

LABORATORY INDUSTRY REPORT®

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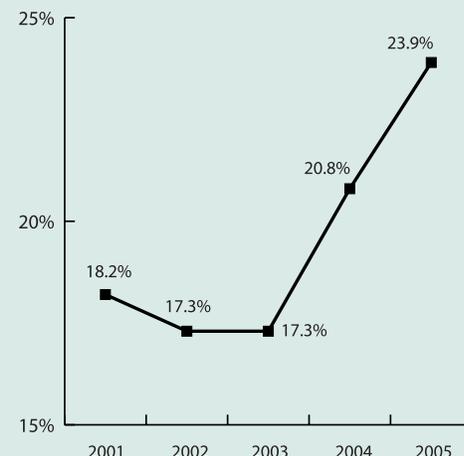
Physician EHR Use Up 31% Since 2001

About a quarter of office-based physicians are now using fully or partially electronic health records (EHRs), according to the most recent data from the National Ambulatory Medical Survey (NAMCS).

The survey, conducted by the Center for Disease Control's National Center for Health Statistics, asked 3,000 nonfederal, office-based physicians about their use of EHRs, which the survey defined as having four features: computerized orders for prescriptions, computerized orders for tests, test results, and physician notes. In 2005, 23.9% percent of physicians reported using full (11.2%) or partial (12.7%) EHRs in their office-based practice, a 31% increase since 2001.

Although the study's results are encouraging, there is still a long way to go toward the goal of universal electronic health records. Still unlikely to use EHRs are solo practitioners, a group that includes about one-third of all physicians and two-thirds of medical practices. For more on EHRs, see *Inside the Laboratory Industry*, pp 6-7.

Office-Based Physicians That Use EHRs



Taking It Personally: Sonic Loses \$346m New Zealand Contract

Despite its strong community network and 70-year history of service to the region, Sonic Healthcare-owned Diagnostic Medlab (DML; Auckland, New Zealand) has lost a major laboratory services contract in its hometown and will likely be forced to close as a result. The eight-year, NZD\$560 million (about \$346 million) contract, which has been awarded to a consortium led by Healthscope (Parkville, Australia), is for the provision of community-based laboratory services for the greater Auckland region. It represented more than 90% of DML's revenues.

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"In less than 12 months, a new provider will have to build what Diagnostic Medlab has taken more than 70 years to set up," says CEO Arthur Morris, M.D. "It's 'Mission Impossible' territory."

■ SONIC LOSES \$346M, from page 1

DML, whose company motto is "We Take It Personally," is New Zealand's largest pathology laboratory, performing more than 32,000 tests daily in its central laboratory in Ellerslie. DML leadership is indeed taking personally the loss of the contract to a company with minimal presence in the region. "Knowing Auckland and the job as well as I do, I find it difficult to understand how, with its limited facilities in the Auckland region, Healthscope would be able to process the volume of tests required for a population of 1.6 million," said CEO Arthur Morris, M.D. "The current contract runs out in July 2007. In less than 12 months, a new provider will have to build what Diagnostic Medlab has taken more than 70 years to set up. It's 'Mission Impossible' territory."

Morris went on to speculate that while the new contract holder might be able to set up a laboratory for hematology and biochemistry testing and use hospital laboratories for some testing, it will likely have no choice but to outsource, possibly to Healthscope's facilities in Australia and Malaysia.

The winning bidder, known as Labtests Auckland, was selected by an RFP solicited by three district health boards. The new contract

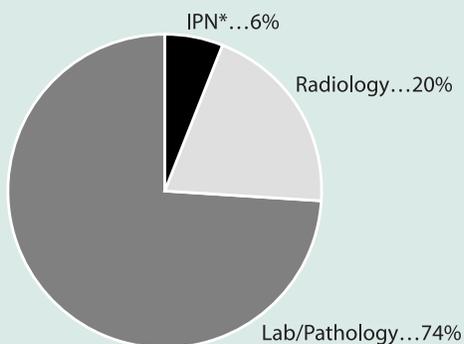
will save the health boards an estimated NZD\$15 million (\$9.3 million). "At the end of the day, the decision shouldn't be just about money," said Morris. "This is not a simple supply contract like the supply of rubber gloves."

