NC Society of Pathologists Digest

Society News

February 2026

Advocacy Highlights - 2025

Federal Highlights:

- **LDT rule struck down:** A US District Court judge nullified the Food and Drug Administration (FDA) regulation on the oversight of laboratory-developed tests, agreeing with plaintiffs' and the College of American Pathologists' (CAP) arguments that the rule should be vacated.
- **Relief from pay cuts:** The "One Big Beautiful Bill Act" included an increase to Medicare payments to physicians by 2.5% in 2026. The temporary pay increase provides some relief while the CAP advocates for reform & stabilization of the Medicare payment system.
- **Stopping cuts to labs:** Laboratories got a brief reprieve from Medicare cuts of up to 15% when Congress enacted legislation to end a government shutdown in November. The CAP continues to advocate to prevent the cuts from taking effect in the future while we work to enact permanent reforms to fix the Medicare clinical laboratory fee schedule.

State Highlights:

- **Alabama:** Amended legislation to exempt pathologists from penalties over unauthorized use of genetic samples in May.
- **West Virginia:** Stopped disruptive rules on laboratory and medical genetic testing.
- **Virginia:** Protected pathologists in legislation against information blocking penalties.

For complete state advocacy activities go to cap.org.

AI in Pathology: Augmenting Expertise, Not Replacing It

Two recent pieces reinforce a clear message for the pathology community: *AI is a powerful tool—but pathologists remain essential.*

A review in *Modern Pathology* explores the growing role of generative AI in pathology, highlighting benefits such as improved efficiency, decision support, and research productivity, while emphasizing the continued need for expert oversight, validation, and clinical judgment. This perspective is echoed in a Digital Pathology Place podcast featuring Dr. Sarah Dry (UCLA), who stresses that AI functions best as a pathologist extender, supporting tasks like quantification and drafting while physicians lead interpretation, workflow design, and change management.

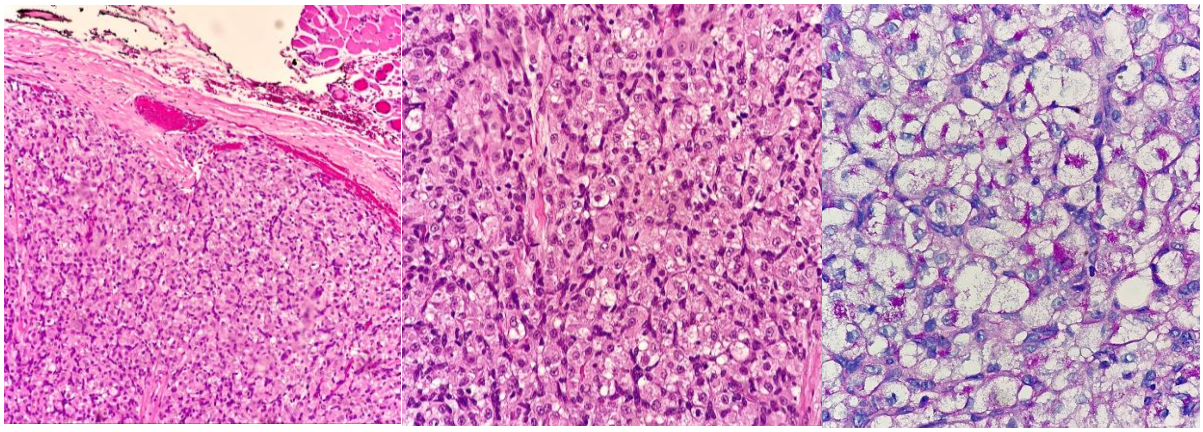
Bottom line: AI can enhance pathology practice—but it thrives when paired with human expertise.

NCSP Interesting Case Series

By Jordan Staggs Hunter, DO (PGY-2, Wake Forest)

Clinical history: A 2 y/o M presented with a lump in the right groin of about 1 month. The mass was non-tender, non-painful, and around 1 cm on palpation. There was no significant past medical history. Imaging revealed a mass located within the muscular layer, potentially associated with the spermatic cord, vas deferens, vessels, or testicle.

Figure: Well-circumscribed mass with plump, clear- eosinophilic cells and vaguely nested architecture; PAS-D highlights intracytoplasmic crystals



Molecular Findings: Rearrangement of the *TFE3* gene on chromosome Xp11.23

Case Diagnosis: ALVEOLAR SOFT PART SARCOMA

Histology/Key Diagnostic Criteria

- Rare malignant tumor composed of large, polygonal cells with abundant eosinophilic cytoplasm, a nested or pseudo-alveolar growth pattern and PASD+ intracytoplasmic rhomboid or rod-shaped crystals
- Characterized by *ASPSCR1-TFE3* gene fusion (der(17)t(X;17)(p11.2;q25)

Positive IHC: TFE3 (nuclear) and Cathepsin K; Vimentin, SMA and desmin are occasionally be positive

Negative IHC: Pancytokeratins, EMA, Synaptophysin, Chromogranin, HMB45, MelanA, Caldesmon, Myogenin, MyoD1

High-Yield/ Relevant Information

- Rare (< 1% of all soft tissue sarcomas); predominantly affects the deep soft tissues of the extremities (thigh and buttock) in young adults and head and neck region (tongue and orbit) in children
- ASPS is not formally graded but considered to be high-grade.

Differential Diagnoses:

- Metastatic renal cell carcinoma: Positive for pancytokeratin and PAX8; caution as Xp11 translocated RCC can show nuclear expression with TFE3
- Metastatic adrenal cortical carcinoma: Positive for inhibin, calretinin and MelanA
- Granular cell tumor: Positive for S100 protein (diffuse), CD68, SOX10 and inhibin; caution most express TFE3 but lacks intracytoplasmic crystals
- Paraganglioma: Positive for chromogranin and synaptophysin, S100 protein highlights sustentacular cells
- PEComa: Coexpression of melanocytic (HMB45 and MelanA) and muscle markers (SMA and calponin)
- Alveolar rhabdomyosarcoma: Positive for desmin, myogenin and MyoD1

Sources: **Oncogene 2001;20:48, Arch Pathol Lab Med 2015;139:1459, Am J Surg Pathol 2003;27:750, Am J Pathol 2002;160:1215, Hum Pathol 2012;43:356, J Clin Pathol 2006;59:1127, Acta Pathol Jpn 1986;36:895**