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## House Bills Would Add Billions to Debt, Scuttle Medicare Cost Control June 17, 2015

The House is scheduled to vote today to repeal the 2.3 percent medical device tax at a cost of \$25 billion over ten years. When the bill was introduced, its sponsors said offsets would be included yet none have been offered. Instead, supporters just added language exempting costs from PAYGO.

On top of that, the House plans to vote tomorrow to [repeal the Independent Payment Advisory Board \(IPAB\)](#) – a board meant to permanently limit the growth of Medicare costs to one percentage point above the rate of economic growth each year.

Although Congress would offset the costs of repealing IPAB in the first decade, it would do so with temporary rescission of spending from the prevention fund that would provide no long-term savings. This is especially troubling as IPAB has the potential for much greater savings over the long run, especially if Medicare spending begins to grow faster than expected. As a result, the Congressional Budget Office indicated that the legislation would increase deficit spending beyond the ten-year budget window in violation of the new House rule against legislation making the long-term fiscal outlook worse.

“When it comes to our unsustainable fiscal situation, sometimes it feels like policymakers are living under a rock,” said Maya MacGuineas, president of the Committee for a Responsible Federal Budget. “Just yesterday, CBO warned about the rapid and dangerous growth of our long-term debt and of health costs in particular – and now the House is voting to make the situation worse. This just doesn’t add up.”

In the past, the Committee for a Responsible Federal Budget has argued that any [repeal of the medical device tax](#) should be fully offset and that [if IPAB is repealed, it should be replaced](#) with an alternative mechanism to control health care cost growth. The Committee for a Responsible Federal Budget has also outlined a [number of potential options](#) to achieve [both goals](#).

“Congress can’t keep warning about the growth in health costs on the one hand and then adding to them with the other. Lawmakers already added [\\$500 billion](#) to the long-term debt through higher Medicare spending earlier this year,” MacGuineas said. “We need to stop making the debt situation worse and start fixing it before it’s too late.”



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For more information, contact press secretary Jack Deutsch at [deutsch@crfb.org](mailto:deutsch@crfb.org)