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ACLA Submits Comments to Proposed 2019 Medicare Payment Policies

In new comments to CMS, ACLA outlines required policy changes to comply with statutory text, meet Agency objective to broaden laboratory reporting

Washington, D.C. – To protect beneficiaries’ access to critical lab services, the American Clinical Laboratory Association (ACLA) urged the Centers for Medicare and Medicaid Services (CMS) to immediately correct its flawed data collection process which continues to result in steep, year-over-year cuts to lifesaving diagnostics. ACLA’s latest comments on the 2019 proposed physician fee schedule address a range of implementation concerns related to the Protecting Access to Medicare Act (PAMA).

When Congress passed PAMA in 2014, the legislation directed CMS to collect private payor payment rates in order to establish a fair and predictable market-based payment system for clinical laboratories. Instead, CMS collected data from less than 1 percent of laboratories nationwide. By excluding more than 99 percent of the nation’s laboratories, CMS violated the statute and undermined Congress’s goal of protecting beneficiaries and supporting value-based care delivery.

As a result, in 2018 alone, Medicare beneficiaries faced more than \$670 million in cuts to lab services. These unsustainable cuts continue into 2020 – leading to a drastic reduction of \$3.6 billion from clinical laboratory services over three years.

“Now is a critical inflection point for millions of seniors. Cuts of this magnitude will continue to harm the most vulnerable beneficiaries,” Julie Khani, ACLA President, said. “We urge CMS to take the necessary and urgent steps to establish a sustainable, complete data collection process that complies with the PAMA statute and ensures patients with chronic conditions can continue to access the tests they rely on for their health.”

While CMS’ proposed physician fee schedule rule outlined potential steps to improve future data collection and reporting periods as part of PAMA, these steps are insufficient to address the significant shortfalls that jeopardizes care for the most vulnerable seniors.

Notably, ACLA called on CMS to correct its regulatory definition of “applicable laboratory” to ensure the agency meets its stated goal of collecting private payor data from the broadest possible representation of the national laboratory market. In doing so, CMS should include all sectors of the laboratory market, including hospital outreach laboratories as intended by Congress. Further, CMS should adopt flexible approaches to reporting information, in order to reduce the cost and burden experienced by laboratories submitting data.

To view the full comment letter, click [here](#).



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ACLA is a not-for-profit association representing the nation's leading clinical and anatomic pathology laboratories, including national, regional, specialty, hospital, ESRD and nursing home laboratories. The clinical laboratory industry employs nearly 277,000 people directly and generates over 115,000 additional jobs in supplier industries. Clinical laboratories are at the forefront of personalized medicine, driving diagnostic innovation and contributing more than \$100 billion to the nation's economy.