



CALIFORNIA LABORATORY ASSOCIATES



PROVIDENCE HEALTH & SERVICES  
CATHOLIC HEALTH INITIATIVES

## FOR IMMEDIATE RELEASE

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## PAML Partners with Providence Health & Services, California To Expand Laboratory Outreach Services

**BURBANK, CA (Aug. 31, 2010)** – Pathology Associates Medical Laboratories (PAML) LLC, and Providence Health & Services, California, have entered into an agreement to create a new clinical laboratory services company serving the San Fernando Valley and neighboring communities.

Plans call for the newly formed California Laboratory Associates (CLA,) LLC, to begin business early next year, and eventually to provide laboratory services throughout Southern California. CLA will perform laboratory work for medical practices and hospitals utilizing the newly remodeled state-of-the-art laboratory at Providence Saint Joseph Medical Center and PAML's full-service laboratory in Washington where more specialized testing will be conducted.

The partnership will increase the level of laboratory services available to physicians in the San Fernando Valley and neighboring communities, enhancing patient care.

"PAML is pleased to partner with Providence in California to assist our colleagues in growing their laboratory outreach program," said Dr. Tom Tiffany, PAML's chief executive officer. "The partnership affords both PAML and its sister facilities in California the opportunity to leverage our combined laboratory expertise and best practices, to gain significant economies of scale and new efficiencies across the business line. PAML's turn-key laboratory outreach program and physician connectivity services will enhance the quality of services we provide to physicians in the Southern California region."

The nonprofit Providence and for-profit PAML have operated similar joint ventures in Washington, Idaho and Utah. Providence owns a majority share of PAML, a company that has been successful in growing markets similar to those served by Providence in the Valley area.

Providence Saint Joseph has operated a hospital-based laboratory outreach program since 1983. The new partnership will allow for expanding and increasing sales of laboratory services, reducing testing costs and expanding the tests offered while providing an efficient billing program.

PAML, one of the top 10 medical reference laboratories in the country and a national leader in laboratory outreach programs, brings to the partnership its own clinical laboratory as well as a sophisticated IT infrastructure, technology, support services and resources necessary to grow the venture.

“This agreement offers us a strategic opportunity to expand our outreach laboratory business and to create the premier hospital-based outreach laboratory program in the Greater Valley Area,” said Barry Wolfman, chief executive, Providence Saint Joseph, one of three Providence medical centers in the Valley. “PAML is recognized nationwide as a leader in partnering with community hospitals to expand their clinical laboratory outreach programs.”

From a business standpoint, PAML provides the laboratory-centric financial infrastructure, innovative connectivity solutions and more specialized testing menu essential for Providence Saint Joseph to expand its laboratory outreach program. PAML’s capabilities, combined with the premium, community-based healthcare services of Providence California will result in better choices for local physicians.

As an added benefit, approximately 90 percent of CLA’s testing will be performed in California. This maintains jobs and the provision of healthcare services within the state.

### **About Pathology Associates Medical Laboratories, LLC**

PAML, a full-service medical reference laboratory located in Spokane, WA, is owned by two of the nation’s largest healthcare systems – Providence Health & Services (PH&S) and Catholic Health Initiatives (CHI). One of the top reference laboratories in the country, PAML is also considered an industry leader in joint venture partnerships with community-based hospitals because of their expertise in developing cutting-edge laboratory management systems, including state-of-the-art automation, and support services. PAML is a co-founder of PACLAB Network Laboratories, which provides laboratory services throughout Seattle and western Washington, and is a partner in several other hospital-based laboratory joint ventures, including Alpha Medical Laboratory (AML) serving northern Idaho; Tri-Cities Laboratory (TCL) serving

central Washington; Treasure Valley Laboratory (TVL) serving southern Idaho and northeastern Oregon; and MountainStar Clinical Laboratories (MSCL) serving Utah. For more information, visit the PAML website at [www.paml.com](http://www.paml.com).

### **About Providence Health & Services**

Providence Health & Services, California, operates five award-winning medical centers in Southern California: Providence Saint Joseph, Providence Holy Cross, Providence Tarzana, Providence Little Company of Mary Torrance and Providence Little Company of Mary San Pedro medical centers. Providence Health is a nonprofit Catholic organization dedicated to quality, compassionate care for all and to investing in the health of the communities we serve. The Providence medical centers provide a full continuum of health care services. For more information, visit [www.providence.org](http://www.providence.org).