



# STRENGTHENING AUSTRALIA'S HEALTH SYSTEM

PRE-BUDGET SUBMISSION

PREPARED BY MTAA

JANUARY 2024

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## About MTAA

### Medical Technology Association of Australia

The Medical Technology Association of Australia (MTAA) is the national association representing companies in the medical technology (MedTech) industry. MTAA aims to ensure the benefits of contemporary, innovative, and reliable medical technology are delivered effectively and sustainably to provide better health outcomes to the Australian community.

MTAA represents manufacturers and suppliers of MedTech used in the diagnosis, prevention, treatment and management of disease and disability. The MedTech industry is diverse, with medical products ranging from frequently used items such as syringes and wound dressings, through to high technology implantable devices such as pacemakers, defibrillators, bone and joint replacements, and other digital health products and services.

MTAA members provide all of Australia's healthcare professionals with essential product information, continuing education, and training to ensure safety and to optimise the effective use of MedTech. Our members design, manufacture and circulate virtually every medical product used in the management of disease, disability and wellness in Australia.

### About MedTech in Australia

The MedTech industry is one of the most dynamic advanced manufacturing sectors in Australia and provides substantial health improvements and high-level employment opportunities to Australians and grows Australia's technology exports. Through innovation, this industry will continue to expand and share its discoveries with the world.

Over 2.5 million patients per year are served with medical technology, saving countless lives.

MedTech not only saves lives but - as demonstrated in the treatment and management of type 1 diabetes by insulin pumps and continuous glucose monitoring – its use can also significantly improve patients' quality of life.

#### SAVING LIVES THROUGH EARLIER DIAGNOSIS



**>500,000**

Every day, more than **HALF A MILLION** pathology and diagnostic services are delivered to detect and diagnose disease and chronic illness, including cancer, stroke, diabetes and CVD.<sup>i</sup>

MedTech plays a crucial role in treating the top five most burdensome disease groups which account for close to two-thirds of the Australia's disease burden.<sup>i</sup> This shows MedTech's significant contribution to not only making Australians healthier, but also to decreasing stress on the wider health system.

The MedTech industry contributes significantly to the broader Australian economy, adding \$5.4 billion GDP and supporting over 17,000 direct and 51,000 total jobs. Australian MedTech exports \$1.95 billion

**51k**

#### SUPPORTING AUSTRALIAN JOBS:

MEDTECH EMPLOYS AN ESTIMATED 17,000 PEOPLE IN AUSTRALIA and a further 34,000 people through jobs that support and supply the industry.

overseas, contributes to over 4,000 manufacturing jobs, and has been experiencing revenue and employment growth, which is projected to continue.<sup>ii</sup>

Despite representing a relatively small market globally, Australia ranks as a prominent developer of MedTech worldwide and, according to the Worldwide Medical Device Factbook, is 13<sup>th</sup> in terms of

total market value. From the smallest sutures and neurosurgical coils to the largest linear accelerators, MedTech provides the platform from which healthcare is delivered.

### Executive Summary and Key Recommendations

MTAA's pre-Budget submission outlines a series of initiatives that, if introduced, would lead to improved patient outcomes and greater opportunities for Australia's MedTech industry to support patients both in Australia and around the world.

MTAA invites government to consider the below summarised key recommendations which are further detailed in the body of this submission.

MTAA thanks the Government for the opportunity to contribute to the 2024-25 Budget and looks forward to further collaboration regarding MTAA's key recommendations.

#### Key Recommendations:

|                      |                                                                               |
|----------------------|-------------------------------------------------------------------------------|
| Key Recommendation 1 | Appropriately Fund and Reform the Prescribed List (PL)                        |
| Key Recommendation 2 | Introduce Funding Pathway for Digital Health Applications                     |
| Key Recommendation 3 | Review and Reform Private Health System                                       |
| Key Recommendation 4 | Increase TGA Funding to Ensure Patient Access to Medical Devices              |
| Key Recommendation 5 | Increase Access to Radiation Oncology                                         |
| Key Recommendation 6 | Decrease Fees Payable by MedTech Industry                                     |
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| Key Recommendation 8 | Invest in Diabetes Treatment                                                  |

## Key Recommendation 1 – Appropriately Fund and Reform the Prescribed List (PL)

### Problem 1 (General Use Items):

Private health insurers are only required to pay medical device companies for General Use Items (GUIs) used in private hospitals and clinics if they are listed on the Prescribed List (PL).

