

CardioMag Imaging[™], Inc. 13 British American Blvd. Latham, New York 12110 Phone (518) 713-4399 Fax (518) 713-4402 cardiomag@cardiomag.com

STATEMENT BY: Carl H. Rosner, Chairman and CEO CardioMag Imaging, Inc.

RE: Federal HealthCare Reform in New York State

There is general agreement that the United States HealthCare System is broken and urgently needs major reform. But the problem involves so many different players with special interests, that none of many possible and meaningful solutions will be acceptable to all.

Hence, New York State can and must take the lead to formulate a policy and system that balances the needs of most, if not all, parties, at least in New York State.

To achieve long-term viability, such a system will involve reductions in cost, acceptance of sacrifices and modified services, affecting all parties; i.e. providers, payers and patients, as well as government. To significantly reduce costs, new technologies and new approaches must be adopted that maintain and possibly improve quality of care and eliminate waste or duplication of expensive diagnostic tests and unnecessary invasive procedures.

In addition, preventive care has to be widely practiced as well as adopted for insurance company reimbursement.

My company has developed a diagnostic system for early detection of heart disease that, if widely employed, can save billions in healthcare costs. We have FDA clearance, but still need insurance company reimbursement codes.

Present procedures imposed by medical societies and insurance companies to obtain codes and reimbursement are costly and take years to obtain. New York State should find ways to significantly shorten the timeline by also involving state funded hospitals. Texas has already adopted mandatory screening for Heart Disease and anticipates huge cost savings.

New York should do the same!