



AMERICAN COLLEGE OF PHYSICIANS
INTERNAL MEDICINE | *Doctors for Adults*®

July 26, 2012

The Honorable Phil Gingrey
U.S. House of Representatives
Washington, DC 20515

RE: July 18, 2012, Hearing in the Energy & Commerce Health Subcommittee on “Using Innovation to Reform Medicare Physician Payment”

Dear Rep. Gingrey,

As a witness who testified before the Energy & Commerce Health Subcommittee on July 18, I am following up on your request for a written response to the American College of Physicians (ACP) position on the Independent Payment Advisory Board (IPAB), as established under the Affordable Care Act (ACA). I am pleased to provide such a response, and appreciated the opportunity to testify on behalf of the College on finding innovative solutions to Medicare’s physician payment system.

ACP is the largest medical specialty organization and second-largest physician group in the United States, representing 133,000 internal medicine physicians and medical student members. As an evidence-based organization, ACP’s positions on public policy issues are based on policy derived from its membership.

ACP supports the general concept of an independent body developing recommendations to implement payment reform that helps to effectively maintain the fiscal integrity of the Medicare system. ACP believes that it is very difficult for Congress to make Medicare payment and budgetary decisions due to its limited healthcare expertise and the influence of significant special-interest lobbying efforts on the political process. Thus, these important decisions required by Congress are often inadequately informed, unduly influenced by special interests, or avoided. The College believes that an independent board of physicians and other health care experts that both informs Congress on means to effectively control the unsustainable growth of Medicare healthcare expenditures and provides an increased requirement for Congress to address this important issue would be more likely to achieve needed Medicare changes. The College further believes that the IPAB has the potential to serve this role, but requires some significant modification. Thus, rather than repeal IPAB, the College advocates for modifications to this current-law provision.


ACP policy calls for the following changes to the current IPAB provision of the ACA:

- Congress should be allowed to override IPAB recommendations with a majority rather than a super majority vote. The College agrees with the position of many of the other physician organizations that the current-law provision removes too much authority from Congress and their ability to be accountable to the public. This change would appropriately return adequate authority to Congress.

- It should be required that a physician who provides primary care services be a member of the IPAB. Given the multitude of research data reflecting the important role of primary care as a foundation for any effective and efficient healthcare system, ACP believes the inclusion of a member with these practice credentials is imperative.
- The current-law provision should include language to more clearly ensure that the savings obtained through IPAB recommendations and implementation either improves or at least maintains the quality of care provided.
- IPAB should be able to consider all Medicare providers and suppliers when developing payment delivery and expenditures change proposals, as opposed to the current situation where certain groups have been excluded. Payment delivery changes and reductions should not be the burden of a restricted number of Medicare providers and suppliers.
- IPAB authority should be expanded to make recommendations regarding Medicare coverage and benefits. It is important in order to efficiently use limited healthcare resources that decisions in these areas be based on a process that considers both clinical effectiveness and cost issues.

I hope this information is helpful to you. The College stands ready to serve as a resource for you and the committee in your efforts to find innovative solutions to Medicare's unsustainable physician payment system. Should you have any questions, please do not hesitate to contact Rich Trachtman at 202-261-4538 or rtrachtman@acponline.org.

Sincerely,

A handwritten signature in black ink that reads "David L. Bronson". The signature is written in a cursive, flowing style.

David L. Bronson, MD, FACP
President, American College of Physicians