

# PARLIAMENTARY INQUIRY QUESTION ON NOTICE

## Department of Health

### Senate Select Committee on COVID-19

### Australian Government's Response to the COVID-19 Pandemic

### Written question received 5 June 2020

**PDR Number:** IQ20-000359

**Question Subject:** Review and testing of medical equipment and notification process

**Type of Question:** Written

**Senator:** Stirling Griff

#### **Question:**

A Sydney Morning Herald article from 26 May 2020 reported there are fears that doctors and nurses treating patients infected with COVID-19 in some Australian hospitals are wearing counterfeit face masks that have been registered with the TGA.

1. Is the TGA continuing to maintain its usual notification processes so health practitioners can notify the TGA if these devices are found to be faulty? If so, how many such notices have been received since the exemption was provided?
2. I note that the TGA states on its website that it intends to conduct a review. Does the TGA intend to go back and ensure that all these devices are tested to ensure they meet Australian standards?

#### **Answer:**

1. Yes, the TGA is continuing to maintain its usual notification processes to enable the reporting of faulty devices. Between 22 March and 9 June 2020, the TGA has received 16 device incident reports relating to facemasks. The complaints relate to facemasks included in the Australian Register of Therapeutic Goods (ARTG).

2. On 1 May 2020, the TGA commenced a post-market review of facemasks. We have requested suppliers provide documentation and samples of face masks included in the ARTG, including those listed in the ARTG prior to the COVID-19 pandemic. The TGA will review and validate the documentation and test the samples in our laboratory. Devices found to be non-compliant with Australian regulatory requirements will be removed from the ARTG and may be subject to recall. We are publishing progress of the post-market review on our website.

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**Department of Health**

**Senate Select Committee on COVID-19**

**Australian Government's response to the COVID-19 pandemic**

**Written question received 5 June 2020**

**PDR Number: IQ20-000361**

**Subsidy for performing COVID-19 Reverse transcriptase Polymerase Chain Reaction (PCR) tests between private and public pathology operators**

**Question Type:** Written

**Senator:** Stirling Griff

**Question:**

On 1 June 2020, The Guardian reported that the Federal Government handed major pathology companies lucrative COVID-19 contracts through limited tenders, provided large subsidy increases as well as waived normal registration fees.

1. Can the Department explain why it agreed to provide private pathology operators an extra subsidy for performing COVID-19 Reverse transcriptase Polymerase Chain Reaction (PCR) tests?
  - a. Why is there a disparity between the subsidy provided to private and public pathology operators, where private pathologists now receive \$50 more than public pathologists?

**Answer:**

On 1 April 2020, the Medicare bulk-billed pathology test for COVID-19 was updated to increase the rebate. The introduction of two new Medicare Benefits Schedule (MBS) items resulted in an increase in the MBS fee from \$28.65 per service under MBS item 69485 to \$50.00 per service (\$42.50 rebate) for public providers under item 69479, and \$100.00 per service (\$85 rebate) for private providers under item 69480. The rebate was increased in response to information about testing consumable and other input costs.

The differential fee is in line with the broader cost sharing arrangements the Australian Government has agreed with the state and territory governments, under which the Commonwealth will pay 50 per cent of state healthcare costs of responding to COVID-19.

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**Australian Government's response to the COVID-19 pandemic**

**Written question received 5 June 2020**

**PDR Number: IQ20-000362**

**Financial assistance to private pathology companies which are ineligible for JobKeeper**

**Type of Question:** Written

**Senator:** Stirling Griff

**Question:**

On 1 June 2020, The Guardian reported that the Federal Government handed major pathology companies lucrative COVID-19 contracts through limited tenders, provided large subsidy increases as well as waived normal registration fees.

2. The Guardian article reports that the government plans to offer financial assistance to private pathology companies which are ineligible for JobKeeper. Can the Department advise what this financial assistance is expected to cost the Australian taxpayer?

**Answer:**

To maintain essential COVID-19 testing capability during the pandemic and to ensure the retention of critical staff for testing purposes, the Government agreed to make financial assistance available for private sector pathology providers to ensure continued operation of services that are critical to Australia's COVID-19 response.

The cost of the additional financial assistance will depend on the volume of Medicare pathology revenue of an eligible provider from April 2020 to September 2020. The assistance is only available for providers who are experiencing significant downturn.