



Issue: Reforming and Enhancing Sustainable Updates to Laboratory Testing Services (RESULTS) Act

CAP Position: The College of American Pathologists (CAP) urges Congress to pass legislation to reduce the administrative burden on laboratories and ensure the usage of true private market data from all laboratory segments to set clinical laboratory payment rates. The highly flawed data collection and validation methods currently stipulated by the Protecting Access to Medicare Act (PAMA; P.L. 113-93) must be corrected to ensure an accurate, market-based payment system for laboratories paid through the Medicare clinical laboratory fee schedule (CLFS). This will help mitigate an undermining of our country's critical laboratory infrastructure, avert needless loss in access to care, and allow laboratories to continue providing timely, high quality clinical services for patients.

Background:

In 2014, Congress passed PAMA to reform the CLFS to a single national fee schedule based on private market data from all types of laboratories that service Medicare beneficiaries, including independent laboratories, hospital outreach laboratories, and physician office laboratories (POLs). Unfortunately, the first round of data collection in 2017 revealed that the methodology was severely flawed; failing to capture an adequate and representative private market data sample, leaving out virtually all hospital outreach laboratories, and significantly under sampling POLs. The significant under sampling led to nearly \$4 billion in cuts to those laboratories providing the most commonly ordered test services for Medicare beneficiaries. For context, the total CLFS spend for 2020 was only \$8 billion, less than 3% of Medicare Part B spending.

Under the current structure dictated by PAMA, the severity of reimbursement reductions would undermine the operational infrastructure of clinical laboratories in the United States. Congress has intervened on a bipartisan basis seven times to delay the next CLFS reporting periods and six times to delay cuts to maintain access to laboratory services for patients, most recently with the passage of the continuing resolution (CR), which included a delay of CLFS reporting periods and cuts through January 30, 2026.

While Congress has delayed drastic cuts of up to 15% through 2025, without a sustainable solution to this problem, laboratories will face further rounds of cuts on January 31, 2026. Cuts to the CLFS threaten patient access to clinical laboratory services, which are essential to preventing and diagnosing diseases and conditions, empowering patients and their clinicians to make informed decisions about care.

In order to bring long-term stability to both the clinical laboratory industry and patients alike, legislation must be enacted to reform PAMA. This is why the CAP supports the Reforming and Enhancing Sustainable Updates to Laboratory Testing Services (RESULTS) Act, which would require the Centers for Medicare & Medicaid Services (CMS) to obtain information about commercial payor rates for clinical laboratory services from an independent third-party database, using these data to calculate Medicare CLFS rates. This would ensure CMS uses data that is truly representative of market rates while significantly reducing the reporting burden on clinical laboratories and streamlining the work of CMS. If this foundational reform were enacted, Congress no longer would need to pass temporary delays in deep cuts to laboratories year after year.

In short, the CAP asks that you cosponsor and pass the RESULTS Act (S. 2761/H.R. 5269) prior to the end of the year to prevent drastic CLFS cuts from taking effect January 2026.

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