

June 24, 2011

Dear Member of Congress:

The organizations listed below represent a breadth of entities including all sectors of the healthcare industry, employers of different sizes and geographic locations, as well as purchasers of care, consumers and patients. We all share the conviction that the Independent Payment Advisory Board (IPAB) will not only severely limit Medicare beneficiaries' access to care but also increase healthcare costs that are shifted onto the private sector. While we all recognize the need for more sustainable healthcare costs, we do not believe the IPAB is the way to, or will, accomplish this goal.

As you know, the Patient Protection and Affordable Care Act (PPACA [P.L. 111-148]) created the IPAB, a board appointed by the President and empowered to make recommendations to cut spending in Medicare if its spending growth reaches certain measures. The IPAB will have unprecedented power with little oversight, even though it has the power to literally change laws previously enacted by Congress. Further, the law specifically prohibits administrative or judicial review of the Secretary's implementation of a recommendation contained in an IPAB proposal.

We are deeply concerned about the impact the IPAB will have on patient access to quality healthcare. The bulk of any recommended spending reductions will almost certainly come in the form of payment cuts to Medicare providers. This will affect patient access to care and innovative therapies. In the past five years for which data is available, the number of physicians unable to accept new Medicare patients because of low reimbursement rates has more than doubled. According to an American Medical Association survey, current reimbursement rates have already led 17 percent of all doctors, including 31 percent of primary care physicians, to restrict the number of Medicare patients in their practices. In all likelihood, the IPAB will only exacerbate this problem.

While we are all supportive of improving the quality of care in this country, we are concerned that the IPAB will not be able to focus on improving healthcare and delivery system reforms, as some of its proponents have suggested. Requiring the IPAB to achieve scoreable savings in a one-year time period is not conducive to generating savings through long-term delivery system reforms. According to a recent Kaiser Family Foundation issue brief, "[w]hile the requirement to achieve Medicare savings for the implementation year provides a clear direction and target for the Board, it may discourage the type of longer-term policy change that could be most important for Medicare and the underlying growth in health care costs, including delivery system reforms that MedPAC and others have recommended which are included in the ACA – and which generally require several years to achieve savings. If these delivery system reforms are not 'scoreable' for the first year of implementation, the IPAB may be more likely to consider more predictable, short-term scoreable savings, such as reductions in payment updates for certain providers." The Congressional Budget Office (CBO) has in fact stated that the Board is likely to focus its recommendations on changes to payment rates or methodologies for services in the fee-for-service sector by non-exempt providers. Again, this will have a severe, negative impact on Medicare beneficiaries.

Last, we believe that the IPAB sets a dangerous precedent for overriding the normal legislative process. Congress is a representative body that has a duty to legislate on issues of public policy.

Abdicating this responsibility to an unelected and unaccountable board removes our elected officials from the decision-making process for a program that millions of our nation's seniors and disabled individuals rely upon, endangering the important dialogue that takes place between elected officials and their constituents.

We do not believe the IPAB is the right way to achieve savings in Medicare and strongly urge Congress to eliminate this provision.

Sincerely,

Abigail Alliance

Action CF

AdvaMed

Advocates for Responsible Care

AIDS Delaware

AIDS Drug Assistance Programs Advocacy Association

AIDS Housing Association of Tacoma

AIDS Institute

Alabama Orthopaedic Society

Alder Health Services, Inc.

Alliance for Aging Research

Alliance of Specialty Medicine

ALung Technologies, Inc.

