

## **Saving Access to Laboratory Services Act (SALSA, H.R. 2377/S. 1000)**

- Clinical laboratory services account for less than 1% of total Medicare spending, or about \$8.4 billion annually, yet they inform 70% of all medical decisions.
- Since the implementation of the *Protecting Access to Medicare Act* (PAMA) in 2018, Medicare payment to laboratories has been cut on three separate occasions by up to 10% each, totaling \$3.8 billion.
- ACLA is grateful that since 2019 Congress has stepped in on five occasions to delay further cuts and data reporting. However, cuts of up to 15% for ~800 tests under the Medicare Clinical Laboratory Fee Schedule (CLFS) are scheduled to resume Jan. 1, 2025, unless Congress acts.
- In addition to looming cuts, laboratories must now begin to implement significant new regulatory compliance obligations under the U.S. Food and Drug Administration's (FDA) recently finalized rule to regulate laboratory developed testing services as medical devices. The combination of PAMA cuts with costly new regulatory obligations could further compromise patient access and laboratory investments in novel diagnostics.
- Now is the time for permanent, sustainable PAMA reform. Congress should act on SALSA now to:
  - Preserve patient access to life-saving diagnostic tests that are foundational to informed clinical decision making;
  - Provide payment stability for the Medicare program and for clinical laboratories, facilitating long-term R&D to drive innovation in diagnostics for earlier detection and increasingly personalized medicine;
  - Preserve clinical laboratory infrastructure for day-to-day care and in times of public health emergency.
- SALSA would achieve these goals by:
  - Using statistically valid sampling methods to accurately determine private payer rates—improving accuracy, reducing Centers for Medicare & Medicaid Services (CMS) and laboratory red tape;
  - Mitigating reductions facing laboratories over the next three years and thereafter,
  - Putting in place annual 5% guardrails on increases and decreases in CLFS payment protecting both laboratories and the federal government.
- SALSA is supported by over 70 patient, consumer, and provider organizations, and has over 50 bipartisan cosponsors in the House and Senate.

**Urge your Member of Congress to cosponsor SALSA today and press House and Senate Leadership to make passage of the bill a priority this year.**