CLINICAL LABORATORY COALITION

 *Committed to Ensuring Access to Quality Laboratory Services*

**FOR IMMEDIATE RELEASE**

**Clinical Laboratory Coalition (CLC) Successfully Opposes Onerous Medicare Payment Policy**

February 15, 2011, Washington, DC – A broad coalition of clinical laboratory associations, joined by physician and other provider organizations, is once again demonstrating its effectiveness in addressing an onerous Medicare payment policy. The focus is a rule to require physician signatures on all laboratory Part B Medicare requisition forms even though such signatures are already required on patient orders and maintained in the medical record.

On Friday, February 11, 2011, officials from the Centers for Medicare and Medicaid Services (CMS) informed CLC representatives that CMS intends to withdraw the rule, which is scheduled to be enforced beginning April 1, 2011.

The CLC’s work on this issue began in July 2010 when the National Independent Laboratory Association (NILA) and the American Clinical Laboratory Association (ACLA) discovered that CMS was proposing a rule to require physician signatures on laboratory requisitions for tests paid under the Part B Clinical Laboratory Fee Schedule (CLFS).

The CLC immediately began a united effort to persuade CMS that the rule created numerous patient care concerns and logistical business challenges and requested that CMS delay the announced January 1, 2011, enforcement date until the many questions about the policy were answered and to allow a reasonable period of time to educate physicians and others in the field about the policy change. In a letter to CMS Administrator Dr. Donald M. Berwick, numerous organizations stated that the policy could cause significant harm to patients and cause laboratories that serve a large number of Medicare beneficiaries to possibly shut their doors. The letter was signed by organizations ranging from the American Medical Association to the American Health Care Association to the American Hospital Association to ten national laboratory organizations. An independent cost analysis of the rule was conducted, showing the impact on small physician and laboratory businesses to be in the hundreds of millions of dollars.

During the past few months, CLC members participated in several CMS “Open Door Forums” during which the new policy was discussed, and CLC representatives, led by the National Independent Laboratory Association (NILA) and American Clinical Laboratory Association (ACLA), met directly with CMS officials to explain the CLC’s concerns about the policy. The CLC compiled a list of

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hundreds of questions about the policy that needed to be answered before CMS could even contemplate an educational campaign ([click here to view the list of questions](http://www.aab.org/images/aab/pdf/Questions%20for%20CMS%20_2629688_1_.pdf)).

In mid-December CMS announced that enforcement would be delayed three months, until April 1, 2011, to allow the agency an opportunity to educate the physician and laboratory communities about the rule and to answer questions.

As the CLC learned more about potential problems with the policy and CMS released no guidance materials, the CLC concluded that the April 1, 2011, enforcement date needed to be pushed back and the policy reassessed.

Concerned about the position the new rule put them in – turning patients away when they did not have a signature on a laboratory requisition or performing the service and being unable to submit claims for reimbursement if signatures were not obtained – the laboratory community had to do something to ensure CMS understood that neither position was appropriate. Congress heard those concerns.

Late last week, 89 House members (40 Democrats, 49 Republicans) and 34 Senators (19 Democrats, 15 Republicans) joined together, sending a House and Senate letter to CMS addressing concerns with the rule and asking for change.

This makes the third time in the past eight years that the CLC has successfully addressed a significant change in Medicare payment policy. In 2003 the CLC opposed an effort to reinstitute a 20% copayment for Part B laboratory services, and in 2006 the CLC mounted a major campaign opposing CMS’s Competitive Bidding Demonstration Project for Part B laboratory services.

In this most recent action, the CLC’s association members (see list below) were joined by the American Medical Association (AMA), the American Osteopathic Association (AOA), and the Medical Group Management Association (MGMA). In addition, the AMA’s House of Delegates passed a resolution at its 2010 meeting opposing this CMS rule.

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**List of CLC Members**

 **Laboratory Associations**

1. American Association of Bioanalysts (AAB)
2. American Association for Clinical Chemistry (AACC)
3. American Clinical Laboratory Association (ACLA)
4. American Medical Technologists (AMT)
5. American Society for Microbiology (ASM)
6. American Society for Clinical Pathology (ASCP)
7. American Society for Clinical Laboratory Science (ASCLS)
8. Clinical Laboratory Management Association (CLMA)
9. College of American Pathologists (CAP)
10. National Independent Laboratory Association (NILA)

 **Other Health Care Associations**

11. Advanced Medical Technology Association (AdvaMed)

12. American Health Care Association (AHCA)

13. American Hospital Association (AHA)

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