

and integrity, especially when we now find out that this is a matter that the current government has been aware of for some months. Their protests of urgency don't add up. We, our constituents and those 65 individuals on Nauru deserve an opportunity for us to discuss this important matter at length. Bundling up this bill on Nauru with a bill on superannuation, which also has implications with respect to transparency, is egregious and perverse. I don't think I could find any way that I could support this motion, and I suspect that many of my colleagues feel the same way.

Ms CHANEY (Curtin) (12:25): I will be supporting the amendment and voting against the debate management as well. It is clear that neither of these matters is actually urgent, and putting these two issues together, I think, goes against the good faith that the crossbench has engaged in in accepting the debate management approach. The first issue on Nauru is possibly a bureaucratic oversight. It may be symbolic, and it is unknown whether it has any legal impact, but we've not been given enough time to actually form a decent view on those issues. Managing the debate is contrary to the spirit of transparency that the community wants, especially on issues relating to refugees.

The second issue also relates to transparency. There has been a great desire from communities to have increased transparency when it comes to political donations. Limiting this goes in the face of that community expectation. My community certainly wants to know where parties' funding comes from, and that applies to superannuation funds just as it does to other donors. These are issues on which we need to be able to have an open discussion so that our communities understand why, and if, there is a good argument for putting any limits on the transparency of political donations. I side with my crossbench colleagues and the opposition here on saying this is not an appropriate use of debate management.

The SPEAKER: The time for this debate has concluded. The question is that the amendment moved by the Manager of Opposition Business be disagreed to. There being more than one voice calling for a division, in accordance with standing order 133 the division is deferred until after the discussion of the matter of public importance.

Debate adjourned.

BILLS

Private Health Insurance Legislation Amendment (Medical Device and Human Tissue Product List and Cost Recovery) Bill 2022

Private Health Insurance (Prostheses Application and Listing Fees) Amendment (Cost Recovery) Bill 2022

Private Health Insurance (National Joint Replacement Register Levy) Amendment (Consequential Amendments) Bill 2022

Second Reading

Cognate debate.

Consideration resumed of the motion:

That this bill be now read a second time.

Mr LEESER (Berowra) (12:29): This package of bills represents the first tranche of legislative changes required to implement the coalition's 2021-22 budget measure, modernising and improving the private health insurance Prostheses List. It represents our commitment to modernising and improving the Prostheses List for the benefit of patients and Australia's world-class healthcare system. The package includes (1) the Private Health Insurance Legislation Amendment (Medical Device and Human Tissue Product List and Cost Recovery) Bill 2022, (2) the Private Health Insurance (National Joint Replacement Register Levy) Amendment (Consequential Amendments) Bill 2022 and (3) the Private Health Insurance (Prostheses Application and Listing Fees) Amendment (Cost Recovery) Bill 2022.

The Private Health Insurance Legislation Amendment (Medical Device and Human Tissue Product List and Cost Recovery) Bill amends the Private Health Insurance Act 2007 to better define the products that may be eligible for inclusion on the Prostheses List. The bill renames the current Private Health Insurance (Prostheses) Rules (No. 3) 2022 to the Private Health Insurance (Medical Devices and Human Tissues Products) Rules to better reflect its purpose and the types of products that are eligible for inclusion. The bill also updates the relevant cost recovery arrangements, including providing statutory authority for the Minister for Health and Aged Care to allow for fee-for-service cost recovery consistent with the Australian Government Charging Framework.

The Private Health Insurance (National Joint Replacement Register Levy) Amendment (Consequential Amendments) Bill 2022 amends the Private Health Insurance (National Joint Replacement Register Levy) Act 2009 to reflect the renamed medical devices and human tissue products rule.

The Private Health Insurance (Prostheses Application and Listing Fees) Amendment (Cost Recovery) Bill 2022 amends the Private Health Insurance (Prostheses Application and Listing Fees) Act 2009 to rename the act and update the cost recovery arrangements. This bill provides for the imposition of a cost recovery levy on each kind of medical device and human tissue product on the prescribed list. The amount of the levy will be set by the regulations.

On the coalition's budget measures, established in 1985, the Prostheses List sets the minimum price insurers must pay hospitals for a surgically implanted prosthesis, such as a hip replacement or pacemaker, received by a private patient in a privately insured episode of hospital treatment. Since 1985, the Prostheses List has grown in both size and complexity. Under the former coalition government, in 2019-20, more than 3.1 million prostheses on the list were supplied at a cost to private health insurers of approximately \$2.1 billion.

The coalition supports the three bills included in this package, which progress our 2021-22 budget measure to modernise and improve the Prostheses List. As part of this measure, we budgeted \$22 million over four years to reduce the cost of medical devices used in the private health sector and streamline access to new medical devices, which, in turn, would improve the affordability and value of private health insurance for Australians.

We had a strong plan to lower the price of medical devices, ensuring savings flowed to consumers and improved access to new treatments and medical devices. The coalition was committed to continuing to support value, choice and high-quality services for patients and clinicians in the private healthcare sector. We were committed to continuing to make private health insurance simpler and more affordable and delivering record low premium charges for consumers. This demonstrates the coalition's strong record when it comes to strengthening private health insurance.