According to preliminary reports, Labtests Auckland will reduce by half the number of Auckland-area patient service centers, from 85 to 43. The company is also keen to purchase DML's central laboratory, and according to Labtests CEO Tony Bierre, M.D., its staffing volume will be similar to that of DML.

Scope of DML's Auckland Lab Business

- Accounted for more than 90% of DML revenue
- 85 collection centers
- 300 trained phlebotomists
- 2,000 general practitioners
- 45 couriers
- 400 pathologists, senior scientists, technologists, lab techs
- Serving about 1.6 million people
- NZD\$70 million (\$43 million) in taxpayer dollars

Sources of Revenue at Sonic Healthcare



*Independent Practitioner Network: manages more than 100 physician practices throughout Australia
Source: Sonic Healthcare (based on total revenue of US\$566 million for six months ended Dec. 31, 2005)

One surprising planned change that Bierre mentioned in an interview with *The New Zealand Herald* as a cost-saving measure was actually *lengthening* turnaround time for non-urgent tests, which he said DML sometimes conducted more quickly than needed.

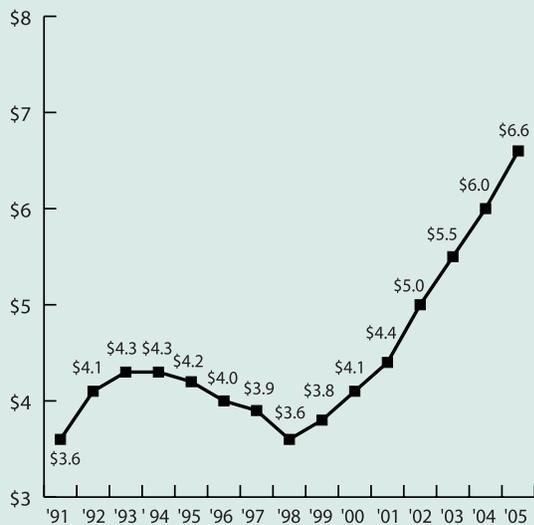
Sonic Healthcare, the owner of DML and the largest pathology group in what it calls "Australasia," has annual revenue of more than \$1 billion. It entered the United States lab market last October by purchasing Clinical Pathology Laboratories (CPL; Austin, TX) for \$312 million. Community is important at Sonic. "Our federation structure is one of independent labs working in a synergistic network," Sonic CEO Colin Goldschmidt told *LIR* earlier this year. "We are keen for companies that we acquire to maintain their management autonomy, their name, and their local 'flavor.'" 🏠

Medicare Part B Spending Up 9% To \$6.6 Billion

Medicare Part B spending on clinical laboratory services continues to surge. The latest data from CMS's 2006 Medicare Trustees Report shows that Part B lab spending increased by 8.7% to \$6.561 billion in calendar year 2005.

After declining through most of the 1990s, Part B lab spending has rebounded strongly over the past seven years. From 1998 to 2005, Part B lab spending in-

Part B Spending on Clinical Lab Services, 1991-2005 (\$ billions)



Note: Includes all Part B spending on lab services, including independent lab, hospital outpatient/outreach, and physician office labs

Source: 2006 Medicare Trustees Report

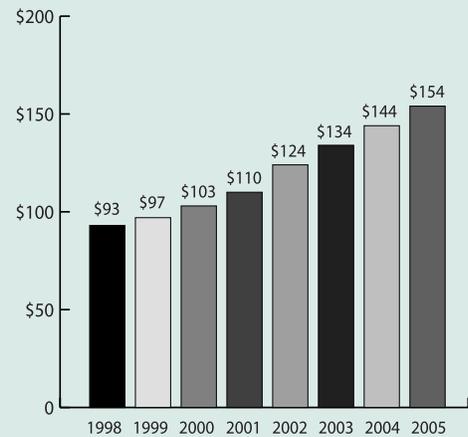
creased at an average rate of 8.8% per year. Over the same period, total Medicare Part B spending rose by 10.5% per year to reach \$149.1 billion, or 1.25% of the gross domestic product. Meanwhile, total Medicare program expenditures increased by 10.5% per year to reach \$336.4 billion.

