



FOR IMMEDIATE RELEASE
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NATIONAL INDEPENDENT LABORATORY ASSOCIATION MEMBER INTERNIST FILES LAWSUIT AGAINST THE FEDERAL GOVERNMENT

St. Louis, Mo. – The National Independent Laboratory Association (NILA) today announced its full support of the lawsuit filed in part by its Oceanside, California member, Internist Laboratory, against the U.S. Department of Health and Human Services. Internist Laboratory is filing for injunctive relief in order to stop the government from moving forward with its plan to limit access to local clinical laboratory services.

The Centers for Medicare and Medicaid Services (CMS) chose the San Diego, Carlsbad, and San Marcos communities as its test site for so-called “competitive bidding” of clinical laboratory services. CMS 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. Those labs not selected cannot be reimbursed for performing Medicare lab services. Rather than creating competition, the CMS plan will result in fewer labs, less competition and the government picking winners and losers.

Roughly 65 percent of Internist’s business is devoted to Medicare patients. It is a family owned and operated business with eight employees. If it isn’t selected as one of the “winning” labs, it may have to close its doors completely. “Internist is fighting for its life and for the health and well-being of the San Diego community,” said Dr. Mark Birenbaum, Administrator for NILA and the American Association of Bioanalysts. “If Internist Laboratory has to close its doors, everyone loses. The patients lose. The employees lose. And, most importantly the entire community loses.”

Internist was one of the few clinical laboratories that stayed open during the devastating wildfires in San Diego at the end of last year. Many other San Diego patient service centers were closed during the fire, leaving physicians and patients with few options for critical laboratory services. “The San Diego community needs providers like Internist,” said Dr. Birenbaum. “When labs were needed the most in the face of a crisis, Internist was there. That is the fundamental importance and essential value of community clinical laboratories.”

The lawsuit, filed in the U.S. District Court for the Southern District of California, seeks to stop the government experiment from moving forward and to comply with the provisions of the Administrative Procedure Act, which would require public notice and comment on this process. Joining Internist as plaintiffs are Sharp HealthCare and Scripps Healthcare. The filing deadline for bids is February 15, 2008.

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, and acting on legislative and regulatory issues facing the laboratory industry.

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