When we left government, private health insurance membership was at record levels, with more than 14 million Australians now covered. Our reforms delivered the 2022 premium charge, which was the lowest in more than 21 years, and the eighth successive decline in premium charges since Labor's last year in government in 2013. Our government increased investment in the patient rebate for private health insurance from \$5.4 billion in 2012-13 to \$6.9 billion in 2022-23. We implemented new, easy-to-understand gold, silver and bronze basic classifications for private health insurance; standard clinical definitions; better access to mental health; better care in rural and regional Australia; lower prices for medical devices; and more flexibility for families and people with disabilities to receive their care.

We know that the Labor government doesn't like private health insurance. But the coalition government recognised that Australia's health sector is strongest with both public and private systems working together, hand in hand, to ensure access to health care for all Australians. However, despite our support for the reform package, there are concerns with the lack of detail provided by the Albanese Labor government on certain key elements of these bills. Once again, the Labor government is refusing to be transparent with the important substantive details sitting beneath legislation that they've put forward to this parliament.

There are a significant number of issues that may be subject to regulation under these bills that are yet to be resolved, including eligibility criteria, listing pathways, specifications for the calculations of cost recovery, regrouping and payments for the removal of items. The bills provide little detail about the extent or specificity of the powers to be implemented through the reforms, relegating these details to subordinate legislative instruments and mechanisms that have not been seen by stakeholders or the opposition.

This government was elected on a platform of increasing transparency, yet it seems to be committed to avoiding transparency at every stage it gets to, especially by delegating the substantive details of its measures to unsighted subordinate legislation. The Albanese Labor government must stop focusing only on headline announcements and start considering the important details that are necessary for their implementation. They continue to show us that they are all talk and no delivery.

We are supportive of this bill, but we're putting the government on notice that they cannot continue to expect us to pass bills in this place without seeing any of the substantive details. Modernising and improving the Prostheses List is an important reform process, and the patients who would benefit from the reforms deserve to have the details properly considered.

Debate adjourned.

Leave granted for second reading debate to resume at a later hour this day.

Therapeutic Goods Amendment (2022 Measures No. 1) Bill 2022

Second Reading

Consideration resumed of the motion:

That this bill be now read a second time.

children to a school over five kilometres away. Whilst there are still some final touches and construction going on at the school, it will be home to 700 students, with 200 kindergarten students starting tomorrow. Good luck to the parents and the teachers. I wish the new students, the teachers and principal all the best for the new year. It is certainly special to be the first at a new school. The incorporation of Indigenous languages into the new uniform and the class names is a great innovation.

The Albanese government recognises that more support is needed in schools and for students, so it is delivering \$203 million to support student mental health and wellbeing as well as \$270 million to improve school facilities across Australia. It's also incentivising more people to join the teaching profession.

I've spoken before in this place about the need for more schools like the new Edmondson Park school in our part of Sydney. With so many people moving to the growth areas, I'm pleased that NSW Labor has committed to building new high schools in Austral and Leppington to meet the needs of the students and families moving into the area. NSW Labor has a bold plan to address the chronic underfunding of public education in Werriwa, and our community deserves the best. Good luck to everybody starting school this year.

The DEPUTY SPEAKER (Mr Stevens): In accordance with standing order 193, the time for members' constituency statements has concluded.

BILLS

Private Health Insurance Legislation Amendment (Medical Device and Human Tissue Product List and Cost Recovery) Bill 2022

Private Health Insurance (Prostheses Application and Listing Fees) Amendment (Cost Recovery) Bill 2022

Private Health Insurance (National Joint Replacement Register Levy) Amendment (Consequential Amendments) Bill 2022

Second Reading

Cognate debate.

Consideration resumed of the motion:

That this bill be now read a second time.

Dr FREELANDER (Macarthur) (16:54): This package of three bills—the Private Health Insurance Legislation Amendment (Medical Device and Human Tissue Product List and Cost Recovery) Bill 2022, the Private Health Insurance (Prostheses Application and Listing Fees) Amendment (Cost Recovery) Bill 2022 and the Private Health Insurance (National Joint Replacement Register Levy) Amendment (Consequential Amendments) Bill 2022—is really important. The package is a way of modernising and improving how patients who have private health insurance can access implantable devices as treatments for things such as fractured hips or cardiac abnormalities. This includes cardiac valve replacements and a whole range of prostheses.

This is very important because Australia has an almost unique health system that is one of the best, if not the best, in the world. It's being assailed at the moment by the cost pressures not just of the pandemic but also of increasing medical costs around the world and of increasing age, which puts further pressure on our health systems. And of course the pandemic, by itself, changed health care in Australia dramatically.

There's also been lots of publicity recently about access to primary care and the effect the coalition's 10-year freeze on GP rebates has had on not just access to GPs now but also recruitment of medical students into the GP training schemes. That has been absolutely decimated by the coalition's policies. People don't like to hear about the effects of governments past, but this has really had a dramatic effect on our healthcare system. It has put enormous pressure on our health system's ability to provide services. Our government, the Albanese Labor government, is in the process of trying to repair the neglect and the damage that has been caused by 10 years of very poor coalition oversight of the health portfolio.

