



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

March 20, 2012
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 5 – Protecting Access to Healthcare Act

(Rep. Gingrey, R-GA, and 134 cosponsors)

The Affordable Care Act made significant improvements to our Nation's health care system, including creating the Independent Payment Advisory Board (IPAB). The fifteen expert members of the Board, which will include doctors and patient advocates, 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, economists, and health policy experts as an important contributor 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. 5 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. The Administration strongly opposes legislation that attempts to erode the important provisions of the Affordable Care Act.

Additionally, the Administration has serious concerns with key aspects of medical malpractice provisions included in H.R. 5. The goals of medical malpractice reform should be to provide fair and prompt compensation to patients who have been harmed by medical negligence, reduce preventable injuries, improve the quality of care, reduce defensive medicine, and lower medical liability premiums. However, H.R. 5 would establish inappropriate and harmful restrictions on health care lawsuits without effectively meeting these goals. Specifically, the Administration opposes placing artificial caps on malpractice awards which will prevent patients and other claimants who have been wrongfully harmed from receiving just compensation.

The Administration is committed to strengthening Medicare, protecting patients, and supporting the physicians who care for them. We believe that this legislation fails to accomplish these goals. If the President is presented with H.R. 5, his senior advisors would recommend that he veto the bill.

* * * * *