

## May 13, 2004

## Hospital Insurance Carrier Recommends the Use of Encision's Surgical Technology

BOULDER, Colo., May 13, 2004 -- /PRNewswire-FirstCall/ -- A multi-state hospital liability insurance carrier has recommended Encision's (Amex: ECI) surgical instrument technology in its 2004 risk management publication to their client hospitals.

In the recent 2004 publication, Strategies for Quality & Risk Management, a quarterly risk management service for client hospitals of OHIC Insurance Company, OHIC has advised:

"In a review of OHIC claims, several burn claims have been reported. One of the most common is the inadvertent tissue burn during laparoscopic surgery. These burns generally occur outside the field of vision of the surgeon which makes them difficult, if not impossible, to realize at the time of surgery."

"Fortunately, most of these events can be avoided through the use of active electrode monitoring, a technology that is currently available and endorsed strongly by several professional associations."

"OHIC strongly recommends consideration of this technology in all future purchases of electrified laparoscopic surgical instruments."

Encision's AEM® Surgical Instruments are 'shielded and monitored' to prevent stray electrosurgical burn injuries to unintended tissue, a well- documented patient safety risk in minimally-invasive surgery. AEM Instruments incorporate 'active electrode monitoring' technology to dynamically monitor the integrity of the instruments continuously during the surgical procedure, thus helping to prevent an inadvertent patient injury.

This technology has also recently been cited in the 2004 AORN Standards, Recommended Practices and Guidelines, published by the Association of periOperative Registered Nurses (AORN). In the newly published 2004 edition, AORN includes many references to the importance of using electrosurgical devices designed for optimal safety. Included are recommendations that hospitals use surgical instruments which incorporate 'active electrode monitoring' technology to reduce the risk of inadvertent patient injury.

OHIC Insurance Company, a subsidiary of Medical Liability Mutual Insurance Company (MLMIC), the largest provider-owned medical malpractice underwriter in the world, provides professional liability insurance services in 30 states nationwide. OHIC does not endorse any specific company or product; however, Encision's AEM surgical instruments are the only instruments on the market which incorporate the 'active electrode monitoring' design.

Encision Inc. designs and manufactures innovative surgical devices that allow the surgeon to optimize technique and patient safety during a broad range of surgical procedures. Based in Boulder, Colorado, the Company pioneered the development of patented AEM® Laparoscopic Instruments to improve electrosurgery and reduce the chance for patient injury in minimally invasive surgery.

For further information please contact:

Marcia McHaffie Controller Encision Inc. 303-444-2600 x101