

Dear Secretariat,

In light of testimony provided this morning by officials of the Department of Health and Ageing to the Inquiry into Private Health Insurance (National Joint Replacement Register Levy) Bill 2009, MTAAs would like to provide several comments to the Senate Community Affairs Legislation Committee:

1. **Conflict of interest** - the UK National Joint Registry has industry members on its Steering Committee which has not been prevented by the perception of a conflict of interest. Joint replacements can fail for a number of reasons including as a result of the implant and the manner of surgical implantation and accordingly it will be important to balance all competing conflicts of interest in the management of this important resource. It is also notable that the Prostheses and Devices Committee with its very significant clinical and benefit setting responsibilities has had industry representation for five years and conflict of interest has not been considered an issue.
2. **UK Levy** - The Department of Health and Ageing officials have understated the difference between their proposal and the manner of the UK levy. The UK levy is based on an amount per procedure collected by the manufacturer which is essentially a utilisation driven process. The Department's proposal is related to listings in the Prostheses List and the legislation if passed, will provide no obligation to consider utilisation in determining the amount of the levy.
3. **Consultation** - while the Department advises that it briefed the Medical Technology Association of Australia on this budget measure there has been no exchange of views on how best to implement this legislation through the rules. Although the Department intends that the levy on listings could be as low as zero, they conceded that they do not have accurate utilisation data on which they will presumably base exemptions. This is a process which should be understood as being practical and achievable before the legislation is passed.

Yours sincerely,

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