The Government has planned to remove nearly 500 GUIs valued at over \$200 million from the PL on 1 July 2024. The items being removed are essential for use in surgeries.

The Government's present policy is to rely on negotiations between insurers and hospitals to cover these items, however there is no evidence a solution can be negotiated for private health insurers to appropriately fund GUIs without government intervention.

### Problem 2 (Regrouping of the PL):

Ongoing PL reforms will consolidate the PL into fewer groups.

This approach risks both conflating technologies that are distinct and undermining the Government's commitment to ensure regroupings are savings neutral.<sup>iii</sup> This consolidation should not be rushed to avoid unintended consequences.

### Problem 3 (Account for Cardiac Technical Support Services):

Patients are at risk of losing access to service and support for their cardiac implantable electronic devices (CIEDs) (such as pacemakers, defibrillators and implantable loop recorders) if planned PL benefit reductions don't account for these services. Removal of these services could lead to cost-shifting to the public sector, increases in patient out-of-pocket costs or compromise patient care and clinical outcomes for private patients – each of which would undermine the value of what is delivered through the Government's fiscal commitment to subsidise private health insurance.

Any changes to payments and/or models of service provision should not be implemented until substantial consultation has been undertaken to safeguard uninterrupted, high quality, zero cost-to-patient services. In the meantime, the services should continue to be paid through the PL.

### Solution/Recommendations:

#### Key Recommendation 1 - Appropriately Fund and Reform the Prescribed List (PL)

**Recommendation 1.1 (General Use Items):** Intervene with regulation to ensure private health insurers appropriately fund the GUIs planned for removal from the PL, which may require continuation of PL listing, including measures to enable access to new technologies that have been blocked from reimbursement during the reform period.

**Recommendation 1.2 (Regrouping of the PL):** Ensure any regrouping of the PL is reached in collaboration and agreement with the MTAA to ensure patient access is not compromised in improving efficiencies.

**Recommendation 1.3 (Accounting for Cardiac Technical Services):** Continue to fully fund servicing of CIEDs by industry through the PL unless and until a fully consulted and agreed alternative model that provides the same level of service is developed.

### Investment:

- Nil.

### Impact:

- Prevent unanticipated increases to health care utilisation in the public system resulting from loss of access or coverage for key medical devices and services which could result in direct or indirect increases to government expenditure.
- Ensure patient access to medical devices and best practice care.
- Avoid potential increased private health insurance premiums or out of pocket costs for patients.
- Provide optimal value delivered from the Government's fiscal commitment through the Private Health Insurance rebate.

## Key Recommendation 2 – Introduce a Funding Pathway for Digital Health Applications

### Problem:

There is no reimbursement pathway for digital health applications. This means Australian patients are missing out on the latest and best options for treating, diagnosing, monitoring, managing and preventing disease, leaving Australia behind the rest of the world.<sup>1</sup>

When Australian patients are given the opportunity to access these world-class digital health applications, usually the only option is to pay for the application out of their own pocket.

A key example of how Australia is lagging globally is shown when comparing digital health applications to traditional pharmaceutical treatment options, where a doctor can write a prescription on the Pharmaceutical Benefits Scheme (PBS), and their patient's costs are entirely or substantially covered.

### Solution/Recommendations:

#### Key Recommendation 2 - Introduce Funding Pathway for Digital Health Applications:

**Recommendation 2.1:** Allocate approximately \$20 million ongoing funding to establish and administer a funding pathway for digital and mobile health applications within 2 years.

**Recommendation 2.2:** DoHAC undertake both broad and targeted consultation to establish the best reimbursement model, with due consideration to existing health technology assessment structures and international models and whether existing structures can be utilised.

