Independent Payment Advisory Board – Health Care Reform Law (111-148)

**Background:** Growth of the Medicare program is inevitable as the population of seniors continues to climb. Some lawmakers in Congress believe that the institution lacks the ability to make difficult decisions regarding spending in health care and have called for an independent body to make suggestions that would limit the growth of health care spending within the Medicare program.

“Over the long term, an aging population, a decline in the number of workers per beneficiary, and increasing life expectancy will present fiscal challenges for Medicare. From 2010 to 2030, the number of people on Medicare is projected to rise from 46 million to 79 million, while the ratio of workers per beneficiary is expected to decline from 3.7 to 2.4” (Kaiser Family Foundation, “Medicare: A Primer, 2010.” Accessible online at [http://www.kff.org/medicare/upload/7615-03.pdf](http://www.kff.org/medicare/upload/7615-03.pdf)).

**ACNM Position/Policy:** ACNM supports the practice of focusing on the alignment of evidence-based practice and optimal outcomes rather than on maximizing billable interventions. An evidence-based approach will promote collection and transparent reporting of standardized performance measures by all providers and institutions.

**Summary of Provision**

Section 3403 of the Patient Protection and Affordable Care Act (P.L. 111-148) establishes a new Independent Payment Advisory Board (IPAB). Its purpose is to “... reduce the per capita rate of growth in Medicare spending” without affecting coverage or quality.

Here is how the IPAB will operate:

1) Require the Chief Actuary of the Centers for Medicare & Medicaid Services to determine the projected per capita growth rate under Medicare each year.
2) Determine if the projection exceeds the target growth rate for that year, by requiring the Independent Payment Advisory Board to design and submit a proposal containing recommendations to reduce the Medicare per capita growth rate.
3) Require the Secretary of Health and Human Services to implement such proposals unless Congress enacts legislation.

**Timeline for Implementation:** The new IPAB reports to Congress are scheduled to begin January 15, 2014.
Agency Responsible for Implementation/Enforcement: The Center for Medicare and Medicaid Services will have the primary responsibility within the U.S. Department of Health and Human Services for this new advisory board.

Impact on Midwives: The impact on CNMs and CMs could be positive if the IPAB looks at the potential cost savings that would result from the utilization of certified nurse-midwives (CNM) and certified midwives (CM) as health care provider sources.

References: