Department of Justice

JUSTICE DEPARTMENT APPROVES PROPOSAL TO FACILITATE MANAGED CARE CONTRACTING BY NEW YORK PODIATRISTS

WASHINGTON, D.C. -- The Department of Justice's Antitrust Division will permit a foot-care network to sign up podiatrists in New York State who want to participate in managed health care plans.

Assistant Attorney General Anne K. Bingaman, in charge of the Antitrust Division, said the Department had approved a proposal under which the Preferred Podiatric Network Inc., a subsidiary of the New York State Podiatric Medical Association, would serve as an intermediary in enrolling association members to provide foot-care service as part of managed care plans.

She emphasized that the network would not negotiate fees on behalf of any member. Each member would be free to accept or reject any offer.

The Department's position was stated in a business review letter from Bingaman to counsel for the network and the association.

Bingaman said the network's activities are not likely to be anticompetitive because:

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- It will be a <u>bona fide</u> intermediary, not a negotiator for competing podiatrists.

- It may gather and provide to payers generalized price information, but has adopted procedures to ensure that specific prices are not made available to members.

- It is non-exclusive and should not impede the participation of its members as podiatric providers in other managed care networks.

Under the Department's business review procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division will challenge the action under the antitrust laws.

A file containing the business review request and the Department's response may be examined in the Legal Procedure Unit of the Antitrust Division, Room 3235, Department of Justice, Washington, D.C. 20530. After a 30-day waiting period, the documents supporting the business review will be added to the file.

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