



**MEDIA RELEASE
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DON'T BE FOOLED BY THE \$1,800,000,000 THAT THEY'VE GOT

Quarterly reports by the Australian Prudential Regulation Authority (APRA) have exposed the continued profit gouging of the private health insurance industry, and their insincerity when crying poor.

According to the key performance metrics for the past 12 months, corporate insurance executives have experienced another stellar year raking in \$1.8 billion in after tax profit, a whopping 229.3% increase from last year.

The corporate insurance industry is yet again taking advantage of COVID-19 restrictions to hospital surgeries, pocketing the premiums they didn't pay out rather than refunding them back to consumers who've had to go without surgeries.

Despite the insurance lobby's continued false and dishonest campaign about medical devices, the latest data showed that the percentage of hospital benefits paid for prostheses barely changed, in fact, declining slightly over the past 12 months.

MTAA CEO, Ian Burgess, called out insurers' continued profiteering off the back of the pandemic and their unjustifiable 'management expenses', all the while trying to force consumers to pay higher premiums in exchange for less services and benefits.

"It shows just how little insurers think of the Australian public, that they're falsely claiming the cost of prostheses – which only makes up 10% of total benefits – is the cause of rising premiums, while their own management expenses – which pay for executive salaries, bonuses and expensive offices – have increased 6.6% to \$2.5 billion," Mr Burgess said.

"Insurers have continued to benefit from reductions in medical device pricing, with average benefits paid for devices falling 15% over the last five years. The truth is insurers spend more on themselves and management fees than they do for life-saving medical technologies for patients."

Since the start of the pandemic, insurance companies have amassed \$1.4 billion in COVID cash which they're calling 'deferred claims liabilities' which is the money they were supposed to pay out to consumers who needed surgeries but instead pocketed it when surgeries were suspended.

MTAA is calling on whom ever forms government after the next election to investigate insurer's COVID profits and introduce legislation to require insurers to refund this \$1.4 billion directly back to Australians.

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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.