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Central New York Chapter

CLMA

THE RESOURCE FOR LABORATORY PROFESSIONALS

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June 2, 2006

CMS
Office of Strategic Operations and Regulatory Affairs
Division of Regulations Development-C
Attention: Bonnie L. Harkless
Room C4-26-05
7500 Security Boulevard
Baltimore, MD 21244-1850

To Whom It May Concern,

On behalf of **Central New York Chapter of Clinical Laboratory Management Association** and as a laboratory professional, I am writing in response to the April 21 *Federal Register* notice, "Agency Information Collection Activities: Proposed Collection; Comment Request," regarding the Medicare Clinical Laboratory Services Competitive Bidding Demonstration Project Bidding Form (CMS-10193, OMB#: 0938).

The burden estimates provided in the Supporting Statement are grossly underestimated and fail to account for the hourly rates necessary to complete the forms. The estimate of 100 hours to complete the application is unrealistic and will not be sufficient for most laboratories to assess whether their facility is required to bid based on Medicare revenue from the previous year, to assemble a complete financial statement, to negotiate subcontractor arrangements with other laboratories and provide signed agreements, and to determine capacity and bid price for all 1,100 tests on the clinical laboratory fee schedule. Furthermore, laboratories will need the services of individuals responsible for billing, collections, operations, and legal counsel to complete this information. None of these individuals' hourly rates were included in the calculation of the financial burden.

The application asks the wrong questions in order to ensure that quality laboratory services are maintained throughout the demonstration project, and there is little emphasis in the form on the collection of this information from bidding laboratories. The only information required is for a "Quality Assurance Contact," the laboratory's status under CLIA, and its Proficiency Testing program. These few measures oversimplify and fall short of determining a laboratory's capacity for quality.

The unresolved issues surrounding implementation of the competitive bidding demonstration project make accurate completion of the application form nearly

impossible. For example, there is no clear definition of the terms "face-to-face encounter" or "nonpatient" in the application instructions or in the Supporting Statement. There is also no statement regarding whether a bidder can bid separately or form a consortia and also be a subcontractor listed by another primary bidder. These are crucial decisions that will affect how our facility will respond to the competitive bidding demonstration and price services within the demonstration. Finally, CMS requests proprietary information about our facility, which is worrisome, as while there is a statement regarding the protection of confidentiality of the information, there is no statements regarding acceptance of liability if that information is released or disclosed to an unauthorized party.

In addition to the general comments provided above, as a member, I also support the detailed comments submitted by CLMA, the Clinical Laboratory Management Association, and refer you to those comments.

Thank you for the opportunity to comment on this important issue.

Sincerely,

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SUNANDA SANYAL
PRESIDENT. CNY CLMA CHAPTER