

chf solutions

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FOR IMMEDIATE RELEASE

CHF SOLUTIONS RELOCATES TO MINNEAPOLIS

Company Plans to Launch Innovative System for Treating Congestive Heart Failure Patients

BROOKLYN PARK, Minn., March 14 – CHF Solutions, Inc., a private medical device manufacturer developing a device to treat congestive heart failure patients, is moving its headquarters from New York City to a 30,000-square-foot administrative and manufacturing facility in Brooklyn Park, Minn., a Minneapolis suburb. Twelve employees are relocating with the company and CHF Solutions plans to have nearly 50 employees by year-end.

The company has designed the System 100™, a mechanical pump and filter for removing excess fluid. Excess fluid can cause severe fatigue and shortness of breath. CHF Solutions has submitted a 510(k) application to the Food and Drug Administration and anticipates receiving U.S. marketing clearance for its product in the next few months.

"We're excited about the move to Minneapolis and launching our product," said John L. Erb, recently named chief executive officer of CHF Solutions. "We plan to tap the wealth of medical technology talent, experience and resources in the Minneapolis/St. Paul market as we take CHF Solutions from the development stage to a commercial enterprise with strong growth potential." Erb noted that the company is in the process of raising \$15 million to \$20 million in private financing to fund the product launch.

Included in the employee group relocating to Minneapolis are Dr. Howard Levin and Mark Gelfand, who co-founded the company in July 1999. They will work with Erb to build the company and meet the need for better and less costly CHF therapy.

Congestive heart failure is the progressive inability of the heart to pump enough blood to support the vital organs. Currently, CHF affects five million people in the United States and causes 2.2 million hospital visits annually. The condition is increasingly frequent as the population ages.

The System 100™ connects to the blood stream through catheters inserted into veins in the arms. In clinical studies, the System 100 successfully removed a volume of excess fluid as determined by the cardiologist. After treatment, the cardiologist adjusted the patient's oral medications before release from the hospital.

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CHF Solution's product offers a safer, less costly approach to treating fluid overload. The current treatment is risky intravenous drug therapy and requires about a six-day hospital stay. In addition, Medicare reimbursement only covers about half of the \$10,000 cost of the hospital visit. In contrast, cost of the CHF Solutions therapy is under \$1,000 and is currently included in reimbursement under current DRG codes.

About CHF Solutions

CHF Solutions, Inc., designs and manufactures mechanical pump/filter systems to remove excess fluid in congestive heart failure (CHF) patients and improve their quality of life. The company's mission is to provide cardiologists with innovative tools to better manage fluid overload for CHF patients, and significantly reduce healthcare costs and hospital admissions. For additional information visit www.chfsolutions.com.

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