



Issue Brief: Independent Payment Advisory Board

Repeal the IPAB

Request

The Alliance of Specialty Medicine urges Congress to repeal the Independent Payment Advisory Board (IPAB) that was included as a part of the “Patient Protection and Affordable Care Act”

Snapshot of the issue

Starting in 2014, the “Independent Payment Advisory Board,” which came as part of the 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 formula (SGR) 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.

The bottom line

- The 100,000 physicians represented by the Alliance are calling on Congress to repeal the IPAB, which could further endanger the access that thousands of Medicare patients have to doctors across the country.
- The Alliance appreciates concerns about the rising costs of health care and is willing to explore various options on how to contain costs, but only those that will not impact the quality of care that seniors will receive. The IPAB fails that most basic test and instead shifts responsibility and accountability for cuts to the Medicare program away from members of Congress to a 15 member unelected board appointed by the President.

Background

Under current law, the SGR formula will require physician payment rates to be reduced by more than 40 percent over the next decade. Yet, the IPAB could make cuts on top of those already set to take place. As a result, seniors who participate in the Medicare program are at risk of losing the doctor of their choice as more physicians are being forced to limit the number of Medicare patients they see. The IPAB solution will exacerbate the problem by imposing arbitrary cuts in Medicare reimbursement rates for some providers while excluding others from its effects. As a result, there will be more pressure to extract deeper cuts from those areas under the IPAB’s jurisdiction. As physicians, Alliance members are committed to providing care for the seniors we are so proud to serve and to work with members of Congress to address the issue of rising healthcare costs. We strongly believe, however, that the IPAB is simply the wrong approach and will result in unintended consequences that include restricting access to important specialty care interventions and services for Medicare patients.

The **Alliance of Specialty Medicine** is an organization of national medical societies, based in Washington, DC, which represents specialty physicians in the United States. This non-partisan group is dedicated to the development of sound federal health care policy that fosters patient access to the highest quality specialty care. Member organizations include: American Academy of Facial Plastic and Reconstructive Surgery; American Association of Neurological Surgeons; American Association of Orthopaedic Surgeons; American Gastroenterological Association; American Society of Cataract & Refractive Surgery; American Urological Association; Coalition of State Rheumatology Organizations; Congress of Neurological Surgeons; Heart Rhythm Society; National Association of Spine Specialists; and Society for Cardiovascular Angiography and Interventions. For more information, please visit www.specialtydocs.org.