



Better health through
laboratory medicine.

October 3, 2017

The Honorable Mitch McConnell
Majority Leader
US Senate
Washington, DC 20510

The Honorable Chuck Schumer
Minority Leader
US Senate
Washington, DC 20510

Dear Senate Majority Leader McConnell and Minority Leader Schumer,

On September 7th, the Senate Appropriations Committee approved S.1771, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Bill for fiscal year 2018. Included in the accompanying report is language that encourages the Centers for Medicare and Medicaid Services (CMS) to work with stakeholders to ensure that the new Medicare payment rates for clinical laboratory tests are based on data from the “full spectrum of laboratories, including hospital, independent, and physician-office laboratories.” AACC supports this language.

Unfortunately, on September 22nd, CMS released its new proposed Medicare laboratory payment rates. As feared, the data gathered and used by the agency in setting the new fees is skewed towards one sector of the laboratory community. According to CMS, more than 90 percent of the private sector payment information came from independent commercial laboratories with only eight percent coming from physician office laboratories (POLs) and one percent from hospital laboratories. Given that POLs and hospitals account for 43 percent of Medicare Part B spending for outpatient laboratory tests, utilizing only nine percent of the private sector data from these entities may create a payment structure that is unrepresentative of the laboratory community. AACC urges you to direct CMS to delay implementation of the new payment rates until it complies with the Appropriations Committee recommendation to develop a fair and accurate payment model.

AACC is a global scientific and medical professional organization dedicated to clinical laboratory science and its application to healthcare. AACC brings together more than 50,000 clinical laboratory professionals, physicians, research scientists, and business leaders from around the world focused on clinical chemistry, molecular diagnostics, mass spectrometry, translational medicine, lab management, and other areas of laboratory science to advance healthcare collaboration, knowledge, expertise, and innovation.

We look forward to working with you on this important matter. If you have any questions, please email Vince Stine, PhD, AACC Director of Government Affairs, at vstine@aacc.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael J. Bennett", is written over a horizontal line.

Michael J. Bennett PhD, FRCPath, FACB, DABCC
President, AACC