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MÉNIÈRE'S DISEASE: NEW FEDERAL COVERAGE APPROVAL FOR MENIETT DEVICE PLUS GST EXEMPTION

Medtronic Xomed would like to announce the successful listing of the **Meniett** low-pressure pulse generator, on Appendix C of the Schedule 5 Prostheses Schedule, plus GST exemption.

Private Patients now 100% covered for device use: Items on Schedule 5 attract automatic 100% cover for patients with hospital table private health insurance. GST is not payable if the device is received during a consultation in your rooms. *(N.B. Consumables are a minimal cost but remain non-rebateable and attract GST)*

Effective date: The Schedule 5 release is anticipated 28th February 2003.

Patient Selection / Approval Definition: The Private Health Industry Medical Devices Expert Committee (PHIMDEC) assessed clinical evidence and costs, and has released the following approval definition for patients diagnosed with Ménière's disease:

"To be claimed only where medical therapy such as lifestyle (general health assessment and stress reduction) and oral medications (diuretics, anti-emetics, anti-vertigo and steroids) have been unsuccessful".

Early Access: Since there is a month delay before the health system is operational, and some patients may be experiencing distressing and disabling symptoms, Medtronic would like to offer earlier access to treatment. We will supply the Meniett device immediately and delaying invoicing until after 1 March 2003.

GST Exemption: The Meniett is GST exempt providing it is delivered to the patient during a medical service, and the device supply is on the premises of where the GST-free medical service is supplied, and the bill is subsequently sent directly to the patient, then GST should NOT be charged

Items on Schedule 5 are generally GST exempt providing ALL conditions are met. The Department of Health and Ageing received ATO advice, as documented for Suppliers in their Circulars HBF639_PH387 (5th June 2000) and HBF667_PH411 (26th September 2000).

"Where the prosthesis is made available to be supplied to the patient at the same point in time as the GST-free medical service, then provided all of the elements of S38-7 of the GST Act are met, the prosthesis will be GST-free under section 38-7(3)".

"Accordingly where the manufacturer delivers it for preparation and provision to the surgeon to implant it and the patient is subsequently billed, it is considered that the prosthesis is being supplied to the patient, and will be a good supplied 'in the course of supplying' within the meaning of section 38-7(3)"

Please call your local Medtronic Xomed Territory Manager or myself on 0416-29-33-75 for information about the Meniett.

Regards,

Judith Clements
Marketing Manager
Medtronic Xomed Australasia