I grew up in the health system. It's a bit scary to think that I have now been a member of the AMA for over 50 years. I started my private practice in Campbelltown and Camden in the same week that Medicare started, 39 years ago. It is a bit scary to think of those figures. I still see myself as a young boy with a dream, but that's probably not how others see me!

This is a very important bill, and I must commend all stakeholders for coming together, agreeing that this bill is necessary and appropriate and working in a way that will help our health system in the future to deal with all the many, many challenges of a health system. It's a complex issue. I must admit as a practising doctor I did often find it difficult to explain why the costs of, for example, hip replacements were so different in the public system versus the private system and why different devices seemed to cost more money here than overseas—and, in some cases,

I must say, vice versa. Just as an example, the hip joint replacement available now in Australia can cost more than \$4,000 for some people, and similar devices in countries like the United Kingdom and New Zealand cost less than \$2,000 in the private system. So there are differences in costs. This bill is an attempt to try and make the costing more transparent and make these devices available to Australians at a cost similar to overseas.

The Medical Technology Association of Australia has agreed to work very collaboratively with the government in getting what we would call fit-for-purpose reform in this area, and I commend them for that. They certainly have worked very hard with their members to make sure that Australians are getting devices at the most appropriate cost in both the public and private system.

There will still be some cost differences between the public and private systems. The public system is able to order in bulk and is able to have much more simple supply chains, whereas private insurance tends to work in smaller numbers and has a wider variety of ordering capacities and supply chain capacities. These bills will attempt to simplify some of that, and there will be cost savings for both the private health insurance industry and also for the government.

I would also say, though, that it is important to understand the importance of maintaining a private health insurance industry. In the health industry, we know that chronic and complex illness tends to be better managed in the public hospital system because of time constraints, cost constraints, the availability of a variety of different services to deal with other social impacts that chronic disease often inflicts upon sufferers. So the public hospital system will always be needed to deal with chronic and complex illness, particularly in multisystem diseases, and for people who are getting older and who don't have as many social supports as in the days of the nuclear family. It is sometimes the case that as people get older they lose those family supports. The public hospital system often has to provide things other than acute medical treatment.

However, the private hospital system and the private insurance system do volume very, very well. They are able to very efficiently deal with short-stay admissions to hospital, day surgery. These days, for joint replacement surgery, hospital stay time is often very short, and the private health industry is very efficient in the way it deals with these sorts of issues. We know that there are already enormous pressures around the public hospital system. Because of that, we need our private health insurance to be maintained and we need to have people in the private health system. If we don't, the pressures on our public system will be completely overwhelming. We are already feeling those pressures.

We know there are huge cost-of-living pressures. Today, interest rates went up again, in particular for housing mortgages. My electorate of Macarthur has one of the largest mortgage stress and rental stress populations in the country. We know with cost-of-living pressures there is a temptation for people to drop out of private health insurance. It is very important that, whatever we do, we encourage people to stay in the private health insurance system. These bills will help that by reducing the costs and, hopefully, reducing premium rises in the future and that is very, very important. We have to ensure that we have that combination of public and private health systems working together. That means that I am committed to private health insurance. I have private health insurance myself and I have encouraged my family, who are now all adults, to have private health insurance as well. Many people think that they are very similar systems, the private and public, but they are very different, they deal with different things and they are better dealing with different things.

Australia has been a profitable and good market for many of the medical technology manufacturers and they, indeed, have done well out of Australia. However, the world is changing. Increasingly, we have a larger middle-class population in South East Asia and to our north. India has a middle-class population of over 200 million people. We have large middle-class populations in South East Asia, in China and in Japan et cetera, and they also will want to use the best medical technology they can. Therefore, Australia will become a small proportion of the market. It is important that we maintain our access to the latest medical technology in Australia to make sure that we get the very best treatment.

Recently I was involved in lobbying for listing on the Prostheses List a multichannel cardiac catheter used to treat a cardiac rhythm abnormality called atrial fibrillation, where the heart's top two chambers don't pump properly. They vibrate without pumping the blood, the blood can cool in the heart, and clots can form. They can go to the brain and cause a stroke. This multichannel ablation catheter can be used to treat this atrial fibrillation and prevent stroke and that is really important. But it took years, literally years, to have this approved in the system. We don't want to see that continue to happen. We want to get access to the newer technologies as soon as possible and we want those companies that produce these devices, most of whom produce them overseas, to feel confident to bring them to Australia, to make them available to the Australian population. It is important that we make our systems as efficient as possible so that we do get these newer technologies available to the Australian people as soon as possible. They are not only life saving but they are lifestyle saving. Quality of life is really important and it can enable people to get back to work, can get them out of hospital very quickly and can prevent stroke with a catheter. There are other

devices, such as joint replacement, that have changed dramatically since the days I was a resident and assisting in these operations. So it really is important that we do get this right.

I congratulate the health minister and the Albanese Labor government for bringing this bill to the House. It seeks to improve not only how we fund our devices but gives more transparency in how we fund them and it will allow the private hospitals and the private insurance providers to understand better the costs and reduce their own cost, which will, in time, reduce premiums and premium rises, and will encourage people to stay in private health insurance.

