



American Society for  
Clinical Pathology

# ASCP Companion Meeting: USCAP March 25, 2007

Organized Pathology to the Rescue:  
The ASCP Approach

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ASCP President

# Overview: Pathology in America = Local

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- Our current system of laboratories
  - Local: many hospital labs, independent labs associated with hospitals, clinics
  - Developed over 50-75 years
  - Logical: Relationship to Clinicians & Patients
  - Does it serve patients well? YES
    - PRESERVES RELATIONSHIPS
    - RELATIONSHIPS AT CORE OF LAB SERVICE
    - CONTINUITY OF CARE

# Continuity of Care: Pathology

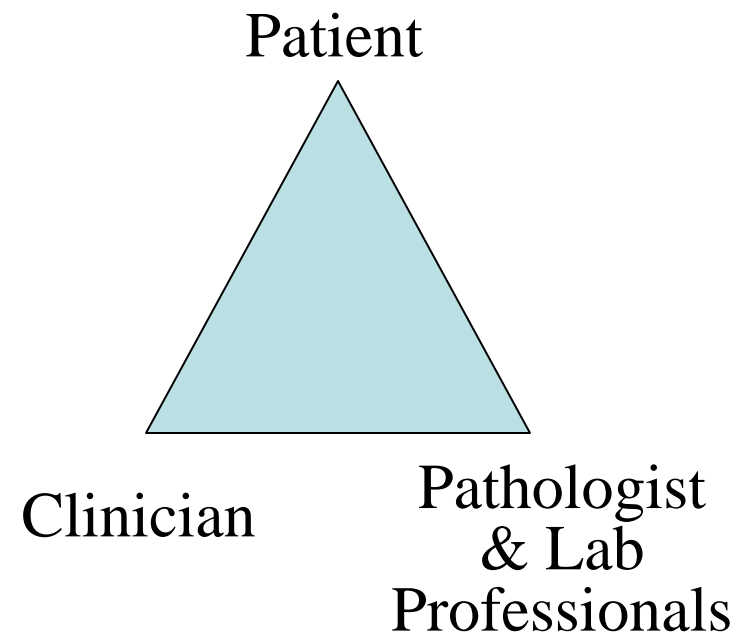
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- Single place for key patient data
  - Lab Medicine test results: TRENDS
  - Very important, especially when multiple physicians involved in care - common in our aging population
- Single place for anatomic path tissue analysis
  - Cytology or FNA (leads to-)
  - Biopsy (leads to -)
  - Major surgical resections: ability to correlate and compare
    - Issues of disease status (improving or not)
    - Issues of multiple cancer primaries (vs recurrence)
- Sendouts for 2nd opinion always an option

# Hospital Laboratories (i.e., Local)

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- Pay for themselves
- Not Cost-Centers
- Efficient, more so than at any time before
- Offer Quality & Service
- Importantly, offer close **relationships** between clinician, patient and lab personnel



Relationships: the connection to service - a reality now

# Current System of Local Labs: Service Reality

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- Others think of lab as number game
  - Idea of service and relationships invisible
- We know local labs provide service
  - quality improvement work
  - suggestions for additional testing
  - personal attendance at patient focused conferences
  - call backs to clinicians with critical values
  - responding to calls on any topic
  - personal interactions on microbial sensitivity testing
  - many other examples

# Major Threats to Pathology - 2007

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- Digital Revolution:
  - Images diagnosed overseas
- Molecular Revolution:
  - No need for Surgical Pathology
- Government (outsourcing):
  - Competitive bidding: lab tests as a commodity, ignoring our service linked to our results - formation of regional labs
- Business Arrangements, (outsourcing):
  - Subspecialty biopsies sent out
  - Importance of groups, colleagues

# Competitive Bidding

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- Major issue facing us
- One Lab for a State/Region
  - Implications for our nation-wide system of labs, hospital and independent
  - Currently, connectivity & interaction between Path/LM personnel and patient's doctors
  - Will sever these relationships
- Will we be left with inpatient testing?
- ASCP will marshal all our forces including natural allies

