

## **Mandated report: Assessing the impact of recent changes to Medicare's clinical laboratory fee schedule payment rates**

**ISSUE:** The Protecting Access to Medicare Act of 2014 required the Centers for Medicare & Medicaid Services (CMS) to establish clinical laboratory fee schedule (CLFS) payment rates based on the rates private payers paid for laboratory tests. In 2018, CMS implemented the new, private payer-based rates, which resulted in substantial payment rate reductions for some laboratory tests. In the Further Consolidated Appropriations Act, 2020, the Congress mandated the Commission to examine the methodology CMS used to set private payer-based rates for laboratory tests. The report is due in June 2021.

**KEY POINTS:** Staff will review background information on the CLFS and the transition to private payer-based rates; present results from analyses of utilization and spending before and after private payer-based rates were implemented in 2018; and review possible techniques to collect private payer rates through a survey.

**ACTION:** Commissioners will discuss the material and provide feedback for the report.