I know that there is a lot of pressure to reduce costs across the board and I congratulate the private insurers, the MGAA and the private hospital system for working collaboratively to try and get the best results. This will also allow choice in the private system for patients and for doctors using implantable devices and treatments. This can be very important with things like choosing what sort of artificial heart valve to use, choosing these days minimally invasive treatments via catheter rather than open-heart surgery. It also means that there will be better and longer lasting joint replacements for things like hips. Recently there has been new technology developed for shoulder replacement rather than shoulder reconstruction, which can lead these days now to much faster recovery, better recovery, less surgery time, less hospital time. It is important that Australians have these things available to them.

There are also some new techniques in the management of congenital heart disease that can be done by minimally invasive therapy. Via a catheter, we can now replace heart valves and repair holes in the heart. It obviates the need to have open-heart surgery on tiny newborn babies. So it is important that Australia does continue to have available the very latest technology.

On a couple of occasions I have visited companies like Edwards Lifesciences in the member for Bennelong's electorate. I have actually been able to practise using their minimally invasive surgical techniques for closing holes in the heart and for heart valve surgery, which is absolutely remarkable. It is important Australians do get these devices available to them, because if you have a newborn baby and you can prevent open-heart surgery, it will save lives, reduce hospital time, and reduce the risk of other complications like neurological damage. We must continue to have these devices available and that's done by introducing bills like this. This is a way that the Albanese government, as part of its complete overhaul of the health portfolio, will be able to make these treatments available for Australian children and their families.

In summary, these measures, these bills, support our goal as a government to make sure health care remains a priority for us in providing services to the Australian people. I commend the bill to the House. I thank the health minister for presenting this bill and I thank you for your time.

Mrs McINTOSH (Lindsay) (17:09): I'd like to acknowledge the member for Macarthur's words and to commend the work that he does in the health field and his passion for health. Thank you. I rise to speak on the Private Health Insurance Legislation Amendment (Medical Device and Human Tissue Product List and Cost Recovery) Bill 2022 because, as the co-chair of the newly formed Parliamentary Friends of MedTech along with the member for Macarthur, I know how much technology is saving lives. The progress in this country is quite extraordinary, and we should be supporting that innovation as best we can.

I would like to start by saying from the outset that the opposition does not oppose this legislation. I understand that the bills are only the beginning of the process of much-needed reform. But I also point out that I understand that stakeholders need a bit more consultation on these bills. I hope the government will listen to these stakeholders and provide the substantive legislation quickly, with greater detail, so that the industry can properly and appropriately administer any changes that come about due to the introduction of this bill.

The part that I would like to particularly focus on in my speech today is around prostheses, also known as artificial limbs. These are devices that are designed to replace or support a missing or damaged body part, and they play a crucial role in helping people with disabilities to live a more active and independent life. The legislation sets out the requirements for the design, manufacture and supply of prostheses and ensures that they meet certain standards of safety, quality and performance. The Prostheses List also specifies reimbursement levels for prostheses—I'm going to have a fun time saying that word multiple times in this speech!—provided under the Medicare Benefits Schedule and the private health insurance arrangements.

The Prostheses List legislation is important for several reasons. Firstly, it ensures that people with disabilities have access to safe, high-quality prostheses that meet their needs and allow them to live a more active and independent life. By setting standards for design and manufacture, the legislation helps to minimise the risk of adverse events and ensures that people live and receive the best possible care.

Secondly, the list legislation, if managed properly, could help to control costs and to make health care more affordable for patients. By specifying the reimbursement levels provided under the MBS and the PHI arrangements, the legislation could ensure that people receive the care they need without incurring prohibitive costs.

The Prostheses List legislation has the ability to promote innovation, which is very important in the medtech fields, by encouraging manufacturers to develop new and improved prostheses that meet the standards set out by the legislation. It helps to spur the development of new technologies. I know people who use these technologies are always on edge waiting for a new thing that will improve their lives a little bit more. From experience, I know this is very much the case. The PL legislation is an important piece of legislation that helps to ensure, as I said, the access to safe, high-quality prostheses that meet people's needs. By controlling the costs, it promotes innovation. As I've said, the legislation plays a critical role in helping the lives of people in Australia.

Medical technology is critical to ensuring the Australian community has all the benefits of modern, reliable technology for better health outcomes. The medtech industry in Australia represents manufacturers and suppliers of medical technology used in the diagnosis, prevention, treatment and management of disease and disability. It's so broad in its range, and it provides the majority of non-pharmaceutical products used in the diagnosis and treatment of disease and disability in this country. The companies that are here and the healthcare professionals doing this extraordinary work play a critical role. I hope the reforms, if managed correctly, will improve the affordability and value of private health insurance for Australians by keeping downward pressure on premiums while still maintaining access to high-quality medical devices.