# POD Labs Issue

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- Pod labs: clinician-owned facilities with small lab
  - Allow clinician billing for lab services = profit
  - Provide limited services: subspecialty biopsies
  - Pricing often below fair market value
- **Loophole:** In 2005, CMS relaxed rules for independent contractor physicians to reassign Medicare billing rights to health care entities
- Clearly many labs, subspecialty labs, operate above board, bill for own services; **the issue is clinician activity, not pathologists.**

# Pod Labs: Information

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- Financial incentive to do more biopsies
- In some, pathologists exploited, paid less
- GI, GU outpatient biopsies now
  
- This financial model may spread to all other clinical specialties performing outpatient biopsies - (GYN, Heme, Breast,...)
- **“Balkanization”** of OP biopsies
  - Where are we then?

# Balkanization of Biopsy Pathology

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- Need to address larger issue at stake
  - Pod labs, but also others
- Now: GI, GU; Dermopath
- Future: GYN, Breast, Lung, Hemepath?
- What's left: less profitable inpatient work
- Will this movement cause reorganization of Pathology as currently structured?
- What happens to pathology labs as we know them now- Large group practices, whether community or academic? Our whole system of LOCAL labs?
- Clinical subspecialty absorption of corresponding pathologist subspecialist? -- in the future?

# Fragmentation of Patient Care: Pathology

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- Sources of Fragmentation
  - Health plan contracts to commercial labs
  - Medicare Competitive bidding = regionalization
  - Other individual relationships, some local
  - Legal, ethical specialty biopsy labs (many non-local)
  - Pod, Condo lab situation
- Lack of biopsy comparisons, correlations
- Lack of ability to trend diagnostic testing
- Can/Should everything be done in a vacuum? With no knowledge of patient info, no relationship to clinician or patient?

# Fast Forward to a New World

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- Lab Medicine results in near & far computers
  - EMR, electronic medical record may correct; national version is long time coming
- AP results in many places
  - Happens now to a degree, manageable
  - Future: cyto, biopsy, resection results all in different locations, dependent only on business arrangements
  - Saving money here NOT in patient's best interest
- Service and Relationships are severed (and we are lost)

# ASCP Task Force 2005-2006

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- 6 Major trends identified - including
- Globalization (regionalization)
  - National labs contracting with health systems  
(**competitive bidding issue**)
  - **Condominium labs**
- **Problems with our Image: Roles in the Health System**
  - Perception of laboratory as commodity, not a service
  - Stereotype as APART from patient care

# WHO is ASCP

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- **Entire Laboratory TEAM (Inclusiveness)**

- Anatomic Pathologists
- Clinical (Lab Medicine) Pathologists
- Residents
- Laboratory Professionals
  - Managers, Supervisors
  - Medical Technicians, Technologists
  - Histo- & Cyto-technologists
  - Cytogenetic technologists
  - Pathology Assistants
- Every Corner of the Lab!

