

## Clinical Labs Face Additional Fee Cuts in Final Payroll Tax Cut Deal

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The clinical laboratory community is dismayed by a last minute, \$2.7 billion cut to the Medicare Clinical Laboratory Fee Schedule (CLFS) to help finance the payroll tax and SGR deal. The [deal](#) passed both the House and the Senate today. The [bipartisan compromise](#) cuts 2% to the CLFS in 2013 and exacerbates concessions that the clinical labs made in the Affordable Care Act (ACA). The American Clinical Laboratory Association projects that between sequestration that may take effect next year (which imposes an additional 2% cut), and on top of the 2% reduction in the payroll tax deal and the slashing in the ACA, labs will face a 25% reduction in Medicare payments over the next ten years. Many in the clinical lab community feel caught off guard because the cut was never perceived to be a pay-for on the conference committee's negotiating table. Once word got out that the conferees were considering using the reduction, the Clinical Laboratory Coalition sent Chairman Max Baucus of the Senate Finance Committee, a [letter](#) asking for their payment schedule to be spared, but to no avail.