



MEDIA RELEASE
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Insurers Take Australians For April Fools

Private health insurance premiums have today increased by over 2.7%, the second increase in six months, with some Australian families being forced to face premium increases as high as 5.47% - a whopping six-times inflation.

Corporate health insurers are treating Australians like April Fools if they truly believe struggling families will cop a second hike in their premiums in the span of just six months, despite APRA data showing that in the three months to December 2020, insurers profits increased by 205.4%.

Despite raking in mega-covid-profits, the corporate health insurer's lobby group, Private Healthcare Australia (PHA), claims "medical device prices are the largest driver of the 1 April premium increases". Unfortunately for PHA, those claims do not add up given medical device costs make up less than 10% of the benefits insurers are required to pay, as well as the fact the total cost of devices for insurers has decreased by 3.95% in 2020.

Medical Technology Association of Australia CEO, Ian Burgess, said the scare campaign by corporate health insurers is being used to distract from their unjustifiable back-to-back premium increases and to push the Federal Government into radical, so called, reforms that would abolish patient access and surgeon choice guaranteed by the Prostheses List.

"It's hard to fathom how insurers can increase premiums on Australians by more than six-times inflation, rake in mega-profits of 205.4% in the last quarter, and still claim they're doing it tough," Mr Burgess said.

"Enough is enough, it's time for corporate health insurers and their lobbyist at PHA to stop playing politics and come to the table with MTAA and work through real and meaningful solutions to ensure Australians have access to the life-saving and life-changing medical devices, chosen by their surgeons and not insurers."

MTAA has joined with the Australian Medical Association (AMA), Australian Private Hospitals Association (APHA) and Consumer Health Forum (CHF) to issue a joint statement opposing the changes being pushed by corporate health insurers that would see the patient access and surgeon choice guarantee of the Prostheses List abolished and replaced with a managed care system where insurers would be able to influence what device a patient would or would not get access to.

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Did you know?

1. During COVID-19 the Medical technology industry provided 7,500 ventilators, tens of millions of COVID-19 testing kits, and countless items of PPE including masks and gowns.
2. The medical technology industry currently employs more than 19,000 people.
3. The industry is highly skilled with over 52% of employees having a tertiary qualification, and 25% having a postgraduate qualification.
4. More than half of Australian medical device companies have grown from start-ups. 40% of all medical device businesses have been established since 2000.
5. In 2013-14, Australia exported medical devices to 167 different countries around the world for a total value of \$2.1 billion.
6. 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.