



Ensure Access to Clinical Laboratory Services: Support SALSA!

Position

The clinical laboratory community respectfully urges Congress to protect patient access to clinical laboratory services by enacting the *Saving Access to Laboratory Services Act (SALSA)* (H.R.2377/S.1000) before January 1, 2025. *SALSA* is bipartisan and bicameral legislation to update Medicare's payment system for clinical diagnostic lab services, ensuring seniors and patients access to necessary diagnostic tests.

On September 25, 2024, the House and Senate enacted a federal spending continuing resolution which includes another one-year delay in potential cuts to Medicare clinical laboratory services (*Section 221 of H.R.9747 - Continuing Appropriations and Extensions Act of 2025*). The clinical laboratory community appreciates the work of Congress in enacting another delay in potential cuts but urges Congress to take further action before the end of the year to remove the policy that would allow further scheduled cuts.

Without a permanent solution, clinical laboratories across the country will be in jeopardy of facing further cuts to reimbursement for tests used to diagnose and manage common conditions like heart disease, cancer, and diabetes.

Background

In 2014, Congress passed *The Protecting Access to Medicare Act (PAMA/P.L. 113-93)* to reform the Medicare Clinical Laboratory Fee Schedule (CLFS) to a single national fee schedule based on private market data from all types of laboratories. Unfortunately, the first round of data collection in 2017 failed to capture adequate and representative private market data, leaving out virtually all hospital outreach labs and significantly under-sampling POLs. The significant under-sampling led to nearly \$4 billion in cuts to those labs providing the commonly ordered test services for Medicare beneficiaries. For context, the total CLFS spend for 2020 was only \$8 billion, less than 3% of Medicare Part B spending.

Congress has intervened on a bipartisan basis several times to delay CLFS reporting periods and to delay cuts to maintain patient access to lab services. However, without a sustainable solution to this problem, labs face further rounds of inappropriate cuts.

The *Saving Access to Laboratory Services Act (SALSA)* (H.R.2377/S.1000) is a permanent solution that would set Medicare reimbursement for lab services on a sustainable path forward. *SALSA* will give CMS new authority to collect private market data through statistically valid sampling from all laboratory segments for the widely available test services where previous data collection was inadequate. The bill ensures accurate private market rates are collected, provides a much-needed reduction in reporting burden, and protects labs and Medicare from dramatic rate increases or decreases with a gradual phase-in approach.

To cosponsor SALSA please contact Alex Stepahin in Rep. Richard Hudson's (R-NC) office at alex.stepahin@mail.house.gov, or Abby Duggan in Senator Sherrod Brown's office at abigail_duggan@brown.senate.gov. Please contact Patrick Cooney at 202-413-2629 or via email at patrick@federalgrp.com if you have any questions regarding this issue brief.