



MEDIA RELEASE
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MTAA SLAMS PHA PROFIT SEEKING PROPAGANDA

The Medical Technology Association of Australia (MTAA) has slammed the biased insurer-orchestrated smear campaign covered by the ABC's 7.30 Report.

MTAA CEO, Ian Burgess, said the story represented a new low for the corporate insurers' lobby group, Private Healthcare Australia (PHA), as they waged a negative smear campaign to remove patient access to life-saving medical technologies, and the in-theatre technicians who are there to help ensure their safe and effective use during vital operations.

"We know why PHA is running this smear campaign against in-theatre technicians: it's because their members – led by Medibank, Bupa and NIB – do not want to pay for patients to have that support any longer," Mr Burgess said.

"The story should be called out for what it is, a propaganda piece by PHA and its members. We know the main complainant in the story, Guy Towart, is a paid consultant for the corporate health insurance lobby, and who was there simply to peddle the insurers' falsehoods and disinformation. Thankfully, there are many more voices in the health sector who are standing up for patients and the important work in-theatre technicians do."

The Australian Orthopaedic Association has acknowledged the vital work in a recently reissued public statement which noted that in-theatre technicians' "specific product knowledge, expertise and continuity can enhance the instrument handling efficiency of the case and contributes to patient safety and better outcomes... [in-theatre technicians] also assist with identification of implants from the hospital's consignment stock, by type and size, so that operating room staff can provide the specific devices required for implantation by the surgeon."

The shameful and dishonest attacks from the corporate insurance lobby, and their paid consultants, on in-theatre technicians follow a recent exposé in The Australian newspaper that revealed corporate health insurers have profiteered on the back of the pandemic to the sum of \$2.1 billion. We know from recent Australian Prudential Regulatory Authority (APRA) data that corporate health insurers are holding onto their customers' money from delayed surgeries, instead of giving it back, as they had promised.

In addition to hoarding \$2.1 billion of their customers' money, the latest APRA data released on 22 November shows that insurers like Medibank, Bupa and NIB, have increased their premium revenue by \$629 million in the year to September 2022 and, of that, insurers spent a whopping \$212 million (one third) on increased management expenses. This was while their spending on medical devices fell by \$122 million for the year. Insurers management fees - executive salaries, bonuses, perks, and excessive marketing – also reached an all-time high of \$2.6 billion. This all the while Australian families continue to struggle with the cost-of-living crisis.

Unfortunately, what we are seeing right now is Medibank, Bupa, NIB and others stepping up their aggressive campaign to maximise profits at the expense of patients.

They are demanding deeper and faster cuts to life-saving medical devices and technical support services without regard for how this impacts patient access to medical technology, how it impacts our clinicians and hospitals, or how it impacts the value proposition for having private health insurance.

Rather than focusing on ways to cut benefits and vital support services for patients, insurers should look inward at ways they can help cut their own costs by putting patients, not profits, at the centre of their decision-making. If insurers won't then MTAA, and other key stakeholders in the health sector, believe they should be made to. That's why MTAA has called on the Government to investigate insurers' profiteering and practices.

The PHA story at a glance:

1. The person making the misleading accusations is a paid consultant for the private health insurance lobby,
2. The story that aired made no direct mention of the statement by the Australian Orthopaedic Association that strongly supports in-theatre technicians,
3. The story omitted the strong and vocal support for in-theatre technicians by private hospitals,
4. The insurance lobby's spokesperson, Rachel David, made false claims that went unquestioned by the journalist,
5. The story failed to question why insurers' premiums went up when surgeries went down,
6. Multiple stakeholders have publicly refuted the insurers' positions but weren't interviewed for the story,
7. Insurers, again, relied on spin and falsehoods rather than actual evidence of any ongoing systemic problems.

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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.