Dangerous days ahead:
a call to arms

The field of laboratory medicine has always been hard to explain to policymakers. Evidence of this problem recently surfaced when Congressional lawmakers inserted two laboratory-related provisions that the American Society for Clinical Pathology (ASCP) opposed in the recently passed Medicare Prescription Drug Improvement and Modernization Act.

The first provision, a five-year freeze (January 1, 2004, to December 31, 2008) on reimbursement rates in the Medicare Clinical Laboratory Fee Schedule, will have an immediate negative impact on the laboratory and our workforce. The freeze affects our ability to keep our laboratories functioning as state-of-the-art facilities designed to ensure patient safety. The lack in this provision for adjustment to the likely increase in inflation over this time period further compromises our efforts to staff our laboratories with well-trained and adequately paid professionals and to keep us current with new, often costly, developments in our field.

The second provision allows the federal government to run a competitive-bidding demonstration project for Medicare clinical laboratory services that may have serious long-term negative consequences for our nation’s laboratories, especially if it is expanded. It will almost certainly drive out many local laboratories, thereby compromising quality and access to laboratory services — not just for Medicare beneficiaries, but also for all patients needing laboratory services.

Earlier this year, the state of Florida issued a request for proposals (RFP) to implement a winner-take-all competitive-bidding project for all laboratory services provided under the state’s Medicaid program. While the state has withdrawn its initial plan, it is on a fast track to publish a new competitive-bidding RFP based on a per-capita, per-month basis.

The Florida plan — combined with the demonstration project — is the classic one-two punch. The federal demonstration project may be used to justify a nationwide expansion of competitive bidding for Medicare laboratory services, while the Florida plan may be emulated in Medicaid reform initiatives in states across the country. These projects could also come back to haunt us in Congress and may be used as justifications to reduce payments under the Medicare Clinical Laboratory Fee Schedule.

We must educate lawmakers about laboratory services and the vital role laboratories play in patient health.

The three items mentioned above highlight the urgent need for us to organize and take action. We must educate lawmakers about laboratory services and the vital role laboratories play in patient health. These actions are the most serious threats to our field in more than a decade.

On the issue of the freeze, ASCP has mounted a “Thaw the Freeze” petition to gather momentum for its future repeal. Members of ASCP can take a stand on this issue with a few clicks of the mouse by using our new e-Advocacy Center. At the Centers for Medicare and Medicaid Services, we testified on the dangers of the competitive-bidding demonstration project. In Florida, we issued an Action Alert and encouraged all members of the laboratory community in that state to send an e-mail to the governor and state health agency urging that they abandon the competitive-bidding project.

The need to address these threats has never been greater. We must overcome our propensity to be complacent about the freeze or the fact that competitive bidding for Medicare laboratory services is “only a demonstration project,” or that it is “only Medicaid services” that Florida is targeting.

ASCP is committed to this battle and to working proactively with other pathology and laboratory organizations. We must educate our colleagues, regulators, and legislators to ensure the hallmarks of patient safety and quality to which the laboratory field is committed are not stripped away over the next few years.

Please contact ASCP via http://capwiz.com/ascpath/home/, or contact the Washington offices of other pathology and laboratory organizations to which you belong and encourage them to work with us on behalf of the interests of access for our patients to quality pathology and laboratory care.

Only by uniting will we win these battles.

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As has been the history of MLO’s “Washington Report,” this space will be devoted in 2004 to keeping readers abreast of ongoing issues and new legislation affecting the clinical laboratory and its professional managers and technicians. If there is a particular legislative question or a legislative topic of special interest to your organization, please e-mail: washingtonreport@mlo-online.com.