

PRESS ADVISORY

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**San Diego Lawmakers Agree, Lab Demo Must Go --
House, Senate Letters Say Repeal in Best Interest of Beneficiaries**

Washington, DC – House and Senate lawmakers representing San Diego County, home to Medicare's first competitive bidding demonstration project for laboratory services, sent letters yesterday to the leadership of the Senate Finance Committee, the House Ways & Means and Energy & Commerce Committees urging repeal of the demonstration project.

The bipartisan House letter, signed by Reps. Brian Bilbray (R-CA), Susan Davis (D-CA), Bob Filner (D-CA) and Duncan Hunter (R-CA) states, "We urge you to include a repeal of the clinical laboratory competitive bidding demonstration authority provided in the Medicare Modernization Act of 2003 in any must-pass Medicare legislation this year." The letter continues, "It is in the best interest of Medicare beneficiaries, nursing home patients, hospitals and laboratories that this demonstration project be stopped and the authority repealed."

California Senators Barbara Boxer (D-CA) and Diane Feinstein (D-CA) sent a similar letter urging repeal of the demo project to Senate Finance Committee Chairman Max Baucus (D-MT) and Ranking Member Charles Grassley (R-IA). "Chief among our concerns is the risk that competitive bidding could put many smaller labs out of business, compromising the widespread and ready access to laboratory services that Medicare beneficiaries currently enjoy."

American Clinical Laboratory Association (ACLA) President Alan Mertz lauded the lawmakers for their letters. "These lawmakers, representing the Medicare beneficiaries and health care providers at greatest risk from the demo have come to the same conclusion we have – the demo is bad for beneficiary access to quality laboratory services. They have rightly concluded that the demo is unworkable and unfixable and should therefore be repealed."

The letters follows on the heels of the Centers for Medicare and Medicaid Services' Bidders Conference held in San Diego on December 5th. The Bidders Conference was held to educate local laboratories about the upcoming demonstration project and the terms and conditions for participating laboratories. At the conference, potential bidders raised many critically important questions and problems that remain unanswered. These unanswered questions have only served to reinforce the need to repeal the demonstration project.

ACLA is a non-profit advocacy organization representing the leading national, regional and local laboratories.