



Department of Justice

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JUSTICE DEPARTMENT CHALLENGES JOINT CONTRACTING ON BEHALF OF OKLAHOMA CHIROPRACTORS

Settlement Bars Chiropractor Association and its Executive Director From Conspiring to Raise Fees

WASHINGTON – The Department of Justice announced today that it has reached a settlement that will require the Oklahoma State Chiropractic Independent Physicians Association (OSCIPA) and its executive director to stop jointly determining prices and negotiating contracts with insurers on behalf of competing chiropractors in Oklahoma. The department said that the association and executive director negotiated at least seven contracts with insurers that set prices for chiropractic services on behalf of OSCIPA’s members, and that their conduct caused consumers to pay higher fees for chiropractic services in Oklahoma.

The department’s Antitrust Division filed a civil antitrust lawsuit in the U.S. District Court for the Northern District of Oklahoma against OSCIPA and executive director, Larry M. Bridges. At the same time, the department filed a proposed settlement that, if approved by the court, would resolve the lawsuit.

“By jointly negotiating fees on behalf of competing chiropractors, the association and its executive director increased the prices that consumers paid for chiropractic services in Oklahoma,” said Bill Baer, Assistant Attorney General in charge of the Department of Justice’s Antitrust Division. “Today’s settlement promotes competition among Oklahoma chiropractors and prevents the association and its executive director from engaging in illegal conduct that caused consumers to pay more for their health care.”

According to the complaint, OSCIPA—which is comprised of approximately 45 percent of all practicing chiropractors in Oklahoma—and Bridges collectively negotiated the rates and price-related terms for at least seven contracts with insurers on behalf of OSCIPA’s members and required members to suspend their pre-existing contracts with those same insurers. The association and Bridges also required OSCIPA’s members to accept only reimbursements above a certain level and prohibited members from offering insurers incentives or rebates, such as by waiving deductibles. Except for members who were part of the same practice groups, OSCIPA’s members were not clinically or financially integrated, and the association’s and Bridges’ actions were not necessary to achieve any benefits for consumers.

The proposed settlement will prevent the association and Bridges from establishing prices or terms for chiropractic services and from negotiating with insurers on behalf of competing chiropractors. The proposed settlement also will prevent them from attempting to facilitate joint negotiations and from communicating with chiropractors about any aspect of pricing or contracting.

The Oklahoma State Chiropractic Independent Physicians Association is headquartered in Tulsa, Okla. Bridges has been employed by OSCIPA as its executive director since at least 1999.

The proposed settlement, along with the department's competitive impact statement, will be published in the Federal Register as required by the Antitrust Procedures and Penalties Act. Any person may submit written comments concerning the proposed settlement within 60 days of its publication to Peter J. Mucchetti, Chief, Litigation I Section, Antitrust Division, U.S. Department of Justice, 450 Fifth Street, N.W., Suite 4100, Washington, D.C. 20530. At the conclusion of the 60-day comment period, the court may enter the final judgment upon finding that it serves the public interest.

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