Alzheimer's & Dementia Resource Center

Alzheimer's Arkansas

American Academy of Facial Plastic & Reconstructive Surgery

American Academy of Neurology

American Academy of Otolaryngology – Head and Neck Surgery

American Academy of Physical Medicine and Rehabilitation

American Association for the Study of Liver Diseases

American Association of Clinical Endocrinologists

American Association of Clinical Urologists

American Association of Homecare

American Association of Neurological Surgeons

American Association of Orthopaedic Executives

American Association of Orthopaedic Surgeons
American Autoimmune Related Diseases Association
American College of Emergency Medicine - Indiana Chapter
American College of Emergency Physicians
American College of Mohs Surgeons
American College of Osteopathic Surgeons
American College of Radiology
American College of Surgeons - Missouri Chapter
American Congress of Obstetricians and Gynecologists
American Gastroenterological Association
American Liver Foundation - Allegheny Division
American Osteopathic Academy of Orthopedics
American Physical Therapy Association
American Podiatric Medical Association
American Society of Anesthesiologists
American Society of Breast Surgeons
American Society of Cataract and Refractory Surgery
American Society of General Surgeons
American Society of Plastic Surgeons
American Society of Radiation Oncology
American Urological Association
Amigos por la Salud
Arizona Medical Association
Arizona Urological Society
Arkansas Medical Society
Arkansas Orthopaedic Society
Associated Industries of Florida
Association for Behavioral Healthcare
Association of Nurses in AIDS Care
Asthma & Allergy Foundation of America - California Chapter
Asthma & Allergy Foundation of America - New England Chapter
BIOCOM

BioNJ
BioOhio
Biotechnology Industry Organization (BIO)
California Hispanic Chambers of Commerce
California Medical Association
California Orthopaedic Association
California Rheumatology Alliance
California Urological Association
Children's Rare Disease Network
Coalition for Affordable Health Coverage
Coalition of State Rheumatology Organizations
Colorado Academy of Family Physicians
Colorado BioScience Association
Colorado Cross-Disability Association
Colorado Gerontological Society
Colorado Retail Council
Colorado Springs Health Partners
Community Health Charities of Florida
Community Health Charities of Nebraska
Congress of Neurological Surgeons
Connecticut Orthopaedic Society
Connecticut State Urology Society
Delaware Academy of Medicine
Delaware Ecumenical Council on Children and Families
Delaware HIV Consortium
Delaware State Orthopaedic Society
Easter Seals
Easter Seals Crossroads
Easter Seals of Arkansas
Easter Seals of Maine
Easter Seals of Massachusetts
Easter Seals of New Jersey

Easter Seals of South Florida
Elder Care Advocacy of Florida
Florida Chamber of Commerce
Florida Medical Association
Florida Society of Rheumatology
Florida Society of Thoracic & Cardiovascular Surgeons
Florida State Hispanic Chamber of Commerce
Florida Transplant Survivor's Coalition
Florida Urological Society
Georgia Association for Home Health Agencies
Georgia Bio
Georgia Orthopaedic Society
Global Genes
HEALS of the South
Healthcare Leadership Council
HealthHIV
Heart Rhythm Society
Hoosier Owners and Providers for the Elderly
Illinois Association of Orthopaedic Surgeons
Illinois Biotechnology Industry Organization—iBIO®
Illinois Chamber of Commerce
Indiana Association of Cities and Towns
Indiana Health Care Association
Indiana Health Industry Forum
Indiana Neurological Society
InterAmerican College of Physicians & Surgeons
International Franchise Association
International Institute for Human Empowerment
Iowa Orthopaedic Society
Kansas Urological Association
Kentucky BioAlliance
Kentucky Medical Association

Kidney Cancer Association of Illinois
Large Urology Group Practice Association
Latino Diabetes Association
Licensed Professional Counselors Association of Georgia
Louisiana State Medical Society
Lupus Alliance of America - Hudson Valley Affiliate
Lupus Alliance of America - Queens and Long Island Affiliate
Lupus Alliance of America - Southern Tier Affiliate
Lupus Alliance of America - Upstate New York Affiliate
Lupus Foundation of Arkansas
Lupus Foundation of Florida
Lupus Foundation of Mid and Northern New York
Lupus Foundation of the Genesee Valley
Mabel Wadsworth Women's Health Center
Maine Health Care Association
Maine Osteopathic Association
Maine State Council of Vietnam Veterans of America
Maryland Orthopaedic Association
Maryland State Medical Society
Massachusetts Association for Behavioral Health Systems
Massachusetts Association for Mental Health
Massachusetts Biomedical Initiatives
Massachusetts Medical Device Industry Council
Massachusetts Orthopaedic Association
Medical Association of Georgia
Medical Association of the State of Alabama
Medical Society of Delaware
Medical Society of the District of Columbia
Medical Society of the State of New York
Men's Health Network
Mental Health America of Indiana
Michigan Bio

