

MEDIA RELEASE

11 May 2021

MTAA OPTIMISTIC AS GOVERNMENT REJECTS INSURER LED PUSH TO ABOLISH PROSTHESES LIST

The Medical Technology Association of Australia (MTAA) has welcomed the Government's decision to retain the Prostheses List as part of its Budget night health announcements on reforms to private health insurance.

Despite the high-level detail in the Budget announcement, MTAA remains cautiously optimistic ahead of Wednesday's post-Budget briefing of key industry stakeholders by the Department of Health.

Doctors, private hospitals, medical technology companies and patients remain committed to Prostheses List reforms that ensure the patient access and surgeon choice guarantee is retained.

MTAA CEO, Ian Burgess, said stakeholder industry groups were ready to see positive Prostheses List reforms that ensure patients continue to have access to the best life-saving medical technologies with no out-of-pocket costs.

"MTAA has put forward the most comprehensive proposal for positive Prostheses List reform with improvements that are delivered in collaboration with industry via a new MTAA-Government Agreement," Mr Burgess said.

"Tonight's announcement has ensured the Department of Health is well resourced to engage in broad consultation during the Prostheses List reform process. MTAA looks forward to working with the Government to ensure the future of the Prostheses List and also the Budget commitment to new streamlined pathways for listing devices is delivered."

Tonight's Budget contained \$23.1 million over four years from 2021-22 (and \$2.1 million per year ongoing) to modernise and improve the administration of the Prostheses List. It is essential that, during this period, the Department of Health engage across the whole sector to ensure the final reforms best support patients and clinicians.

Despite the campaign of falsehoods lead by corporate health insurers, the MedTech industry has repeatedly delivered savings to ensure the sustainability of the private healthcare system. It has been MedTech innovators that have been the sole financial contributor to keeping private health insurance premium increases to their lowest level in 20 years, and on track to deliver savings of \$1.1 billion.

Other Health Sector specific highlights from this year's Budget included:

- Access to a 17% tax rate for MedTech innovators for income derived from patents held in Australia via a Patent Box tax regime. This has been an advocacy priority for MTAA, and now delivered after seven years of work,
- \$6.0 million to extend the National Partnership Agreement, Encouraging More Clinical Trials in Australia, and removing barriers for conducting clinical trials, and
- \$36.0 million over four years from 2021-22 (and \$1.6 million per year ongoing) to expand the Health Products Portal to provide a single digital channel for industry to manage applications to list products and services on the Pharmaceutical Benefits Scheme, Medicare Benefits Schedule, Prostheses List and the National Immunisation Program

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