

Press Release



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New National Reimbursement Codes To Cover LifeStar ACT Services

Important development for Card Guard and LifeWatch Monitoring Services in USA

CHICAGO, IL. - LifeWatch Corp. today announced of new reimbursement rates that cover the LifeStar ACT Ambulatory Telemetry System. Established by the Centers for Medicare and Medicaid Services ("CMS"), the new reimbursement rates apply to Category I CPT codes published by the American Medical Association ("AMA") on October 10, 2008, and will become effective on January 1, 2009.

The current reimbursement rate for the technical component of LifeStar™ ACT services is \$1,123, as established by Highmark Medicare Services. The new 2009 reimbursement rate is established as "carrier priced" and responsibility for pricing will remain with Highmark Medicare Services. The establishment of new national CPT codes will simplify the claim process for LifeStar ACT services as it will eliminate the necessity of billing for these services with a variety of other codes.

LifeWatch has experienced stellar growth since launching the LifeStar ACT Ambulatory Cardiac Telemetry services in January of 2007. The new CMS codes and rates for the LifeStar ACT service will broaden its appeal to all healthcare providers as we anticipate widespread adoption by other payors in the U.S.

"The new codes and reimbursement rates in the growing Ambulatory Cardiac Telemetry market will provide physicians with a simplified claims process. Together with the higher diagnostic yield and faster time to diagnosis, additional physicians and commercial payors will be convinced of the value of Ambulatory Cardiac Telemetry services," stated Yacov Geva, Chairman and CEO of Card Guard AG, the parent company of LifeWatch Corp.

The new Category I CPT codes established by the AMA include both professional and technical components for the LifeStar™ ACT System, detailed below:

CPT code 93228 - Wearable mobile cardiovascular telemetry with electrocardiographic recording, concurrent computerized real time data analysis and greater than 24 hours of accessible ECG data storage (retrievable

with query) with ECG triggered and patient selected events transmitted to a remote attended surveillance center for up to 30 days; physician review and interpretation with report

CPT code 93229 - Technical support for connection and patient instructions for use, attended surveillance, analysis and physician prescribed transmission of daily and emergent data reports

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About LifeWatch Corp.

LifeWatch Corp., through its operating subsidiaries Lifewatch Services, Inc. and LifeWatch Technologies, Inc. (Instromedix) is an independent provider of ambulatory cardiac monitoring services and a manufacturer and distributor of ambulatory cardiac and vital signs monitoring devices in the United States. Its current services are used by physicians primarily to monitor patients who are suspected of having heart rhythm disorders, or cardiac arrhythmias, and its products are used by itself and by others in connection with providing cardiac monitoring services. LifeWatch is a wholly owned subsidiary of Card Guard AG, a leading healthcare technology and solutions provider listed on the Swiss Stock Exchange (CARDG). For more information, visit: www.lifewatch.com.