It's important to note that Australia's medtech industry has led the way and played a key role in reducing private health insurance premiums and is working through a phased reduction of prosthesis prices with the government through the Prostheses List reforms program. My friend and former colleague, the Hon. Greg Hunt, when federal health minister, vowed to pave a smoother way towards reform. He signed a memorandum of understanding with the Medical Technology Association of Australia in March 2022. The MTAA's chair, Mr Maurice Ben-Mayor, was thankful for the agreement's focus on recognising what he said was 'the explicit distinction' between the public and private markets that still guarantees patient access and doctor choice.

He was also thankful for the former minister's decision to lead the reforms 'away from abolishing the Prostheses List' and towards a process that would provide greater certainty for medtech companies. Reform is necessary in the medtech industry, and there's certainly a need for fit-for-purpose and effective reforms to the PL that would reduce premiums while protecting the patient access and doctor choice guarantee of the PL.

I would also like to further talk about the work of former minister Hunt and the coalition government's track record in the Prostheses List space. The former coalition government's budget over four years was \$22 million to reduce the cost of medical devices used in the private healthcare space. This was also to assist in streamlining access to new medical devices to improve the affordability and value of private health insurance for Australians. Our plan included lowering prices for medical devices to allow for savings to flow through to customers.

Our government was committed to its support for choice, value and high-end quality services for patients and their clinicians in the private health space. We wanted to continue work to ensure a simpler and more cost-effective private health sector and deliver record-low premium changes for Australians to access private health insurance. When we left government, private health insurance membership was at record levels, with more than 14 million Australians being covered. Our reforms delivered the 2022 premium change, which was the lowest in more than 21 years and the eighth successive decline in premium changes since Labor's last year in government in 2013. We increased the investment in the patient rebate for private health insurance from \$5.4 billion to \$6.9 billion. We implemented new, easy-to-understand classifications for private health insurance through the standard clinical definitions; better access to mental health, which I'm really passionate about; better care in rural and regional Australia; lower prices for medical devices; and more flexibility for families and people with disabilities to receive their care.

I'm really encouraged that the member for Macarthur likes private health insurance, because it's not something the Labor government is particularly known for, but the coalition recognises that Australia's health sector is strongest with both the public and private systems working together, hand in hand, to ensure access to health care for all Australians.

Despite the coalition's support for this package of bills, there are some concerns with the lack of detail provided by the government on certain key areas. The transparency that's required, with important, substantive details sitting beneath the legislation that has been put forward to this parliament, needs to happen. There are a significant number of issues that may be subject to regulation under these bills and are yet to be resolved, including eligibility criteria, listing pathways and specifications for the calculation of cost recovery, regrouping and payments for removal items, to go into the technical details. In addition, the department has not yet provided to stakeholders the updated prostheses listing guide, although the bills confirm the regulatory status of the guide. The government seems to have also backed away from the coalition government's commitment to enabling a clear and standard pathway for non-implantable devices to be assessed for inclusion on the Prostheses List.

Across the bills included in this package of measures, it was unfortunate that stakeholders were given less than one week to consider the exposure draft of this legislation. The bills provide little detail about the extent or the specific powers to be implemented through unsighted, subordinate legislative instruments and mechanisms. The department has also flagged that PL changes will be implemented via an update to the PL rules, but it has not shared these proposed amended rules. We need to see further details on the subordinate legislation. We need answers to questions like where are the regulations? What are the next steps in the reform agenda? Will the government provide more detail so these issues of equity and affordability can be fully understood and debated? The call is to have more detail, less focus on headline announcements and aspirations, and a consideration of the important details that are necessary for the implementation of those announcements.

We are supportive of this bill, but we're putting the government on notice: they cannot continue to expect us to pass bills without seeing any of the substantive detail. I urge the government to address the significant challenges the industry faces, and to engage with them and to provide in a timely way those details that are currently missing. It's a critical industry and it's also critical that this industry understands how items on the list will be costed, setting in place a process to reduce the gap between the cost of medical devices in the public and private health sectors. It will be the patients of Australia who will suffer if this isn't done with the utmost concentration on the provision of details. I know the medtech industry is behind it, ready to support and help, but we do urge the government to please provide those details as this legislation comes forth. Thank you.

Mr LAXALE (Bennelong) (17:21): I rise to support these bills as they seek to implement and modernise and improve the private health insurance Prostheses List. We know that the proposed legislation would amend private health insurance legislation to better define the items for which set benefits are paid by private health insurers so that these benefits are only payable for medical devices or human tissue products that meet specific definitions.

Importantly, these bills also update the cost recovery arrangements to provide fees for service and levies that are consistent with the Australian government's charging framework. They continue the work of the 2021-22 federal budget, where \$22 million over four years was committed to modernising and improving this measure. The government has agreed to continue with the Prostheses List reform activities on the basis that the objectives are aimed at improving value for money for privately insured Australians.

Naturally, we'll proceed with these reforms through our lens. Labor recognise that both public and private sectors play a critical role in Australia's world-class health system. We are a government that's concerned that Australians are abandoning private health insurance due to increasing costs and declining value. The bill's intent is to preserve clinician and patient choice in the private health system, assist in reducing benefits paid to private health insurers and put downward pressure on private health insurance premiums. All of those are very good things. They would update cost recovery arrangements to provide fee-for-service arrangements and the imposition of a cost recovery levy on each kind of medical device and human tissue product listed in the instrument. Passage of the bills before 1 July would allow the implementation of these actions, which is also a positive outcome.

