

 ST. JUDE MEDICAL



3rd August, 2006

STANDING COMMITTEE
- 9 AUG 2006
ON HEALTH AND AGEING

Mr James Catchpole
Secretary
Standing Committee on Health & Ageing
House of Representatives
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Parliament House
Canberra ACT 2600

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Dear Mr Catchpole,

Medical Devices – Gaps in Approvals and Reimbursement

Australia's Health System is facing many challenges, but considering the size of our country, the number of governments and departments involved and the huge diversity of needs, the system continues to be a world leader in comprehensive care. Some countries do some things better for a few people but no other nation's health system provides so much to so many, and St Jude Medical is proud to be an active participant. However, there are always improvements which can be made to even Australia's excellent system, and the most-needed improvements relate to a number of essential medical devices.

I would be grateful if you would take a minute to note the following serious anomalies:

Lack of Patient Access to Implantable Devices

New technology is available in the public sector as soon as a device receives TGA approval.

In contrast a product may not be available in the private sector for up to 11 months due to the lengthy reimbursement decision process. Nowhere is this situation more apparent than when two patients undergo the same procedure:

The public patient has access to the very latest device, whereas the private patient does not.

This makes private health insurance less attractive and, more importantly, creates health care risks that can be avoided.

Inadequate Funding for Non-implantable Devices

Many non-implantable products, which by current rules are not eligible for reimbursement by private Health Funds, are beyond the capacity for private hospitals to pay for themselves and still allow the procedure to be financially viable. Private patients are having procedures cancelled that may well be curative and the cost of their continued care is being met by other sectors of the health system. Uncertain reimbursement for non-implantable technology is slowing the uptake of technology in the private sector.

There are of course, many changes in assessment and compensation procedures which could be made - no system is perfect – but the above two issues are among those most in need of urgent reform. The present situation is both confused, illogical and unfair.

When next you have the opportunity – either with colleagues, Committee members or Health staff – we would be grateful if you would seek immediate correction.

If you have any questions or need further information please do not hesitate to telephone Sarah Griffin, Regulatory Affairs/Clinical Research Dept. on 0404 806 557.

With kind regards.

Sincerely,



Geoff Stevens
Managing Director