

U.S. Rep. George Miller (D-CA)
Testimony before the House Energy and Commerce Committee, Health Subcommittee
Hearing on the Independent Payment Advisory Board
July 13, 2011

Thank you, Chairman Pitts and Ranking Member Pallone for the opportunity to testify today.

I came to Congress in 1975. Since that time, I've been involved in the debate over national health reform proposals.

Throughout these debates, lawmakers struggled with how to control costs without harming care.

Unfortunately, Congress chose to kick the can down the road.

Without action, health care costs have continued their endless rise, well in excess of inflation.

As everyone here well knows, these costs have grown to unsustainable levels for families, businesses and taxpayers.

In the past decade, health spending has increased an average of 6.8 percent a year. It is expected to rise from 18 percent of GDP to 34 percent in 2040.

At the same time, employer provided insurance has fallen and out of pocket and premiums have skyrocketed.

The opportunity for reform finally changed with the Affordable Care Act. For the first time, Congress put in place specific and identifiable measures to make Medicare and our health system more efficient.

We need to give these innovations a chance to work.

- These innovations include stronger tools to combat fraud and abuse in Medicare and Medicaid – tools that have already started saving billions of dollars.
- Better coordination of care through accountable care organizations.
- Incentives to reduce hospital readmissions, and reward the delivery of high quality and efficient care.
- And improved patient safety through the Partnership for Patients initiative.

These reforms were included based on what has worked in the past and what is likely to work in the future. These cost saving ideas are beginning to work.

We did not make these decisions lightly. There was robust debate.

But in the end, a majority agreed to give these ideas a chance.

Our goal was to make Medicare stronger for seniors and sustainable for future generations so we wouldn't have to go down the road of rationing or turning Medicare into a voucher program.

If Congress begins to roll back these reforms, then we will not see the efficiencies and innovations that experts agree will stabilize our health care system.

One of these ideas is the Independent Payment Advisory Board.

This board serves as a backstop to ensure that our federal health programs operate efficiently and effectively for both seniors and taxpayers.

Before the Affordable Care Act, Congress and other stakeholders had an unremarkable track record of controlling costs.

- 535 members of Congress cannot be doctors.
- 535 members of Congress are not capable of knowing the science and best practices in every medical treatment.
- And 535 members of Congress are subject to unrelenting lobbying by special interests that have a financial stake in our decisions – but not necessarily the best health of our seniors in mind.

For these reasons, many experts have recommended the creation of an independent board of health experts to make system improvement recommendations.

And, as you know, Congress often uses independent boards to help with complex issues, such as MedPAC and BRAC.

The Independent Payment Advisory Board will not usurp the role of Congress. It simply acts as a backstop in case government spending exceeds benchmarks.

Both CBO and the Medicare trustees tell us that because of Affordable Care Act reforms, they don't expect the mandatory actions of the panel to be triggered in the immediate future.

The President will nominate doctors, health experts and consumers to the board to examine all the data and evidence on best practices and inefficiencies in health care spending.

The Senate will consider and approve each nominee. IPAB will make all of its recommendations to Congress. And Congress can approve, disapprove or modify each recommendation.

In other words, Congress retains its role in health care – but in an improved, more efficient fashion

Ideally, IPAB recommendations could also be a driver for innovation in not only the public sector, but also the private sector.

Under the law, Independent Payment Advisory Board guarantees the doctor-patient relationship.

Doctors will retain full authority to recommend the treatments that they think are best for patients.

The law prohibits the recommendations that would ration care, change premiums or reduce Medicare benefits.

In conclusion, I testify here today as someone who deeply cares about the delivery of health care to the citizens of the United States.

Everyone agrees that our nation's health costs must come under control. With 76 million baby boomers just beginning to rely on Medicare, the time is now to push innovative reforms.

The Independent Payment Advisory Board is about strengthening the Medicare program.

Without innovation and evidence-based decision-making, Medicare will be put in jeopardy.

And the forces calling for ending Medicare as we know it will gain the upper hand.

The American people have firmly rejected the Republican budget plan to end Medicare.

That is why we must encourage everyone to find the sweet spot where the delivery of good health care is affordable health care.

We really have no alternative. Without innovation, our current system will be unsustainable for our nation's families, businesses and taxpayers.

I strongly support IPAB and would oppose any effort by Congress to undermine it.

Thank you for allowing me to testify.

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