



## **Tactile Medical Announces Update to Qui Tam Complaint**

February 24, 2020

MINNEAPOLIS, Feb. 24, 2020 (GLOBE NEWSWIRE) -- Tactile Systems Technology, Inc. ("Tactile Medical") (Nasdaq: TCMD), a medical technology company focused on developing medical devices for the at-home treatment of chronic diseases, announced today that the Company's motion to dismiss the qui tam complaint filed against the Company has been denied by the court.

"We are disappointed that our motion to dismiss was denied and we will continue to defend ourselves against these allegations as the litigation moves forward," said Gerald R. Mattys, Chief Executive Officer of Tactile Medical. "The judge's decision was in no way an indication of wrongdoing on our behalf, or a validation of the merits of the allegations; it merely represents a determination that there was sufficient information in the complaint to move to the next step in the process. We are now working expeditiously to respond to the complaint formally and will continue to update the investment community of material developments in the litigation process going forward."

### **Background:**

On February 13, 2019, the Company was served with a sealed amended complaint venued in the United States District Court in the Southern District of Texas, Houston Division, captioned United States ex rel Veterans First Medical Supply, LLC vs. Tactile Medical Systems Technology, Inc., Case No. 18-2871, which had been filed on January 23, 2019. The complaint was a qui tam action on behalf of the United States brought by one of the Company's competitors. The United States has declined to intervene in this action. The complaint was unsealed on March 20, 2019 and the Company filed a motion to dismiss on April 5, 2019. This motion to dismiss was denied on February 21, 2020.

### **About Tactile Medical**

Tactile Medical is a leader in developing and marketing at-home therapy devices that treat chronic swelling conditions such as lymphedema and chronic venous insufficiency. Tactile Medical's Mission is to help people suffering from chronic diseases live better and care for themselves at home. The Company's unique offering includes advanced, clinically proven pneumatic compression devices, as well as continuity of care services provided by a national network of product specialists and trainers, reimbursement experts, patient advocates and clinicians. This combination of products and services ensures that tens of thousands of patients annually receive the at-home treatment necessary to better manage their chronic conditions. Tactile Medical takes pride in the fact that our solutions help increase clinical efficacy, reduce overall healthcare costs and improve the quality of life for patients with chronic conditions.

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