Services Administration in records management inspections conducted under the authority of 44 U.S.C. 2904 and 2906;

(f) To a court or adjudicative body before which the Department of Justice or the Bureau is authorized to appear when any of the following is a party to litigation or has an interest in litigation and such records are determined by the Bureau to be arguably relevant to the litigation: (1) The Bureau, or any subdivision thereof, or (2) any Department or Bureau employee in his or her official capacity, or (3) any Department or Bureau employee in his or her individual capacity where the Department has agreed to provide representation for the employee, or (4) the United States, where the Bureau determines that the litigation is likely to affect it or any of its subdivisions;

(g) To an administrative forum which may or may not include an Administrative Law Judge, or which may or may not convene public hearings/proceedings, or to other established adjudicatory or regulatory agencies, professional licensing and disciplinary boards and commissions, or other appropriate entities with similar or related responsibilities, statutory or otherwise, to assist in the adjudication of decisions affecting individuals who are the subject of Bureau investigations, including decisions to effect any necessary remedial actions, e.g., disciplinary and/or other appropriate personnel actions, and/or other law enforcement related actions, where appropriate; (To protect the privacy of the individual, information provided will be sanitized as warranted and/or a protective order may be requested to prevent further dissemination.)

(h) To contractors and subcontractors to the extent necessary to perform administrative tasks and/or technical installation and/or maintenance operations or other similar contractual duties; and

(i) To any person or entity to the extent necessary to prevent immediate loss of life or serious bodily injury.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Information maintained in the system is stored in electronic media in Bureau facilities via a configuration of personal computer, client/server, and mainframe systems architecture. Computerized records are maintained on hard disk, floppy diskettes, magnetic tape and/or optical disks. Documentary records are maintained in manual file folders and/or on index card files.

RETRIEVABILITY:

Records are retrievable by identifying data, including last name, inmate register number, system classification category, Social Security number, alien registration number, system-generated identification number, passport number, employee badge number and/or miscellaneous identification number as provided by the visitor and/or other law enforcement agencies.

SAFEGUARDS:

Information is safeguarded in accordance with Bureau rules and policy governing automated information systems security and access. These safeguards include the maintenance of records and technical equipment in restricted areas, and the required use of proper passwords and user identification codes to access the system. Similarly, paper records are stored in secured areas to prevent unauthorized access. Only those Bureau personnel who require access to perform their official duties may access the records described in this system of records.

RETENTION AND DISPOSAL:

Records generated by the system to report entry/exit and internal movement activities are retained in accordance with General Records Schedule (GRS) 19, All other records in the system of records are retained until such time as the records no longer serve the purpose described by this system of records. At such time, these records (including investigatory records and/or records relating to disciplinary hearings and/or other appropriate personnel actions) may be incorporated into an appropriate, published system of records with an approved retention schedule, or otherwise destroyed. Computerized records are destroyed by shredding, degaussing, etc., and documentary records are destroyed by shredding.

SYSTEM MANAGER AND ADDRESS:

Assistant Director, Information, Policy, and Public Affairs Division, Federal Bureau of Prisons, 320 First Street NW., Washington, DC 20534.

NOTIFICATION PROCEDURE:

Inquiries concerning this system should be directed to the System Manager listed above.

RECORD ACCESS PROCEDURES:

All requests for records may be made by writing to the Director, Federal Bureau of Prisons, 320 First Street NW., Washington, DC 20534, and should be clearly marked ''Privacy Act Request.'' This system is exempt, under 5 U.S.C. 552a(j)(2) and (k)(2), from some access. A determination as to exemption shall be made at the time a request for access is received.

CONTESTING RECORD PROCEDURES:

Same as above.

RECORD SOURCE CATEGORIES:

Individuals covered by the system; and Federal, State, local and foreign law enforcement agencies, and Federal and State probation and judicial offices.

