

***Government Affairs Committee (GAC)***

***e-newsletter***

***Issue #16 –June 2014***

One of the strategic goals for our committee is to improve communication to the broader ASCLS membership and to provide more consistent and timely legislative and regulatory information for our members. The GAC e-newsletters are also available on the ***ASCLS Advocates for You*** section of the ASCLS website.

***In this issue…***

* 2014 Legislative Symposium
* Protecting Access to Medicare Act of 2014 – Overview

**2014 Legislative Symposium**

On March 17-18, 2014, in the midst of seven inches of snow, 134 laboratory professionals met in Crystal City, Virginia for the Legislative Symposium, sponsored by ASCLS, CLMA, ASCP, AMT and AGT. On Day 1, the attendees received background information on the current legislative and regular issues and received information on how the congressional offices work and how to structure a visit. On Day 2 attendees in groups, by state, visited the offices of their Senators and Representatives on Capitol Hill in Washington DC.

This year’s issues were concentrated on two main topics.

* Reimbursement for clinical laboratory testing under the CLFS
* Reauthorization of the Workforce Investment Act for support of training and education of healthcare professional, and specifically related to laboratory professionals.

The presentations and leave behind documents are all posted on the ASCLS website, under the Government Affairs Committee (GAC) section.

**Protecting Access to Medicare Act (PAMA)**

In late March, Congress passed a bill called the Protecting Access to Medicare Act. The law’s main provisions are:

* **Delay to the cuts in Medicare reimbursements for physicians:** Physicians were faced with a 24 percent cut in reimbursement by the Sustainable Growth Rate (SGR) calculations. Since the House and Senate could not agree on how to repeal the SGR, this Act repealed the 24% cut, and substituted a 0.5 percent update through December 31, 2014 and a zero percent update from January 1, 2015 through March 31, 2015. (This means that in March of 2015 we will be watching as Congress tries to agree on a SGR repeal plan and pay for it. This is typically when our reimbursement gets cut.)
* **Delayed the implementation of the conversion of ICD-9 to ICD-10** for diagnosis coding. The conversion, initially slated for October 1, 2014, is now delayed until October 1, 2015.
* **Laboratory Specific Provisions:** Section 216 of the bill, entitled “Improving Medicare Policies for Clinical Diagnostic Laboratory Tests” halted the plan by the Centers for Medicare and Medicaid Services (CMS) to recalculate the Clinical Laboratory Fee Schedule (CLFS) and calls on CMS to gather data from clinical laboratories about what they are paid and use the data to update what Medicare pays for laboratory tests. The provisions include:
  + Identifying the labs that will participate
  + Outlining how the data will be used to calculate new rates
  + Exceptions for molecular and other “advanced diagnostic laboratory tests”
  + Monitoring of the process with reports from CMS and GAO (General Accountability Office)

We will describe these provisions in more detail in Part 2 of this newsletter.

**What action is ASCLS taking in response to this legislation?**

On April 17, ASCLS (Elissa Passiment, EVP) attended a meeting with CMS to share questions and concerns that we GAC raised about the laboratory provisions in this legislation. In addition to ASCLS, the College of American Pathologists (CAP) and the National Independent Laboratory Association (NILA) also participated. CMS informed the group that final regulations must be in place by June 30, 2015 in order to meet the January 1, 2016 reporting requirement that is in the PAMA law. We believe that means that the very first proposed rule must be publised by November or December of this year.

Some of the questions raised with CMS were:

* What is the definition of an applicable laboratory?
* Which laboratories, if any, will be exempt? We are also trying to clarify which laboratories are required to report.
* Will this be similar to the Average Sales Price (ASP) provision for drugs under Medicare Part B?
* What information will laboratories be required to report? (amount reimbursed or amount billed? impact of co-payment and deductibles? etc.)

At the conclusion of the meeting, Marc Hartstein (CMS Director of Hospital and Ambulatory Policy) suggested that each group write him a letter with our concerns and the issues that we believe CMS should know about/consider in the writing of the rule. As ASCLS drafts this letter, the GAC will continue to identify issues that need clarification.

**More to come in the next issue!**

Rick Panning, GAC chair (2013-2014)

[rpannin1@fairview.org](mailto:rpannin1@fairview.org)