STATE OF MARYLAND DEPARTMENT OF HEALTH AND MENTAL HYGIENE

Robert Murray

Executive Director

Stephen Ports

Principal Deputy Director Policy & Operations

Gerard J. Schmith

Deputy Director Hospital Rate Setting

Frederick W. Puddester Chairman

Kevin J. Sexton Vice Chairman

Joseph R. Antos, Ph.D.

George H. Bone, M.D.

C. James Lowthers

Herbert S. Wong, Ph.D.

The state of the s

HEALTH SERVICES COST REVIEW COMMISSION

4160 PATTERSON AVENUE, BALTIMORE, MARYLAND 21215 Phone: 410-764-2605 · Fax: 410-358-6217 Toll Free: 1-888-287-3229 www.hscrc.state.md.us

August 24, 2010

MEMORANDUM

To: Chief Financial Officers

From: Dennis N. Phelps, Associate Director-Audit & Compliance

Re: HSCRC Jurisdiction - Laboratory Services

The purpose of this memorandum is to reaffirm the HSCRC's jurisdiction over clinical laboratory services. The HSCRC's jurisdiction extends only to laboratory services associated with specimens drawn at the hospital, i.e., laboratory services associated with specimens drawn at the hospital are under the HSCRC's jurisdiction and are regulated, whether testing is performed at the hospital's on-site laboratory or transported off-site to a non-hospital laboratory. However, laboratory services associated with specimens drawn at locations other than the hospital are not under the jurisdiction of the HSCRC and are unregulated, even if laboratory services are provided in the hospital's laboratory.