



PAMA is Here, But Most Hospitals are Unaware of Its Impact, Study Finds

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SECAUCUS, N.J., Dec. 4, 2018 /PRNewswire/ -- Nearly 80 percent of hospital executives surveyed are not at all familiar, or only somewhat familiar, with the Protecting Access to Medicare Act (PAMA) and its impact on hospitals, according to a survey conducted by Modern Healthcare Custom Media on behalf of Quest Diagnostics (NYSE: DGX), the world's leading provider of diagnostic information services.



Nearly 80 percent of executives surveyed lacked significant knowledge of the law: 45 percent of executives responded that they are "not at all familiar" with PAMA, and 33 percent said they are only "somewhat familiar."

"The data presented here support what we've experienced in the health care marketplace," said Steve Rusckowski, Chairman, President and CEO of Quest Diagnostics. "Many C-suite executives of hospital health systems aren't aware of the impact of PAMA on the profitability of their outreach laboratories, especially when the PAMA cuts were first enacted. When we talk about PAMA with CEOs, they are increasingly interested in talking more about how we can help them execute their lab strategy," Rusckowski said.

Signed into law on April 1st, 2014, PAMA has resulted in a significant reduction in Medicare reimbursement for most lab tests covered by the Clinical Laboratory Fee Schedule. The new fee schedule includes a decrease in reimbursement for approximately 75 percent of lab tests that can be billed to the Centers for Medicare and Medicaid Services (CMS). CMS estimated the cuts to have an overall impact to the industry of nearly \$670 million, or a nearly 10 percent decrease from the previous fee schedule. Similar cuts will follow over the next two years, and additional cuts are possible beyond 2020.

Quest commissioned Modern Healthcare Custom Media to conduct a survey of healthcare professionals in July 2018, seeking to gain insights into laboratory strategy at U.S. hospitals and awareness of healthcare leaders regarding PAMA.

A report on the study can be found [here](#).

About Quest Diagnostics

Quest Diagnostics empowers people to take action to improve health outcomes. Derived from a robust research and development program and the world's largest database of clinical lab results, our diagnostic insights reveal new avenues to identify and treat disease, inspire healthy behaviors and improve health care management. Quest annually serves one in three adult Americans and half the physicians and hospitals in the United States, and our 45,000 employees understand that, in the right hands and with the right context, our diagnostic insights can inspire actions that transform lives. www.QuestDiagnostics.com

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