



Sound Policy. Quality Care.

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Cosponsor H.R. 452, the “Medicare Decisions Accountability Act of 2011”

April 14, 2011

Dear Representative:

**As the Alliance of Specialty Medicine (Alliance), our mission is to advocate for sound federal health care policy that fosters patient access to the highest quality specialty care. As patient and physician advocates, the Alliance urges you to cosponsor H.R. 452, the “Medicare Decisions Accountability Act of 2011,” which would repeal the Independent Payment Advisory Board (IPAB) included as part of the “Patient Protection and Affordable Care Act” (P.L. 111–148).**

Starting in 2014, the Independent Payment Advisory Board or IPAB, as added by sections 3403 and 10320 of recently passed health care legislation, will require a 15-member board of non-elected officials to recommend Medicare spending reductions in order to reduce the per capita rate of growth in Medicare in years when spending exceeds a targeted growth rate. Medicare reimbursement rates are already well below market rates and are likely to get worse if no long term fix to the sustainable growth rate (SGR) formula is enacted by Congress. But if targeted growth rates are surpassed, the IPAB could decide to make additional cuts, further pressuring more and more physicians to stop seeing Medicare patients altogether. *For these reasons, the Alliance of Specialty Medicine opposed the creation of the IPAB and supports its full repeal.*

**IPAB grants unprecedented, less transparent 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.
- IPAB replaces the transparency of Congressional hearings and debate with a less transparent process with, at best, minimal accountability for its policy decisions.

**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.

For these reasons, we urge you to repeal the IPAB and cosponsor 452, the “Medicare Decisions Accountability Act of 2011.”

Sincerely,

American Academy of Facial Plastic & Reconstructive Surgery  
American Association of Neurological Surgeons  
American Gastroenterological Association  
American Society of Cataract and Refractive Surgery  
American Society of Plastic Surgeons  
American Urological Association  
Coalition of State Rheumatology Organizations  
Congress of Neurological Surgeons  
Heart Rhythm Society  
National Association of Spine Specialists  
Society for Cardiovascular Angiography and Interventions