

AngioDynamics Announces Reimbursement Codes and Rates for Its VenaCure Laser Therapy; New Codes Will Simplify Billing and Payment and Promote Acceptance of the Procedure

QUEENSBURY, N.Y., Nov 5, 2004 (BUSINESS WIRE) -- AngioDynamics, Inc., (Nasdaq:ANGO) today announced that the Center for Medicare Services (CMS) has established new procedural codes and reimbursement rates for its VenaCure endovenous laser ablation therapy for varicose veins. The codes and payment rates are contained in The Medicare Program Final Rule for the Calendar Year 2005 announced on November 3rd and will become effective on January 1, 2005.

The new codes, established by the American Medical Association, are 36478 for endovenous laser ablation therapy of incompetent vein, first vein treated, and 36479, endovenous laser ablation therapy of incompetent vein, second and subsequent veins treated in a single extremity. The physician payment for first vein treated is an average of approximately \$2,011 when performed in the office setting. Actual payments will be adjusted for geographic cost differences.

While these payment rates are applicable to Medicare, the Medicare payment has a strong influence on the establishment of the payment rate for private insurers.

"We have anticipated and worked toward this moment for a long time," stated Brian Kunst, Vice President of Regulatory Affairs and Quality Assurance for AngioDynamics. "The establishment of dedicated procedural codes and reimbursement rates for our endovenous laser procedure removes the primary obstacle to commercial acceptance of this innovative therapy. Difficulties encountered by physicians and hospitals in billing and obtaining adequate reimbursement will be eliminated as the new codes and reimbursement rates are incorporated into the payment systems of Medicare carriers and private insurers. Difficulties encountered by insurance companies in processing claims that lacked a dedicated code, and the resulting inconsistencies in reimbursement payment, will also be eliminated, allowing our customers to receive predictable and consistent payment. It is expected that the creation of these codes will also act as a catalyst in achieving additional positive coverage decisions by more insurance companies, allowing more people to take advantage of this less invasive and less costly alternative to traditional vein stripping."

In another important reimbursement announcement, the new endovascular ablation procedural codes were included in the 2005 payment rates established by CMS under the Hospital Outpatient Prospective Payment System published on November 2, 2004. This system governs payments to hospitals for supply, equipment, and overhead expenses incurred during an outpatient procedure. A single average payment rate of approximately \$1,538 applies to the new endovenous ablation codes for both laser and radiofrequency methods.

Commenting on the announcement, Eamonn Hobbs, President and Chief Executive Officer of AngioDynamics, said, "AngioDynamics commends all the professional organizations and affiliations that worked together to accomplish this important goal. It represents a turning point in establishing the economic feasibility of VenaCure laser therapy and will assure continued growth of this market and delivery of the best available treatment to more patients throughout the nation."

For additional information on the VenaCure laser vein treatment, contact David Doster at 1-800-772-6446, ext. 126, Email: DDoster@angiodynamics.com. You may also visit either the laser treatment web site at www.venacure.com or the AngioDynamics web site at www.angiodynamics.com.

About AngioDynamics

AngioDynamics, Inc. (www.angiodynamics.com) designs, develops, manufactures and markets innovative medical devices used in minimally invasive, image-guided procedures to treat peripheral vascular disease. It offers a broad line of therapeutic and diagnostic devices that enable interventional physicians, such as interventional radiologists, vascular surgeons and others, to treat peripheral vascular diseases and other non-coronary diseases. AngioDynamics' diversified product line includes angiographic catheters, hemodialysis catheters, PTA dilation catheters, thrombolytic products, image-guided vascular access products, endovascular laser venous system products, as well as drainage products.

The statements made in this document contain certain forward-looking statements that involve a number of risks and uncertainties. Words such as "expects", "intends", "anticipates", "plans", "believes", "seeks", "estimates," or variations of such words and similar expressions, are intended to identify such forward-looking statements. Investors are cautioned that actual events or results may differ from the Company's expectations. In addition to the matters described above, the ability of the Company to develop its products, market acceptance and future sales of the VenaCure™ Laser Vein Treatment System, results of the pending patent litigation with Diomed, future actions by the FDA or other regulatory agencies, results of pending or

future clinical trials, overall economic conditions, general market conditions, market acceptance, foreign currency exchange rate fluctuations, the effects on pricing from Group Purchasing Organizations, competition, including alternative procedures which continue to replace traditional fluoroscopic procedures, as well as the risk factors listed from time to time in the SEC filings of AngioDynamics Inc., including but not limited to its Form 10K for the year ended May 29, 2004, may affect the actual results achieved by the Company.

SOURCE: AngioDynamics, Inc.

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