

LABORATORY

ECONOMICS

*Competitive Market Analysis For Laboratory Management Decision Makers***AETNA WILL REQUIRE CAP ACCREDITATION
FOR IN-OFFICE PATHOLOGY LABS**

Insurance giant Aetna is now requiring physician practices with in-office pathology labs to be both CLIA certified and accredited by either the College of American Pathologists (CAP) or the Joint Commission (JCAHO) in order to receive payments from the company for anatomic pathology services. *Full story on page 4.*

STUDY SHOWS IN-OFFICE LABS BILL MORE/FIND LESS

A study published in the April 2012 issue of *Health Affairs* found that self-referring urologists bill Medicare for an average of 10.3 tissue samples per prostate biopsy compared with 6 tissue samples for urologists that used an outside pathology lab. Despite the increased billing, the study found that self-referring urologists detect cancer at a much lower rate—21% per patient biopsy case versus 35% for those sent to an outside lab.

ACLA president Alan Mertz says the study confirms anecdotal evidence that financial incentives are leading to overutilization by self-referring urologists. He says the data will provide the Congressional Budget Office with the information needed to estimate the savings to the Medicare program that could be achieved by removing anatomic pathology from the in-office ancillary services exception in the Stark laws.

With hundreds of millions of dollars of ancillary service revenue at stake, the American Urological Association and its allies are questioning the validity of the study. "Statistics are like prisoners. If you torture them long enough, they'll tell you anything you want," says Joe Plandowski, co-founder of In-Office Pathology LLC. *Continued on pages 5-8.*

**GEORGIA COURT RULES IN FAVOR
OF EX-AMERIPATH PATHOLOGIST**

A Georgia court has ruled that AmeriPath fired R. Wesley Wetherington, AMD, in April 2010 and therefore key provisions in his non-compete contract with the company are not enforceable. Dr. Wetherington had served as medical director at AmeriPath's DermPath Diagnostics lab in Marietta, Georgia, from its opening in April 2002 through April 2010. Immediately thereafter, Dr. Wetherington started a competing lab, Skinpath Solutions (Smyrna, GA), that has attracted most of AmeriPath's dermatology clients in the Atlanta area. A spokesperson from Quest Diagnostics, which owns AmeriPath, says the company is disappointed with the court's ruling and expects to appeal. *Continued on page 2.*

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