

To the Health Fund
Ex-gratia Claims Manager

Dear Sir/Madam,

OSBON ERECAID SYSTEM

I am writing to provide background information in support of our patient's enquiry to have part of the cost of the Osbon ErecAid System borne by his health fund.


The Osbon ErecAid System is an external vacuum device used in the treatment of erectile dysfunction. The ErecAid System is a medical solution to a medical problem. The ErecAid System has been recommended as an appropriate course of treatment by our patient's doctor.

The ErecAid System has been available in Australia for over 12 years, and in the USA for over 22 years. It is manufactured in the USA, and has a 95% success rate. The ErecAid system has a lifetime guarantee, meaning that it would be a once only payment of \$661 (including GST and postage and handling).

Feedback from other funds who also approve some level of reimbursement for vacuum therapy, is that it is cheaper than supporting the injection therapy approach. Caverject has now been removed from the PBS and is retailing for up to \$120 per script (ie \$24 per injection). Based on 8 scripts per year, this would amount to \$960. Depending of course, on the funds' policy, this would probably result in each person claiming their full limit on pharmaceutical benefits each year. So, whilst the ErecAid System is a significant up-front cost, it is a one-off cost.

On this basis, your consideration is sought to approving a part payment, to this patient, for the cost of his ErecAid System. Please do not hesitate to contact me should you require any further information.

Yours sincerely



Osbon Technical Support

October 2005