The Medicare program covered a total of 42.5 million enrollees in 2005. Over the past seven years, annual part B lab spending per enrollee has increased by 7.5% per year to reach \$154. Assuming an average billable test of

\$14 equates to average utilization of 11 tests per year per Medicare recipient (\$154/\$14=11 tests/year).

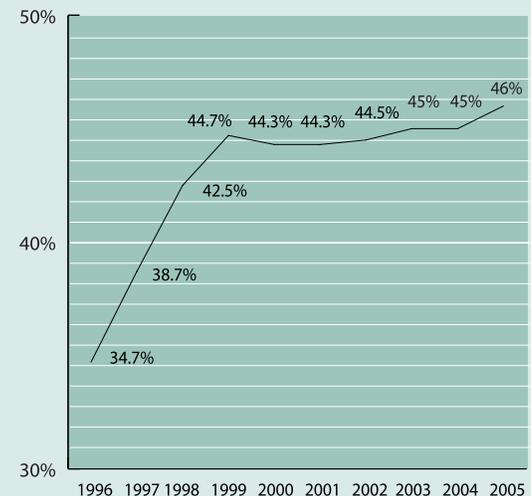
Intermediary labs (i.e., hospital labs) provided \$3.0 billion of Part B lab services in 2005, accounting for 46% of the total \$6.561 billion. Carrier labs (i.e., independent labs and physician office labs) accounted for \$3.5 billion, or 54% of the total. After gaining throughout the 1990s, hospital labs' share of Part B lab spending has been stable for the past five years. 🏠

Part B Lab Spending per Medicare Enrollee



Source: 2006 Medicare Trustees Report

Hospital Labs' Share of Part B Lab Spending



Source: 2006 Medicare Trustees Report

Labs Succeed With In-House Genetic Counselors

As esoteric testing grows in complexity, laboratories are facing the challenge of interpreting, reporting, and communicating results that go beyond ‘negative’ and ‘positive.’ Many leading laboratories have built strong relationships with genetic counselors and consider genetic counseling services a critical component of providing and interpreting molecular tests.

Myla Lai-Goldman, M.D., chief scientific officer and medical director of LabCorp (Burlington, NC), notes that the company has always had genetic counselors working in the laboratories to assist physicians in test ordering or in test interpretation. “Our molecular scientists are also involved in much of that as well. Over time we find that early on there’s a lot of educational support. As physicians get accustomed to the specific tests and the test results, they become a bit more independent.”



Information technology is also critical to effective test interpretation and communication. “We’re going to use whatever electronic tools that are

available,” says Goldman. “Many of our tools will be online in addition to having genetic counselors available. It’s an important area, and we’re going to need to educate physicians. We need to continue to develop novel reports and novel tools that allow physicians to personalize those reports for individual patients so physicians know how to act on them.”

University of Utah-owned ARUP Laboratories (Salt Lake City, UT) not only has genetic counselors on staff, but is also affiliated with the university’s Genetic Counseling Program. “We were strongly in support of the establishment of the program,” says Edward R. Ashwood, M.D., senior vice president and direc-

What are genetic counselors?

According to the National Society of Genetic Counselors, these health professionals with specialized graduate degrees and experience in medical genetics and counseling tend to enter the field from a variety of disciplines, including biology, genetics, nursing, psychology, public health, and social work.

Working as members of a healthcare team, genetic counselors provide information and support to families who have members with birth defects or genetic disorders and to families who may be at risk for a variety of inherited conditions. They identify families at risk, investigate the problem present in the family, interpret information about the disorder, analyze inheritance patterns and risks of recurrence, and review available options with the family.

Genetic counselors also provide supportive counseling to families, serve as patient advocates, and refer individuals and families to community or state support services. They serve as educators and resource people for other healthcare professionals and for the general public. Some counselors also work in administrative capacities. Many engage in research activities related to the field of medical genetics and genetic counseling.

Source: National Society of Genetic Counselors



"We need to continue to develop novel reports and novel tools that allow physicians to personalize those reports for individual patients so physicians know how to act on them," says LabCorp's Myla Lai-Goldman, M.D.

tor of laboratories at ARUP. "We think genetic counselors will not only be in departments of pediatrics and attached to obstetrics departments, but we think there will also be counselors based in laboratories. We employ three."