### Investment:

- \$20 million ongoing funding to establish and administer a funding pathway for digital and mobile health applications.<sup>iv</sup>

### Impact:

- Save lives, and improve patient outcomes and foster more efficient health services.
- Keep pace with the rest of the world in treating, diagnosing, monitoring, managing and preventing disease using the latest patient-centred technology.
- A significant opportunity exists to incentivise investment in Australia and create jobs, with many existing applications already being developed locally by digital software industry.

## Key Recommendation 3 – Review and Reform Private Health System

### Problem 1: (Lack of Sufficient Regulation of Private Health Insurance)

Major whole-of-system reform is required to make private health affordable – in particular to address the ageing of the insured population and loss of younger policy-holders.<sup>v</sup>

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<sup>1</sup> For example, funding pathways for digital health applications are established in countries such as Germany, France, Belgium and most recently Korea.

The Australian Medical Association (AMA) has [proposed](#) the establishment of a Private Health System Authority. MTAA is broadly in alignment with the AMA regarding the appropriate role and focus of the proposed authority.

### Problem 2: (Excessive Private Health Insurer Management Fees)

Australians are struggling to afford or justify paying high premiums, meanwhile since 2018-19, private health insurer (PHI) management fees have increased by 28%, four times faster than Prescribed List (PL) benefits<sup>23</sup>, and net profits have grown by nearly 200%. On the other hand, PL benefits as a share of total hospital benefits paid by insurers has remained virtually unchanged going as far back as 2013.<sup>4</sup>

The Government's fiscal commitment to private health insurance through the PHI premium rebate is increasingly subsidising the growth of administration, executive compensation and retained earnings, not benefits to policyholders.

### Solution/Recommendations:

#### Key Recommendation 3 - Review and Reform Private Health System

**Recommendation 3.1:** Establish a Private Health System Authority to oversee the ongoing viability of the private health system, including to fill gaps in regulation and policy making, and act as an independent umpire.

**Recommendation 3.2:** Undertake a formal review of PHI management fees with a view to strengthening transparency and controls on corporate health insurers and to ensure savings from reform, e.g. from cuts to medical device benefits, are passed on to consumers.

### Investment:

A relatively modest investment to establish a Private Health System Authority and undertake a review into PHI fees.

### Impact:

- A cohesive regulatory model and safeguard for patient choice, which is central to the private health value proposition.
- Improve value for consumers through reduced premiums, better value for money from the PHI rebate and delivery of more benefit payments for healthcare.

## Key Recommendation 4 – Increase TGA Funding to Ensure Patient Access to Medical Devices

### Problem:

Australian patients will be unable to access medical devices because companies will be forced to withdraw from and not introduce new products to the Australian market.

<sup>2</sup> The benefits required to be paid by private health insurers to patients for medical device and human tissue products.

<sup>3</sup> Australian Prudential Regulation Authority, Quarterly Private Health Insurance Statistics, 2013-Present, and Operations of Private Health Insurers Annual Reports, 2018-Present.

<sup>4</sup> Ibid.



Increased fees and charges are being paid by the MedTech industry (on a cost-recovery basis) to cover TGA's \$23.3M government loan to fund the digital and business transformation and Unique Device Identification (UDI) projects. This cost burden is placing significant strain on MedTech companies and is inconsistent with other leading government regulator funding models which have at least 50% government funding.<sup>vi</sup>

As the quantity and complexity of MedTech products increases<sup>5</sup> demands on TGA's resources have grown significantly and are expected to continually grow, leaving TGA unable to undertake activities which are required to bring products to market.<sup>vii</sup> Industry is experiencing long delays in progressing products to market, meaning Australian patients are missing out on potentially life-saving treatments.<sup>6</sup>

#### Solution/Recommendations:

### Key Recommendation 4 - Increase TGA Funding to Ensure Patient Access to Medical Devices:

**Recommendation 4.1:** Do not recover the unpaid portion of \$23.3 million TGA loan for digital transformation and UDI projects to capital funding.

**Recommendation 4.2:** Review TGA's current industry funding/cost recovery model to implement a new model within 3 years comparable to other regulators with at least 50% government funding for medical device activities.