Deputy Speaker Chesters, you may or may not know, and as the member for Macarthur mentioned, some of the biggest medical device manufacturers and their peak industry body, the Medical Technology Association of Australia, are based in my electorate of Bennelong. As you can probably understand, they've taken a little bit of interest in this legislation and, thankfully, have been intimately involved in the report reform process. I'd like to thank them for bringing me, a new member, up to speed on this issue in a very short time. Had you asked me on 20 May 2022 what the Prostheses List was, I could've said, hand on heart, 'I have no idea what you're talking about!' But, thankfully, I'm a bit more across it now, from items on the general list to category and price bundling. I now know who and what IHACPA is, which is exciting! And I feel that I've learnt a lot about this issue in a very short time.

Ultimately, what I understood very quickly was that this was an area of health policy that needed reform. The list can be arbitrary; the definitions are sometimes too narrow; and it is in desperate need of modernisation, given the extreme advances in technology that we see in this sector each and every day.

I look forward to being part of a government that will continue on with this reform over the next few years. This package of legislation represents the first chance the parliament has had to consider this reform that was announced in the 2021-22 budget. As we heard, this is the first step in a longer process of enacting the reforms.

I guess the main message from my local constituents—be they those who work for these companies or the companies in the medtech sector themselves—is that it's important that every area of the private health sector plays their part in ensuring that the cost of private health insurance comes down. Medical devices represent one-tenth of private health insurance benefits paid and nine per cent of premium revenue growth since financial year 2013. Growth in device benefits is driven entirely by clinician and patient demand. Private health insurance sustainability must be achieved; and it can be achieved, through wide-ranging reforms of which the Prostheses List is just one.

This list is an important regulatory tool to ensure that patients in the private hospital system have access to this life-saving medical technology. It provides clarity in the delivery of health care by providing healthcare providers with a list of medical devices that will be covered by health insurers for policyholders with appropriate levels of hospital coverage.

As mentioned, this reform is aimed at making private health insurance more sustainable. As we all know, cost-of-living pressures are hitting family budgets. Reducing the price of health insurance and putting downward pressure on insurance is a positive thing. This is part of broader and more urgent reforms to strengthen Medicare and resolve the crisis in primary care that we saw overseen by the former government.

I've had the opportunity to visit many of these companies. The member for Macarthur mentioned Edwards Lifesciences. There's also Medtronic, Johnson & Johnson and Abbott. At the risk of not naming them all, I'll stop there. There are plenty. It's great to see that they're big employers locally, and that they deliver great outcomes for patients across the country.

I've also had the pleasure of meeting with locals in Bennelong whose lives have fundamentally benefited from access to this same medical technology. In the first few weeks after being elected, I met Andrew from West Ryde. Andrew was diagnosed with type 1 diabetes when he was just eight years old. Type 1 diabetes has completely dominated Andrew's daily life, particularly restricting his ability to hear, see, walk, work and drive. Four out of the five members in his family have now been diagnosed with type 1. He was one of the many passionate locals in Bennelong I met with before the election and after it who've received access to subsidised continuous glucose monitoring and flash glucose monitoring products, which this government was proud to subsidise from 1 July. His ability to access a constant glucose monitoring system has saved his life and made his life more livable.

Devices on this list which we're talking about today, and devices that seek to be added to it, are life-saving. I have visited and spoken to these companies and seen their commitment to their patients and their role in innovation, training and research. As employers, they are also committed to sustainability, equity and diversity. The feedback that I have received from them and many of those who work with them is that they're very supportive of these reforms and their objectives. They would like to see the cost of private health insurance go down.

The medtech sector, like any businesses, operate at capacity when they have certainty. They want to keep delivering innovation and better outcomes for their patients. I understand the sector, through the MTAA and individually, are having ongoing discussions with the Department of Health and Aged Care about the implementation of these reforms. Although I understand a number of areas remain outstanding, I'm confident that they'll be resolved in a timely manner. It's welcome that the minister announced that the government will ensure that an alternative funding mechanism for the products that will be removed from the list will be mandated. That's positive. But the industry notes the details are still to be determined. I'm confident that they will be resolved in a timely manner.

I would like to use my time speaking on this legislation to encourage the department and the medical device sector to continue to engage in good faith and in a transparent manner, as they have been. Where detail is sought from the department, I'd encourage them to provide those details as quickly as possible. And, where the department requires cooperation, I'd encourage all stakeholders to reach common ground.

At the end of the day, there are some really, really positive elements to this legislation. Let's not forget about them. This reform will deliver savings to private health insurers, and if those savings are passed on they'll result in costs of living easing for policyholders, and that is a really, really positive thing. I'd encourage all parties to ensure that those savings are passed on. Savings to policyholders are welcome and they are good.

I look forward to receiving updates from the department about the ongoing process to simplify the Prostheses List and ensure it offers a fit-for-purpose pathway to assess medical technology. I also look forward to receiving positive news that all involved can have certainty throughout this process so that they can go back to focusing on innovating for better patient outcomes. I will be one of many, I can tell you, who will be following this process as it comes to implementation on 1 July.

