

March 25, 2009

(WASHINGTON, D.C.) -- U.S. Congressman Jason Altmire (PA-04) and U.S. Congressman Tim Murphy (PA-18) today introduced legislation that will improve patients' access to life-saving diagnostic tests. The Patient Access to Critical Lab Tests Act (H.R. 1699) will eliminate burdensome Medicare billing regulations that often discourage hospitals from ordering lab tests that can clarify complicated diagnoses and identify uniquely effective methods of treatment.

**“In recent years, life-saving diagnostic lab tests have been developed that can help doctors clarify inconclusive diagnoses and tailor treatments according to individual patient’s DNA and the specific make up of their disease,” Altmire said. “Unfortunately, today’s arcane Medicare billing regulations often discourage hospitals from ordering these potentially life-saving tests for their patients. This legislation will cut through the red tape to ensure that doctors can utilize all the tools at their disposal to provide patients with the best possible care.”**

**“When patients have the most effective lab tests the likelihood of successful diagnosis and treatment increases dramatically. Americans deserve the highest quality care available. This legislation will ensure that patients get access to critical lab tests in a timely fashion,” said Congressman Murphy.**

In recent years, several independent laboratories across the country -- including RedPath Integrated Pathology and Precision Therapeutics in Pittsburgh -- have created unique genetic and molecular diagnostic tests that can clarify diagnoses and help doctors select more cost-effective treatments. Although these laboratories are completely independent entities, under current Medicare regulations, hospitals bare financial responsibility for lab tests ordered within 14 days of a patient’s discharge. This means that hospitals must pay the laboratories for their tests and bill Medicare for reimbursement, even though these lab tests may have nothing to do with the hospital’s services.

RedPath and other similar laboratories find that this Medicare reimbursement structure often discourages doctors from ordering these tests. Indeed, Redpath found that hospitals cancelled 66 percent of the tests they had ordered from RedPath to clarify difficult cancer diagnoses upon learning about this current reimbursement structure.

“We are very appreciative of the efforts that Congressmen Altmire and Murphy are taking to help ensure patient access to critical diagnostic testing,” Mary Del Brady, Founding CEO of Red Path said. “RedPath’s complex DNA-based analysis of tissue samples provides rich and quantitative information, personalized to each patient, to treating physicians - helping to reduce the chances of indeterminate or misdiagnosed cancer. Accurate and actionable information guards against the over and under treatment of cancer and results in improved quality and longevity of life, with better utilization of healthcare resources.”

The Patient Access to Critical Lab Tests Act would improve patients' access to potentially life-saving lab tests by allowing independent laboratories to directly bill Medicare for the specialized tests they perform. This streamlining of the reimbursement process will help to

ensure that doctors are never discouraged from ordering tests which could improve the quality of treatment their patients receive.