

MEDIA RELEASE
24 May 2023

MTAA CALLS FOR SAVINGS TO BE PASSED ON TO CONSUMERS

The Medical Technology Association of Australia (MTAA) has called for greater transparency and controls on corporate health insurers to ensure savings are passed on to consumers.

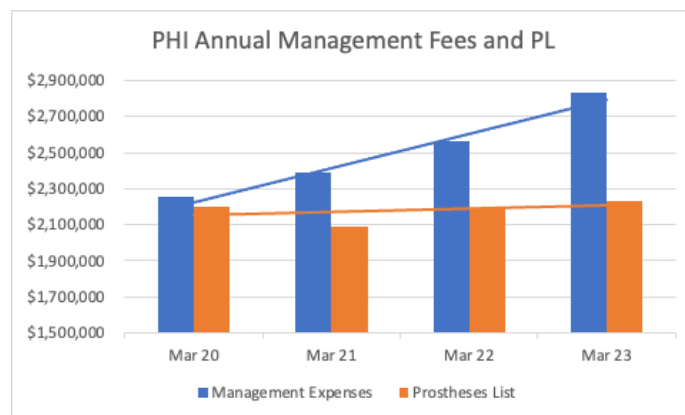
Data released today by the Australian Prudential Regulator Authority (APRA), revealed benefits paid by insurers for medical devices on the Protheses List have continued to drop.

MTAA CEO, Ian Burgess, said the data showed Protheses List reforms were continuing to deliver significant savings to health insurers, which now total more than \$2.1 billion since 2017.

“What we are seeing is a continued decline in the benefit levels for medical devices, delivered by the MedTech industry, but which are yet to be passed on to consumers by corporate health insurers in full,” Mr Burgess said.

“Despite the increase in utilisation, APRA’s data shows that the total benefits paid for medical devices dropped by 8.9% in March 2023, compared to December 2022 – a clear result of the ongoing reforms to the Protheses List.

“The MedTech industry is continuing to play its part to help ease cost-of-living pressures for Australians, it’s well time a mechanism was introduced by government to compel corporate insurers to pass on the savings, delivered by our industry, to consumers.”



Quarterly APRA data has revealed that while corporate health insurers paid less for medical devices, insurers have again increased their management expenses by more than \$29 million, up 4.3% over the last quarter. The APRA data also showed, in this quarter, health insurers spent \$184 million more on management expenses than on medical devices for patients. In the year ended March 2023, insurers spent \$600 million more on management fees than on medical devices.

ENDS

Media contact: (02) 9900 0600 | media@mtaa.org.au

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.