

•**Message from Dr. Sundwall:** ACLA Board Chair, Kenneth Freeman, joined ACLA staff in meetings with key Senate health staff on May 14, to inform them of our health policy priorities.

•**HIPAA Administrative Simplification:** ACLA submitted its change request for the 4010 Implementation Guide to the Designated Standard Maintenance Organizations (DSMOs).

•**Pathology Coding Caucus:** The caucus is to review and recommend actions to the CPT Editorial Board on proposed new and revised CPT codes.

•**SARS:** We are working with CDC to promote improved collaboration between public and private labs.

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May proved to be an exciting month here in Washington, although not the kind of “excitement” we enjoy. ACLA Board Chair, Kenneth Freeman, joined ACLA staff in meetings with key Senate health staff on May 14, to inform them of our health policy priorities, particularly the importance of maintaining the current level of Medicare funding for clinical laboratory services. Linda Fishman, Health Staff Director for the Senate Finance Committee (Majority), and Dean Rosen, Health Staff Director for Senate Majority Leader Bill Frist, were generous with their time and indicated personal support for our positions.

On May 15, however, Senator Grassley who chairs the Finance Committee, successfully added an amendment to the tax bill that would provide significant financial relief for rural health care providers, financed in part by a 20% co-pay for clinical laboratory services covered by Medicare Part B. The lab co-pay was estimated by the CBO to provide “savings,” of 13.4 billion dollars over a ten year period! If this provision became law, labs would have provided more than half of the funding for the 25 billion dollar cost of additional support for rural providers.

Fortunately, this amendment was deleted during conference, but the fact it was offered serves as a painful reminder that Medicare payment for lab services continues to remain a target for potential savings to fund other “worthwhile” initiatives. No doubt, Congress may again seek “savings” from lab payments to help finance the prescription drug benefit which the Senate is scheduled to take up soon after the Memorial Day recess. Fighting this co-payment provision will of course, be our top priority in the coming weeks and months.

In response to Senator Grassley’s amendment, ACLA is participating with the Clinical Laboratory Coalition (CLC) for an “all-out” campaign to oppose co-payment for lab services. This will include advertisements to the CQ Today (a daily policy newsletter widely distributed on the Hill), a concerted grassroots campaign, and coordinated Hill visits to all key Congressional offices. And as always, we count on you, our member companies, to weigh in on this very important issue. Make certain your Congressional representatives are aware of why co-payment for clinical lab services is unfair, would impose a burden on senior citizens, and be unfeasible to implement.

This is my last message as President of ACLA, but hardly a farewell. I will continue as Senior Medical and Scientific Officer, focusing my efforts on public health, regulatory, and coding issues of importance to the clinical laboratory industry. JoAnne Glisson, Cheryl Hawkins, and I look forward to welcoming Alan Mertz on June 2nd as our next President, and as a team improving our efforts to represent the interest of our members here in the nation’s capital.

*David N. Sundwall*

## HIPAA Administrative Simplification

On May 30, 2003, ACLA submitted its change request for the 4010 Implementation Guide to the Designated Standard Maintenance Organizations (DSMOs). We expressed our serious concern that many payers will not be prepared to accept standard transactions as of October 16, 2003, and urged the adoption of a grace period for all covered entities to comply with the Transaction and Code Set (TCS) standards. We also recommended that the TCS

standards be revised to require certain data elements, particularly ICD-9 diagnosis codes, only where they provide detail necessary to adjudicate the claim.

During the CMS ESRD/Laboratory open forum meeting on May 30, 2003, CMS announced that they had reviewed the requirements of HIPAA as they apply to CMS claims and determined that the TCS standards apply to claims made to CMS programs. Thus, although they were sympathetic to the concerns of laboratories, ICD-9 codes will be required on Medicare claims effective October 16, 2003. They will be publishing an educational program memorandum for physicians and other ordering providers instructing them to include ICD-9 codes on requisition forms for laboratory testing.

## Pathology Coding Caucus

ACLA including Kaye Jones, Chair of the ACLA CPT committee, attended the May 21, 2003, organizing meeting of the Pathology Coding Caucus hosted by the American Medical Association. The purpose of the caucus is to review and recommend actions to the CPT Editorial Board on proposed new and revised CPT codes for laboratory testing. It represents a great opportunity for ACLA to have organized input into CPT early in the process. The first assignment for the caucus is to review the current urinalysis codes and make recommendations to incorporate semiquantitative creatinine and semiquantitative microalbumin by reagent strips into the UA coding. The ACLA CPT committee is currently discussing these issues.

## SARS

The Subcommittee on Oversight and Investigations, Committee on Energy and Commerce held hearings on May 7 on "SARS: Assessment, Outlook, and Lessons Learned." ACLA has since written Congressman Greenwood, Chair of this Subcommittee, expressing our commitment to working with public health officials to "safeguard the nations health," and offering to be part of the solution to confronting new and more complex threats to the safety of our citizens. ACLA member companies have extraordinary expertise and capacity to help develop new types of testing to monitor various medical conditions. We are working with the Centers for Disease and Control to promote improved collaboration between public and private labs and to facilitate those companies interested in receiving in a more timely manner samples of patient's sera exposed to infectious diseases, thus enabling them to develop new diagnostic tests.

## Meeting with Secretary Thompson

ACLA has written Secretary Tommy G. Thompson, requesting a meeting to discuss issues of importance to the clinical laboratory industry (copy of May 16 letter enclosed). Dr. Sundwall, along with representatives from Quest Diagnostics Incorporated, Laboratory Corporation of America, and other academic and professional organizations met with the Secretary in New York City on April 10, at a meeting convened by Third Wave Technologies. We had an opportunity to

discuss the promise of genetic testing and potential problems with new federal regulations of such testing. ACLA is now seeking a meeting with the Secretary to further discuss these issues, and also to promote better utilization of independent clinical laboratories in responding to public health crises.

## Global Aids Relief

ACLA wrote Senate Majority Leader Bill Frist lending our support and encouraging expeditious passage of the Global Aids Relief Bill (copy of letter enclosed). This landmark legislation, proposed by President Bush and passed relatively unchanged, will provide 15 billion dollars in funding for HIV prevention and treatment in Africa and Caribbean nations. Dr. Sundwall was invited to the Presidential signing ceremony of this legislation at the State Department, and had the opportunity to personally thank Senator Frist for his leadership. In turn, Frist asked, "What can ACLA do to help?" Dr. Sundwall said he would discuss this issue with our Board and get back to him.

Results is a monthly newsletter to educate ACLA member companies about the association's involvement in issues and activities that affect the clinical laboratory industry. Please feel free to distribute this newsletter to colleagues throughout your companies who would be interested in knowing what we are doing in Washington.

## Calendar of Events -- June 2003

<b>June 4</b>	Coordinating Council on the Clinical Lab Workforce Meeting	<i>Chicago, IL</i>
<b>June 5</b>	Confidentiality Coalition Meeting	<i>Washington, DC</i>
<b>June 9</b>	ACLA CPT Advisory Committee Meeting	<i>Conference Call</i>
<b>June 10</b>	CDC Quality Institute Steering Committee Meeting	<i>Conference Call</i>
<b>June 11</b>	Secretary's Advisory Committee Meeting on Genetics, Society and Health	<i>Washington, DC</i>
<b>June 12</b>	ACLA Billing and Reimbursement Committee Meeting	<i>Conference Call</i>
<b>June 16</b>	Meeting with New Jersey Medicaid	<i>Trenton, NJ</i>
<b>June 26</b>	ACLA Board of Directors Meeting	<i>Washington, DC</i>