**Working together**

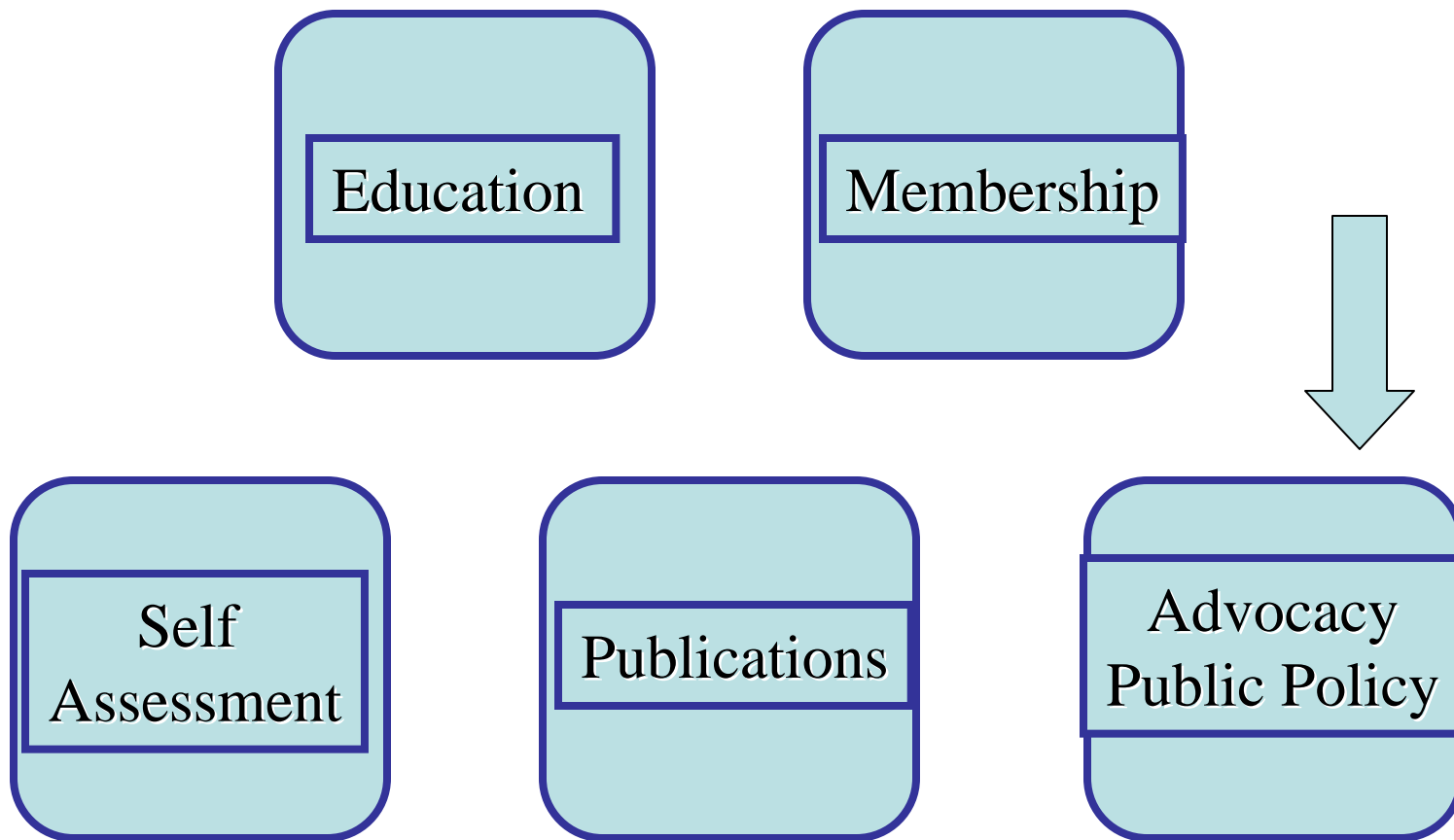
**- Every Day**

**- Also in Wash. DC**

# WHAT ASCP Does

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- 5 Commissions (Committees, Councils)



# ASCP & Advocacy

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- ASCP has had a Washington DC Office since 1990
- Very Active on Every Issue in Pathology & Laboratory Medicine
- Collaborative with Other Lab and Path Organizations
  - Ability to work with Lab Coalition, but also Hospital organizations, other health care groups
- Real Power in Washington: Numbers count
  - 140,000 members; 35,000 messages to Congress via eAdvocacy system  
([ascp.org/Advocacy/eAdvocacyCenter.aspx](http://ascp.org/Advocacy/eAdvocacyCenter.aspx))

# Pod Lab Issue: Response

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- Organized Medicine has difficulty dealing with this
- Interspecialty discussions
- Approach CMS to correct regulations

# POD Campaign Elements

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- Grass Roots Action, E-Advocacy Center
- Capitol Hill Meetings
- Meetings with CMS
- Collaboration with Pathology Organizations
- USCAP meeting ASCP program
- Letters, Editorial



[stoppodlabsnow@ascp.org](mailto:stoppodlabsnow@ascp.org)



American Society for  
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# Washington DC



# Messages to Capitol Hill on Pod Labs

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Thousands of messages have been sent to Congress.

