



## **NILA Applauds Introduction of the Saving Access to Laboratory Services Act**

***For Immediate Release***

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The National Independent Laboratory Association (NILA) applauds a bipartisan, bicameral group of legislators for working together to introduce the Saving Access to Laboratory Services Act (SALSA) to protect community and regional independent laboratories from drastic cuts to reimbursement in 2023 and future years. Introduced by Senators Sherrod Brown (D-OH) and Richard Burr (R-NC) and Representatives Gus Bilirakis (R-FL), Richard Hudson (R-NC), Bill Pascrell (D-NJ), Scott Peters (D-CA), and Kurt Schrader (D-OR), SALSA will repair a flawed data reporting and rate setting methodology put in place by the Protecting Access to Medicare Act (PAMA) of 2014.

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, beginning on January 1, 2023, laboratories will face additional cuts 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 Medicare’s Clinical Laboratory Fee Schedule rates for widely available clinical laboratory 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.

“Community and regional independent laboratories are an indispensable part of our nation’s health care infrastructure. These laboratories continue to respond to the COVID-19 pandemic and provide critical laboratory services in underserved communities across the country, despite declining and often uncertain reimbursement,” said NILA Executive Director Mark S. Birenbaum, PhD. “NILA is grateful to the bipartisan group of legislators who are committed to putting an end to steep laboratory reimbursement cuts and enacting a long-term fix to PAMA.”

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

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*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.*