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