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## **CLINICAL LABORATORY COALITION STANDS UNITED IN SUPPORT OF LAWSUIT AGAINST FEDERAL GOVERNMENT**

Washington, D.C. – The Clinical Laboratory Coalition (CLC) announced its support for a lawsuit filed today by San Diego area clinical laboratories and health systems in an attempt to stop the federal government from moving forward in its plan to limit San Diego laboratory services. Filed by Internist Laboratory of Oceanside, Sharp Healthcare of San Diego, and Scripps Healthcare of San Diego against the U.S. Department of Health and Human Services Secretary Michael Leavitt, the lawsuit also seeks to require public notice and comment on this project, as mandated by federal law.

The Centers for Medicare and Medicaid Services (CMS), as part of the Medicare Prescription Drug, Improvement and Modernization Act of 2003, chose San Diego as the first of two demonstration project locations to use so-called “competitive bidding” for clinical laboratory services. The agency will accept bids on laboratory services and select only a very limited number of labs to perform tests that will be reimbursed under Medicare Part B services. Those labs that don’t win the bid can not bill for reimbursement of Medicare lab testing services. Rather than creating competition, it will result in fewer labs, less competition and the government in essence picking winners and losers. Bids are due to CMS by February 15, 2008.

“This lawsuit raises serious legal concerns and shows that something needs to be done to stop this reckless government experiment from moving forward,” said Dr. Mark Birenbaum, Administrator for the National Independent Laboratory Association and member of the CLC. “The most vulnerable members of the community, the elderly, will feel the most impact from this experiment. The government bureaucrats will decide where they have lab work done, leaving local residents with few options.”

“The lawsuit hopefully pulls the plug on this unworkable and unfixable government project,” said Alan Mertz, President of the American Clinical Laboratory Association and member of the CLC. “Laboratory services are not

commodities. Ironically, the competitive bidding demonstration project will leave San Diego with less competition, not more.”

Internist, Sharp HealthCare and Scripps Healthcare are fighting to be able to continue to serve San Diego residents. These laboratories will either be forced to shut down all together or close their laboratory outreach services if they aren't selected as winning bidders.

The lawsuit was filed in the United States District Court for the Southern District of California.

The Clinical Laboratory Coalition is comprised of the following organizations: American Association of Bioanalysts (AAB), American Association for Clinical Chemistry (AACC), American Clinical Laboratory Association (ACLA), American Medical Technologists (AMT), American Society for Clinical Laboratory Science (ASCLS), American Society for Clinical Pathology (ASCP), American Society for Microbiology (ASM), Clinical Laboratory Management Association (CLMA), College of American Pathologists (CAP), and National Independent Laboratory Association (NILA).

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