Not only will this be necessary, it will be part of the value-added service a laboratory can provide to clinicians. "It's not just about providing a technical result. At the end of the day, those laboratories that are going to do well are those that the physician feels can advise them about the implications of the test for their specific patient," says Steve Sommer, M.D., Ph.D., laboratory director for the City of Hope National Medical Center Clinical Molecular Diagnostic Laboratory (Duarte, CA). Physicians, no matter how specialized, cannot keep up with the rate of information that's being generated in the larger and larger number of genes that are relevant to their practice."

Physicians should work with genetic counselors and understand the services they offer as well as the tests they help to interpret. Mary Lowery Nordberg, Ph.D., associate professor and director of molecular pathology at Louisiana State University Health Sciences Center in Shreveport, regularly educates physicians on molecular diagnostics. "Medical students rotate through the laboratory and see how molecular is used clinically," she says. "I also send out FAQs and Web mails for my clinicians and do a lot of in-services. We spend a lot of time on physician/patient education." 🏠

Covance Expands Lab Testing in Asia

Covance labs have completed more than 135 million laboratory tests in more than 100 countries.

Covance (Princeton, NJ), which specializes in drug development services, has been busy in Asia. Several recent developments have strengthened its Central Laboratory Services business in Singapore, China, and Japan.

First, the College of American Pathologists (CAP) recently certified both Covance's Singapore lab and Huashan Hospital Center of Laboratory Medicine, the company's lab services partner in Shanghai, China. Covance now has four CAP-certified laboratory testing facilities worldwide. The Singapore lab provides routine chemistry, hematology, urinalysis, and serology. Both its China and Singapore facilities have recently expanded esoteric testing in microbiology, immunology, and quantitative PCR testing for HIV, HBV, and HCV.

In Japan, Covance has contracted with Japan's two largest central laboratories, Mitsubishi Kagaku Bio-Clinical Laboratories (Tokyo) and SRL Medisearch (Tokyo), to service its clients' clinical trials in the country.

Covance's services are an increasingly popular choice for small biotechnology firms without internal development capabilities. Such companies are responsible for about half of the drugs in development worldwide. Meanwhile, large pharmaceutical companies are outsourcing more of their development work so as to maximize R&D investments. The central lab facilities of Covance have completed more than 135 million laboratory tests for 10,000 clinical trial protocols in more than 100 countries. 🏠

EHRs Gain Acceptance, Investment, And Certification

The \$1.9 trillion U.S. healthcare system has long been drowning in paper. Will electronic health records (EHRs) bail it out? Only if physicians adopt them. According to the 2005 NAMCS survey, that is happening—slowly but steadily.



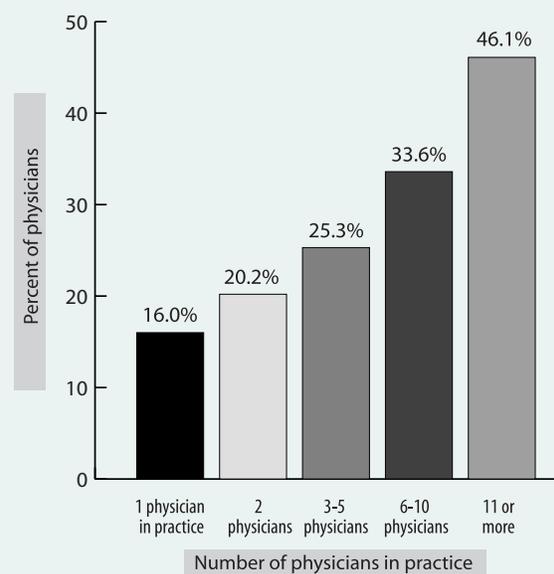
The recently released survey found that EHR use did not vary by physician age, gender, or specialty. However, several other practice characteristics did seem to influence EHR use, including the number of physicians in the practice, the scope of services as measured by single- or multi-specialty practices, ownership, number of managed care contracts, and percentage of practice revenue from Medicaid.