#### Investment:

- The unpaid portion of TGA's \$23.3 million loan as capital funding for TGA's digital transformation and UDI projects.
- A modest sum, if any, to review TGA's current funding/cost recovery model.
- Fund a minimum of 50% of TGA's ongoing medical device activities (in future budgets after review undertaken).

#### Impact:

- Prevent patients losing access to lifesaving and life-improving medical devices.
- Ensure patients access new and innovative medical technology in a timely manner.
- Keep Australia up to speed globally, spurring innovation and creating jobs.

## Key Recommendation 5 – Increase Access to Radiation Oncology (Supported by the Radiation Oncology Access Coalition (ROAC))

### About the Radiation Oncology Access Coalition (ROAC)

The Radiation Oncology Access Coalition (ROAC) is an authorised alliance within MTA for advocacy on issues of community interest in relation to Radiation Therapy (RT).

<sup>5</sup> For example, advancements in and prevalence of AI based products, increased software complexity, 3D printed devices, cell/tissue and gene therapies.

<sup>6</sup>For example, according to the Therapeutic Goods Administration Performance Report 2022-23, the median processing time for applications requiring assessment for financial year 2022-23 is 219 days (pg. 87), however industry maintains the extent of delays are not entirely borne out in TGA data.

ROAC is an alliance of entities and individuals seeking to represent the *whole* RT community, including but not limited to: consumer advocates, public providers, private providers, not-for-profits, technical experts and clinical experts.

Coalition members have the common purpose of *increasing the public profile and accessibility of RT and ensuring RT is adequately funded by government.*

### General Problem:

RT is frequently overlooked by government, despite being both a critical component of clinical best practice and a much more cost-effective treatment option. Specifically, RT:

- Has a role in curing 40 per cent of all cancers;<sup>viii</sup>
- Is a best-practice treatment for 48% of all cancer diagnoses;<sup>ix</sup>
- Costs 6 cents for every dollar the Australian Government invests in treating cancer.<sup>x</sup>

However, **20% of cancer patients who should receive RT in line with best practice care do not receive it.**<sup>xi</sup>

### Problem 1 (Regional Cancer Centres Funding):

To date, as few as 2 of 13 announced regional cancer centres have been delivered despite \$63M announced in 2019 by the Australian Government (with formal support of both major parties).

Patients in regional areas who are already 10% less likely to receive RT for every 100 kilometres they live from a treatment centre,<sup>xii</sup> will miss out on best-practice care.

### Problem 2 (Reform and Increase Funding for Radiation Oncology Health Program Grants (ROHPG) Scheme):

Government cuts have decreased the scheme's efficacy and recent scheme changes to bulk-billing requirements have made the scheme **unviable**, meaning *new machines will not reach treatment centres*, existing treatment centres *will close* and new treatment centres *won't open*, contradictory to the scheme's stated objectives.<sup>7</sup>

Industry considers the scheme's **failure** to be imminent, with the February 2024 grant round expected to be unsuccessful in allocating funds.

The ROHPG Scheme has historically proven a successful program – providing funding for RT machines critical to the feasibility of opening and expanding *both public and private* facilities across Australia, including in regional and rural locations.<sup>xiii</sup>

### Problem 3 (Radiation Oncology MBS Review implementation):

The recommendations of the MBS Review Taskforce (Taskforce) and Oncology Clinical Committee are still yet to be implemented to align the MBS with contemporary clinical evidence and best practice, despite work commencing in 2015.

Although, recent funding in MYEFO to support implementation is acknowledged and appreciated:

- The delay in implementation has, and will continue to, significantly affect patients' ability to receive appropriate treatment for their cancers; and
- To date there are significant unknown details regarding what implementation will look like and how it will occur.

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<sup>7</sup> See: <https://www.health.gov.au/our-work/radiation-oncology-health-program-grants-scheme#goals>

Additionally, the lengthy delay in implementation means the Taskforce's recommendations may now be outdated and not reflective of the best models of care.

#### Solution/Recommendations:

### Key Recommendation 5 - Increase Access to Radiation Oncology (Supported by the Radiation Oncology Access Coalition (ROAC))

**Recommendation 5.1 (Regional Cancer Centres Funding):** Deliver ALP's election commitment and reverse the previous Government's funding cut to deliver the remaining 11 Regional Radiation Treatment Centres.

