



July 17, 2012

The Honorable Phil Roe, M.D.  
U.S. House of Representatives  
419 Cannon House Office Building  
Washington, DC 20515

Dear Representative Roe:

Thank you for seeking AARP's opinion regarding the Independent Payment Advisory Board (IPAB). Ensuring that Medicare beneficiaries continue to have affordable access to the care they need, and that the Medicare program is financially strong, is vital to AARP's mission of enhancing quality of life for all as we age.

AARP agrees with many of the goals of IPAB proponents, including extending Medicare solvency, slowing cost-growth, and improving the quality and efficiency of care. During the debate, however, AARP raised a number of concerns, and we were pleased that the final law addressed some of our concerns by including beneficiary protections that prevent IPAB from reducing benefits, increasing out-of-pocket costs, or restricting eligibility.

IPAB's beneficiary protections provide some safeguards against harmful changes to Medicare benefits and cost sharing. Still, we continue to have concerns with arbitrary spending caps and about how potential reductions to provider reimbursement rates could impact beneficiaries' access to care. It should be noted, though, that this issue is not limited to the IPAB – we urge Congress to address the nearly 30% reduction in physician reimbursement mandated by the Sustainable Growth Rate scheduled for January 2013, without shifting additional costs to beneficiaries.

AARP recognizes the pros and cons of the IPAB. Reigning in health care spending is an enormous task – in both complexity and importance – and requires a multi-faceted effort. In addition, we continue to be concerned with the focus on Medicare – rather than our health system generally – as well as proposed alternatives to the IPAB that do not include beneficiary protections. As a result, rather than take a formal position on IPAB, AARP will continue to work with the Congress on ways to provide greater value and quality of care to the 50+ population. If we can be of any assistance, please contact Joyce Rogers, Senior Vice President of Government Affairs, at 202-434-3750.

Sincerely,

A handwritten signature in black ink that reads "A. Barry Rand". The signature is written in a cursive, flowing style.

Addison Barry Rand  
Chief Executive Officer