



NILA Applauds Introduction of the Saving Access to Laboratory Services Act

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The National Independent Laboratory Association (NILA) applauds the bipartisan, bicameral sponsors of the Saving Access to Laboratory Services Act (SALSA) for introducing this legislation to protect community and regional clinical laboratories from drastic cuts to reimbursement in 2024 and future years. Introduced by Senators Sherrod Brown (D-OH) and Thom Tillis (R-NC) and Representatives Gus Bilirakis (R-FL), Richard Hudson (R-NC), Brian Fitzpatrick (R-PA), Bill Pascrell (D-NJ), and Scott Peters (D-CA), SALSA will repair a flawed data reporting and rate setting methodology put in place by the Protecting Access to Medicare Act (PAMA) of 2014.

“SALSA will strengthen our nation’s clinical laboratory infrastructure, ensuring access to diagnostic testing for seniors and enabling our community and regional laboratories to better respond to emerging public health threats,” said NILA’s executive director Mark S. Birenbaum, PhD. “NILA is grateful to the bipartisan sponsors of SALSA for making this a priority and calls on Congress to pass SALSA as soon as possible.”

PAMA sought to tie reimbursement rates under Medicare’s Clinical Laboratory Fee Schedule (CLFS) to rates paid by private payors, with clinical laboratories periodically submitting private rate information to the Centers for Medicaid and Medicare Services (CMS). However, initial data reporting did not accurately represent the entire laboratory market, resulting in drastic, unanticipated cuts to reimbursement. Without Congressional action, laboratories will face additional cuts in January of 2024 of as much as 15 percent to some of the most commonly ordered laboratory tests.

SALSA requires CMS to use a statistically representative sample of the entire laboratory market to determine CLFS rates for widely available diagnostic tests and puts in place protections against drastic rate cuts. SALSA will reduce the administrative burden on laboratories by requiring fewer laboratories to report private payer data and increasing the time between reporting periods from three to four years.

PAMA-related cuts have weakened our nation’s clinical laboratory infrastructure. Any additional cuts will continue to damage the ability of clinical laboratories to provide essential services and to prepare for a future pandemic or other public health emergency. Congress has acted three times to halt PAMA-associated cuts to laboratory reimbursement. NILA looks forward to working alongside Congress to advance SALSA, permanently fixing the flawed implementation of PAMA, before the end of the year.

NILA members work in regional and community independent clinical laboratories across the United States performing laboratory testing for physicians, hospitals, skilled nursing facilities (SNFs), and other health care professionals. NILA members serve a wide variety of communities and patient populations—including rural areas, underserved urban neighborhoods, mid- and small-sized cities and municipalities, congregate facilities, and critical access hospitals.