**Recommendation 5.2 (Regional Cancer Centres Funding):** Commit funds to continuously identify additional priority locations for new Regional Radiation Treatment Centres over time.

**Recommendation 5.3 (ROHPG Scheme - Bulk billing):** Reverse new requirement for *all* concessional patients to be bulk-billed at grant recipient sites (at least while external review of radiation oncology occurs that DoHAC are tendering for).

**Recommendation 5.4 (ROHPG Scheme - Expand technology):** Expand eligible technologies for ROHPG funding, including for TPS, NIS/OIS, Brachytherapy and Simulators (CT/MRI/PET), Motion Management/Surface Guidance and a higher level of funding for new technology Treatment Devices.

**Recommendation 5.5 (ROHPG Scheme - Amend capital funding cap):** Provide a top-up payment over the \$3 million capital funding cap for advanced radiotherapy solutions.

**Recommendation 5.6 (ROHPG Scheme - Re-include Network Information Systems (NIS):** Re-include NIS to the scheme to allow radiotherapy providers to integrate the latest technology into their practice and improve patient outcomes.

**Recommendation 5.7 (MBS Review implementation):** Ensure the Taskforce's recommendations are effectively and quickly implemented by DoHAC consulting and collaborating with ROAC and Implementation Liaison Group (ILG) to:

- Develop and execute plans and timelines for implementation, including a communication strategy;
- Review and revise proposed schedule amendments (including fees); and
- Ensure mutual agreement and understanding regarding how post-implementation monitoring will occur.

**Recommendation 5.8 (Ongoing MBS Implementation Review):** Implement a regular review (no later than every 2 years) of the Radiation Oncology MBS Items, including considering alternative funding models, to ensure there remains an accurate representation of clinical best practice.

#### Investment:

- **(Regional Cancer Centres Funding)**
  - Approximately \$49.5M (plus cost-of-building inflation since original commitment).
  - Insubstantial ongoing funding to continuously identify new priority locations.
- **(ROHPG Scheme)** – An amount sufficient to expand the scheme to the technologies and amounts referred to in recommendations 5.4, 5.5 and 5.6.

- **(Ongoing MBS Implementation Review)** - A modest ongoing investment to fund a regular review of the Radiation Oncology MBS Items, including consideration of alternative funding models.

#### Impact:

- **Stop** existing RT treatment centres from **closing** and new centre projects being **cancelled**.
- **Prevent** the ROHPG Scheme from becoming unviable and avoiding **unsuccessful grant rounds**, which will allow RT machines to be delivered to priority areas.
- Encourage new treatment centres to open and existing centres to expand.
- Increase the number of patients receiving RT as required for best practice care.<sup>xiv</sup>

## Key Recommendation 6 - Decrease Fees Payable by MedTech Industry

#### Problem:

The medical device industry has experienced and will continue to experience significantly increased fees at a time where supply chain and material costs are at historically high levels.

These fee increases risk medical technology not reaching the Australian market and therefore Australian patients.

Fee increases being experienced by the MedTech industry include:

- Substantial increases in application costs for the Prescribed List (PL), with a typical application increasing from \$600 to \$5,460.
- Additional PL charges in the 2025/26 financial year totalling \$3 million higher than the 2023 financial year.<sup>8</sup>
- Significantly increased funding requests for the Australian Orthopaedic Association National Joint Replacement Registry (AOANJRR) which is funded on a compulsory basis from relevant PL-listed devices.
- Potential additional cost recovery arrangements for the Medical Services Advisory Committee (MSAC).<sup>9</sup>
- TGA cost recovery fees \$23.3 (as detailed in recommendation 4).

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<sup>8</sup> See [Cost Recovery Implementation Statement – Administration of the Prescribed List of Benefits for Medical Devices and Human Tissue Products – 1 July 2023 – 30 June 2024](#)).

