U.S. House Passes IPAB Repeal and CHIP Bills

The U.S. House of Representatives voted to repeal the Independent Payment Advisory Board (IPAB) yesterday, by a vote of 307-111. A second bill, to reauthorize funding for the Children’s Health Insurance Program (CHIP) passed today, by a vote of 242-174.

H.R. 849, Protecting Seniors’ Access to Medicare Act of 2017, would repeal the IPAB. Originally created by the Affordable Care Act (ACA), the IPAB was charged with making recommendations to reduce growth in Medicare per capita expenditures in the event that Medicare spending exceeds a targeted growth rate. The Congressional Budget Office (CBO) estimated that repealing IPAB would increase Medicare spending by $17.5 billion over the next year.

H.R. 3922, Community Health And Medical Professionals Improve Our Nation (CHAMPION) Act, would, among other provisions pertaining to public and community health, renew CHIP funding for five years. In addition to reauthorizing CHIP, the bill would enact several pay-fors, including limiting Medicaid benefits for lottery winners, an increase in Medicare premiums for seniors with incomes above $500,000, and a change to Medicaid’s third-party liability so that providers would bill Medicaid after a recipient’s other insurance if applicable. The bill would also shorten the grace period for individuals with qualified health plans from 90 days to a state-determined period (or a default of 30 days). Finally, the bill would cut funding for the Prevention and Public Health fund by $6.35 billion over the next decade.

If you have any questions regarding this Academy Alert, please contact David Linn, senior health policy analyst (linn@actuary.org; 202-785-6931).

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