- **ASCP Member from Aurora Texas:**
- *“Please be active in stopping these pod labs. Or at the very least **help institute the same regulations and ethics requirements that all other clinical labs are required to follow.** One or the other needs to occur to protect our patients, your constituents. If these practices are allowed to continue billions of federal tax dollars will be wasted. Please take a minute and consider what this means and help.”*

# Messages to Capitol Hill on Pod Labs

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- Pathologist from Dallas:
- *“These condo or pod laboratories distort the normal referral of medical consultation based on quality and service in favor of profiting from this referral. Further, since the more biopsies you do, the more you make, utilization, and hence total charges, increase when the referring doctor has perverse incentives in this way.”*

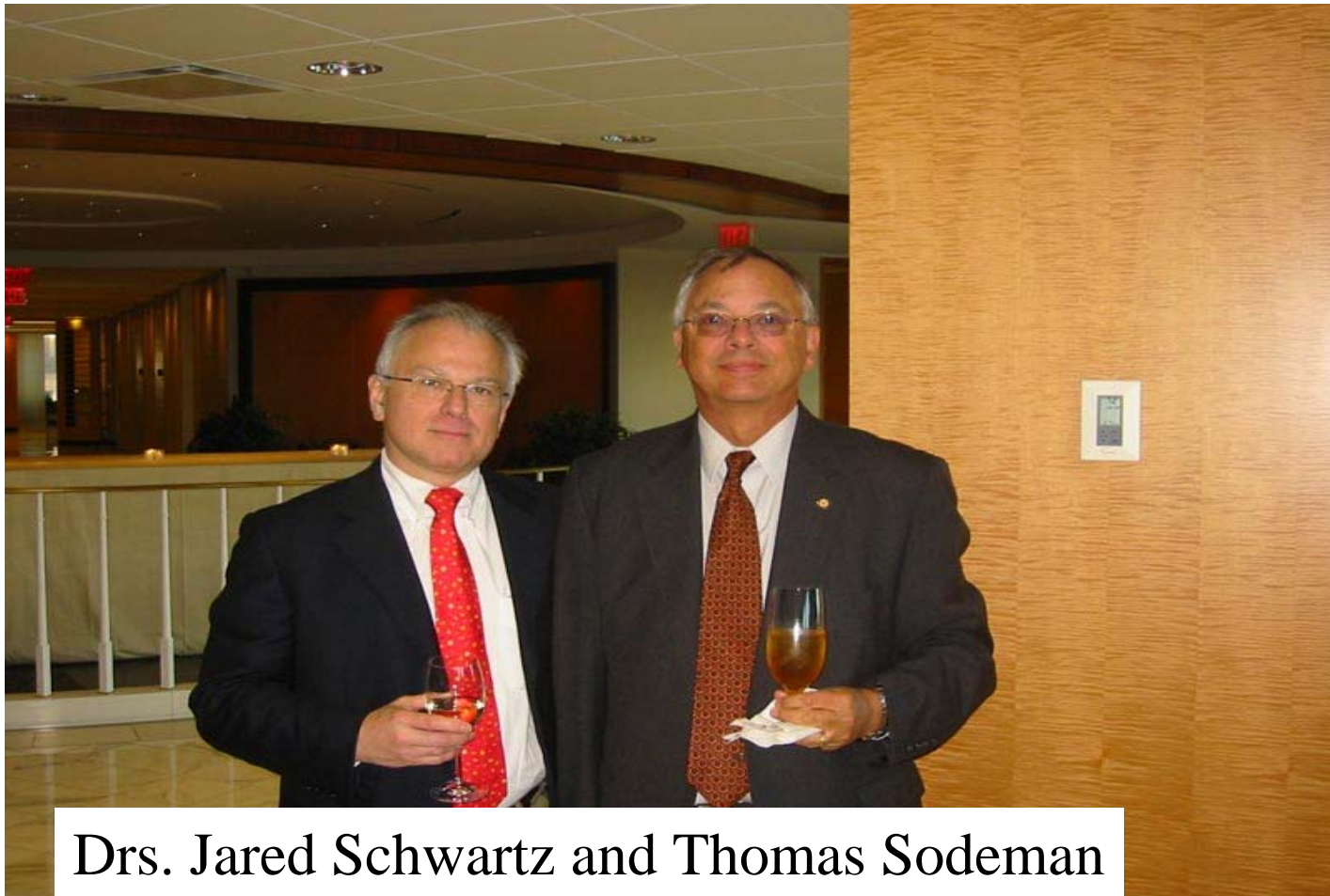
# Messages to Capitol Hill on Pod Labs

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- Pathologist from Maryland:
- *I have recently traveled to several states in the country while interviewing for jobs. I declined offers in states where pod labs are prominent, as I believe that they are such a detriment to the field and to good patient care. I have no doubt that other physicians will also make similar decisions and that this will cause regional variances in the quality of healthcare; not just because of the inherent faults of the pod labs themselves, but because the best trained pathologists will refuse to work in communities alongside them.”*

# ASCP: Work with CAP Leaders

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Drs. Jared Schwartz and Thomas Sodeman

# Pod Lab Issue: What can you do?

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- Support our campaign
  - Use E-Advocacy Center (on ascp web site)
    - This is there for you to use on any issue, not just this one
  - Locally oppose these practices
  - Discourage colleagues from joining
- Discuss with clinical colleagues who are thinking about entering these arrangements
  - Tell them efforts underway with CMS to close this loophole in the law
- Work with your State Pathology Societies and legislators

# What Else is ASCP Doing?

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- 2007 Goals, Plans: Communications Plan to enhance Image of Pathologists, Lab Professionals; Labs in general
