

The Independent Payment Advisory Board (IPAB) Must Be Repealed

The Independent Payment Advisory Board (IPAB) is an entity created by the Affordable Care Act (ACA) intended to help control Medicare spending. While the American Society of Clinical Oncology (ASCO) understands the need to address the growing costs of the Medicare program, it has serious concerns with IPAB as constructed in the ACA. ASCO urges Congress to repeal, or at least significantly modify, IPAB and to work with physicians toward a more reasonable way to control costs.

IPAB's goal of finding savings on an annual basis could undo much of the payment and delivery innovation currently taking place. ASCO's objections to IPAB include the following:

- IPAB unfairly targets physicians for savings as hospitals and other providers are exempt from IPAB cost-saving recommendations until 2020. This could lead to cuts in physician reimbursement so substantial that physicians in general and oncologists specifically could no longer participate in the Medicare program.
- The selection and appointment of candidates to IPAB is also of concern. IPAB puts decisions impacting the practice of medicine into the hands of fifteen unelected board members with no guarantee physicians will have adequate representation.
- The law also makes it very difficult for Congress to make changes to the recommendations made by the IPAB. In order for Congress to change the recommendations, it has to identify the same amount of savings, or both chambers may vote to waive the requirement, but it must pass by a 3/5 supermajority vote in the Senate.

The best course of action is to repeal IPAB. If repeal fails to happen, Congress must address numerous flaws in IPAB's construction prior to enactment. These include:

- Increase IPAB's cost cutting targets to include all health sectors at the same time (hospitals and other segments of health care should not be carved out).
- Require the appointment of at least one recently practicing physician to the board.
- Place more emphasis on payment reforms that improve quality and lower costs rather than price controls that could hurt access.
- Require an affirmative vote by Congress on IPAB recommendations before they can be implemented.
- Allow Congress to maintain its ultimate accountability for the sustainability and stability of the Medicare program.

ASCO's core mission is to ensure access to high quality cancer care. ASCO is committed to working with Congress and the Administration toward a more stable, rational and sustainable system that ensures access to Medicare beneficiaries with cancer.