<sup>9</sup> MSAC is a pathway to bring novel medical technology to patients. Often devices taking the MSAC pathway have relatively small sale volumes and therefore increasing cost recovery fees on these applications place a significant risk to Australian market and patient access.

## Solution/Recommendations:

### Key Recommendation 6 - Decrease Fees Payable by MedTech Industry

**Recommendation 6.1:** Stage the introduction of PL annual cost recovery fees across two years (FY25 and FY26) to allow for changes to business models and the continued external pressures.

**Recommendation 6.2:** Fund the fee increase for the AOANJRR given its significant benefits to multiple stakeholders and patients.

**Recommendation 6.3:** Don't introduce fees for MSAC unless a PBS-listing style process with set timelines outside the budget cycle is introduced for new devices recommended by MSAC.

## Investment:

- \$1.5M to stage \$3M PL fee increase across two years (FY25 and FY26).
- Amount sufficient to fund the fee increase for the AOANJRR.
- Nil to maintain existing MSAC fees (unless a PBS-listing style process introduced in accordance with above recommendation 6.3).

## Impact:

Save and improve lives by ensuring patients have access to the newest medical technologies.

## Key Recommendation 7 - Introduce Incentives to Encourage the Adoption of Digital Health Interoperability

### Problem:

Our nation's health systems don't talk to each other.

Data is captured using various mediums and different terminologies, formats, and data standards, which means our healthcare professionals can't effectively communicate, access information and most importantly, treat patients.

The importance of interoperability in addressing these issues and enabling our systems to exchange and share information has been reinforced by the Digital Health Blueprint 2022-2032 and the National Healthcare Interoperability Plan 2023-2028.<sup>xv</sup>

Australia is expected to need 148,317 new hospital beds by 2036, and the productivity of the health workforce to increase by a factor of four, requiring the health workforce to increase from 11% to 45% of Australia's total workforce.<sup>xvi</sup> Early, strong investment in digital health can significantly assist to achieve the efficiencies and alternative care models required for our future health system.

Although efforts to encourage interoperability have been implemented<sup>10</sup>, ultimately the ability of healthcare providers, organisations and vendors to implement relevant technologies in existing systems will require government incentives, including payments and mandates.<sup>11</sup>

<sup>10</sup> For example, the use of standards such as FHIR Australian "Sparked" initiative.

<sup>11</sup> Further information and evidence regarding digital health challenges and recommended solutions are detailed in MTAA's Digital Health: Breaking Barriers to Deliver Better Patient Outcomes Report 2023: [https://crm.mtaa.org.au/sites/default/files/uploaded-content/field\\_f\\_content\\_file/mtaa\\_digital\\_health-breaking\\_barriers\\_to\\_deliver\\_better\\_patient\\_outcomes\\_report\\_2023.pdf](https://crm.mtaa.org.au/sites/default/files/uploaded-content/field_f_content_file/mtaa_digital_health-breaking_barriers_to_deliver_better_patient_outcomes_report_2023.pdf)

### Solution/Recommendations:

#### Key Recommendation 7 - Introduce Incentives to Encourage Adoption of Digital Health Interoperability

**Recommendation 7.1:** Commit funding to evaluate what incentives are required to achieve an interoperable health system (including the scope and cost of incentives), in accordance with appropriate national and internationally recognised standards.

### Investment:

- An amount necessary to conduct an evaluation to understand what incentives are required to achieve an interoperable health system (including the scope and cost of incentives).

### Impact:

- Significantly improve the efficiency of the Australian healthcare system.
- Australia would be well placed to become a world-leader in providing best-practice, efficient, patient-centered care.
- Place Australia on track for any future implementation of interoperability-related legislation (e.g. US 21<sup>st</sup> Century Cures Act)
- Prevent Australia from being left behind and not realising known benefits of interoperability.

## Key Recommendation 8 - Invest in Diabetes Treatment

### Problem:

The current system is fragmented, in some respects broken and ill-suited for the future. As a result, Australia is not prepared to manage the projected doubling of the diabetes disease burden in the coming decades.<sup>12</sup>

Diabetes is estimated to cost the Australian economy approximately \$10 billion annually in both direct healthcare costs and negative spillovers such as lost productivity, absenteeism, reduced work capacity, early retirement, and premature death. These costs, both direct and indirect, are projected to increase significantly over the coming decade and beyond.