Of the quarter of office-based physicians surveyed who reported that they use some form of EHR, the majority were in large practices, and a linear correlation was found between the percentage of physicians using EHRs and practice size. Additionally, physicians in the Midwest (26.9%) and West (33.4%) were more likely to use EHRs than were those in the Northeast (14.4%).

The scope of the EHRs in use varied widely. The report found that while 21.4% of the physicians surveyed have electronic patient demographics, 17.2% have electronic access to laboratory results, and 12.7% have computerized orders for tests, only 5.4% reported having electronic public health reporting capabilities.

Government and industry are also jumping on the EHR bandwagon. California governor Arnold Schwarzenegger recently called for the creation of state programs to expand EHR use, particularly in rural communities and by health providers who serve low-income residents. Schwarzenegger promised at least \$240 million in state funds for the cause.

Percentage of Physicians Using EHRs By Practice Size



Source: CDC/NCHS 2005 National Ambulatory Medical Survey

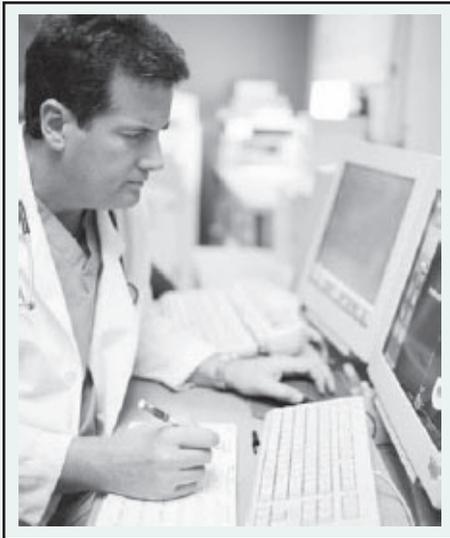
In late July, the Certification Commission for Health Care Information Technology (CCHIT; Chicago, IL) certified 20 EHR products, all of them focused on ambulatory care. Among the products certified were those by e-MDs, GE Healthcare, McKesson, Misys, and Practice Partner.

NAMCS Survey: Behind the Data

Estimates of EHR use were calculated in two ways: physicians were considered to use EHRs if they reported “yes” to a general question on whether they use full or partial electronic records, or if they gave a “yes” response to all four of the features deemed minimally necessary for a complete EHR system: computerized orders for prescriptions, computerized orders for tests, test results, and physician notes.

CCHIT, a nonprofit organization, was formed in July of 2004 by the American Health Information Management Association, Healthcare

Information and Management Systems Society, and the National Alliance for Health Information Technology. In October 2005, CCHIT was awarded a contract by the U.S. Department of Health and Human Services (HHS) to develop, create prototypes for, and evaluate the certification criteria and inspection process for EHRs.



Microsoft (Redmond, WA) recently announced that it will purchase physician-developed software known as Azyxxi in a move to streamline the electronic collection and communication of patient data. The software, created with Microsoft technology and first implemented a decade ago in the emergency department at a MedStar Health-owned hospital in Washington, provides patients

with instant, point-of-care access to such clinical information as EKGs, X-rays, MRIs, and even streaming video of angiographic procedures.

“We like to have patient information come up within an eighth of a second,” said Mark Smith, M.D., one of the Azyxxi system’s developers.” At MedStar’s Washington Hospital Center, Azyxxi reportedly brought in more than \$3 million in new annual revenues through automation of manual processes, while saving the center additional millions by reducing its dependence on paper records. 🏠

CCHIT’s Certification Criteria for EHR products

Functionality – setting features and functions to meet a basic set of requirements

Interoperability – enabling standards-based data exchange with other sources of healthcare information

