



# Department of Justice

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## **JUSTICE DEPARTMENT APPROVES NETWORK OF EL PASO GENERAL SURGEONS**

WASHINGTON, D.C. -- General surgeons in El Paso, Texas will be allowed to form a network to contract with managed care plans and other third party payers under a proposal approved today by the Department of Justice's Antitrust Division.

The Department's position was stated in a business review letter from Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, to counsel for the El Paso Surgical Group.

The Department said that the nonexclusive network will provide general surgical services in exchange for a capitated payment or compensation on a fee-for-service basis with at least 20 percent of the fees due each physician held back for a "risk pool." This money will be distributed to participating physicians only if the panel of doctors as a group meets established efficiency and quality objectives.

The information provided by the parties and third-party payers indicates that the expected concentrations of physicians will not lead to the creation of market power or anticompetitive effects.

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, Suite 215 Liberty Place, 325 7th Street, N.W., 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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