procedures today take place in surgery centers outside of the hospital. Not just simple procedures, but also more complex cardiac and orthopedic procedures, for example. Other hospital services are moving out of the hospital as well - everything from imaging centers to nursing facilities and home care are moving health services closer to the patient. This development is a good thing, but it needs to be addressed by the hospital, which sees some of its most profitable procedures leaving the hospital. In the surgery center, procedures are less expensive, and the surgery centers can be very profitable while also offering the patient a better experience. Hospitals should look to these newer care locations to learn how to run more efficiently. [Watch](#) CEO Rick Ferreira from Innovative Health discuss supply chain challenges in 2025 – and listen to this [podcast](#).

Reprocessing turns 25 years

The single-use device reprocessing industry is turning 25 this year. To get to this point, the industry has gone through distinctly different periods of formation, growth, slow-downs, specialization and fragmentation. It is the nature of single-use device reprocessing that as products are obsoleted, prices go down, new technologies are launched, or original manufacturers block reprocessed products, the reprocessor and the

reprocessing industry have to replace these savings (and their revenue) with new products or modalities. When the reprocessing industry seizes to do this, savings go down. Different periods in the history of reprocessing have been characterized by very large numbers of FDA clearances. And conversely, in other periods, the industry has slowed down and produced very few. These periods also reflect change in the dynamics of the industry and its market. Today, there is as much reason to be concerned about the future of the industry as there is to celebrate its anniversary. The headwinds of the industry need to be addressed by healthcare leaders, lawmakers, and manufacturers, or a growingly fragmented industry will have a hard time continuing its success. Please read Innovative Health's [new whitepaper](#) and [this](#) short commentary.

AMDR 2025

The Association of Medical Device Reprocessors (AMDR) is also [turning 25 years this year](#). The industry is strong (partially) because AMDR unifies its participants in a singular regulatory framework and code of conduct. AMDR has guided the industry through its ups and downs for 25 years, which is no small accomplishment. AMDR initially fought legal battles in the different states. Then it had to pivot and help call out manufacturers that sowed 'doubt and fear' about the safety of reprocessing. Lately, the organization is leveraging the environmental message to drive more awareness. And through all these shifts, as mentioned, AMDR has enabled the industry to unite and to maintain standards that protect the strong belief that single-use device reprocessing is responsible healthcare.

Heart Rhythm Society 2025

This year, Heart Rhythm Society (HRS), the [annual conference](#) for everybody involved in electrophysiology will take place in San Diego April 24-27. As usual, the conference will gather thousands of electrophysiologists (doctors), department heads, technologists, nurses, and suppliers. Technological, economic, and environmental changes are shifting the industry in important new directions these years, and Innovative Health, as the leading reprocessor of electrophysiology devices, will be at the conference to participate in these changes. We are in booth 1927, and we will have important new announcements to make about reprocessing and its future in cardiology.

Leaders Prepare for Tariffs While Old Structures Erode

Substantial (25 percent) tariffs are expected to increase the hospital's price of buying PPE equipment, medical devices, and capital assets like MRI machines. However, the [capacity of the healthcare system to absorb more price increases is limited](#), with most hospitals and health systems generating operating profit margins of 2 percent or less. As a result, the medtech sector just might have to face the reality that it has to cut spending. [Hospitals looking to tariff-proof their medtech investments](#) should select devices that can be reprocessed and let their suppliers know that their reprocessing programs cannot be interfered with. This way, the cost of a device that is reprocessed just once – and made available at half the cost of a new device – will offset a 25 percent tariff and more. A \$2,500 ultrasound catheter with 25 percent tax costs the hospital \$3,125. A reprocessed ultrasound catheter costs ~\$1,250. A hospital that starts using a reprocessed catheter every second time a catheter is used will pay about \$300 less per use than before the tax. As long as suppliers don't interfere with reprocessing programs, [the lower cost of a reprocessed device can offset any tariffs](#). These programs are important in any economic environment. In one where a trade war could erupt at any moment, they might very well be the lifeline hospitals need.

Innovative Health Welcomes Prestige AmeriTech's Acquisition of S2S Global

Innovative Health enthusiastically supports Prestige AmeriTech's [acquisition of S2S Global from Premier Inc.](#) Innovative Health has an established relationship with S2S Global to provide its customers with an industry-leading portfolio of reprocessed single-use cardiology devices. "Innovative Health already provides a leading environmentally friendly and fiscally responsible healthcare purchasing solution. With Prestige's acquisition, we are excited that these services can be offered as a diversity spend through S2S," said Innovative Health CEO Rick Ferreira. "Growing healthcare's diversity spend has long been a goal for hospitals across the country, but the industry has been embarrassingly slow at making this a strategic focus and driving real change."

Carbon emissions footprint

In October last year, [Innovative Health announced](#) that it had made a commitment to reduce greenhouse gas (GHG) emissions from its reprocessing operations through a series of initiatives leading up to 2030. As a single-use device reprocessing company, Innovative Health is already responsible for reducing healthcare carbon emissions due to the circular re-use program the industry represents. However, the company wants to take this commitment to the next level. Innovative Health has committed to reducing manufacturing (reprocessing) process (scope 1, 2 and 3) GHG emissions by 25% by 2030 compared against a fiscal 2024 baseline. The company's GHG reduction program targets the reprocessing process itself, where more efficient use of water, cleaning agents, and equipment will lead to significant GHG emission reductions. In addition, the company is looking at packaging materials, collection/shipping materials, and device end-of-life solutions as further areas of GHG reduction opportunity. The fiscal 2024 baseline will be presented internally over the next few months, ahead of the launch of several environmental initiatives to drive down the footprint.

Available Devices

Innovative Health's cross-functional product development team continues to be focused on rapidly making more reprocessed devices available to our hospital partners. This includes pursuing clearances to reprocess single-use cardiology devices more than once. This increases the number of reprocessed devices available to use and represents an opportunity for the hospital to increase its savings. Our teams also continue to build out the industry's leading portfolio of reprocessed electrophysiology cables, recently introducing the reprocessed FARASTAR Catheter Connection Cable from Boston Scientific. New clearances and product introductions can be expected in the near future in transeptal systems, ultrasound, and more.

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



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