Security – ensuring data privacy and robustness to prevent data loss

Source: CCHIT

Physician Income Declines With Payer Fees While Service Volume Increases

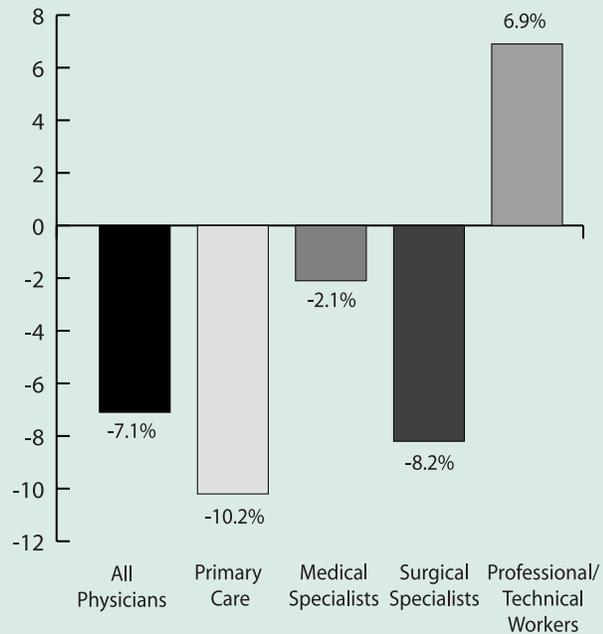
Between 1995 and 2003, physicians' net income from the practice of medicine declined by about 7% (after adjusting for inflation), according to a national study recently released by the Center for Studying Health System Change (HSC; Washington, DC). This trend counters the overall 7% increase in wages and salaries for workers in other professional, technical, and specialty occupations.

In keeping pace with inflation, medical specialists fared best, with only a 2.1% decrease in income over the eight-year period. Meanwhile, primary care physicians and surgeons fared worst in terms of real income, losing 10.2% and 8.2%, respectively. The study cites the strong growth in tests and procedures as one explanation for the differential income growth of specialists as opposed to that for primary care physicians, who rely more on patient evaluation and management to generate revenue.

"Flat or declining fees from both public and private payers appear to be a major factor underlying declining real incomes for physicians," said HSC researcher Ha T. Tu, an author of the study. According to the Medicare Payment Advisory Commissions (MedPAC), Medicare payment rate increases for physician services from 1995 to 2003 amounted to 15%, in comparison to the inflation rate of 21% during that period. Private payer rates also lagged. The HSC report points out that in 1995, commercial fees were 1.43 times those of Medicare, a multiple that fell to 1.23 by 2003. The report pointed to the need for more effective updating of Medicare relative values to more closely reflect the current relative costs of different services.

Meanwhile, the study found that the volume of physician services increased substantially. Among Medicare beneficiaries, minor procedures grew 6% a year on average between 1999 and 2003, according to MedPAC. Office visits were up 4%, and major procedures increased by 3%. 🏠

Percent Change in Average Physician Income* 1995-2003



*=Adjusted for inflation

Note: Physician income data are based on reported net income from the practice of medicine (after expenses and before taxes). The Bureau of Labor Statistics Employment Cost Index of wages and salaries for private sector "professional, technical, and specialty" workers was used to calculate estimates for these workers.

Source: HSC Community Tracking Study Physician Survey (n=6,600-12,000)

DomaniCell Looks To Partner With Hospitals For Cord Blood Banking

DomaniCell (Hackensack, NJ), a newly launched subsidiary of Progenitor Cell Therapy, plans to establish hospital-based umbilical cord blood collection and storage services in hospitals throughout the United States. Rather than encourage outsourcing to a third-party service that collects cord blood in hospital delivery rooms, DomaniCell will partner with hospitals to develop their own cord blood stem cell banking programs that use DomaniCell technology and infrastructure.

“The response we have received to date from discussions with hospitals across the country has been overwhelmingly positive,” says DomaniCell President Dennis Fallen. The company’s “turnkey solution” to cord blood banking includes providing hospitals with marketing materials, training, cord blood collection kits, billing support, and legal infrastructure. DomaniCell plans to build a primary customer base of about 20 U.S. partner hospitals by the end of next year, with the long-term goal of expanding that base to 200 programs.

Cord blood collection typically takes about three minutes. Once the cord blood has been collected, a DomaniCell-authorized courier transports the blood to the company’s laboratories for processing and storage in liquid nitrogen, using methods that are compliant with the FDA’s cGMP regulations. Only cells banked in GMP compliance are permitted to be used in clinical trials. According to Fallen, “This level of expertise and regulatory compliance fits well with hospitals that want to ensure they are maximizing the potential clinical benefit of the cells they are banking on behalf of donating parents.” 🏠

ARUP Contracts With Mednet To Expand Outreach

University of Utah-owned clinical and anatomic pathology reference laboratory ARUP Laboratories (Salt Lake City, UT) has contracted with Mednet Services, a lab network and billing services IT company, to expand ARUP’s menu of outreach services to regional and local hospital-affiliated laboratories.