  - **Emphasis on Services** we provide; counteract concept of lab tests as a “commodity” (anyone can do it anywhere)
  - **Relationship** between pathology and clinician, patient
  - We need to win on this point
  - **Address public, patient advocacy groups, Health Care Execs**

# Message to Health Care Execs: Need Better Understanding of Lab

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- Understanding how pathologists & lab professionals provide SERVICES and are ACTIVE in Patient Care
- Understand the **bond** between clinician and the local laboratory - VITAL for the patient
- Understand how LISs are making us Information Managers with new services, crucial for EMR
- Understand how important we are in Patient Care Initiatives - like Patient Safety
- Avoid thinking of lab tests as commodities to be sold to highest bidder (Competitive Bidding)
- Align with ASCP & Lab Orgs in Advocacy

# Message to Public

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- What you need to know about your local laboratory
- Myths and Reality: tests not just numbers, neither are you!
- Myth: Anyone Can Do It, Anywhere
  - Have highly trained individuals
  - Great attention to detail
  - Communication skills - to your doctor
  - Not Walmart!
- About Relationship between you, your doctor, and the local laboratory
- Pathologists and Laboratory Professionals

# Importance of Local Lab

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- Your doctor is familiar with people in lab
  - Familiar with test menu, significance of results
  - Asks questions- pathologists, lab professionals
- Lab provides interpretative services
  - NOT just numbers, not a commodity to be sold
  - All lab tests are not the same: results depend on “platform” and specific method
  - Suggests additional testing to your doctor
  - Lab knows you! We care for our patients

# ASCP Strategies: Summary

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- Campaign against POD lab loophole
- Discussing concepts of continuity (fragmentation) of health care (including Balkanization of biopsy Pathology)
- Stressing Local Service and Relationships as key to patient care
- Educating public and health care executives on our key role in patient care

# 2007 ASCP Annual Meeting

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- Please join us at our Annual Meeting!
- October 18-21, 2007
- New Orleans, LA
- Rebirth of City and always a great venue

