



FOR IMMEDIATE RELEASE
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**ACLA Applauds Chairwoman Velazquez
For Introducing HR 3453 to Repeal the Medicare Competitive Bidding Demonstration
Project for Laboratory Services**

WASHINGTON, D.C. – The American Clinical Laboratory Association (ACLA) applauds Rep. Nydia Velazquez (NY) for introducing legislation that would repeal the Medicare competitive bidding demonstration project for clinical laboratory services. The legislation – HR 3453 – was introduced on Saturday, August 4, 2007. Rep. Velazquez is Chairwoman of the U.S. House of Representatives Committee on Small Business. Introduction of the legislation comes on the heels of a Small Business Committee hearing July 25, 2007 on the topic.

Alan Mertz, President of ACLA, said “ACLA applauds Chairwoman Velazquez for introducing this important legislation because it’s time that Congress pull the plug on this unworkable and unfixable project. As the recent House Small Business Committee hearing revealed, the demonstration will both disrupt beneficiaries’ access to critically important laboratory services, as well as seriously disrupt the intricate network of laboratory service providers. ACLA urges that Congress adopt repeal legislation before the demonstration progresses any further.”

On August 2, 2007, thirty-two organizations – including small, medium and large independent laboratories, laboratory professionals, hospitals and clinics, device manufacturers, long-term care facilities, disease groups, and others – wrote Chairwoman Velazquez in support of her expected introduction of the legislation.

Chairwoman Velazquez opened the House Small Business Committee hearing on July 25th by stating “CMS’s competitive bidding project threatens to dismantle this system [laboratory services] overnight”. Resultant testimony and statements by laboratory, hospital and nursing home leaders provided many details why the project threatens the quality of and access to laboratory services for all beneficiaries of the demonstration area and beyond. It was further articulated that the project would create a substantial and cumbersome burden for clinical laboratories, particularly small laboratories serving the most vulnerable populations.

Mertz commented that, “the clinical laboratory fee schedule is the wrong place to be looking for cost savings given that laboratory services under Medicare have already been reduced 40% in real terms since 1984. Moreover, laboratory services represent only 1.7% of Medicare spending, yet impact a staggering 70-80% of all medical decisions. Cutting a few more dollars through competitive bidding at the risk of denying seniors access to critically important laboratory services would be penny wise and pound foolish.”

ACLA represents local, regional and national clinical laboratories throughout the United States.

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