“We have chosen to partner with [Mednet] in order to focus on our core competencies of esoteric laboratory testing, while providing our clients with the opportunity to access managed care contracts and other valuable outreach solutions,” said Ronald Weiss, M.D., ARUP’s president and COO.

Offering more than 2,000 tests and test combinations, ARUP processes more than 7,000,000 specimens per year. According to Edward R. Ashwood, M.D., director of laboratories and chief medical officer at ARUP, molecular testing, which accounts for about 550,000 of those specimens, is still growing rapidly. “I thought molecular genetics was starting to level off, but it isn’t. There are more tests on the horizon.” Although viral load testing for hepatitis C and HIV are a large proportion of their test volumes, newer infectious disease tests, including those for enterovirus and tuberculosis, are thriving. Ashwood notes that there has also been increased demand for confirmatory tests used in newborn screening programs in many states.

Through the agreement, Mednet will provide ARUP clients with such services as consultation and negotiation for managed care contracting, claims billing, and

data management services, as well as support in managed care RFP and contract analysis, market evaluation, and organizational management.

“Our plan is to offer a program which truly addresses providing the essential infrastructure of lab outreach programs that health systems may not have the expertise to provide on their own,” says Khosrow Shotorbani, senior vice president and director of sales at ARUP.

Mednet directs the operations of Joint Venture Hospital Laboratories (JVHL; Allen Park, MI), a 12-year-old consortium of 120 community hospital labs that contracts with managed care plans and third-party payors. Through JVHL, network labs have been able to gain outreach testing market share in their local communities and support continuum of care testing for their client physicians and patients.

According to Mednet President Jack Shaw, “When hospitals and health systems establish solid outreach relationships with physicians through high-quality testing, information, and support services, and build upon these services by offering unique benefits to managed care plans, they have every chance to become successful in gaining contracts and growing their outreach business.”

Founded in 1984, ARUP employs 1,800 people, of which about 900 are in technical areas. The laboratory serves clients in 50 states, including more than

half of the nation’s university teaching hospitals and children’s hospitals, as well as multi-hospital groups, commercial laboratories, group purchasing organizations, military and government facilities, and major clinics. They do not serve private physician’s offices. 🏠

Chicago Forensics Lab Expands Into HIV Market

Infectious disease testing is not something one expects to find in a forensics lab, but one Chicago company is changing that. Independent Forensics (IFI) is moving beyond paternity and traditional forensic testing for law enforcement and pioneering genetic-based tests for health professionals and the public.

IFI’s newest test determines an individual’s genetic predisposition to HIV-1 disease progression. Results of the test, which analyzes the chemokine (C-C Motif) Receptor 5 (CCR5) on t-cells, can also help clinicians determine the most effective use of treatment methods for HIV-infected patients. CCR5, the primary co-receptor for HIV-1, plays an important role in autoimmune and inflammatory disorders, and certain haplotypes have been shown to influence the rate at which HIV progresses to AIDS.

IFI’s CCR5 test uses buccal swab collection that can be performed at the patient’s home. Following DNA extraction and amplification, the DNA is analyzed to detect single nucleotide polymorphisms and deletions. A patient’s disease progression rate can then be categorized into epidemiological classes. Results are available in three weeks.

Founded by Perkin Elmer veteran Jack Keehma, IFI offers a range of forensic services and is now focused on expanding its molecular test offerings. In the pipeline are DNA-based tests for drug metabolism pathways and those for susceptibility to depression. 🏠



Lab Stocks Up 7% So Far This Year

Stock prices for the 10 companies in the G-2 Laboratory Index have risen an unweighted average of 7% year to date through July 21, with seven stocks up in price and three down. Over the same time period, the Nasdaq is down 8%, and the S&P 500 has slipped 1%.

Genomic Health, maker of the OncoTypeDX breast cancer test, and **Psychemedics**, which specializes in drug testing, are the leading gainers so far this year. Both are up 23%, the former to \$11.16 per share for a market cap of \$280 million and the latter to \$16.75 per share for a market cap of \$85 million.

