



April 13, 2012

Douglas H. Shulman
Commissioner of Internal Revenue
Internal Revenue Service
1111 Constitution Ave., NW, Room 3000
Washington, DC 20224

Dear Commissioner Shulman:

On behalf of the National Independent Laboratory Association (NILA), we are writing to request that the Internal Revenue Service (IRS) proactively work to determine an appropriate mid-year increase in the federal mileage reimbursement rate for businesses given the continued increase in the cost of gasoline. According to AAA, the national average price for self-serve regular gasoline was \$3.25 on January 1, 2012. As of April 12, 2012, the average had risen 20%, to \$3.91.

NILA represents regional and community clinical laboratories, many of which are family-owned small businesses, operating on very limited margins. Most NILA members employ technicians who must drive to the homes of homebound patients, nursing homes, and other off-site locations to collect blood specimens from Medicare patients. The recent increase in the cost of gasoline has a significant impact on these small businesses and could jeopardize their ability to continue to service vulnerable Medicare patients. These laboratories provide services that are not offered by larger, publicly traded national laboratories.

On behalf of NILA members, we ask that you look into this matter and promptly ensure that clinical laboratories who service homebound and nursing home patients through Medicare are sufficiently reimbursed for their mileage. The IRS made this type of mid-year change in 2008 and 2011, and we urge you on behalf of health care providers and their patients around the country to increase the federal mileage reimbursement rate to reflect the high cost of gasoline.

Should you have any questions regarding our request, please contact Julie Allen at 202-230-5126.

Thank you for your attention to this matter.

Sincerely yours,

Mark S. Birenbaum, Ph.D.
Administrator

MSB:lmh

cc: Julie Allen