

AMERICANS FOR PROSPERITY®

February 28, 2012

Dear Representative Roe,

On behalf of more than 1.9 million Americans for Prosperity activists in all 50 states, I applaud your introduction of the Medicare Decisions Accountability Act, H.R. 452. Your bill would repeal the Independent Payment Advisory Board (IPAB) – a key portion of the President’s new health care law – and stop the Obama administration from placing Washington bureaucrats in between patients and their doctors.

IPAB epitomizes the Obama administration’s approach to governance: empowering unelected, unaccountable bureaucrats in Washington to make decisions for the rest of the country. Whenever health care costs climb faster than a government-issued standard, these 15 bureaucrats, all appointed by the President, are empowered to make binding recommendations for cuts to Medicare. Their recommendations carry the force of law unless Congress specifically rejects them, an unprecedented transfer of the spending power from elected officials to unaccountable bureaucrats. Even former Budget Director Peter Orszag called IPAB “The largest yielding of sovereignty from the Congress since the creation of the Federal Reserve.”

This is precisely the wrong approach to controlling health care costs. Solving Medicare’s budget woes is indeed an important challenge, but surely the right answer can’t be arbitrarily limiting seniors’ health care options. Patients and their doctors should be empowered to make health care decisions together without unelected and unaccountable bureaucrats getting in the way. Instead of further dictates from Washington about what coverage can and cannot be provided under Medicare’s tight budget, we should be looking to market forces and consumer choice to control costs and direct health care dollars to their most productive uses.

What’s worse, the President’s approach has been tried before with no success. In 1997 Congress and President Clinton created the Medicare Sustainable Growth Rate. Just like IPAB, it was designed to slow the explosive growth in Medicare costs, and it did so by annually capping payments to medical providers – all based on formulas written by Washington bureaucrats. Each year these formulas signal huge payment cuts that will drive even more doctors away from serving Medicare patients, but each year Congress scrambles to cancel the cuts in order to prevent this from happening. This “doc fix” dance has gone on for years, and as a result those Medicare “savings” have never materialized.

Repealing IPAB is a vital part of repealing the President’s new health care law. Americans for Prosperity is proud to support H.R. 452, the Medicare Decisions Accountability Act. I urge your colleagues to support its passage and I look forward to working with you in the future.

Sincerely,



James Valvo

Director of Government Affairs – Americans for Prosperity

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