

Part B Insider (Multispecialty) Coding Alert

Don't Let Hospital Talk To Insurers For You

A group of 192 physicians could get more than they bargained for if they go ahead with a plan to let the hospital that employs them make all their deals with managed care plans.

The **Federal Trade Commission** said in an advisory opinion that **Suburban Health Organization**, an Indiana non-profit, would be violating federal anti-trust laws if it required health plans to go through the hospital exclusively to contract with physicians.

The SHO plan would have called for SHO to set prices for physicians' services, and the FTC was concerned this would eliminate price competition. The SHO plan aimed to increase efficiency and improve care, because it included developing practice protocols and disease-specific treatment parameters for some conditions, plus data collection and education.

But the FTC staff said the efficiencies and better outcomes weren't enough to justify fixing prices for physician services. You can read the FTC letter at www.ftc.gov/opa/2006/03/shor31.htm.