

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

In 2022 a new, bipartisan bill called Saving Access to Laboratory Services Act (SALSA), was introduced in Congress. The bill made several modifications to the current Protecting Access to Medicare Act (PAMA) requirements. Key SALSA Provisions:

- Freeze the Medicare Clinical Lab Fee Schedule Rates in 2023
- Require the Centers for Medicare and Medicaid Services (CMS) to use a statistically representative sample of private payor payment rates from the entire laboratory market to determine Medicare's Clinical Laboratory Fee Schedule (CLFS) rates. This would include rates from independent labs, hospital labs and physician office laboratories (POLs).
- Postpone the next private-payer data reporting period and collection period
- Increase the time between reporting periods from three years to four years
- Reduce the cap on CLFS rate cuts for each lab test from 15% per year to 2.5% for first year, and 5% subsequent years

The bill was gaining ground in the last quarter of 2022, with nineteen co-sponsors in the House, and four in the Senate. Unfortunately, they were unable to cross the finish line and pass the bill before the 2022 end of year. Instead, Congress included a few key PAMA updates through the Consolidated Appropriations Act of 2023, which included another freeze for 2023, with some reporting requirement changes.

Having achieved another one-year delay in lab reimbursement cuts and data reporting is a win, but permanently addressing the flawed implementation of PAMA still remains a priority for the laboratory industry. The National Independent Laboratory Association (NILA) is currently making a push to reintroduce the bipartisan Saving Access to Laboratory Services Act (SALSA). NILA and its partners are actively seeking additional support of the SALSA Act, which would fix the current data reporting and rate setting methodology under PAMA, to protect laboratories from drastic future cuts and create a more sustainable reimbursement model.

APS looks to provide ongoing support and information to our clients. We will continue to monitor the SALSA Act, and provide updates as they become available. Please do not hesitate to contact your APS Practice Manager should you have any questions.