Economic Value with V.A.C.® Therapy
COMPARATIVE ANALYSIS OF NATIONAL INSURANCE CLAIMS

Total Cost of Care

- Total cost to treat (in addition to wound closure) is important for evaluating effectiveness of wound care products and services
- Failure to heal a wound effectively can lead to overall higher costs to treat
- In addition to randomized control trials and clinical papers, analysis of real world expenditure data can provide insights into effectiveness of wound care therapies

Analysis Methodology

- Claims data were analyzed by Optum LifeSciences for patients with at least one NPWT claim in the post-acute setting to identify total cost of care for KCI V.A.C.® Therapy vs. Competitor NPWT patients
- A data set of over 15,000 patients from 2011 to 2012 was included in the analysis
- Costs and other key metrics (ER visits, readmission rates) were classified as “wound-related” if a wound diagnosis appeared within the top three diagnoses on the claim
- Wounds were classified into major categories based on the ICD-9 on the claim; multiple codes/sub-types of wounds are included in each category
- Costs represent total cost to the insurer for their population; no claims were excluded from the analysis

Selected study findings...

- For the three months following patients’ initial treatment of NPWT, KCI patients cost an average of $4,500 less than the competitors’ overall ($35,500 vs. $40,000)
- When looking at total wound-related costs only, KCI patients on average cost 13% less ($13,000 versus $15,000 for competitors)
- Competitor patients in the study were 19 times more likely to switch to KCI treatment during the three months post initial NPWT treatment than KCI patients (odds ratio =.05 for KCI vs. Competitor)
- KCI patients studied received an average of fewer wound-related incidents (Inpatient stays and ER visits) for the 6-months post initial treatment:
  - For non-healing wound patients:
    - Average Inpatient stays: 0.5 KCI vs. 0.8 Competitor (p <.0001)
    - Average ER visits: 0.1 KCI vs. 0.7 Competitor (p =.06)
  - For open wound patients:
    - Average Inpatient stays: 0.6 KCI vs. 1.5 Competitor (p <.0001)
    - Average ER visits: 0.1 KCI vs. 1.6 Competitor (p <.0001)
  - For pressure ulcer wound patients:
    - Average Inpatient stays: 1.7 KCI vs. 3.3 Competitor (p <.0001)
    - Average ER visits: 0.6 KCI vs. 1.1 Competitor (p =.03)
Total Cost to Treat

Three and Twelve Month Total Cost Comparison for all NPWT Patients

- Non-Wound-Related
- Wound-Related

Comparison of KCI to Competitor NPWT Patients of a National Insurer Showed Differences in Total Cost to Treat 3 and 12 months Post Initial Claim

Average Wound-Related Re-Admission Rate and ER Spend Per Patient

- Average Wound-Related Re-Admission Rate Was Higher for Competitor NPWT Patients
- Average Per Patient Wound-Related ER Spend Was Higher for Competitor NPWT Patients Across All Wound Types

Number of Patients

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<thead>
<tr>
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<th>KCI</th>
<th>Comp.</th>
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<tr>
<td>3-Month</td>
<td>7,202</td>
<td>279</td>
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<tr>
<td>12-Month</td>
<td>2,103</td>
<td>101</td>
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<tr>
<td>Total</td>
<td>1,514</td>
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<td>Non-Hospitalized</td>
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KCI Portfolio of Negative Pressure Wound Therapy with Patented SensaT.R.A.C.™ Technology

KCI V.A.C.® Therapy is Designed to Help Accurately Deliver the Prescribed Negative Pressure for Optimal Healing

- Individual sensing lumens measure, monitor, manage, and maintain negative pressure at the wound site
- Software-controlled technology helps maintain negative pressure and helps reduce tubing blockages and false alarms
- Nationwide product-related clinical and technical support for patients, clinicians and caregivers available 24/7/365

For additional information, please call 800.826.0270

References:
1. Each patient received at least 1 diagnosis claim with an NPWT HCPCS code (E2402). Competitor patients includes all Non-KCI NPWT patients
3. Wound related re-admission rate represents re-admissions after initial Post Acute NPWT claim, with wound diagnosis in top three re-admission diagnoses.
4. Wound related ER spend represents insurer’s spend on ER visit with wound diagnosis in top three diagnoses. DFU not statistically significant due to small sample size.