



**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503**

June 15, 2015
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 1190 – Protecting Seniors’ Access to Medicare Act of 2015

(Rep. Roe, R-TN, and 235 cosponsors)

The Affordable Care Act has improved the American health care system, on which Americans can rely throughout life. After more than five years under this law, 16.4 million Americans have gained health coverage. Up to 129 million people who could have otherwise been denied or faced discrimination now have access to coverage. And, health care prices have risen at the slowest rate in nearly 50 years. As we work to make the system even better, we are open to ideas that improve the accessibility, affordability, and quality of health care, and help middle-class Americans.

The Independent Payment Advisory Board (IPAB) will be comprised of fifteen expert members, including doctors and patient advocates, and will recommend to the Congress policies that reduce the rate of Medicare growth and help Medicare provide better care at lower costs. IPAB has been highlighted by the non-partisan Congressional Budget Office (CBO), economists, and health policy experts as contributing to Medicare’s long-term sustainability. The Board is prohibited from recommending changes to Medicare that ration health care, restrict benefits, modify eligibility, increase cost sharing, or raise premiums or revenues. Under current law, the Congress retains the authority to modify, reject, or enhance IPAB recommendations to strengthen Medicare, and IPAB recommendations would take effect only if the Congress does not act to slow Medicare cost growth.

H.R. 1190 would repeal and dismantle the IPAB even before it has a chance to work. The bill would eliminate an important safeguard that, under current law, will help reduce the rate of Medicare cost growth responsibly while protecting Medicare beneficiaries and the traditional program. While this safeguard is not projected to be needed now or for a number of years given recent exceptionally slow growth in health care costs, it could serve a valuable role should rapid growth in health costs return.

CBO estimates that repealing the IPAB would increase Medicare costs and the deficit by \$7 billion over 10 years. The Administration would strongly oppose any effort to offset this increased Federal budget cost by reducing the Prevention and Public Health Fund. The Affordable Care Act created this Fund to help prevent disease, detect it early, and manage conditions before they become severe. There has been bipartisan and bicameral support for allocation of the Fund, and the Congress directed uses of the Fund through FY 2014 and FY 2015 appropriations legislation. The Fund supports critical investments such as tobacco use reduction and programs to reduce health-care associated infections. By concentrating on the causes of chronic disease, the Fund helps more Americans stay healthy.

The Administration is committed to strengthening Medicare for those who depend on it and protection of the public's health. We believe that this legislation fails to accomplish these goals. If the President were presented with H.R. 1190, his senior advisors would recommend that he veto the bill.

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