### Solution/Recommendations:

#### Key Recommendation 8 - Invest in Diabetes Treatment

**Recommendation 8.1:** Expand access to insulin pumps to all persons requiring such treatment irrespective of age or financial circumstances.

**Recommendation 8.2:** Expand access to continuous glucose monitors to all persons with type 1 diabetes and persons with type 2 diabetes who have a similar clinical need.

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<sup>12</sup> For further information regarding the burden of diabetes and MTAA's recommendations to ensure timely and equitable access to the most effective treatments, see MTAA's submission to the Standing Committee on Health, Aged Care and Sport's Inquiry into Diabetes 2023: [https://www.aph.gov.au/Parliamentary\\_Business/Committees/House/Health\\_Aged\\_Care\\_and\\_Sport/Inquiry\\_into\\_Diabetes/Submissions](https://www.aph.gov.au/Parliamentary_Business/Committees/House/Health_Aged_Care_and_Sport/Inquiry_into_Diabetes/Submissions)

### Key Recommendation 8 (Cont) - Invest in Diabetes Treatment

**Recommendation 8.3:** Expand access to interventions embedded in clinical guidance that address preventable complications of diabetes, including peripheral revascularisation (to prevent diabetic amputation), kidney assessment (to prevent dialysis reliance) and ocular therapies.

**Recommendation 8.4:** Work with clinical experts and state and territory governments to expand access to bariatric surgery for the management of obesity-related diabetes, including through public hospitals.

**Recommendation 8.5:** Work with stakeholders to develop and implement a single, consolidated scheme to fund diabetes care technology, which is:

- Transparent, predictable, fit for purpose and non-fragmented.
- Overseen by a dedicated diabetes clinical and economic assessment advisory committee.
- Flexible enough to respond to new technologies, including digital technologies.

#### Investment:

- An estimated \$300 million<sup>13</sup> over four years to expand access to insulin pumps and related consumables to all persons who require them.<sup>14</sup>
- \$100M - \$150M<sup>15</sup> to expand access to continuous glucose monitors to all persons who require them.<sup>16</sup>
- An amount sufficient to expand access to interventions detailed in recommendation 8.3 and expand access to bariatric surgery as detailed in recommendation 8.3.
- Funds to develop and implement a single, consolidated scheme to fund diabetes care technologies.

#### Impact:

- Avoid a diabetes treatment crisis in coming decades.
- Provide best-practice care options for all Australians regardless of their individual wealth.

### Further Information Contact

For further information or to organise a detailed briefing from MTAA, please email [media@mtaa.org.au](mailto:media@mtaa.org.au) or call (02) 9900 0600.

<sup>13</sup> Approximation based on publicly available Australian Institute of Health and Welfare and Diabetes Australia data.

<sup>14</sup> (Not just those who are currently eligible under the IPP or who have access to PL-listed pumps or who have access to consumables through the NDSS).

<sup>15</sup> Approximation based on publicly available Australian Institute of Health and Welfare and Diabetes Australia data.

<sup>16</sup> (Not just those who are currently eligible under the NDSS).



