March 5, 2012

The Honorable Fred Upton
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

The Honorable Henry Waxman
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
2322A Rayburn House Office Building
Washington, DC 20515

Dear Chairman Upton and Ranking Member Waxman:

On behalf of the undersigned 42 medical organizations, representing over 400,000 physicians and the patients they serve, we urge you to favorably report H.R. 452, the Medicare Decisions Accountability Act, out of committee when you mark-up the bill this week. Created by the Patient Protection and Affordable Care Act (PPACA), the IPAB is a government board whose sole job is to cut Medicare spending, and H.R. 452 would repeal this section of PPACA.

As the medical community has stated in the past, 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 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 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.

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 people with disabilities disabled to obtain the health care they need, when they need it. The IPAB will be required to recommend cuts based on unrealistic spending targets starting in 2014. Unfortunately, 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 over $300 billion to "fix" 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. Physicians are already facing cuts in excess of 40 percent over the next decade, and without a permanent solution to the Medicare's sustainable growth rate (SGR) formula they could be subject to "double jeopardy" from cuts from the combined application of SGR and IPAB.

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. 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. Hundreds of Democrat and Republican Members of Congress and organizations representing seniors, veterans, consumers, patients, healthcare providers, business and others are all calling for the repeal of IPAB. Please join them and vote to repeal the IPAB.

Thank you for considering our request.

Sincerely,
Alliance of Specialty Medicine
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 of Anesthesiologists
American Society of Breast Surgeons
American Society of Cataract and Refractive Surgery
American Society of General Surgeons
American Society of Nuclear Cardiology
American Society of Plastic Surgeons
American Urological Association
California Medical Association
Cardiology Advocacy Alliance
Coalition of State Rheumatology Organizations
Congress of Neurological Surgeons
Heart Rhythm Society
Louisiana State Medical Society
Medical Association of Georgia
Medical Society of Delaware
Medical Association of the State of Alabama
Medical Society of the District of Columbia
Medical Society of the State of New York
National Association of Spine Specialists
Nebraska Medical Association
Nevada State Medical Association
Oklahoma State Medical Association
Oregon Medical Association
Pennsylvania Medical Society
Society for Cardiovascular Angiography and Interventions
Society for Vascular Surgery
Society of Gynecologic Oncology
South Carolina Medical Association
Texas Medical Association
Wisconsin Medical Society

cc: Members, House Energy and Commerce Committee