

Opening Statement of Chairman Fred Upton
Energy and Commerce Health Subcommittee Hearing on
IPAB: The Controversial Consequences for Medicare and Seniors
Wednesday, July 13, 2011
(Remarks as Prepared for Delivery)

As we continue to discuss the many pressing issues in health care, there are few issues with greater urgency than Medicare reform. This has been highlighted by the most recent Medicare Trustee's report predicting that the Medicare Trust Fund will be bankrupt in 2024, five years earlier than reported one year ago.

The health reform law took \$575 billion out of the program – not to strengthen Medicare, but to spend on new entitlements. The law also gave an unelected, unaccountable panel of 15 experts and academics, known as the Independent Payment Advisory Board, the power to make seniors' health care decisions. That controversial board is the subject of today's hearing.

Last month, during the markup of our Semi-Annual Committee Activity Report, we approved an amendment instructing the committee to examine the health care law's rationing board, the IPAB, and its effects on seniors' access to care. And as Congress reviews the future of Medicare, we must also examine the devastating effects on seniors' health care if the program goes bankrupt in 2024.

Day after day, unnerving new details of the health care law are uncovered. The IPAB can certainly be counted among the issues that have only increased in controversy as lawmakers, patients, and doctors learn more about its vast power and potentially devastating consequences.

I thank the witnesses for being here today for what is perhaps the most comprehensive congressional review yet of the IPAB. I am particularly interested in hearing from Secretary Sebelius about the future of this

board and the power it bestows. Although the members of IPAB must be appointed by the president and confirmed by the Senate, the administration has yet to nominate a single person to serve with this controversial panel. This prompts troubling new questions.

First, what will happen to the \$15 million that will be given to the board – which currently has no members – on October 1 of this year to begin its work?

And second, will the secretary take on the IPAB's treatment denial duties if no members are appointed and confirmed? The health law gave the secretary the power to make binding payment reductions in Medicare if the board does not do so. I'd like to hear from the secretary about her interpretation of this authority and how she might use it.

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