

## **LEGISLATIVE ALERT**

### **CHI Urges Support for H.R. 351, to Repeal The Medicare Independent Payment Advisory Board**

California Healthcare Institute (CHI), the public policy association representing California's statewide life sciences sector – research universities and institutes, and biotechnology, pharmaceutical and medical device companies -- urges support for H.R. 351, the Protecting Seniors' Access to Medicare Act, which would repeal the Medicare Independent Payment Advisory Board (IPAB).

One of the most bipartisanly controversial provisions in the Patient Protection and Affordable Care Act (PPACA) was the establishment of the IPAB -- an elected 15-member Board tasked with presenting Congress with comprehensive proposals to cap the growth in Medicare spending. The Board's proposals would automatically take effect unless Congress passes an alternative measure that achieves the same level of savings. However, while Congress could modify the types of cuts, it could not change the total dollar amount.

CHI is deeply concerned that the quality of care for our nation's seniors, those with disabilities, and persons with chronic or rare diseases would not be best served by the IPAB. Such approaches to cost containment could seriously harm the delicate cycle of biomedical innovation by reducing incentives for investment in new research and product development, and ultimately limit patient access to lifesaving treatments, therapies and technologies. Given our still uncertain economy, it is especially important that we do everything we can to encourage, not hamper, investment in therapies targeted toward these populations.

In addition, CHI is troubled with the IPAB's lack of transparency and limited congressional oversight. Robust debate by a wide-range of stakeholders, including Members of Congress, doctors, and the patient community best provides for the formulation of new and sound policy affecting Medicare and its beneficiaries. Unfortunately, IPAB's structure effectively cuts off Congress' critical voice and role.

Therefore, CHI strongly supports H.R. 351, urges Members to co-sponsor, and looks forward to seeing its enactment.