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Magnolia Medical Launches Steripath Gen2 Best Practice Blood Culture Kit With Financially-Backed Clinical Performance Guarantee

Seattle, WA (October 3, 2018) – Magnolia Medical Technologies, Inc. announced it is launching its new Best Practice Blood Culture Kit today at IDWeek 2018, in San Francisco, California. The blood culture kit, developed in partnership with Aero-Med, a division of Cardinal Health, combines the Steripath Gen2 Initial Specimen Diversion Device® and additional required supplies in a convenient kit for the collection of blood culture samples that are virtually contamination-free.

Clinical evidence using Steripath Gen2 along with other blood culture best practices is so compelling that all custom designed kits are backed by an enhanced Clinical Performance Guarantee. Magnolia Medical guarantees a sustained reduction in blood culture contamination of 50% or greater for all Steripath Gen2 products. When used with the Best Practice Blood Culture Kit, and the 50% reduction has been surpassed, Magnolia Medical guarantees a 0.5% contamination rate backed by a $1,000 credit for any contamination event within the guarantee thresholds.[1]

"We are pleased to be partnering with Aero-Med in providing the Best Practice Blood Culture Kit," said Bob Gerberich, CCO for Magnolia Medical. "Steripath Gen2 is enabling a new standard for blood culture contamination prevention. The convenience of having all of the critical components easily available to clinicians in a single kit means that more patients will benefit from vastly improved sepsis testing accuracy which directly drives antibiotic stewardship."

Blood culture is a critically important clinical test that helps physicians determine whether a patient has a serious and potentially life-threatening blood infection such as sepsis. Blood draws performed for culture can become contaminated with bacteria during the blood collection process. Steripath Gen2 uses patented one-of-a-kind technology to mechanically divert and isolate the initial 1.5-2.0 mL of blood, the portion known to contain contaminants. The device then opens an independent sterile blood flow path for specimen collection.

Backed by extensive clinical evidence from two controlled clinical studies published in leading peer-reviewed medical journals and eight clinical abstracts presented at major medical conferences, Steripath has demonstrated sustained blood culture contamination rates as low as 0.2% in the ED[2], positive predictive value for sepsis as high as 97%,[2] and as much as a 37% reduction in vancomycin days of therapy[3]. Hospitals have achieved an estimated average annualized cost savings of $945,000 in four of the clinical trials.[4]

"Our goal as a company is to change national blood culture guidelines and reduce the contamination rate benchmark from 3% to below 1%. At the current benchmark rate, there are still over 1.2 million patients put at risk with false-positive results annually," said Greg Bullington, CEO for Magnolia Medical. "At Magnolia Medical, we see blood culture contamination as a preventable error. By providing a two-tier Clinical Performance Guarantee, we are eliminating barriers to the adoption of Steripath Gen2 by hospitals throughout the country and demonstrating our commitment to empowering healthcare providers to improve sepsis testing accuracy.

"Our customers have achieved and reported on improved patient safety, enhanced antibiotic stewardship and significantly reduced costs using Steripath Gen2," said Bullington. "Our mission is to ensure our technology is made available to all patients nationwide. We believe offering our Clinical Performance Guarantee is an important step in advancing a new standard of care for sepsis testing accuracy."

About Magnolia Medical Technologies

Magnolia Medical is a medical device company that develops, manufactures and markets innovative blood and bodily fluid collection devices to facilitate significant improvements in the accuracy, consistency and predictability of critical in vitro diagnostic (IVD) tests. Magnolia Medical invented and has pioneered the Initial Specimen Diversion technology platform for blood culture collection and contamination prevention. Through human factor engineering, the Steripath Initial Specimen Diversion Device® has been clinically proven to virtually eliminate blood culture contamination, which helps healthcare providers to significantly reduce false positive diagnostic results for sepsis and reduce unnecessary and inappropriate antibiotic use. This reduces the risk of CDI, MDROs and other antibiotic-related complications, length of stay and associated HACs, and unnecessary reporting of false positive CLABSIs while significantly reducing hospital-wide costs. The company has amassed an IP portfolio protecting its technology and products, including more than 55 issued method, apparatus and design patents with over 50 additional patent applications pending. For more information, visit www.magnolia-medical.com.

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[1]Additional Clinical Performance Guarantee terms and conditions apply and will be provided by your local Magnolia Medical Business Director

[2]M. Rupp, *et al*; Reduction in Blood Culture Contamination Through Use of Initial Specimen Diversion Device. *Clinical Infectious Diseases* (August 2017)

[3]D. Chang, *et al*; Impact of Blood Culture Diversion Device and Molecular Pathogen Identification on Vancomycin Use. *Society of Healthcare Epidemiology of America (SHEA) Conference* (Spring 2017)

[4]Source data on file