## Endnotes

- <sup>i</sup> Australian Burden of Disease Study 2022: <https://www.aihw.gov.au/reports/burden-of-disease/australian-burden-of-disease-study-2022/contents/about>
- <sup>ii</sup> The Value of MedTech Report 2023: [https://www.mtaa.org.au/sites/default/files/uploaded-content/field\\_f\\_content\\_file/the\\_value\\_of\\_medtech\\_report.pdf](https://www.mtaa.org.au/sites/default/files/uploaded-content/field_f_content_file/the_value_of_medtech_report.pdf) pg. 68.
- <sup>iii</sup> Memorandum of Understanding for the policy parameters of the Prosthesis List Reforms 2022: <https://www.health.gov.au/sites/default/files/documents/2022/03/memorandum-of-understanding-for-the-policy-parameters-of-the-prostheses-list-reforms.pdf>
- <sup>iv</sup> This figure is an approximation based on the German digital health scheme taking into consideration population differences, establishment costs and administrative costs. See Research2Guidance [DiGA Apps Will Generate Sales Of More Than EUR 41 Million By The End Of 2022](#)
- <sup>v</sup> MTAAs has advocated publicly at length regarding private health insurance issues and provided evidence regarding the need for system reform; see for example: <https://www.mtaa.org.au/news/mtaa-calls-savings-be-passed-consumers> and MTAAs submission to the Senate Select Committee on Cost of Living: [https://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Cost\\_of\\_Living/costofliving/Submission\\_S](https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Cost_of_Living/costofliving/Submission_S)
- <sup>vi</sup> For example, The U.S. Food and Drug Administration (FDA), as a leading global regulatory authority, sets a benchmark for regulatory efficiency and responsiveness and does not solely rely on being cost recovered. As of November 2021, 54% of FDA's and 57% of Health Canada's annual budget is provided from federal funding.
- <sup>vii</sup> These activities are unfunded 'public good' activities as they cannot be attributed to any one group of Australian Register of Therapeutic Goods (ARTG) sponsors despite being mandated by government. The result being industry covering the costs through the existing industry cost-recovery model.
- <sup>viii</sup> Shining a light: Radiotherapy cancer treatment in Australia 2022, EvoHealth [https://www.evohealth.com.au/wp-content/uploads/2023/09/2022\\_Evohealth\\_shining\\_a\\_light.pdf](https://www.evohealth.com.au/wp-content/uploads/2023/09/2022_Evohealth_shining_a_light.pdf)
- <sup>ix</sup> Shining a light: Radiotherapy cancer treatment in Australia 2022, EvoHealth [https://www.evohealth.com.au/wp-content/uploads/2023/09/2022\\_Evohealth\\_shining\\_a\\_light.pdf](https://www.evohealth.com.au/wp-content/uploads/2023/09/2022_Evohealth_shining_a_light.pdf) Referencing Radiation Oncology Health Program Grants (ROHPG) Scheme 2020 review report 2021.
- <sup>x</sup> Shukla N, Wickramasuriya R, Miller A, Perez P. An approach to plan and evaluate the location of radiotherapy services and its application in the New South Wales, Australia. *Computer methods and programs in biomedicine*. 2015;122(2): 245-56.
- <sup>xi</sup> Shining a light: Radiotherapy cancer treatment in Australia 2022, EvoHealth [https://www.evohealth.com.au/wp-content/uploads/2023/09/2022\\_Evohealth\\_shining\\_a\\_light.pdf](https://www.evohealth.com.au/wp-content/uploads/2023/09/2022_Evohealth_shining_a_light.pdf) Referencing Radiation Oncology Health Program Grants (ROHPG) Scheme 2020 review report 2021.
- <sup>xii</sup> Gabriel G, Barton M, Delaney GP. The effect of travel distance on radiotherapy utilization in NSW and ACT. *Radiotherapy and Oncology*. 2015;117(2):386-9.
- <sup>xiii</sup> Current status of ROHPG sites available here: <https://www.health.gov.au/our-work/radiation-oncology-health-program-grants-scheme#approved-facilities>
- <sup>xiv</sup> Currently 20% of cancer patients do not receive RT when appropriate, see Radiation Oncology Health Program Grants (ROHPG) Scheme 2020 review report: <https://www.health.gov.au/sites/default/files/documents/2021/05/radiation-oncology-health-program-grants-rohpg-scheme-2020-review-report-rohpg-scheme-2020-review-report.pdf>
- <sup>xv</sup> The Digital Health Blueprint 2022-2032 identified the key interoperability outcome: "support initiatives that promote secure data exchange and interoperability between the different clinical information systems used" and the National Healthcare Interoperability Plan 2023-2028 identifies interoperability as a "key change enabler".
- <sup>xvi</sup> The Australia's Health Reimagined report Deloitte, Australia's Health Reimagined: The journey to a connected and confident consumer. March 2022. <https://www2.deloitte.com/au/en/pages/life-sciences-and-healthcare/articles/australias-health-reimagined.html>