

FOR IMMEDIATE RELEASE
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**CONGRESS OVERRIDES PRESIDENT'S VETO OF MEDICARE PACKAGE --
REPEAL OF COMPETITIVE BIDDING, EXTENSION OF TC GRANDFATHER
CLAUSE BECOME LAW**

Washington – The House and Senate voted overwhelmingly tonight to override the President's veto of "The Medicare Improvement for Patients and Providers Act of 2008" (HR 6331), enacting the measure into law. The House vote was 383-41 to override, the Senate 70-26. The law includes three key provisions sought by the laboratory community: Total repeal of the laboratory competitive bidding demonstration project, extension of the so-called "TC grandfather clause" for 18 months, and, of course, reversal of a 10.6% reduction in the physician fee schedule.

"This law is the culmination of more than four years of work by the entire laboratory community to convince Congress that the laboratory competitive bidding program is unworkable and unfixable," said Alan Mertz, President of the American Clinical Laboratory Association (ACLA). "This law is a triple-win for laboratories and Medicare beneficiaries."

ACLA and the laboratory community have long-opposed the laboratory competitive bidding project due to concern for beneficiaries, but also because it imposes unworkable requirements and ignores the complexity of laboratory services and the differences in types of tests and laboratories. Ironically, 'competitive bidding' for laboratory services would result in *less* competition and lower quality of services.

The competitive bidding demonstration project was mandated by a 2003 law, and CMS was planning to implement the project in San Diego in July 2008. A preliminary injunction in April 2008 in Federal District Court in San Diego stopped the project from moving forward. Bipartisan support in Congress for legislation repealing the project has grown steadily over the past year, culminating with the repeal provision being included in HR 6331. With enactment of this legislation, the project is repealed, effective immediately.

ACLA will hold a "LabLine" audio conference on this topic on July 23rd at 2 p.m. For registration details, go to www.clinical-labs.org or call 202-637-9466.

ACLA represents local, regional and national clinical laboratories throughout the United States and has been a leader in the campaign to repeal the Medicare competitive bidding demonstration project. ACLA has also backed legislation permanently extending the "TC grandfather" clause.

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