



**MEDIA RELEASE**  
**Thursday 9 March 2017**

**MEDICAL DEVICE INDUSTRY SUPPORTS EVIDENCED-BASED REFORM, NOT ALTERNATIVE FACTS.**

The Medical Technology Association of Australia (MTAA) has today disputed a number of claims relating to the Applied Medical submission to the Senate Community Affairs inquiry into the Prostheses List (PL) framework.

The MTAA in its own submission outlines a number of reform options and fully supports a price disclosure model to increase transparency and accountability.

1. False claims of a “secret committee of lobbying groups” are wrong.

The [Department of Health](#) in its own submission to the Committee clearly articulates the process and working groups associated with the Prostheses List (PL). The identity of the organisations involved are publicly available and represented professional experts in this field and senior bureaucrats who do not deserve to have their integrity questioned.

2. False claims of \$800m in “unnecessary costs and higher premiums” are wrong.

The Department of Health in [Senate Estimates](#) in October last year acknowledged in its testimony this number is unrealistic and cannot be verified and the former chief executive of the Private Health Insurance Administration Council, Shaun Gath, said this was “just an insurer fantasy.”

3. False claims the Pharmaceutical Benefits Scheme (PBS) includes public and private and overseas data are wrong.

The PBS price disclosure does not use international or public pricing to set the prices. It is based on comparison of prices and volumes across the private sector only. These requirements are set out in the *National Health Act Regulations*.

**Ian Burgess, Chief Executive of the Medical Technology Association of Australia said:**

“Last year in Australia more than 2.5 million surgeries took place, for each and every one of these surgeries medical technology played a part.

“Despite nearly one in four patients of Australian hospitals requiring surgery (24 per cent) the Prostheses List accounts for 1.2 per cent of the entire health budget.

“The MTAA is very disappointed by the claims, which are simply wrong. We’ve publicly stated our support for reform of the PL including a price disclosure model which will deliver increased transparency for all stakeholders.

“The initial \$86m cut to the Prostheses List has already had huge ramifications. Any further arbitrary cuts will have an impact on patients.

“We’ve been, and remain, fully supportive of the Government’s efforts to achieve lasting and meaningful fact based reform of medical device benefits.

“The MTAA considers its reform proposal for price disclosure remains the best reform option to implement with the lowest risk to patients.

“We look forward to discussing our submission in detail with the Senate Community Affairs Committee next week.”

**ENDS**

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**NOTES TO EDITORS**

MTAA submission to the Senate Community Affairs Committee PL framework inquiry can be found [here](#)

**Did you know?**

1. The medical technology industry currently employs more than 19,000 people and generates approximately \$11 billion in revenue.
2. The industry is highly skilled with over 52% of employees having a tertiary qualification, and 25% having a postgraduate qualification.
3. More than half of Australian medical device companies have grown from start-ups. 40% of all medical device businesses have been established since 2000.
4. In 2013-14, Australia exported medical devices to 167 different countries around the world for a total value of \$2.1 billion.
5. Medical technology (7.76%) is second only to Civil Engineering (8.5%) and pharmaceuticals in third (6.3%) when it comes to filing patents for innovative technology.

**About MTAA**

The Medical Technology Association of Australia (MTAA) is the national association representing companies in the medical technology industry. MTAA aims to ensure the benefits of modern, innovative and reliable medical technology are delivered effectively to provide better health outcomes to the Australian community.

MTAA represents manufacturers and suppliers of medical technology used in the diagnosis, prevention, treatment and management of disease and disability. The range of medical technology is diverse with products ranging from familiar items such as syringes and wound dressings, through to high-technology implanted devices such as pacemakers, defibrillators, hip and other orthopaedic implants. Products also include hospital and diagnostic imaging equipment such as ultrasounds and magnetic resonance imaging machines.

MTAA members distribute the majority of the non-pharmaceutical products used in the diagnosis and treatment of disease and disability in Australia. Our member companies also play a vital role in providing healthcare professionals with essential education and training to ensure safe and effective use of medical technology.