Michigan Chamber of Commerce
Michigan College of Emergency Physicians
Michigan Orthopaedic Society
Michigan Society of Anesthesiologists
Mississippi Arthritis and Rheumatism Society
Mississippi Orthopaedic Society
Missouri State Medical Association
Missouri Urological Association
Montana Orthopaedic Society
National Alliance on Mental Illness
National Alliance on Mental Illness Colorado
National Alliance on Mental Illness Florida
National Alliance on Mental Illness Georgia
National Alliance on Mental Illness Indiana
National Alliance on Mental Illness Maine
National Association for Home Care & Hospice
National Association for Home Care & Hospice - Indiana Chapter
National Association for Home Care & Hospice - Ohio Chapter
National Association for Uniformed Services
National Association of Manufacturers
National Association of Nutrition and Aging Services Programs
National Association of People with AIDS
National Association of Spine Specialists
National Council of Negro Women
National Council of Negro Women - Los Angeles View Park Section
National Grange
National Health Foundation
National Hemophilia Foundation - Delaware Valley Chapter
National Kidney Foundation - Ohio Chapter
National Medical Association
National Minority Quality Forum
National Retail Federation

Nebraska Academy of Physician Assistants
Nebraska Medical Association
Nebraska Orthopaedic Society
Nebraska Urological Association
Neurofibromatosis Mid-Atlantic
Nevada Orthopaedic Society
Nevada State Medical Association
New Horizons Home Health Services
New Jersey Academy of Ophthalmology
New Jersey Mayors Committee of Life Science
New York State Rheumatologists Society
New York State Urological Society
North Carolina Urological Association
Northwest Urological Society
Ohio Association of Ambulatory Surgery Centers
Ohio Association of County Behavioral Health Authorities
Ohio Association of Medical Equipment Services
Ohio Hospital Association
Ohio Orthopaedic Society
Ohio State Grange
Ohio State Medical Association
Ohio Urological Society
Oklahoma State Medical Association
Oklahoma State Orthopaedic Society
Oklahoma State Urologic Association
Oregon Medical Association
Partners in Care Foundation
Pennsylvania BIO
Pennsylvania Medical Society
Pennsylvania Orthopaedic Society
Personal Coaching & Psychotherapy for Women
PhRMA

RARE Project
RetireSafe
Rhode Island Medical Society
Rocky Mountain Stroke Center
Rural Health IT
Sanfilippo Foundation for Children
Society for Cardiovascular Angiography and Interventions
Society for Vascular Surgery
Society of Gynecologic Oncology
Society of Urologic Oncology
South Carolina BIO
South Carolina HIV/AIDS Care Crisis Task Force
South Carolina Medical Association
South Carolina Podiatric Medical Association
South Carolina Urological Association
South Dakota State Orthopaedic Society
South Jersey Geriatric Care PC
South Jersey Senior Networking Group
Stockton Center on Successful Aging
Syndicus Scientific Services
Team Sanfilippo Foundation
Tennessee Medical Association
Tennessee Orthopaedic Society
Texas Healthcare & Bioscience Institute
Texas Urological Society
The Capital Region Action Against Breast Cancer!
The G.R.E.E.N. Foundation
The Global Healthy Living Foundation
U.S. Chamber of Commerce
U.S. Pain Foundation
Urology Society of New Jersey
Utah Medical Association

Utah State Orthopaedic Society
Vascular Society of New Jersey
Vermont Medical Society
Veterans Health Council
VHA Inc.
Vietnam Veterans of America
Virginia Biotechnology Association
Visiting Nurse Association of Ohio
Washington Free Clinic Association
Washington Osteopathic Medical Association
Washington Rheumatology Association
Washington State Medical Association
Washington State Urology Society
WERAK Foundation
West Virginia Academy of Otolaryngology
West Virginia Chapter of the American College of Cardiology
West Virginia Manufacturer's Association
West Virginia Orthopaedic Society
West Virginia State Medical Association
William "Hicks" Anderson Community Center
Wisconsin Urological Society
Women Against Prostate Cancer