



MEDIA RELEASE

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MEDTECH INDUSTRY MARKS \$1.2 BILLION SAVINGS MILESTONE, WHILE INSURERS POCKET THE CASH

The Medical Technology Association of Australia (MTAA) has today marked a milestone for delivering savings for medical devices of more than \$1.2 billion since February 2017.

Data released today by the Australian Prudential Regulatory Authority (APRA) showed the cost of medical devices has continued to decline as a direct result of efforts made by Medical Technology (MedTech) innovators to help Aussie families reduce their skyrocketing private health insurance premiums.

The data also showed the number of devices used in March fell by 7%, with benefits paid by insurers falling by 8% compared to the previous December 2020 quarter. Running contrary to the claims by the corporate health insurance lobby, APRA's numbers show that General Miscellaneous use also declined by 10% over the last year, saving insurers nearly \$30 million.

MTAA CEO, Ian Burgess, said the \$1.2 billion savings milestone was worth acknowledging, given MedTech innovators had simultaneously delivered savings for Aussies and played a vital role in supporting the Government's COVID-19 response efforts by securing much needed ventilators, testing kits and PPE for frontline health workers and patients.

"The MedTech industry is proud to be going above and beyond in answering the call to support Australia's healthcare needs, whether delivering savings on medical devices or coordinating its taskforce to help Australia through this pandemic, we've been there," Mr Burgess said.

"But despite the efforts of MedTech innovators to play our part to help, we've witnessed a continued and deliberate misinformation campaign run by the corporate health insurance lobby that has falsely claimed medical device costs as their excuse for lining their pockets with premium hikes on struggling Aussie families."

The most damning revelations from the APRA data showed big corporate health insurers have piled up \$2 billion¹ into their COVID cash coffers in the past year alone.

Corporate health insurers have continued to hide their real profit numbers behind some clever accounting which saw them bring forward \$1.8 billion in deferred claims liability, that have yet to be reimbursed to policy holders.

MTAA is calling on corporate health insurers to follow its lead in helping reduce premiums by ending the misinformation campaign on medical devices, pass on MedTech's \$1.2 billion in savings, and return the money they've taken from Aussie families through their deferred claims liability.

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¹ Increase in cash, equities and interest-bearing assets.