SYSTEMS EXEMPTED FROM CERTAIN PROVISIONS OF THE ACT:

Pursuant to 5 U.S.C. 552a(j)(2), the Attorney General has exempted this system from subsections (c) (3) and (4), (d), (e)(1), (e)(2), (e)(3), (e) (5), and (8), and (g) of the Privacy Act. In addition, pursuant to 5 U.S.C. 552a(k)(2), the Attorney General has exempted this system from subsections (c)(3), (d), and (e)(1). Rules have been promulgated in accordance with the requirements of 5 U.S.C. 553 (b), (c) and (e) and have been published in the Federal Register.

[FR Doc. 95–24612 Filed 10–3–95; 8:45 am]

BILLING CODE 4410–05–M

Antitrust Division

United States v. HealthCare Partners, Inc., et al.; Proposed Final Judgment and Competitive Impact Statement

Notice is hereby given pursuant to the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16(b)–(h), that a proposed Final Judgment, Stipulation, and a Competitive Impact Statement have been filed with the United States District Court for the District of Connecticut in *United States* v. *Healthcare Partners, Inc., et al.*, Civil No. 395–CV–01946–RNC as to HealthCare Partners, Inc., Danbury Area IPA, Inc., and Danbury Health Systems, Inc.

The Complaint alleges that defendants entered into an agreement with the purpose and effect of restraining competition unreasonably among physicians in the Danbury, Connecticut area, in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1. The Complaint also alleges that Danbury Health Systems, Inc. willfully maintained its monopoly in general acute inpatient services in the Danbury, Connecticut area, in violation of Section 2 of the Sherman Act, 15 U.S.C. § 2.

The proposed Final Judgment eliminates the continuance or recurrence of defendants' unlawful agreement and of the additional acts of Danbury Health Systems, Inc. that gave rise to the violation of Section 2.

Public comment on the proposed Final Judgment is invited within the statutory 60-day comment period. Such comments and responses thereto will be published in the Federal Register and filed with the Court. Comments should be directed to call Gail Kursh, Chief, Professions and Intellectual Property Section/Health Care Task Force; United States Department of Justice; Antitrust Division; 600 E Street, NW., Room 9300; Washington, DC 20530 (telephone: 202/307–5799).

Rebecca P. Dick,

Deputy Director of Operations.

[Civil Action No. 395CV01946RNC.]

Stipulation

United States of America and State of Connecticut, ex rel., Richard Blumenthal, Attorney General, Plaintiffs, vs. HealthCare Partners, Inc., Danbury Area IPA, Inc., and Danbury Health Systems, Inc., Defendants.

It is stipulated by and between the undersigned parties, by their respective attorneys, that:

1. The Court has jurisdiction over the subject matter of this action and over each of the parties hereto, and venue of this action is proper in the District of Connecticut;

2. The parties consent that a Final Judgment in the form hereto attached may be filed and entered by the Court, upon the motion of any party or upon the Court's own motion, at any time after compliance with the requirements of the Antitrust Procedures and Penalties Act (15 U.S.C. § 16), and without further notice to any party or other proceedings, provided that plaintiffs have not withdrawn their consent, which they may do at any time before the entry of the proposed Final Judgment by serving notice thereof on defendants and by filing that notice with the Court; and

3. Defendants agree to be bound by the provisions of the proposed Final Judgment pending its approval by the Court. If plaintiffs withdraw their consent, or if the proposed Final Judgment is not entered pursuant to the terms of the Stipulation, this Stipulation shall be of no effect whatsoever, and the making of this Stipulation shall be without prejudice to any party in this or in any other proceeding.

For Plaintiff United States of America:

Lawrence R. Fullerton,

Acting Assistant Attorney General.

Rebecca P. Dick,

Deputy Director, Office of Operations.

Gail Kursh,

Chief, Professions & Intellectual Property Section.

Mark J. Botti,

Pamela C. Girardi,

Attorneys, U.S. Department of Justice, Antitrust Division, Professions & Intellectual Property Section, Room 9320, BICN Bldg., 600 E Street, NW., Washington, DC 20530, (202) 307–0827.

