

January 22, 2015

The Honorable Phil Roe
U.S. House of Representatives
407 Cannon House Office Building
Washington, DC 20515

The Honorable Linda T. Sánchez
U.S. House of Representatives
2329 Rayburn House Office Building
Washington, DC 20515

Dear Representatives Roe and Sánchez:

On behalf of the undersigned medical organizations, representing 450,000 physicians and the patients they serve, we are pleased to endorse the Protecting Seniors' Access to Medicare Act. Created by the Affordable Care Act (ACA), the IPAB is a government board whose sole job is to cut Medicare spending, and we appreciate that your legislation will repeal this deleterious provision of the ACA.

From the beginning of Medicare, members of Congress have played an essential role in shaping policies that best meet the needs of their communities and constituents to ensure that the healthcare system is equipped to care for diverse populations across the country. With the advent of the IPAB, however, the people's elected representatives will no longer have power over Medicare payment policy. Instead, these major health policy decisions will rest in the hands of 15 unelected and largely unaccountable individuals. Even worse, if IPAB fails to report recommendations or never becomes operational, this power will rest solely in the hands of a single individual — the Secretary of the Department of Health and Human Services. Additionally, fewer than half of the IPAB members can be health care providers, and none is permitted to be practicing physicians or be otherwise employed. Thus, not only does the creation of IPAB severely limit congressional authority, but it essentially eliminates the transparency of hearings, debate, and a meaningful opportunity for critical stakeholder input.

America's physicians are also concerned that the strict budgetary targets and other limitations imposed on the IPAB will ultimately threaten the ability of our nation's seniors and disabled to obtain the healthcare they need, when they need it. Although IPAB-related cuts are not anticipated for the next few years, we have all witnessed the inaccuracies associated with projecting future Medicare expenditures, most notably the problems with the sustainable growth rate (SGR) formula. It is estimated that it will now cost nearly \$140 billion to repeal and replace the SGR, and we clearly cannot afford the IPAB to become the next SGR. Today, the price tag for repealing the IPAB is relatively small, so Congress should seize this moment and repeal the IPAB now before the cost to do so becomes prohibitive, and access to care problems become acute. And because IPAB funding was authorized to begin on October 1, 2011 and board members can now be appointed, there is urgency for repeal before this board is established.

Finally, providers representing roughly 37 percent of all Medicare payments — including hospitals and hospice care — are exempt from IPAB cuts until 2020; thus IPAB-directed cuts will disproportionately fall on physicians. Over the next decade, when factoring in payment reductions associated with the SGR, Medicare's quality-related programs, and budget sequestration, physicians are facing cumulative cuts well over 100 percent! Additional cuts due to IPAB are, therefore, clearly not sustainable.

While we recognize the need to reduce the federal budget deficit and control the growth of healthcare spending, the IPAB is simply the wrong solution for addressing these budgetary challenges. We need a workable alternative that adequately reimburses physicians and ensures that patients will have timely access to quality care.

Leaving Medicare payment decisions in the hands of an unelected, unaccountable body with minimal congressional oversight will negatively affect timely access to quality health care for our country's senior citizens and the disabled. We thank you for introducing this important legislation and look forward to working with you to ensure that it becomes law.

Sincerely,

Alliance of Specialty Medicine
American Academy of Dermatology Association
American Academy of Facial Plastic and Reconstructive Surgery
American Academy of Neurology
American Academy of Otolaryngology – Head and Neck Surgery
American Association of Clinical Endocrinologists
American Association of Neurological Surgeons
American Association of Orthopaedic Surgeons
American College of Emergency Physicians
American College of Mohs Surgeons
American College of Radiology
American Congress of Obstetricians and Gynecologists
American Gastroenterological Association
American Society for Dermatologic Surgery Association
American Society of Anesthesiologists
American Society of Breast Surgeons
American Society of Cataract and Refractive Surgery
American Society of Echocardiography
American Society of Nuclear Cardiology
American Society of Plastic Surgeons
American Urological Association
Cardiology Advocacy Alliance
Congress of Neurological Surgeons
Heart Rhythm Society
Society for Cardiovascular Angiography and Interventions
Society for Vascular Surgery
Society of Gynecologic Oncology

cc: Members, U.S. House of Representatives