Fiscal Commission Health Care Q & A

Q. How does the Fiscal Commission report treat the issue of repealing the Patient Protection and Affordable Care Act?

The Fiscal Commission's report is silent on the repeal of the health overhaul that passed Congress. The report does not push for repeal, nor advocate against it. I have been, and will continue be, a vocal critic of the health care law that passed Congress, because I believe it fails to address the underlying problems in health care and is on track to make many current problems worse. For this reason, Congress must repeal the new law. In fact, I recently published a health care oversight report, <u>Grim Diagnosis</u>, which shows how the Patient Protection and Affordable Care Act actually is unaffordable and fails to protect patients. Based on the analysis of independent experts, the oversight report shows how the new law threatens our economy with exploding spending, lowers wages, and will eliminate about 800,000 jobs. I recently shared some related concerns with America's medical school students in an <u>open</u> <u>letter</u>. The law must be repealed, and replaced with real reform that lowers costs and puts federal spending on a sustainable path.

Q. The Fiscal Commission report makes some serious changes to Medicare. What do you think about these changes?

Under the plan, changes to Medicare that yield savings are reinvested in other parts of Medicare. For example, some changes to Medicare help ensure that physicians will continue to see seniors for years to come. This responsible bipartisan approach stands in stark contrast to the Patient Protection and Affordable Care Act that cuts nearly \$530 billion from Medicare to spend on new government programs. Medicare is not a piggyback that Congress can raid for new projects. As I noted on page 21 of Grim Diagnosis, according to the Medicare Actuary and the Congressional Budget Office, these Medicare cuts are likely to either jeopardize care for seniors, or be overridden by Congress and further increases costs to taxpayers. All of this heads the wrong direction. As this year's Medicare Trustees' report makes clear, Medicare is already financially insolvent with trillions of dollars of unfunded liabilities – promised benefits that politicians have no idea how to pay for. Medicare must be reformed, and only tough choices lie ahead; there are no easy answers. Many of the changes to Medicare under the Commission report are necessary and

Q. What do you think about how the Fiscal Commission's report addresses the issue of Medicare reimbursements to physicians? The looming 25 percent Medicare reimbursement cut to physicians pending on January 1, 2011 is problematic, since it would clearly jeopardize long-term access to care for seniors. As I noted in a health care oversight report, <u>Bad Medicine</u>, the SGR reform should have been included as part of the health overhaul that passed Congress earlier this year. However, SGR reform was omitted from the nearly 3,000 pages of legislation <u>because it is expensive to fix the SGR problem</u>. Since 2002, Congress has overridden SGR's pending cuts, and each year the problem gets worse. The SGR should be repealed and replaced with a more sustainable inflationary measure. Toward that end, the plan pays for a reimbursement freeze in the nearer-term, to ensure continuity of access for seniors and predictability for physicians' practices. But in the longer-term, there is no doubt that a new payment formula is needed. There are many ways to realign incentives and improve seniors' access care under Medicare and I welcome the chance to work with any member of Congress interested in constructing detailed payment reform recommendations. But in the immediate term, this plan is a fiscally responsible path forward to ensure that baby boomers and current Medicare beneficiaries have access to care.

Q. Are there provisions in the Fiscal Commission report you disagree with?

prudent, but any changes are just a first step toward the comprehensive reform that is needed.

There are numerous provisions in the Commission report that I fundamentally disagree with. These include provisions like the mention of constraining costs by introducing government-run plan or using the independent payment advisory board or utilizing more price controls. But this plan is not legislation, and these provisions are not bills or amendments. The Fiscal Commission's report is a bipartisan framework that deserves serious consideration can constructively help members of Congress have an honest debate about cutting spending, reducing the deficit, adjusting tax rates, and saving our nation from fiscal calamity. While there are some positive health care provisions, my support of the entire report in this context should in no way be misconstrued as my support for policy ideas which are counter to my principles and record of service in Congress. If you want more information about my ideas for health care, read about the <u>Patients' Choice Act</u> and my <u>actions in recent months</u> on health care policy.

Q. Paul Ryan's Roadmap would make some big changes to Medicare. What do you think of his plan?

Big changes to Medicare and federal health care programs are necessary, if our country wants to reclaim its economic vitality and offer the next generation a brighter future. As the Commission's report stated, "federal health care spending represents our single largest fiscal challenge over the long-run." Examining the long-term outlook for the federal budget, the Congressional Budget Office earlier this year concluded that the single greatest threat to the federal budget is skyrocketing spending in Medicare and Medicaid. America's fiscal course must change, or our country as we know it could ease to exist. I support Paul and his courageous leadership, not just for our party, but for our country. As a budget expert, Paul is a courageous thought-leader who understands the problems with federal health care spending and offers a constructive way forward. His Roadmap is a bold and positive vision for America, and incorporates many of the same reforms we proposed in the Patients' Choice Act we introduced in May 2009. I applaud his winsome leadership that challenges the status quo and support his efforts.