# 2019 PAMA SURVEY:
## PRELIMINARY DATA

Under the Protecting Access to Medicare Act (PAMA), Congress changed the way Medicare determines rates for the Clinical Laboratory Fee Schedule (CLFS), and the implementation of PAMA led to a significant cut for a majority of the routine tests relied upon every day in the diagnosis and treatment of patients. Concerned about the impact of cuts on patient access to testing, COLA has gathered data on the impact of these cuts on clinical laboratories over the last three years with surveys conducted in 2017, 2018 and 2019. The following is the preliminary summary of the latest data collected through the 2019 survey.

There are just over 300 total participants in the 2019 survey. Thirty-six percent (36%) of the respondents represent group practices with more than five physicians; and twenty-four (24%) represent group practices of five or fewer physicians. Five percent (5%) of respondents were solo-practicing physicians. Hospitals (12%) and independent and reference laboratories (15%) also participated in the survey.

If citing the survey data, please use: "COLA (2019). Impact of Further Cuts in the Clinical Laboratory Fee Schedule for Medicare Survey."

Preliminary Survey Data: Summary of Key Survey Findings:

### How have the cuts in the CLFS for Medicare impacted your laboratory services to patients?

| | |
|---|---|
| 1. We refer more tests out | 44.70% |
| 2. We changed our test menu | 36.42% |
| 3. We will not update our equipment | 27.15% |
| 4. We laid off staff | 21.19% |
| 5. We have not been impacted by the cuts | 16.23% |
| 6. We plan to shift our patient population overtime | 11.26% |
| 7. We will not renew maintenance contracts | 9.93% |
| 8. We closed our lab | 7.28% |
| 9. We dropped to waived testing only | 5.63% |

### How much do you agree with the following statement: After taking all the steps we could to absorb the combined 20% cut (over the last two years) in many routine lab services, I am concerned that we face the increasingly difficult task of adapting to the next cut.

| | |
|---|---|
| 1. Strongly Agree | 60.00% |
| 2. Agree | 15.00% |
| 3. Somewhat agree | 7.33% |
| 4. Neither agree or disagree | 6.33% |
| 5. Somewhat disagree | 1.00% |
| 6. Disagree | 0.67% |
| 7. Strongly disagree | 9.67% |

### From your perspective, how have the cuts in the CLFS impacted your negotiations with private payers in your community/region/state?

| | |
|---|---|
| 1. There has been no effect on our negotiations with private payers | 8.87% |
| 2. Private payers have made modest cuts in laboratory payment rates | 10.92% |
| 3. Private payers have made significant cuts in laboratory payment rates | 49.83% |
| 4. Private payers are matching Medicare rates | 18.77% |
| 5. Other | 11.60% |

### How would you best describe the laboratory care setting?

| | |
|---|---|
| 1. Urban/suburban | 61.15% |
| 2. Small town | 27.36% |
| 3. Rural/unincorporated area | 10.14% |
| 4. Frontier/remote | 0.34% |
| 5. Sovereign Nation | 1.01% |

In our view, the data shows that the new methodology for determining the Medicare payment rates for clinical laboratory testing is impacting clinical laboratories and the patients they serve. COLA hopes that this data is valuable to policy discussions. For more information on COLA's 3-year effort to collect impact data, please visit NearPatientTestingMatters.org or contact research@cola.org.

## About COLA