Plaintiff State of Connecticut

Richard Blumenthal,

Attorney General.

By:

William M. Rubenstein,

Assistant Attorney General, Federal Bar No. CT08834, 110 Sherman Street, Hartford, Connecticut 06105, (203) 566–5374.

For Defendants HealthCare Partners, Inc. and Danbury Health Systems, Inc.

David Marx, Jr.,

Jillisa Brittan,

McDermott, Will & Emery, 227 West Monroe Street, Chicago, Illinois 60606–5096, (312) 372–2000.

For Defendant Danbury Area IPA, Inc.

James Sicilian,

Day, Berry & Howard, CityPlace, Hartford, CT 06103, (203) 275–0100.

Final Judgment

Plaintiffs, the United States of America and the State of Connecticut, having filed their Complaint on September 13, 1995, and plaintiffs and defendants, by their respective attorneys, having consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law, and without this Final Judgment constituting any evidence against or an admission by any party with respect to any issue of fact or law;

And Whereas defendants have agreed to be bound by the provisions of this Final Judgment pending its approval by the Court;

Now, Therefore, before the taking of any testimony, and without trial or adjudication of any issue of fact or law, and upon consent of the parties, it is hereby Ordered, Adjudged, and Decreed:

I

Jurisdiction

This Court has jurisdiction over the subject matter of and each of the parties to this action. The Complaint states claims upon which relief may be granted against the defendants under Sections 1 and 2 of the Sherman Act, 15 U.S.C. §§ 1 and 2.

II

Definitions

As used in this Final Judgment:

(A) *Competing physicians* means physicians in separate medical practices in the same relevant physician market;

(B) *Control* means either:

(1) holding 50 percent or more of the outstanding voting securities of an issuer;

(2) in the case of an entity that has no outstanding voting securities, having the right to 50 percent or more of the profits of an entity, or having the right in the event of dissolution to 50 percent or more of the assets of the entity; or

(3) having the contractual power to designate 50 percent or more of the directors of a corporation, or in the case of unincorporated entities, of individuals exercising similar functions.

(C) *DAIPA* means Danbury Area IPA, Inc., each of its directors, officers, agents, representatives, and employees (in such capacity only), its successors and assigns, and each entity over which it has control.

(D) *DHS* means Danbury Health Systems, Inc., each of its directors, officers, agents, representatives, and employees (in such capacity only), its successors and assigns, and each entity over which it has control.

(E) *DHS Affiliated Physician* means any physician employed, or whose practice is owned, by DHS or DOPS at the time of the filing of the Complaint in this action.

(F) *DOPS* means Danbury Office of Physician Services, P.C., each of its directors, officers, agents, representatives, and employees (in such capacity only), its successors and assigned, and each entity over which it has control.

(G) *HealthCare Partners* means HealthCare Partners, Inc., each of its directors, officers, agents, representatives, and employees (in such capacity only), its successors and assigns, and each entity over which it has control.

(H) Messenger model means the use of an agent or third party to convey to payers any information obtained from individual providers about the prices or other competitive terms and conditions each provider is willing to accept from payers, and to convey to providers any contract offer made by a payer, where each provider makes a separate, independent, and unilateral decision to accept or reject a payer's offer; the information on prices or other competitive terms and conditions conveyed to payers is obtained separately from each individual provider; and the agent or third party

does not negotiate collectively for the providers, disseminate to any provider the agent's or third party's or any other provider's views or intentions as to the proposal, or otherwise serve to facilitate any agreement among providers on prices or other competitive terms and conditions.