Industry behemoth **Quest Diagnostics** is up 17% to \$59.85 for a market cap of \$11.79 billion. Wall Street analysts expect the company to earn \$2.98 per share in 2006; revenue is expected to rise by 9.6% to \$6.29 billion. Also looking strong, **LabCorp** is up 15% to \$62.15 for a market cap of \$7.9 billion. Analysts expect LabCorp to earn \$3.17 per share in 2006; revenue is forecast to rise by 3% to \$3.57 billion.

Myriad Genetics, which specializes in molecular diagnostics as well as therapeutics, is up 12% to \$23.27 for a market cap of \$957 million. Despite its gains for the year, the company is expected to dip \$1.05 per share in 2006.

Meanwhile, **Clariant** has plummeted by 37% to \$0.82 per share for a market cap of \$53 million. The company has recently received notice of potential delisting from Nasdaq for falling below a \$1.00 per share bid price and has until January 8 of next year to regain compliance. Clariant recently purchased the assets of Trestle for about \$3 million, installed Teleflex veteran James Agnello as CFO, and shuffled its board of directors. 🏠

Lab Stock Performance Year to Date through July 21, 2006

| <i>Company (ticker)</i> | <i>12/30/05 Price</i> | <i>7/21/05 Price</i> | <i>YTD % Chng</i> | <i>P/E Ratio</i> | <i>Market Cap (\$ millions)</i> |
|-------------------------|-----------------------|----------------------|-------------------|------------------|---------------------------------|
| Quest Diagnostics (DGX) | 51.21 | 59.85 | 17 | 22 | 11,790 |
| LabCorp (LH) | 53.85 | 62.15 | 15 | 22 | 7,900 |
| Bio-Reference (BRLI) | 18.81 | 22.12 | 18 | 32 | 293 |
| Psychemedics (PMD) | 13.63 | 16.75 | 23 | 21 | 85 |
| Genomic Health (GHDX) | 9.11 | 11.16 | 23 | NA | 280 |
| Medtox (MTOX) | 7.58 | 8.72 | 15 | 20 | 74 |
| Myriad (MYGN) | 20.80 | 23.27 | 12 | NA | 957 |
| Enzo Biochem (ENZ) | 12.42 | 12.20 | -2 | NA | 403 |
| Monogram (MGRM) | 1.87 | 1.61 | -14 | NA | 208 |
| Clariant (CLRT) | 1.30 | 0.82 | -37 | NA | 53 |
| Unweighted average | | | 7 | 23 | |

INDUSTRY Buzz

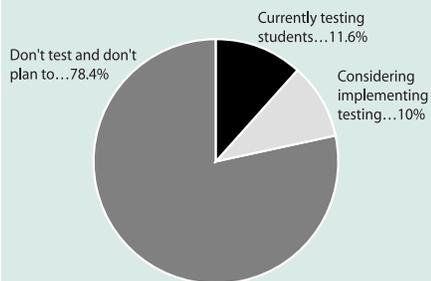
Just saying no to drug testing . . . Although recent U.S. Supreme Court decisions have supported the constitutionality of mandatory drug testing in public schools, superintendents have been reluctant to adopt such policies.

“There has not been an avalanche of drug testing policies following the two Supreme Court decisions,” says Todd DeMitchell, the study’s lead author and a professor at the University of New Hampshire. “The superintendents are seemingly reluctant to adopt such policies just because the court has given a green light to such tests.”

The study, published in *Education Law Reporter*, surveyed 400 superintendents with a high school in their district. Only 11.6% of the school districts surveyed had adopted such policies, while an additional 10% are considering adopting such a policy. The districts that reported having adopted drug testing policies tended to be rural and small.

Four major factors were found to influence superintendents’ decisions on adopting drug testing policies: personal viewpoint, the viewpoint of the school board, research, and court decisions. 🏛️

Does your district have a mandatory drug testing policy?



n=216
Source: DeMitchell et al., “Student Drug Testing Policies,” *Education Law Reporter* 2006.

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- HSC 202-484-5261
- Independent Forensics 866-434-2400
- LabCorp 800-334-5161
- Myriad Genetics 801-584-3600
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