

March 16, 2017

The Honorable Ron Wyden
U.S. Senate
Washington, DC 20510

Subject: Support for Protecting Medicare from Executive Action Act

Dear Senator Wyden,

On behalf of the undersigned medical organizations, representing more than 400,000 physicians and the patients they serve, we are pleased to support your bill, the Protecting Medicare from Executive Action Act (S. 251), which would repeal the Independent Payment Advisory Board (IPAB). For a number of reasons highlighted below, we agree with you that now is the time to seize the moment and eliminate this unelected, unaccountable government board before it has a chance to become operational.

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 health care 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 person — 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 are permitted to be practicing physicians or be otherwise employed. Thus, not only does the creation of IPAB severely limit congressional authority, it essentially eliminates the transparency of hearings, debate and a meaningful opportunity for critical stakeholder input. Furthermore, IPAB decisions are not subject to judicial review, granting the board even more unprecedented powers.

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 health care they need when they need it. Based on recent estimates by the Medicare Trustees, for the first time since its inception, the IPAB process will likely be triggered in 2017; thus setting up a process that will result in \$1.5 billion in Medicare cuts in 2019 alone. Even steeper cuts are predicted in 2022 and 2024.

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.

While we recognize the need to reduce the federal budget deficit and control the growth of health care spending, the IPAB is simply the wrong solution for addressing these budgetary challenges. With the

advent of the Medicare Access and CHIP Reauthorization Act (MACRA) and other value-based payment programs, physicians are working to improve health care quality and drive down Medicare costs. However, rather than this thoughtful approach to cost containment and quality improvement to enhance the value of the Medicare program, the IPAB is merely a blunt instrument to reduce what Medicare pays for medical treatments and will bring progress on value-based care to a screeching halt.

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 those with disabilities. We stand ready to join with you and your colleagues in this effort to repeal the IPAB.

Sincerely,

Alliance of Specialty Medicine
American Academy of Dermatology Association
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 Mohs Surgery
American College of Osteopathic Surgeons
American College of Radiology
American Congress of Obstetricians and Gynecologists
American Gastroenterological Association
American Society for Dermatologic Surgery Association
American Society for Gastrointestinal Endoscopy
American Society for Mohs Surgery
American Society of Anesthesiologists
American Society of Breast Surgeons
American Society of Cataract and Refractive Surgery
American Society of Plastic Surgeons
American Society of Echocardiography
American Society of Nuclear Cardiology
American Urological Association
Cardiology Advocacy Alliance
Congress of Neurological Surgeons
Society for Cardiac Angiography and Interventions
Society of Nuclear Medicine and Molecular Imaging
National Association of Spine Specialists
North American Neuro-Ophthalmology Society
Society for Vascular Surgery