



College of American Pathologists
325 Waukegan Road, Northfield, Illinois 60093-2750
800-323-4040 • <http://www.cap.org>

Advancing Excellence

Direct Response To:

DIVISION OF GOVERNMENT
AND PROFESSIONAL AFFAIRS
1350 I Street, NW, Suite 590
Washington, DC 20005-3305
202-354-7100 Fax: 202-354-7155
800-392-9994 • <http://www.cap.org>

The Honorable Greg Walden
Co-Chair, House Rural Health Care Coalition
United States Congress
Washington, DC 20515

Dear Representative Walden:

The College of American Pathologists (CAP), representing 16,000 physician pathologists that practice in community hospitals, independent clinical laboratories and academic medical centers is pleased to support the *Health Care Access and Rural Equity (H-CARE) Act of 2007*. We applaud you and Co-Chair Earl Pomeroy (D-ND) and members of the Rural Health Care Coalition for introducing this important piece of legislation.

H-CARE addresses many critical health care issues facing rural communities, including one of importance to independent laboratories and the hospitals they serve. Specifically, the legislation would allow Medicare to continue to make direct payments to independent laboratories for surgical pathology services provided to hospital patients. This would ensure that small and rural hospitals could continue to provide essential surgical services to patients without disruption, increased costs and additional administrative burdens.

Hospitals in rural areas typically rely on independent laboratories to perform vital medical testing to diagnosis cancer and other serious disease. However, without this legislation, CMS regulations will force independent laboratories to seek payment from already cash-strapped rural hospitals to pay for these essential medical services. Tight budgets would be further strained. New billing systems would have to be created, adding more paperwork for providers already struggling to keep pace with countless regulations.

Congress included in H.R. 6111, the *Tax Relief and Health Care Act of 2006* a “grandfather” provision that would require Medicare, under certain conditions, to continue payments to independent laboratories. However, the “grandfather” will expire at the end of this year, leaving hospitals, laboratories and patients potentially out on a limb. The H-CARE legislation would make the “grandfather” permanent so rural health providers have the stability they need to maintain access to high quality medical testing.

Again, the CAP is pleased to support this legislation and urges Congress to act to help patients in rural America.

Sincerely,

Thomas M. Sodeman MD FCAP

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President

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