A bipartisan group of lawmakers from the House of Representatives and Republican Senators have each recently introduced legislation (Protecting Seniors’ Access to Medicare Act of 2013) aimed to protect seniors’ access to health care through the elimination of the Independent Payment Advisory Board (IPAB). This legislation deserves the consideration and support of our elected officials. As annual cost growth continues to outpace inflation, Medicare is heading in the wrong fiscal direction. Every year, this imbalance becomes more prominent through the discussion of ever-pending sustainable growth rate cuts. The problems are complex but real. Simply stated, without reform, the promised services to seniors may be radically altered to right the ship.

As lawmakers attempt the daunting tasks of fixing Medicare and controlling health care spending, they must ensure seniors’ access to care remains uninterrupted. Unfortunately, the component of the Patient Protection and Affordable Care Act designed to control Medicare spending—the IPAB—could create more barriers to care than benefits for seniors. If Medicare outspends its projected growth rate cuts, the IPAB will be mandated by law to create cost-cutting recommendations to balance the system. These cuts were avoided for 2015 because Medicare growth has recently slowed.

The rationale behind the creation of the IPAB is understandable and admirable because Congress has been delaying Medicare reform for years due to fears of political strife. President Barack Obama hopes to save Medicare by removing tough Medicare decisions from electoral politics and handing them to experts. Unfortunately, the structure of the IPAB presents some serious problems. One of the most glaring shortcomings is that more than 50% of the expert board members cannot be direct health care providers, and no physicians or other providers on the board can be actively practicing medicine. The second deficiency is the limited checks on the IPAB-mandated changes. Congress can only stop the IPAB’s recommendations from becoming policy by overriding them with a three-fifths majority in the Senate or by passing alternatively framed legislation that generates the same overall level of cost savings. These 2 options are the only checks on the IPAB. Patients and providers have no recourse to question its judgments.

Lastly, the IPAB has only limited options for balancing Medicare spending. The Board is prohibited from directly changing Medicare’s benefits or its fee-for-service structure and from rationing care, but it can reduce reimbursement rates for participating providers and institutions. Of note, due to previously agreed-on cuts to hospice and hospital reimbursements in the Patient Protection and Affordable Care Act, those 2 organizations are exempt from cuts enacted by IPAB until 2020. This leaves physician reimbursement as one of the primary areas for cuts to be leveled.

Medicare reimbursement rates are already dangerously low. In some markets, Medicare reimburses up to one-third less than the average private market rate. As a result, many caregivers are opting out of Medicare, leaving patients without someone to treat them. One American Medical Association survey of 9000 doctors nationally found that 17% had already restricted the
number of Medicare patients they see in their practices.¹ Future IPAB cuts risk making this problem worse. New appointment wait times for seniors will likely get longer, and seniors will find it increasingly more difficult to find providers accepting Medicare.

We recognize many of the flaws in the current health care system, but establishing a 15-member unelected panel, wherein fewer than 50% of members are medical providers, to set the new national standard for Medicare budgeting and priorities is not the answer. Members of both political parties have openly supported a new proposal known as the Protecting Seniors’ Access to Medicare Act of 2013, which would allow for the specific elimination of the IPAB board from the language of the Patient Protection and Affordable Care Act and therefore block the formation of the board. The current IPAB model stands to further limit access to care for millions of Medicare patients. We urge you to speak up for your patients and this population by contacting your local elected officials in support of the Protecting Seniors’ Access to Medicare Act of 2013. Without repeal, IPAB will become a reality, and the care of the nation’s seniors will suffer.

REFERENCE