



American
Clinical Laboratory
Association

FOR IMMEDIATE RELEASE: APRIL 9, 2008
CONTACT: ALAN MERTZ (202-637-9466 OR 202-251-2293)

**ACLA APPLAUDS COURT FOR PRELIMINARY INJUNCTION ON LAB
COMPETITIVE BIDDING DEMO – COURT FINDINGS BOLSTER CASE FOR
CONGRESSIONAL REPEAL**

Court Says Plaintiffs “Established Irreparable Injury”

Washington DC – Late yesterday’s order by federal court judge Thomas Whelan granting a motion for a preliminary injunction halting the Medicare laboratory competitive bidding demonstration project in San Diego “confirmed that the demo could cause ‘irreparable injury’ to laboratories and patients.” The court’s findings should bolster the case for Congressional repeal of the project,” said Alan Mertz, President of the largest industry association of clinical laboratories, the American Clinical Laboratory Association (ACLA).

“The judge was crystal clear in finding that both laboratories and patients could be hurt,” said Mertz. “ACLA applauds the court for recognizing the harm this project will cause and for highlighting the fatal flaws in this project. Now it is time for Congress to finish the job and repeal this ill-conceived project.”

The preliminary injunction enjoins the Department of Health and Human Services (HHS) from announcing winners in the demo project, otherwise implementing and carrying out the demo in San Diego, or further disclosing information included in the bid applications. The injunction remains in place until further order of the court.

ACLA has long-opposed the laboratory competitive bidding project because it is overly complex, imposes unworkable requirements, ignores important differences in types of tests and laboratories, and raises serious concerns about the quality of care for beneficiaries. Moreover, it could put smaller laboratories out of business, resulting in less competition and serious access problems for beneficiaries.

Legislation to repeal the project has been gaining steam in Congress. Legislation introduced in the U.S. House of Representatives (HR 3453) has 40 bipartisan cosponsors and a similar Senate bill (S. 2099) has eight bipartisan cosponsors.

ACLA represents the leading national, regional, local, esoteric and hospital laboratories.

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