

## **Saving Access to Laboratory Services Act (SALSA) Summary**

On June 22, 2022, new legislation was introduced to Congress that would permanently protect community and regional independent laboratories from drastic cuts to reimbursement that are tied to the current Protecting Access to Medicare (PAMA) legislation.

The [Saving Access to Laboratory Services Act \(SALSA\)](#) will repair the flawed data reporting and payment methodology that was instituted with the Protecting Access to Medicare Act (PAMA) in 2014. Many associations, including NILA, are in support of this bipartisan effort.

Essentially, the original methodology for determining future payment rates was based on an inaccurate sample for collecting data. Since Medicare paid higher rates for some tests than private payors, PAMA required certain labs to report pricing data. However, excluding a large percentage of hospital outreach labs resulted in skewed data that severely under-reported the industry average pricing.

As such, SALSA has been proposed as a response to the harmful impact drastic rate cuts would cause to the industry and our communities if PAMA goes unchecked.

Highlights from SALSA include:

- Using samples that accurately represent all clinical laboratory market segments
- Adding annual “guardrails” to increase rate stability and protect against shocks from increases or decreases in Clinical Laboratory Fee Schedule (CLFS) rates
- Excluding Medicaid managed care rates from the definition of “applicable information” when determining market averages
- Creating the option for a laboratory to exclude manual (physically mailed) remittances from reporting, if these remittances do not exceed more than 10 percent of the lab’s claims
- Increasing the length of time between data collection periods from three to four years

Without congressional action, beginning on January 1, 2023, laboratories will face additional cuts of as much as 15 percent to some of the most commonly ordered laboratory tests. APS will continue to follow SALSA as the Act advances through Congress.

Please contact your Practice Manager if you have any questions about how this might affect your practice.