The agent or third party, so long as it acts consistently with the foregoing, may:

(1) Convey to a provider objective information about proposed contract terms, including comparisons with terms offered by other payers;

(2) solicit clarifications from a payer of proposed contract terms, or engage in discussions with a payer regarding contract terms other than prices and other competitive terms and conditions, except that the agent or third party (a) must tell the payer that the payer may refuse to respond or may terminate discussions at any time and (b) may not communicate to the providers regarding, or comment on, the payer's refusal to offer a clarification or decision not to enter into or to terminate discussions except to providers who requested the clarification;

(3) convey to a provider any response made by a payer to information conveyed or clarifications sought;

(4) convey to a payer the acceptance or rejection by a provider of any contract offer made by the payer;

(5) at the request of a payer, provide the individual response, information, or views of each provider concerning any contract offer made by such payer; and

(6) charge a reasonable fee to convey contract offers, by applying preexisting objective criteria, not involving prices or other competitive terms and conditions, in a nondiscriminatory manner.

Additionally, the agent or third party must communicate each contract offer made by a payer unless the payer refuses to pay the fee for delivery of that offer; the offer is the payer's first offer and lacks material terms such that it could not be considered a bona fide offer, or the agent or third party applies preexisting objective criteria, not involving prices or other competitive terms and conditions, in a nondiscriminatory manner (for example, refusing to convey offers of payers whose plans do not cover a certain minimum number of people, or offers made after the agent or messenger has conveyed a stated maximum number of offers for a given time period).

(I) *Pre-existing practice group* means a physician practice group existing as of the date of the filing of the Complaint in this action. All DHS affiliated physicians at the time of the filing of the Complaint in this action constitute a single pre-existing practice group. DAIPA does not constitute a pre-existing physician practice group. A pre-existing practice group may add any physician to the group after the filing of the Complaint, without losing the status of ''pre-existing'' under this definition for any relevant physician market, so long as each additional physician is not currently offering services in the relevant physician market and would not have entered that market but for the group's efforts to recruit the physician into the market.

(J) *Prices or other competitive terms and conditions* means all material terms of the contract, including information relating to fees or other aspects of reimbursement, outcomes data, practice parameters, utilization patterns, credentials, and qualifications.

(K) *Provider panel* means those health care providers with whom an organization contracts to provide care to its enrollees.

(L) *Qualified managed care plan* means an organization:

(1) Whose members or owners share substantial financial risk and either directly or through membership or ownership in another organization, comprise, (a) where membership or ownership is non-exclusive, no more than 30% of the physicians in any relevant physician market, except that it may include any single physician or pre-existing practice group, or (b) where membership or ownership is exclusive, no more than 20% of the physicians in any relevant physician market; and

(2) Whose provider panel, does not have more than where non-exclusive 30% or where exclusive 20% of the physicians in any relevant physician market, unless, for those subcontracting physicians whose participation increases the panel beyond the 20% or 30% limitations, the organization bears significant financial risk for payments to and the utilization practices of the subcontracting physicians and does not compensate those subcontracting physicians in a manner that substantially replicates membership or ownership in the organization.

The organization may not facilitate an agreement between any subcontracting physician and any other physician on their charges to payers not contracting with the organization. The organization may at any given item exceed the 20% or 30% limitations as a result of (a) any physician exiting any relevant physician market or (b) the addition of any physician not previously offering services in a relevant physician market who would not have entered that market but for the organization's efforts to recruit the physician into the market; however, the organization may not exceed the 20% or 30% limitation by any greater degree than is directly caused by such exit or entry.

(M) *Relevant physician market* means, unless defendants obtain plaintiffs' prior written approval of a different definition, each of the following groups of physicians with active staff privileges other than courtesy privileges at Danbury Hospital:

(1) Physicians who are: (a) Board-certified only in general internal medicine or family practice; (b) listed only under family practice or internal medicine on the attached medical staff lists of Danbury Hospital; or (c) generally-recognized, and in fact practicing more than a third of the time as a family practitioner or general internist (for purposes of determining the percentage of physicians applicable to a qualified managed care plan, each physician included in a relevant physician market pursuant to this clause (c) of Paragraph (II)(M)(1) of this Final Judgment shall count as only one-third of a physician);

(2) Physicians who are board-certified in, or board-eligible and actually practicing in, obstetrics or gynecology;

(3) Physicians who are board-certified in, or board-eligible and actually practicing in, pediatrics; and

(4) Any other group of physicians who offer services in a relevant product market as defined applying federal antitrust principles.