Ms SHARKIE (Mayo) (17:32): I rise to speak in support of the Private Health Insurance Legislation Amendment (Medical Device and Human Tissue Product List and Cost Recovery) Bill 2022 and related bills. Collectively these bills implement the first stage of long-awaited amendments to better administer medical device and prostheses pricing in Australia. They clarify the items that may be included on the list under the Private Health Insurance Rules and update cost recovery arrangements, implementing a levy for medical devices, which will provide for the cost of assessing and administering applications. These are positive steps.

Private Healthcare Australia advises that we in Australia pay some of the highest prices in the world for medical devices, on average 30 to 50 per cent above the United Kingdom, Europe, South Africa and New Zealand. Australia's increasing private health insurance premiums are, in part, due to these costs. Case studies include a bolt valued at

\$45 with a list price of over a thousand dollars. The egregious cost to consumers before this was resolved has never been recouped. And this is not a new scenario.

My former Centre Alliance colleague, former senator Stirling Griff, was determined to address rampant overpricing in this area. Senator Griff fought for a Senate inquiry into the industry to look into the cost of medical devices and prostheses here and elsewhere, other potential pricing mechanisms, and opportunities to create a more competitive basis for purchase and reimbursement of these items. Senator Griff argued that the failure of Australia's medical device pricing arrangements to keep pace with advancements elsewhere was costing Australian health consumers millions of dollars in higher premiums. The other issue related to this is all the people who left private health insurance because they just couldn't afford the premiums anymore. They are then on long hospital waiting lists, and they are often in excruciating pain for a long time, particularly with respect to hip and knee replacements. There have been some improvements in scrutiny of the list, which has saved consumer dollars. In 2021-22 the former government committed to a number of initiatives to help further reduce the cost of medical devices for private patients. This package does go some way to assisting this and bringing former senator Griff's work to fruition. However, I would be keen to see more done to support a robust compliance framework.

The Therapeutic Goods Act provides for criminal and civil offences for misleading the Therapeutic Goods Administration about placing therapeutic goods on the Australian register. Conversely, I'm told that there are no penalties for misleading the Department of Health to have an item placed on the Prostheses List. Private Healthcare Australia is of the view that until the legislation is amended to include penalties for false and misleading statements in relation to the list, health funds and their members will continue to pay millions of dollars more in benefits each year than they should. I am therefore pleased to hear that the government is currently exploring future work on a more robust compliance framework, and I encourage the government to move as quickly possible on this to further reduce health insurance premiums and lower the cost of living for millions of Australians. I commend this bill to the House, and I support it.

Ms KEARNEY (Cooper—Assistant Minister for Health and Aged Care) (17:36): Firstly, I would certainly like to thank the member for Macarthur, the member for Lindsay, the member for Bennelong and the member for Mayo for their wonderful contributions to debate on and for their support of the Private Health Insurance Legislation Amendment (Medical Device and Human Tissue Product List and Cost Recovery Recovery) Bill 2022. We heard from members with a great deal of experience on this, including the member for Macarthur who has years of experience. I thank the member for Lindsay and the member for Mayo for the hard work that they do on this issue and the member for Bennelong who said he's just learning about this issue now. It's good to have him on board.

This package of three bills supports the implementation of the 2021-22 budget measure modernising and improving the private health insurance Prostheses List. These bills represent the first tranche of legislative changes required to fully implement measures that will support modernising and improving the private health insurance Prostheses List. The first bill I introduced was the Private Health Insurance Legislation Amendment (Medical Device and Human Tissue Product List and Cost Recovery Recovery) Bill 2022. The bill inserts definitions of medical devices and human tissue products into the legislation, which will better define the kinds of products that, along with the additional criteria contained in the legislative instrument, will be considered eligible for set benefits from private health insurers. The bill also provides for the renamed Private Health Insurance (Medical Devices and Human Tissue Products) Rules. This new name is reflective of the modernised and amended scope of the legislation. The bill also updates the cost recovery arrangements to support predictable and sustainable fee-for-service arrangements.

The second bill I introduced is the Private Health Insurance (Prostheses Application and Listing Fees) Amendment (Cost Recovery) Bill 2022. This bill provides for levies payable by medical technology sponsors for the listing of medical devices and human tissue products. These levies are essential as they allow my department to administer the listings in a financially sustainable and appropriate manner. The third bill I introduced is the Private Health Insurance (National Joint Replacement Register Levy) Amendment (Consequential Amendments) Bill 2022, which is only machinery in nature and does not change any current requirements or obligations.

These bills will modernise and improve administrative processes and cost recovery arrangements. These long-awaited improvements will assist in keeping downward pressure on private health insurance premiums by reducing the costs associated with medical devices and human tissue products. The results will be improved affordability and attractiveness of private health insurance for consumers.

The DEPUTY SPEAKER (Ms Chesters): There being no further speakers, I put the question that this bill be now read a second time.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

**Private Health Insurance (Prostheses Application and Listing Fees) Amendment (Cost Recovery)
Bill 2022****Second Reading**

Consideration resumed of the motion:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

**Private Health Insurance (National Joint Replacement Register Levy) Amendment
(Consequential Amendments) Bill 2022****Second Reading**

Consideration resumed of the motion:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

MINISTERIAL STATEMENTS**Annual Climate Change Statement**

Consideration resumed of the motion:

That the House take note of the document.

