

Paradigm Labs - Committed to Offering the Most Comprehensive Medication Monitoring Testing at the Most Affordable Prices.



Catherine Veal
CEO/President

Paradigm Labs

<https://paradigm.healthcare/>

Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFO Magazine

CEOCFO: *Ms. Veal, what is the overall idea behind Paradigm Labs? What is your focus today?*

Ms. Veal: Paradigm Labs is a clinical toxicology laboratory. We perform drug testing for physicians who are prescribing medications to their patients and want to monitor to make sure that their patients are taking the prescribed medications, and not any others that they have not made their physicians aware of. They also want to make sure they are not taking any illicit drugs, or anything of that nature. All of our clients are physicians. We

do not currently do any employment drug testing. Our mission is to provide the most comprehensive results to our clients for the most affordable cost to the payors/insurance companies. We have developed specific tests/assays to achieve our goal which has gained us a larger piece of the market share.

CEOCFO: *Would you get a blood sample from a physician, and would you test for might be in there?*

Ms. Veal: Not blood. We do not deal with blood as a matrix, but we do test urine and saliva, so yes, the doctor would take a sample from their patient in their clinic. Then we use couriers, such as FedEx and UPS and other types of shipping vendors. We receive the samples overnight, and we process it here in our lab in St. Simons Island, Georgia. We send the results back to the physician through our portal. It would tell the physician what medications are in their patient's system based on that sample and the levels of those drugs as well as their metabolites.

Most of the time, these doctors that are using our services are in the pain management field, or in behavioral health or addiction treatment, or family medicine, any of those types of disciplines that have medications being prescribed that could be abused or could be over-taken; categorized as therapeutic drugs of abuse. With any of those disciplines, those doctors are wanting to monitor those medications closely, and once we have done our testing and analyzation, then they can look back at the results, and see if their patients are taking the prescribed meds or not.

CEOCFO: *Is that fairly common for pain medications doctors to check this way routinely, or is it typically only they suspect something?*

Ms. Veal: No, it is definitely common now, because of the opioid crisis epidemic, and the fact that the street value for these drugs is ridiculous. There is a lot of diversion going on, where patients are going in to try to get some prescriptions for these pills, and then selling them on the street, as opposed to taking them. Therefore yes, it is a definite problem, and it has caused a rise in the testing of those patients.

There are rulings in some of the states that encourage these doctors to test their patients on a quarterly basis, or a different timeline. If they are prescribing their patients these types of drugs, they need to monitor and make sure that those drugs are going where they are supposed to be going.

CEOFCO: *The Paradigm Labs site shows, "solutions focused toxicology." What does that mean for you?*

Ms. Veal: What we try to do is not only give the physician the results of what is in their patient's urine, but we also try to educate our clients, by talking to the physicians about how they can interpret and use the results, and any possible drug interactions that may affect the outcome of the test results. We have got some toxicologists on staff, so we also try to be an educational resource for our physicians, for our clients, when it comes to anything toxicology related. We are not satisfied to just give our clients results and be some big box lab that can do that for them. Our desire is to be a partner with them by better equipping them to care for their patients.

CEOFCO: *Are there many labs that specialize in the arena you do? What is the competitive landscape?*

Ms. Veal: We have got some major competitors that offer a multitude of tests, not just toxicology testing. They may offer blood panels, hormone testing, and a number of other different types of products. We have a niche in the testing that we offer, and we feel like we do a very good job because, as I said earlier, not only do we provide the results, but we partner in making sure the physicians understand what those results mean, even down to things as detailed as metabolites being present of a specific drug, verses just the parent drug and no metabolites, which could mean a number of different things for a physician. Just getting down to the details of that with them is what we do, and it makes us very specialized.

"An example in regards to current payor policies would be the focus on a provider's test orders needing to be individualized to each patient as well as be medically necessary. This is our current focus in our educational meetings with our providers. We want them to know and understand the payor policies, and we try to help them incorporate appropriate thinking when ordering their drug tests so that they align with the policy. We are laser focused on reducing, and ultimately stopping, the over-ordering/over-utilization by providers through our educational platform." Catherine Veal

We do have some competitors that do offer similar services to ours, but they are scattered about. However, most of the labs are trying to offer more and more products, and be more diverse, and are going that route, where we want to keep our offerings very narrow, very specialized, and we feel like we are the best at what we do.

CEOFCO: *Are doctors in general, open to the education part of what you do? We know that doctors are very busy in many services that are offered. Do they understand? Do they appreciate? Are they perhaps turning to you because they recognize that aspect of what you provide?*

Ms. Veal: They are very busy, as you said, and do not block out much time for anything other than what is generating revenue for their practices, which is seeing the next patient. We understand that. Our Chief of Compliance and Education, Jennifer Bolen, and our compliance team have learned this over time and have tailored our educational offerings that we bring to our clients accordingly. This means we have to be very concise, and come in with our information that we have been asked of by the physician in an easy to present and grasp format. Our clients constantly express their appreciation for the information that we share with them, whether it is current payor policies, toxicology topics, utilization reviews or other areas of interest for them.

We feel like it is a bonus for them because they have more information to then look at their patients, and really understand what is going on with a patient. An example in regards to current payor policies would be the focus on a provider's test orders needing to be individualized to each patient as well as be medically necessary. This is our current focus in our educational meetings with our providers. We want them to know and understand the payor policies, and we try to help them incorporate appropriate thinking when ordering their drug tests so that they align with the policy. We are laser focused on reducing, and ultimately stopping, the over-ordering/over-utilization by providers through our educational platform.

