



Lifehealthcare

4 June 2009

Senate Community Affairs Committee
Via email: community.affairs.sen@aph.gov.au

Dear Secretariat,

I am writing in response to the Private Health Insurance (National Joint Replacement Register Levy) Bill 2009.

As one of the members of the industry that is directly affected by the proposed Bill, I find it imperative that I communicate my concerns and independent review of the proposal given the lack of thoughtful consideration towards the impact of such a Bill. Certainly this kind of proposal should follow appropriate consultation to achieve a result fairly across the spectrum of stakeholders, and there has been no consultation so far from the Department of Health and Ageing with the industry on this matter.

Some initial queries that have come from news of this Bill are as follows:

- What do the payers of this Levy receive in return for the payment?
- Will the Levy facilitate and provide more detailed and regular information for those payers?
- What is the expected amount of contribution for the payers, and is this amount directly proportionate to the quantity of items on the registry or volume of those that are implanted?
- Are the revision systems not listed on the NJRR exempt from contribution?

As a provider of medical solutions to Australia's physicians, I fear that this levy may well jeopardise the commercial viability of both current and future innovations, particularly revision items that may have low utilisation. As the public sector benefits from the NJRR (which is why Government has funded the registry since 1998), I find it inappropriate and unjust to be channeling costs through private health arrangements, with the aligned Levy applicable to simply one stakeholder group and no costs attributed to the plethora of others, which negates the reason the NJRR was established and why industry contributed to the setup some 11 years ago.

I hope that this Bill is reconsidered and future developments achieved through consultation with industry. I look forward to hearing of its review.

Yours sincerely

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Chief Executive Officer

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