



Medical Technology
Productivity Commission
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Dear Ms Owens,

Medical Industry Association of Australia Special Interest Group : Healthcare Worker Safety

Thank you for the opportunity to submit a response to the Productivity Commission on the issue of *The Impact of Advances in Medical Technology on Healthcare Expenditure*.

MIAA is the peak industry body for the medical devices and *in vitro* diagnostics (IVDs) industry in Australia. Between them, member companies distribute over 90% of the medical devices and IVDs sold in Australia. The Healthcare Worker Safety Special Interest Group (HCWSIG) of MIAA was first convened in late 2002. The aim of the Group is to foster a safety culture within the healthcare environment and highlight the risk of occupational exposure to blood and body fluids from needlestick and other sharp object injuries.

MIAA has a strong commitment to maintaining the highest standard of safety in all medical devices, in order to achieve better healthcare outcomes for all Australians.

This submission argues that expenditure on new technology safety-engineered sharps generates economic and social benefits.

Conventional medical "sharps" have played an indispensable role in medical practice for many hundreds of years. Sharps are involved in the treatment of millions of patients worldwide every day.

Safety-engineered sharps are a relatively new addition to the array of medical devices available. Medical device manufacturers in Australia and worldwide commit millions of dollars annually to the research and development of these safety engineered medical devices.

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As a result, safety-engineered technology has been applied to a number of conventional sharp devices, including disposable syringes and needles, blood collection devices, scalpels and intravenous cannulae to name a few.

The investment in this technology by manufacturers is almost universally in response to demands for safer equipment by healthcare professionals and other healthcare providers, including governments. This technology investment aims to reduce the alarming rate of preventable needlestick and other sharp object injuries that occur on a daily basis in healthcare institutions around the world.

The United States has emerged as an international leader in the development of effective sharps safety legislation, in an attempt to reduce the significant human and financial costs associated with the US healthcare workforce suffering more than 600,000 needlestick injuries a year.

The adoption of the *Needlestick Safety and Prevention Act* in November 2000 saw the US Occupational Safety and Health Administration (OSHA) revise their Bloodborne Pathogens Standards to facilitate the use of 'safer medical devices'. These changes, which took effect in April 2001, made the use of safety-engineered devices in the US mandatory. A key element of the changes requires employers to continue to procure safer needle device products as they become available. Employees must also be involved in identifying and choosing these devices.

Since the introduction of the Act, studies have shown a significant reduction in the total number of needlestick injuries by healthcare workers¹. In the US, healthcare safety organizations including the International Healthcare Worker Safety Center at the University of Virginia anticipate that recorded rates of sharps injuries will continue to decline as healthcare facilities approach full compliance with these laws, and effective safety-engineered products become widely available.

The Case for Employing New Safety Engineered Medical Technologies

The Productivity Commission inquiry will assist the Federal, State and Territory Governments to better understand the relationship between medical advances, health outcomes and expenditures.

The findings of the Productivity Commission's inquiry will have a significant impact on future research and development of improved, safety engineered medical devices. As a consequence, it will also have an impact on the health and safety of Australian healthcare professionals. The Healthcare Worker Safety Special Interest Group of MIAA (Medical Industry Association of Australia) welcomes the opportunity to have input into this significant inquiry.

Occupational exposure to blood and body fluids from needlestick and other sharp object injuries remain a major threat to the health and safety of healthcare workers across Australia. The risk of transmission of a potentially fatal disease is ever present. In addition, the distress, sickness and absenteeism resulting from sharps injuries constitute

¹ Jagger, J.,Perry, J.: "Needle-stick and sharps-safety survey" *Nursing 2004*

a considerable strain on the already limited financial and human resources of Australia's healthcare system.

An increased use of safety engineered medical devices would mitigate the significant economic and social costs of needlestick and other sharp object injuries.

It is critical that the Government has a clear understanding of this issue. There are potential savings for Government in a range of areas, including:

- reduced incidence of percutaneous injuries
- reduced medical treatment costs
- reduced exposure to expensive liability claims
- reduced insurance premiums for hospitals
- increased workplace health and safety for healthcare workers
- a reduction in the drain of nurses and other healthcare professionals from the healthcare system

For your consideration, I have attached to this letter a submission by MIAA to the recent New South Wales Inquiry into Serious Injury and Death in the Workplace (2004) which directly relates to sharps injuries, their impact on the lives of healthcare professionals and the reasons for mandatory use of safety engineered medical devices.

For a copy of the final report and response by the Government, please visit <http://www.parliament.nsw.gov.au/prod/parlment/committee.nsf/0/5FF50E93372E70F6CA256E970019F209>

At present, the unit cost of safety engineered medical devices is higher than that of conventional devices; however economies of scale would suggest that the differential would naturally reduce with greater use, in addition to the potential cost savings outline above.

The Australian Nursing Federation submission to the Senate Community Affairs References Committee *Inquiry into Nursing* (March 2002) notes at paragraph 4.5.5.1 that:

"...Decisions about products designed to reduce needle-stick injuries are being made on the basis of cost. While some employers have placed the health and welfare of nurses before cost and upgraded their products, the response is generally inadequate. If this cannot be done on a voluntary basis, then it should be made mandatory under occupational health and safety legislation."

It should be noted that medical devices account for a very small proportion of a hospital's total costs. (It has been estimated that the total cost for medical devices and diagnostics not limited exclusively to sharps, accounts for less than 6% of a hospital's costs, while medical and non-medical labour costs account for approximately 75%).

As noted above the Senate Community Affairs References Committee *Inquiry into Nursing* was conducted in March 2002. As a result of that inquiry, the Committee recommended *"the National Occupational Health & Safety Commission urgently develop model uniform OH&S legislation and regulations for the Commonwealth, States and*

Territories relating to the use of safe needle technologies in Australian hospitals and other health workplaces...”

Currently there is no specific economic modelling that examines the economic effects of an increased use of safety engineered medical devices, however MIAA would be interested in participating in any study undertaken by the Commission into this process.

The Healthcare Worker Safety Special Interest Group of MIAA welcomes the opportunity to participate in any hearings or consultations the Commission may be holding as part of this Inquiry, in order to provide you with further detail on the points raised in this letter and the attached document.

Please do not hesitate to contact me directly for any further information by email to susan_martland@bd.com or telephone 0409 569 590.

Yours sincerely,

Susan Martland

Healthcare Worker Safety Special Interest Group of MIAA