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SAN DIEGO AREA LABS' VITAL HEALTH CARE QUESTIONS IGNORED BY WASHINGTON, D.C. BUREAUCRATS

San Diego, Calif. – The Centers for Medicare and Medicaid Services (CMS) held a Bidder's Conference Wednesday on its plan to limit the San Diego area's access to clinical laboratory services, but provided few answers to affected local labs, according to the nation's leading association of community clinical laboratories. The National Independent Laboratory Association (NILA) continues to urge local residents to tell their elected officials that they reject the government's plan to use them as part of a national health care experiment on seniors and others in need of special care.

"Our local member labs are ringing the alarm and CMS is refusing to listen," said Dr. Mark Birenbaum, Administrator for NILA. "CMS did not provide the promised capability for labs to phone into this conference. Many labs were left with no number or a non-working number. On top of that, CMS has not answered the most critical of questions. It has yet to provide specific plans and assurances as to how the potential for market manipulation will be prevented. There is still a possibility that a low-ball bid will obliterate the competitive landscape, leaving many local community labs bankrupt and out of business."

On October 17, CMS announced that it has chosen the communities of San Diego-Carlsbad-San Marcos as one of two locations in the country that will test the government's plan to limit the number of community laboratories. The agency will accept bids on laboratory services and select only a very limited number of labs to perform tests that will be reimbursed under Medicare Part B services. Rather than creating competition, it will result in fewer labs, less competition and increases in Medicare's laboratory expenditures.

"Plain and simple, competition is working right now in Southern California," said Dr. Birenbaum. "The government's definition of 'competition' is not what you learned in your high school economics class. The number of labs available to service the community will actually be drastically cut. The worst part is the government bureaucrats will make these critical decisions for residents almost three-thousand miles away, leaving local residents with no choice of their own."

AAB is dedicated to serving the community clinical laboratory and the professionals involved in clinical laboratory operations. Founded in 1956, AAB members are clinical laboratory directors, owners, managers, supervisors, technologists, technicians, and phlebotomists. NILA focuses on business/management issues facing laboratories, such as marketing/sales, contracting with managed care companies, finding and keeping good employees, financial management, expanding test menus, managing growth, competing with big, publicly traded laboratories, and acting on legislative and regulatory issues facing the laboratory industry.