



Department of Justice

FOR IMMEDIATE RELEASE
WEDNESDAY, SEPTEMBER 30, 1992

AT
202-514-2007
TDD 202-514-1888

WASHINGTON, D.C. -- The Department of Justice today filed a civil antitrust suit charging the Greater Bridgeport Individual Practice Association Inc. (GBIPA) with illegally boycotting a health maintenance organization, Physicians Health Services of Connecticut, Inc., (PHS), by agreeing not to contract individually with PHS. At the same time, the parties filed a proposed consent decree that settles the suit by prohibiting the alleged conduct and restricting certain other actions of GBIPA that could facilitate anticompetitive conduct.

J. Mark Gidley, Acting Assistant Attorney General in charge of the Antitrust Division, said, "Competition among physicians is reduced when a group, particularly one that includes most of an area's physicians and is structured to be non-exclusive, agrees not to contract individually with insurers that seek individual physicians' contracts, rather than a group contract. By ensuring that GBIPA will not disrupt insurers' attempts to contract individually with GBIPA member physicians, this case will aid consumers in obtaining quality health care services at lower, competitive prices."

The complaint, filed in U.S. District Court in New Haven, Connecticut, alleges that in 1989 and prior to the expiration of

(MORE)

GBIPA's contract, GBIPA and its co-conspirators agreed not to contract individually with PHS in part, to increase the fees paid to GBIPA for GBIPA physicians' services.

The decree prohibits GBIPA from entering into any future agreement not to enter into or to withdraw from proposed or actual individual contracts with insurers. The decree also has remedial provisions that further prohibit GBIPA from engaging in activities that may facilitate such conduct and from serving as an exclusive negotiating agent for its member physicians. Under the decree, GBIPA is also required to establish an antitrust compliance program.

The proposed consent decree is open for public comment for 60 days.

Interested persons may address comments to Robert E. Bloch, Chief, Professions and Intellectual Property Section, Antitrust Division, U.S. Department of Justice, 555 Fourth Street, N.W., Washington, D.C. 20001.

If the consent decree is approved by the court after the required 60-day comment period, it would terminate the suit. The court would retain jurisdiction to construe, modify and enforce the judgment.

####