



For Immediate Release

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Final 2018 Payment Rates for Clinical Laboratories are Still Flawed and Pose Serious Risk for Medicare Beneficiary Access to Clinical Laboratory Testing

St. Louis, MO — The National Independent Laboratory Association (NILA) is extremely troubled following yesterday's release of the final [2018 Medicare reimbursement rates](#) for clinical laboratory tests. NILA calls on Congress to take immediate action to delay the implementation of these new rates before access to beneficiary services is put at risk starting in January.

The adjustments that were made by the Centers for Medicare and Medicaid Services (CMS) to the final rates issued under the Protecting Access to Medicare Act of 2014 (PAMA) fail to address serious flaws in data that do not adequately represent the clinical laboratory market.

"NILA is hugely disappointed that CMS ignored the concerns raised by the laboratory community over the past few weeks as we reviewed the preliminary payment rates," says Mark Birenbaum, Ph.D., NILA Administrator. "[NILA issued comments to CMS](#) expressing serious concerns with the preliminary data and warning of the consequences to laboratory testing and jobs across the country if CMS moved forward." Birenbaum stated. "CMS clearly did not listen."

"The statute's intent is to establish private market-based laboratory payment rates within Medicare, but CMS has not done this" says Dr. Birenbaum. CMS imposed requirements community laboratories could not meet, giving them a few months to prepare reportable data and threatening penalties up to \$10,000 for each error they made. CMS constructed a system where data from national laboratories with the highest test volumes and highest discounts in the private market dominate the data reported. CMS excluded data from a large segment of the laboratory market that contains high test volumes and higher payments from private payors.

This regulation eliminates access to laboratory services for many Medicare beneficiaries, particularly those living in rural and underserved areas and those with complex health conditions that rely on clinical laboratory tests to guide their care and treatment. If these payments are not corrected, laboratories will be forced to lay off thousands of workers across the U.S., eliminate services, or close their businesses all together. NILA is closely reviewing the final payment rates and will continue to advocate before Congress and CMS that they delay implementation of these flawed payment rates and work to address this looming health care crisis now.

NILA members are independent community and regional clinical laboratories working with physician practices, hospitals, outpatient care settings, skilled nursing facilities, and home health patients to provide essential clinical laboratory services to Medicare beneficiaries, particularly those in underserved communities and hard-to-reach care settings. Every day, NILA members provide diagnostic laboratory services and results, upon which physicians base their clinical decisions for the Medicare beneficiaries they serve.