



MEDIA RELEASE
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MEDICAL TECHNOLOGY INDUSTRY SUPPORTS CALLS FOR INCREASED TRANSPARENCY

The Medical Technology Association of Australia (MTAA) has welcomed the Senate Community Affairs inquiry recommendations into the value and affordability of private health insurance and out-of-pocket medical costs.

Transparency was a clear theme among the 19 recommendations made by the Committee.

Some of those recommendations were the direct result of the evidence from MTAA, including calling on the Government to ask the appropriate body (such as the Australian National Audit Office, Department of Health, Australian Prudential Regulation Authority, Australian Competition and Consumer Commission or the Private Health Insurance Ombudsman) to report in 12 months on whether the benefits from the Prostheses List reforms are being passed on to consumers.

Further, recommendation 10 calls on the Government to review current regulations to allow private health insurers to rebate out-of-hospital medical treatment where it is delivered, on referral, in an out-patient, community or home setting.

MTAA outlined several opportunities during the inquiries to improve the value of private health insurance including the use of medical technology to facilitate innovative healthcare interventions and innovative models of care outside the hospital setting, including telehealth, remote monitoring and home dialysis.

Finally, recommendation 15 that Government amend relevant legislation to require all private health insurers disclose executive remuneration and other administrative costs.

The Committee acknowledged several factors were increasing underlying costs for private health insurers, but it also noted the substantial profits that insurers were recording: *“To a certain extent that undermines their argument that underlying costs are driving up premiums.”*

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

“MTAA welcomes the recommendations in this report to improve transparency and given more than 290 submissions from stakeholders were received by the Committee, we look forward to the response from Government.

“We’re pleased the Committee recognises the importance of ensuring that every dollar of the \$1.5 billion in prostheses benefit reductions is passed onto the 13.5 million private health insurance customers.

“We believe access to a full range of medical technology is the most valuable component of a Private Health Insurance policy and we’re committed to doing what we do best – assist patients lead healthier and more productive lives.”

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Did you know?

1. The medical technology industry currently employs more than 19,000 people.
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. 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.