IPAB REPEAL

Urologists call for the restoration of Congressional oversight of the Medicare program by supporting efforts to repeal the Independent Payment Advisory Board (IPAB). We urge all members of Congress to cosponsor H.R. 849 (Reps. Roe and Ruiz); S. 251 (Sen. Wyden) or S. 260 (Sen. Cornyn).

Background

The IPAB requires a board of non-elected government officials to recommend cuts to the Medicare program when spending exceeds a targeted growth rate. These recommendations automatically go into effect unless blocked by a Congressional three-fifths supermajority. Although hospitals and long-term care facilities comprise more than one-third of Medicare spending, they are exempt from any IPAB cuts until 2020. This means that a disproportionate share of the burden will fall onto physicians, who make up less than 10% of total Medicare expenditures.

Established by the Affordable Care Act as a tool to help control Medicare spending, the IPAB would be charged with making recommendations for cutting Medicare expenditures once the program's spending growth hits an arbitrary level. As designed, the IPAB would usurp congressional authority over the Medicare program while granting unprecedented powers with virtually no oversight. IPAB is allowed broad authority to propose changes to Medicare, which will automatically take effect unless Congress acts.

The House passed H.R. 849, the House bill to repeal IPAB, following a 307-111 vote. The bill, which has over 250 bipartisan cosponsors, has since moved to the Senate for its consideration.

Rationale

IPAB would likely make significant, arbitrary cuts in Medicare payments for healthcare providers. These cuts would have a potentially devastating impact on Medicare patients – affecting access to care as well as to innovative therapies and new care approaches. As designed, IPAB is a blunt instrument that focuses on reducing what Medicare pays for healthcare services rather than on what’s in the best interest of patients.

Urologists and other providers work hard to keep up with new quality improvement and reporting requirements, in exchange for Medicare incentives that IPAB could very well cancel out. The cuts could make it more difficult for physicians to see new Medicare patients, or undermine the financial viability of physicians with a large Medicare caseload.

Ultimately, repealing IPAB ensures seniors and their doctors maintain control over their treatment and other healthcare decisions.