

ATTACHMENT D



DEPARTMENT OF THE ARMY
BROOKE ARMY MEDICAL CENTER
FORT SAM HOUSTON, TEXAS 78234-6200

REPLY TO
ATTENTION OF

Mr. William B. Stoermer, Jr.
Executive Vice President
Alliance Medical Corporation
P.O. Box 8469
Asheville, NC 28814-8469

29 December 1999

Dear Mr. Stoermer:

This letter is a follow up to our recent telephone conversation. While I was investigating the current practices and SOPs in the Cardiac Cath Lab at Brooke Army Medical Center, I was presented by the EP Technologies, Inc. representative a letter telling me reprocessing of single use items was "unlawful". Moreover, she emphasized because it was unlawful, Wilford Hall Medical Center, San Antonio, Texas, just stopped reprocessing all items.

Because (1) BAMC has done this reprocessing solely through the Alliance Co, and (2) has incurred no problems with the returned items, (3) all the physicians were very satisfied with the returned items, and (4) Alliance has comprehensive records of the entire QA program IAW the FDA Quality Systems Regulations, and (5) provides liability coverage for each item, I told her I was not going to stop they way we were reprocessing EP catheters.

She then said that EP Technologies, Inc. would be willing to supply BAMC with new catheters at the price of each returned reprocessed catheter, if I would stop reprocessing and using Alliance. Being dumbfounded with this offer of cutting the price in half for each new catheter, I immediately asked her where her integrity was with keeping the price so high all this time? She had no answers.

Clearly, the reprocessing of EP catheters does not cause a safety problem for the patient when done according to FDA QSR guidelines. I continue to be amazed at the reactions of the manufacturer, who definitely is out to kill the commercial reprocessing industry, even at the expense of reducing their own revenues. I believe that EP Technologies, Inc. must be overcharging all the Federal Government today. In the light of tight operating budgets and continued shortages of operating funds throughout the military, I would appreciate any help you can provide in bringing this information to the attention of anyone who might have an interest in reducing healthcare costs throughout the military and VA healthcare system.

Thank you,

DANA GRUBER
LTJ, AN
Chief, Infection Control Service