

September 16, 2026

The Honorable Jason Smith
Chairman
U.S. House Committee on Ways and Means
Washington, DC 20515

The Honorable Richard Neal
Ranking Member
U.S. House Committee on Ways and Means
Washington, DC 20515

Dear Mr. Chairman and Mr. Neal:

I am a Professor of the Practice of Health Policy at the University of Southern California, a Senior Scholar at the USC Schaeffer Institute for Public Policy and Government Service, and a Nonresident Senior Fellow at the Brookings Institution. I am a health economist with a Ph.D. from Harvard University and an elected member of the National Academy of Medicine. I served as a MedPAC Commissioner from 2016 to 2022 and Vice Chair from 2019 to 2022. I also served as the first executive director of one of MedPAC's predecessor commissions, the Physician Payment Review Commission, from 1986 to 1995. Before that, I served as a Deputy Assistant Director at the Congressional Budget Office.

The Congress created MedPAC in 1997 to provide it with nonpartisan, independent and well-informed advice on a range of Medicare payment issues. MedPAC is led by 17 commissioners, with deep experience in various segments of the health care system or in health policy analysis. They commit substantial time to lengthy public Commission meetings and the extensive preparation each meeting requires. The Commission is supported by an outstanding staff with deep expertise in analysis of provider payment.

MedPAC has served the Congress very well over many years. Its two major reports to Congress each year are widely read, as are its formal comments on CMS proposed rules. Its Chair and Executive Director testify before Congressional committees often and committee staff frequently reach out to MedPAC staff for advice on legislation that their Chair or Ranking Member (or both) are working on.

One strong measure of this relationship's success is the long record of legislative changes to Medicare payment policy that reflect recommendations in MedPAC reports to Congress. One very prominent example on the Committee's agenda this year: site-neutral payment was first recommended by MedPAC in its March 2012 Annual Report to Congress. The Congress drew on these recommendations in the Bipartisan Budget Act (BBA) of 2015, which stated that new off-campus hospital outpatient facilities could no longer bill at higher hospital outpatient department rates.

MedPAC has been effective because it is independent. But given the contentious nature of many of the payment issues that Congress asks for advice on, it is not surprising to see stakeholders criticizing MedPAC's work in an area that is particularly important to them. This is testimony to the degree to which MedPAC's recommendations to the Congress have been very influential.

H.R. 4093 is the most extreme example that I am aware of in which a stakeholder has worked to undermine MedPAC's independence on the basis of analysis it has done that is not in that stakeholder's financial interests. This bill would attempt to obtain analytic results more favorable to that stakeholder (in this case, health insurance industry) by dictating to MedPAC how it should conduct its analysis. Should it be enacted, MedPAC would no longer be able to function independently.

The Congress created MedPAC to provide it with independent advice on many Medicare payment issues that it knew would be controversial with stakeholders, in many cases with different stakeholders on different sides of an issue. To maintain this independence, Congress needs to protect MedPAC from attempts by disgruntled stakeholders to undermine it. If Congress proceeds with this legislation, it would be abandoning its many years of success in obtaining independent advice on a wide range of difficult issues because a stakeholder disagreed with MedPAC's results. I urge the Ways and Means Committee to decline to report H.R. 4093.¹

Sincerely,

Paul B. Ginsburg, Ph.D.

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¹ The opinions expressed herein are mine alone, and do not represent the positions of any of my affiliated organizations, including the University of Southern California or USC Schaeffer.