



MEDIA RELEASE

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TIME FOR CORPORATE HEALTH INSURERS TO FRONT UP ON SAVINGS

The Medical Technology Association of Australia (MTAA) has called on the corporate health insurance industry to commit to publicly outlining how they will pass on savings to consumers.

While MTAA has been actively working with key stakeholders across the health sector for positive reforms that continue the downward trajectory of device costs, while ensuring the Prostheses List's patient access and surgeon choice guarantee is protected, the corporate health insurance lobby, Private Healthcare Australia (PHA), has continued to put their members profit needs before patient needs.

This week PHA took their spin and misinformation digital, launching a microsite attacking the patient access and surgeon choice guarantee of the Prostheses List, and offering no real constructive positive reforms, except for continuing to push for managed care, which has already been widely rejected by doctors, private hospitals, consumer groups and MedTech innovators.

MTAA CEO, Ian Burgess, said it was time for the corporate health insurance lobby to stop playing politics, end their misinformation campaign, and come to the table with a credible commitment to cut premiums and pass the \$1.2 billion in savings that have already been delivered by MedTech innovators.

"The average benefit level per device has continued to decline over the past four years by 14% and the latest Australian Prudential Regulatory Authority (APRA) data shows that in the last year alone corporate health insurers paid 5% less in total for medical devices," Mr Burgess said.

"What PHA's misinformation campaign also won't tell you is that the proportion that devices represent of insurers total benefit payments has dropped to just over 9%, despite more patients, an increase in chronic disease and an ageing population.

"The truth is patients are getting access to more and paying less – or so they would be if insurers passed on the savings."

Supported by other key health stakeholders, MTAA has put forward the most comprehensive plan for Prostheses List reform, ever, which would deliver at least \$750 million in additional savings, over four years, on top of the \$1.2 billion already being delivered. However, corporate health insurers are yet to pass on those savings to consumers or outline exactly how they will be held accountable for passing on to patients the additional savings from reforms – trusting their word isn't enough. It is time for corporate health insurers to front up on how and when they'll pass on these savings.

ENDS

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