



**zimmer**

**Zimmer Pty. Ltd.**

A.C.N. 096 480 992 • A.B.N. 96 096 480 992

Unit 1, 1 Skyline Place, Frenchs Forest 2086  
Locked Bag No. 310, Frenchs Forest, N.S.W 1640 Australia.  
Telephone: (02) 9950 5400 Fax: (02) 9975 1438

5 June 2009

To Whom It May Concern:

Zimmer Pty Ltd is a manufacturer and supplier of orthopaedic implants of the type listed on the prosthesis list. We are a member company of the Medical Technology Association of Australia (MTAA) and are writing to you to express our deep concern regarding the proposed changes to the funding model for the AOA National Joint Replacement Registry (NJRR).

Zimmer has been a strong supporter of the NJRR since its inception, and was a contributor of funding for the initial pilot study. The Registry has evolved into an effective post-market surveillance tool for orthopaedic surgery, and as such, benefits many key stakeholders.

The most important beneficiaries are all patients who receive an implant during an elective procedure, whether it is performed in a public hospital or private hospital. Currently this ratio is approximately forty percent public and sixty percent private.

Orthopaedic surgeons are, of course, major beneficiaries of the registry, which allows them to compare their own clinical results with the national totals.

The PDC and health insurance companies benefit greatly from the registry by being able to monitor the clinical performance of devices and compare the clinical effectiveness of the procedures.

The TGA also benefit by being able to use the registry reports to react quickly to investigate implants and/or procedures that have a higher than expected revision rate.

Sponsors, we included, are also able to use the registry data to quickly investigate when one of our implants is involved in an unusually high number of revisions, or conversely, make favorable comments in our promotional activities if our implants are performing well.

Based on the list of key stakeholders previously mentioned, we feel strongly that it is inappropriate to place the entire burden of the cost of maintaining the NJRR solely on sponsors.

We would ask that you consider adapting a funding model similar to the types used in the UK and New Zealand, where a levy is collected on each procedural invoice by the sponsor supplying the implants for that procedure. The administrative cost of collecting this levy is borne by the sponsors, who then add their contribution and



Quality  
Endorsed  
Company  
ISO9002  
QEC LIC. 12957  
Standards  
Australia

Phone: Enquiries (02) 9950 5400; Customer Services (02) 9950 5444; Nationwide Toll Free 1800 803 263

pass on the total levy to the registry at agreed intervals (quarterly, half-yearly or annually).

The benefits of this model are many.

- 1) The cost of maintaining the registry is shared amongst the key stakeholders - the sponsors, the health insurance companies (for surgeries in private hospitals) and the State Governments (for surgeries in public hospitals).
- 2) The levy is based on volumes and will increase each year as the usage of implants increases. It is therefore more equitably distributed amongst the sponsors and other contributors.
- 3) A levy system, similar to the one described, has delivered a sustainable source of funding over the medium to long-term in the UK and New Zealand.

Obviously, the details of this funding model will need further discussion and consultation, but we appreciate your offer to provide input, and we look forward to your response.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Cooper', with a long horizontal flourish extending to the right.

**JOHN COOPER**  
**Vice President - Australia, New Zealand & India**