

## MEDIA STATEMENT

Friday 5 February 2016

### MTAA welcomes industry working group to improve patient access to medical technologies

The Medical Technology Association of Australia (MTAA) has welcomed Minister Ley and the Turnbull Government's announcement to establish an industry working group represented by health insurers, medical device manufacturers and suppliers, hospitals, clinicians and consumers.

Medical devices treat disease and disability and save lives. MTAA is focused on working in partnership with the government and all stakeholders to deliver reforms that improve patient access and surgeon choice to life saving medical technologies.

"MTAA wants to ensure any major policy changes proposed in the private health insurance sector are carefully considered and evidence based. We congratulate the Turnbull government's sensible approach to consultation with a focus on patient centred reform", said MTAA Chief Executive Susi Tegen.

"That's why we strongly support the Government taking this important step to form a group of stakeholders with the ability to develop a model for prostheses reform that will ensure continued patient access and surgeon choice to medical devices".

MTAA is concerned much of the recent commentary critical of the Prostheses List ignores the important key facts:

- Private health insurance premium increases have been **more than 6%** per annum, or **35% since 2010**.
- Growth in the average benefit paid per item on the Prostheses List between 2010 and 2015 was **zero**
- Prostheses benefits represent only **14%** of hospital treatment outlays, compared to **16%** for medical benefits and **70%** for hospital accommodation benefits

Unfortunately, private health funds are claiming this price growth as though it is growth in the cost of medical devices themselves. This is simply not true. The facts show that overall costs of prostheses are increasing because more people are accessing them, not because the actual cost of the devices themselves are increasing.

"MTAA recognises there are concerns with the delivery and cost of healthcare including, prostheses pricing. However, we don't want to see ill considered policy approaches such as removal of the Prostheses List or arbitrary cuts to every item on it."

"It is critical that the current review ensures that moving forward there is greater transparency with regard to health insurance policies. This will help ensure patients get the best value from their private health insurance cover, including patients living in rural and remote areas."

"We are pleased that Minister Ley and Government have consulted, listened and established a process where health funds, government and prostheses manufacturers can seek a review where pricing discrepancies may exist. This will ensure necessary changes can be made while preserving the foundations of our private health insurance system which are patient access and surgeon choice to the most appropriate medical technologies for their patients."

"The MTAA look forward to making a constructive contribution to this important process to ensure the sustainability of medical technology for all Australians."

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