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ISSUE BRIEF

The “Medicare Decisions Accountability Act” (H.R. 452)

Reps. Phil Roe, MD (R-TN), Michael Burgess, MD (R-TX) and Paul Broun, MD (R-GA)

The American Osteopathic Association (AOA) supports the “Medicare Decisions Accountability Act” (H.R. 452), a bill to repeal the Independent Payment Advisory Board (IPAB).

Sections 3403 and 10320 of the Patient Protection and Affordable Care Act (Public Law 111-148) creates IPAB, a 15 member panel appointed by the President and confirmed by the Senate charged with, beginning in 2015, extending Medicare solvency and reducing the growth in spending through the implementation of a spending target system and a fast-track legislative approval process. The AOA opposed the creation of IPAB and supports its full repeal.

- IPAB grants unprecedented authority over the Medicare program to an unelected body.
 - ❖ Congress is a representative body and, as such, must assume responsibility for legislating sound health care policy, including those policies related to physician payment within the Medicare and Medicaid systems.

- The creation of IPAB severely limits Congressional oversight of the Medicare program.
 - ❖ IPAB replaces the transparency of Congressional hearings and debate with a less transparent process with, at best, minimal accountability for its policy decisions.
 - ❖ Denying Medicare beneficiaries and providers this transparency greatly limits their ability to aid in development and implementation of new Medicare payment policies.
 - ❖ The creation of IPAB eliminates Congress’s ability to collaborate with the Centers for Medicare and Medicaid Services (CMS) to create and implement demonstration and pilot projects to evaluate new and innovative payment policies such as the patient-centered medical home.
 - ❖ The creation of IPAB would eliminate state and community input into the Medicare program, thus removing Congress’s ability to enact policies that address the differences in patient populations as a result of geographic or demographic variance.

- The breadth of IPAB’s authority is unfairly limited.
 - ❖ For its first 5 years, IPAB’s potential cuts are limited to Medicare Parts B, C, and D.
 - ❖ Hospitals and Long Term Care Facilities (Medicare Part A providers) comprise nearly a third of all Medicare spending. However, these providers are exempted until 2020 from IPAB cost reductions.

- ☞ IPAB subjects physicians to double jeopardy through multiple annual spending targets.
 - ❖ Each year, physician payments under Medicare face potential cuts due to the broken sustainable growth rate (SGR) formula.
 - ❖ Coupling the SGR and IPAB could force physicians to face multiple payment cuts each year.
 - ❖ The current instability and inequities in Medicare physician payments is hindering access to care for Medicare beneficiaries. IPAB would only exacerbate this problem.

- ☞ IPAB garnered bi-partisan opposition during the debate surround the Affordable Care Act.
 - ❖ 118 Members of the House of Representatives signed a January 15, 2010 letter to then Speaker Pelosi stating opposition to “any legislation that would place authority for Medicare payment policy in an unelected, executive branch commission or board.”