CEOFCO: *Would you tell us about the recent Women's Business Enterprise National Council certification?*

Ms. Veal: It is usually a long process for these things, and then Covid, obviously, played a part in that as well. However, we started hearing a lot about supplier diversity well before Covid, and how that was going to be a large platform for many of the major corporations moving forward. We started doing our research, and obviously I am the majority owner of the company, so we wanted to see how that could benefit us. My VP of admin, Cynthia Wentland, who retired last year, but was with me when I started Paradigm in 2014, started doing the research and we found that WBENC/GWBC was the way to go. It was definitely well respected and the certification that we wanted to seek.

It was a long process, but once we finally got to the end, where our file was being presented to committee, it got really exciting. Then we got the call saying that we had been accepted and given the certification. Coincidentally, the national conference was about 2 to 3 weeks after we got our certification, and it happened to be in Atlanta, Georgia this year, which is 5 hours from the lab. Therefore, I had my VP of sales, Tripp Smith, go with me to the conference, and it just worked out beautifully. We were able to meet, not only our WBENC representatives that helped us and carried us to committee, but also much of the other staff. The conference was amazing! We met a lot of vendors and other WBENC certified entities, so it was an awesome experience, and we are very happy to be recognized by them. We felt like it is going to benefit us tremendously, with just being able to, hopefully, check the box for some of the vendors that are looking for a supply diversity spend in the lab arena.

CEOCFO: *Are there tests for the new designer drugs? What do you need to do as you are staying on top of your craft, on top of what you are doing at the lab?*

Ms. Veal: I have a Director of R&D, Dr. Nicholas Rhodes. He has been in the industry for quite some time and he, along with our lab director, Dr. Sue Brown, have stayed on top of what is going on out in the world, with the designer drugs and the synthetics. We are constantly trying to figure out what we need to develop as far as an assay for testing, to be able to test what is going on, or if something just does not warrant that. That means that some of these designer drugs and the labs that these creators set up will switch a compound in a very short amount of time by chemically altering it slightly into a different compound that makes it undetectable with the previous assay. They continue to do that and change it, so that these things are not picked up by law enforcement and/or drug tests or what have you.

It may be a futile attempt to develop assays for some synthetics because they are constantly being changed by these people that are making them, but we are constantly out there gathering information and researching. CBD was a big thing that we developed recently, and many of our providers wanted to know the difference in what their patients were taking, if it was CBD or THC, and those kinds of things. It is very important in our industry to stay on top of what is out there, what we need to be testing for, what is something that is going to come and go. We do not want to chase those tests, so it is always important in our industry, to be on top of it.

CEOCFO: *How do you reach out to potential clients, doctors and practices?*

Ms. Veal: We have a national salesforce, and they do a lot of word of mouth and referral based calling on providers. We also attend/sponsor different national conferences across the country, and obviously, we do some cold calling, just right out of "hunt and search and go and call on." However, we do the majority of our business in conferences and referrals.

CEOCFO: *How is business these days?*

Ms. Veal: It is great! March of 2022 was the biggest month we have ever had, and we have been busy ever since! It usually drops off a little bit during the summer months, with the holidays and physicians travelling with their families for vacations, and those kinds of things, but not much. However, we are great! We are growing and is as good as it has ever been! We were down one quarter during Covid, but other than that, we rallied through Covid.

We did launch a really strong oral swab platform during Covid, so that our providers could mail-out oral swabs and have their patients perform their testing from home, where they could monitor a patient actually taking an oral swab test through a Zoom meeting, through a telemed appointment with their patient. We launched that platform during Covid, and that carried us through. Therefore yes, business is great!

CEOCFO: *There are so many companies to look at, so many companies in medical. Why does the company stand out? Why is Paradigm Labs special?*

Ms. Veal: I am not a salesperson! I tell my sales team all the time, "You guys are phenomenal! I could not do it without you, because I do not sell." I know my company, and I know our product, but I am not a salesperson. However, what I

feel sets us apart is our customer service, which is beyond what is out there! I know that every company that has a service to offer dotes on their customer service, but ours truly is remarkable!

We have got our executive team, which is so in tune with the customer and making sure that the customer's needs are met. Our Director of our Laboratory Information Systems, Brandon Prince, deals directly with our clients a good bit, because he has got his hands in the data and the laboratory information. He is just remarkable at "customer first," and sets the precedent for the rest of the team. I could name them all as our entire team is stellar when it comes to customer service, but I truly feel like that sets us apart. We have got our Paradigm Labs assistants, where we go out and put laboratory assistants in our physician's offices to help them in the states that we are allowed to do that, to collect the urine and get the samples sent out. Their manager, Retta Gavin, is phenomenal! We have got about 80 of those staff members out in physician's offices, and she manages all of them with her management support team and makes sure our clients are happy as well as their patients. I think that sets us apart.

The other piece is that our science is a little different than the other labs, even the specialized labs that are more similar to what we do. Most of those labs do a test that is called the screen. It is kind of the first portion of the toxicology test, that only has 15 to 20 drug tests on it. Ours has 66 drug tests on it. Therefore, we have a more comprehensive initial test, that really does set us apart. It is the same price as those tests that the other labs are doing, but we are offering about 3-4 times as many drug results on that test. I really think that the doctors love that. They get more of a comprehensive result from just that initial screen. The payors appreciate this as well. That, along with the customer service, is what makes Paradigm Labs different.

CEOCFO: *It is really nice to hear the passion in your voice. It definitely comes through!*

Ms. Veal: Thank you! I love my company and I love my team. We have got over 130 team members and they are all phenomenal, Lynn. I cannot say it enough, that they all make Paradigm Labs what it is. We are very blessed!