Ms TEMPLEMAN (Macquarie) (17:41): It is hard to remember that less than a year ago advocates for action on climate change, including Labor, had to warn the government of the time about the impacts of global warming. Students, the fire chiefs and business all had to warn the government on this issue, and they were met with tin ears. That the government of the day, the Liberal-National government, couldn't agree to act seriously on this issue has been a real stain on Australia's history. What a contrast that now we have a government that recognises reality.

We know that no Australian is spared from the impacts of climate change. In areas like mine—the Blue Mountains and the Hawkesbury—we know that we're on the front line of extreme weather events. The Hawkesbury River has always been vulnerable and is now even more vulnerable. The mountainside has always had fires, but we now see them at such extreme levels. We face disasters frequently in my community. There have been three natural disasters in the last three years. But what we see is that these disasters are becoming increasingly devastating, increasingly frequent and increasingly unnatural.

If the trends continue and no action is taken, the temperatures that we experienced during the 2019-2020 summer will be the norm by 2040. That's what we'll get as an average summer by 2040. By 2060, they'll be considered a good year. That is just totally untenable for my community, because it means that, for the 150,000-plus people who live in the Blue Mountains and the Hawkesbury, it really won't be a place where you can happily live. Our suburbs and villages, our towns and our farms would likely not be habitable.

Australia has wasted a decade in taking action, and now it's up to us, Labor, and it's urgent. Eight months ago, we were given a mandate by the Australian people to implement our climate change and energy policy, and since then we've acted. The minister's statement on 1 December last year, the Annual Climate Change Statement to parliament, was a very strong symbol of how we'll do it differently. I want to summarise some of the things that we have done in those eight months, but I notice I only have seven minutes left. There is no way I'll be able to get through everything that we have done in putting our climate plan into action, but let's see how we go.

We passed the Climate Change Bill, which was the first real climate change bill in a decade. It tasked the Climate Change Authority with providing advice and it legislated our targets—a 43 per cent reduction in emissions by 2030 and net zero by 2050. That was one of the first things we did. We then got endorsement from the Pacific Islands Forum leaders to take forward a bid to co-host the COP 29. We want to be on the world stage, working with the world and saying, 'Here's how we've done it. Let's share these ideas and let's all push each other to do more.'

Energy ministers from around the country, from each state and territory, put emissions reductions goals into the National Electricity Objective. We have opened up the dialogue with the states on how we do this across the country. We got agreement to the Australian Energy Market Operator's Integrated System Plan to upgrade our electricity grid. We introduced the priority gas market reforms package so that we can avoid shortfalls, because we want to do

Private Health Insurance Legislation Amendment (Medical Device and Human Tissue Product List and Cost Recovery) Bill 2022

Report from Federation Chamber

Bill returned from Federation Chamber without amendment; certified copy of bill presented.
Bill agreed to.

Third Reading

Mr GORMAN (Perth—Assistant Minister to the Prime Minister) (18:55): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Private Health Insurance (Prostheses Application and Listing Fees) Amendment (Cost Recovery) Bill 2022

Report from Federation Chamber

Bill returned from Federation Chamber without amendment; certified copy of bill presented.
Bill agreed to.

Third Reading

Mr GORMAN (Perth—Assistant Minister to the Prime Minister) (18:56): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Private Health Insurance (National Joint Replacement Register Levy) Amendment (Consequential Amendments) Bill 2022

Report from Federation Chamber

Bill returned from Federation Chamber without amendment; certified copy of bill presented.
Bill agreed to.

Third Reading

Mr GORMAN (Perth—Assistant Minister to the Prime Minister) (18:57): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Paid Parental Leave Amendment (Improvements for Families and Gender Equality) Bill 2022

Second Reading

Consideration resumed of the motion:
That this bill be now read a second time.

Dr GARLAND (Chisholm) (18:58): I'm delighted to be able to continue speaking about the Paid Parental Leave Amendment (Improvements for Families and Gender Equality) Bill because it is a very important bill. From 1 July this year, this bill will deliver six key changes to the paid parental leave scheme in Australia. It will combine the two existing payments into a single 20-week scheme. It will reserve a portion of the scheme for each parent to support them both to take time off work after a birth or adoption, which is really important. It will make it easier for both parents to access the payment by removing the notion of primary and secondary carers, and that is a really significant shift.

It will expand access by introducing a \$350,000 family income test, which families can be assessed under if they exceed the individual income test. It will increase flexibility for parents to choose how they take leave days and allow eligible fathers and partners to access the payment irrespective of whether the birth parent meets the income test or residency requirements. These are significant changes that send a clear message that treating parenting as an equal partnership supports gender equality. Our government values men as carers, too, and we want to see that reinforced in our workplaces and in our communities.

This bill is about acknowledging that care is fundamental to all of us in communities, no matter the gender of the person providing the care. It is also an important step in breaking down gender stereotypes that do unfortunately