

International Drug and Alcohol Testing Q&A

With Coleen Volksdorf of Quest Diagnostics and Markus Timosaari of Drug Test Scandinavia

Do you see any indicators that the volume of international collections are increasing this year?

Coleen Volksdorf: Yes. At Quest Diagnostics we saw a 30% increase in international collections year-over-year from 2014 to 2015. We seem to be on course to surpass this number in 2016.

Markus Timosaari: Our clients did many international pre-employment and random tests last year, but it is possible that there will be even more this year. However, we have had fewer vessel collections so far than we did last year.

Why do you believe this growth is occurring?

Coleen Volksdorf: We attribute much of our growth to more tests coming from our existing client base as well as a steady influx of new international clients.

The international drug testing of employees working for United States (U.S.)-based companies has been widely discussed over the past few years, but it has taken a long time for those companies to figure out how best to implement and maintain a drug testing program abroad. Now that there are several well-established, recognizable and trusted Fortune 500 companies who perform drug testing on their internationally-based employees, we're seeing more and more companies asking questions and entertaining the concept of rolling out their own programs.

Markus Timosaari: The amount of collections could increase if we get new clients or build a bigger collection network in order to be able to serve our existing clients even better than we do today.

Are there any regions/countries that test more than others?

Coleen Volksdorf: Our Quest Diagnostics Patient Service Centers (PSCs) and collection facilities in India and Mexico are our two most active countries. We're also seeing steady growth in our Asia and Africa regions.

Markus Timosaari: This year most of our international collections have taken place in France, Spain and Romania.



Is urine the most common specimen type?

Coleen Volksdorf: While urine is still the most common specimen type used by U.S.-based employers, most of our internationally-based clients favor hair testing over urine.

Markus Timosaari: Internationally speaking, urine is by far the most common, followed by hair tests as the second most common method. In Sweden, however, most of our clients have chosen oral fluid for random tests, and hair or oral fluid for pre-employment tests.

What test panels are used?

Coleen Volksdorf: Workplace drug testing in the U.S. started with government entities in the 1970s. Over time, these agencies developed standard testing practices for their employees. Once the private sector started to drug test their employees, they adopted many of the government's established best practices, including the test panels used for testing. Our most commonly requested panel tests for amphetamines, cocaine, marijuana, opiates and phencyclidine.

Markus Timosaari: Our Swedish clients most often require testing for cannabis, amphetamines, cocaine and opiates.

Are there still hurdles that are slowing the growth of your international testing and collections?

Coleen Volksdorf: Unlike most of the world, the U.S. has uniform testing regulations. International cultures, customs and laws can have a heavy influence on the drug testing performed. It can be a challenge for companies to figure out how, when and where to implement an international drug testing program.

Markus Timosaari: It is possible that there still are some hurdles, so there is potential to increase the amount of international collections.

What are the biggest hurdles companies experience as they work to implement a drug testing program internationally?

Coleen Volksdorf:

Operational inconsistencies

The international drug testing collection market is very diverse and lacks the consistent standards seen in the U.S. As a result, the availability, pricing and quality of collections abroad can vary greatly.

Challenging geographical locations



Unlike in the U.S., drug test collection site locations can be scarce. Individual sites are often located, recruited and trained based on client need. Once trained and integrated into a broader network, collectors typically want assurances of the volume of collections they'll receive. As a result, bringing on new sites and collectors continues to be challenging

Quality of the collection process

With new or low volume collection sites, our primary focus often centers on helping to ensure that high quality collections are performed. This quality control approach has been successful. Our collectors and collection sites maintain consistently low error rates. Coupled with robust international collector training programs and the creation of collection guidelines by the European Workplace Drug Testing Society, international collectors now have uniform guidelines that they can follow when performing collections.

Cost

Equitable pricing guidelines for drug test collections do not exist. Scarcely located collectors want the stability of predictable volume coming their way, which is often something we have little control over. So the drug collection options available for in any given country can be limited, leaving much of the pricing to the discretion of the available collectors. One site may charge \$45 for a collection, while another site in the same country may charge \$200.

As we look back at the history of drug test collections in the U.S. we can extrapolate what is likely to occur overtime in our international markets.. The more collections performed by a site, the more a collector perfects the process. As volume grows for one location or region, we'll see an increase in the number of providers entering the market. With more collectors in an area, a naturally competitive and equitable pricing market will emerge along with increasing standards of quality. We already have a stable market in India and Mexico, we anticipate that other markets will continue to grow as companies expand their drug testing policies globally.

Markus Timosaari:

In addition to raising awareness of the possibility for international collections, I think the providers of testing services can affect the volume by having a large collection site network as well as doing their best to make the collections run as smoothly as possible. My ambition is to further develop our collection site network so that we can provide collections in even more locations than we do today. We can currently take collections in 16 European countries, which I think is good, but there are obviously still many important countries and locations where we need to build up collection sites. Having a large collection site network would hopefully serve our current clients better, but also make us more attractive for new clients. I am also interested to look into the possibility of implementing FormFox in our collection sites, which would make it easier for US-based companies to order collections in Europe.



What advice can you give to companies that want to start drug testing internationally?

Coleen Volksdorf: The most important item to have in place prior to starting drug testing internationally is an international drug testing policy. We recommend working with both a local attorney and a drug testing policy expert to aid in the development of a policy that factors in country-specific requirements. Once the drug testing policy is in place, reach out to a laboratory experienced in international collections and testing. Be sure to work with a provider that understands the requirements of U.S.-based companies testing internationally. There are U.S. regulations that must be followed, such as the Foreign Corrupt Practices Act and limitations on Embargoed and Sanctioned countries. The goal is to create a program with a foundation rooted in best practices of U.S.-based drug testing collections and testing in order to minimize risk. With a robust policy, clear program goals, and the support of a proven collection and testing provider, new international drug testing programs will be optimally positioned for success.

Markus Timosaari: It is good to make some kind of an estimation regarding where there will be most need for collections and what type of collections (hair, urine, oral fluid, alcohol) are needed. After that, it is just a matter of finding a provider that can accommodate these needs.

