

**\*\*THIS TESTIMONY IS EMBARGOED UNTIL 10:00  
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Testimony of Katy Beh Neas  
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Before the House of Representatives Ways and Means Committee  
Health Subcommittee

March 6, 2012

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Chairman Herger and Ranking Member Stark, Members of the Health Subcommittee of the Ways and Means Committee, thank you for this opportunity to testify. I am Katy Beh Neas, Senior Vice President for Government Relations at Easter Seals.

For people with disabilities and chronic conditions of all ages, the goal of good health care is to have access to high quality, comprehensive and affordable health care that allows a person to be healthy and live as independently as possible and participate in his or her community. For the nearly 48 million qualified individuals with disabilities or who over the age of 65, the Medicare program is the primary route to that quality health care coverage.

As the principal source of health insurance for this frequently vulnerable population, the need to control cost is going to be entwined with the continued integrity of the program. The question that arises, then, is whether the proposed Independent Payment Advisory Board or IPAB is a mechanism to employ.

The Independent Payment Advisory Board was included in the Affordable Care Act as a back-up tool to reduce the cost of Medicare should that program exceed a designated target. While Easter Seals supported the passage of this legislation with the goal to increase the number of people with access to health care coverage, there are questions to be raised about the use of this tool for the purpose of cost containment for Medicare, a public medical insurance program.

Serious concerns have been raised about a 15 member, non-elected board mandating to Congress reductions to bring spending for a federal health care program into line. These policy recommendations would move through the legislative process on an accelerated track and, if the House of Representatives or Senate could not garner a simple majority vote on alternatives or 3/5 of their members to oppose the proposals, they would become law. Taking the responsibility of Medicare payment policy out of the hands of elected members of Congress reduces the access that beneficiaries and providers, who interact with the program on a regular basis, have to the development of good health care policy. The law does not require even a public hearing for the individuals most affected by the proposed changes to have a voice in the process.

The IPAB is not designed to be an instrument of delivery reform or to improve the quality of care. The charge for this Board is to reduce the per capita rate of growth in Medicare spending. For people with disabilities and chronic conditions, it is through better coordination and provision of quality care that real changes in health status can be achieved, not in the reduction of spending per person. The language of the Affordable Care Act so limits where the IPAB can make changes that all that is really left is reducing reimbursements to providers. The Board can not take any action that would deny access to care, increase revenue, restrict benefits, or change reimbursements to hospitals or hospices. If circumstances bring about a mandated cut in reimbursement to providers, it is likely that access to quality care will be reduced and costs will be shifted to private payers, which only worsens an existing problem.

For people with disabilities, the structure of care delivery systems can go a long way toward providing better and more comprehensive care. The need to track and organize the process of a patient's care, we believe, will lead to better health outcomes, but this does not happen in a visit or two, but with commitment to coordination over time. The savings, should the Independent Board act, are to be found in one "scoreable" year, not over the reasonable period of time it takes to produce a path to better care and therefore better outcomes.

A legislative correction such as the Medicare Decisions Accountability Act would ensure transparency and an opportunity for any beneficiary to talk with their member of Congress about how the Medicare program can reduce cost and increase quality. It would also leave on the table more options for slowing the growth of Medicare expenditures and the support of new delivery reform models. This seems the brighter path for people with disabilities and chronic conditions to assure the most impact from money spent through the Medicare program.

Thank you.

Easter Seals is a private, non-profit organization that provides exceptional services, education, outreach, and advocacy so that people living with disabilities or other special needs and their families can live, learn, work and play in our communities. Through a network of 75 affiliates, Easter Seals served 1.6 million children and adults with disabilities in 2010.