(N) *Subcontracting physician* means any physician who provides services to an organization or to persons receiving healthcare services from that physician pursuant to an agreement by that organization to provide such services, but who does not hold, directly or indirectly, any ownership interest in that organization.

(O) *Substantial financial risk* means financial risk achieved through capitation or the creation of significant financial incentives for the group to achieve specified cost-containment goals, such as withholding from all members or owners of a qualified managed care plan a substantial amount of the compensation due to them, with distribution of that amount to the members or owners only if the cost-containment goals are met.

III

Applicability

This Final Judgment applies to DHS, DAIPA, and HealthCare Partners, and to all other persons who receive actual notice of this Final Judgment by personal service or otherwise and then act or participate in active concert with any or all of the defendants.

IV

Injunctive Relief

(A) DAIPA and HealthCare Partners are enjoined from, directly or through any agent or other third party, setting, or expressing views on, the prices or other competitive terms and conditions or negotiating for competing physicians, regardless of whether those physicians are subcontracting physicians or owners or members of DAIPA or HealthCare Partners, unless done as part of the operation of a qualified managed care plan; provided that, nothing in this Final Judgment shall prohibit DAIPA or HealthCare Partners from acting as or using a messenger model.

(B) DAIPA, HealthCare Partners, and DHS are enjoined from:

(1) Precluding or discouraging any physician from contracting with any payer, providing incentives for any physician to deal exclusively with DAIPA, HealthCare Partners, or any payer, or agreeing to any priority among themselves as to which will have the right to first negotiate with any payer, provided that, nothing is in this paragraph shall prohibit a physician from agreeing to exclusivity in connection with an ownership interest or membership in a qualified managed care plan, or prohibit DHS from participant in contracting decisions of DHS-affiliated physicians;

(2) Disclosing to any physician any financial or other competitively sensitive business information about any competing physician, except as is reasonably necessary for the operation of any qualified managed care plan, or requiring any physician to disclose any financial or other competitively sensitive business information about any payer or other competitor of DAIPA or HealthCare Partners; provided that, nothing in this Final Judgment shall prohibit the disclosure of information already generally available to the medical community or the public or the provision of information pursuant to the Antitrust Safety Zones delineated in the attached Statements 5 and 6 of the 1994 Statements of Enforcement Policy and Analytical Principles Relating to Health Care and Antitrust;

(3) Owning an interest in any organization (including DAIPA and HealthCare Partners) that, directly or through any agent or other third party, sets, or expresses views on, prices or other competitive terms and conditions or negotiates for competing physicians, regardless of whether those physicians are subcontracting physicians or owners or members of that organization, unless that organization is a qualified managed care plan and complies with Paragraphs IV (B)(1) and (B)(2) of the Final Judgment as if those Paragraphs applied to that organization; provided that, nothing in this Final Judgment shall prohibit owning an interest in an organization that acts as or uses a messenger model.

(C) DHS is enjoined from:

(1) Exercising its control over staff privileges with the purpose of reducing competition with DHS in any line of business, including managed care, outpatient surgery or radiology, and physician services; provided that nothing in this Final Judgment shall limit DHS's authority to make staff decisions for the purpose of assuring quality of care;

(2) Conditioning the provision of inpatient hospital services to individuals covered by any payer on:

(a) The purchase or use of DHS's utilization review program, any DHS qualified managed care plan, DHS's ancillary or outpatient services, or any physician's services unless such services are intrinsically related to the provision of acute inpatient care (as, for example, are radiology, anesthesiology, emergency room, and pathology services deemed to be for purposes of this Final Judgment where these services are performed in connection with an inpatient admission), or

(b) A contract or other agreement to deal through HealthCare Partners or any other organization; provided that, nothing in this Paragraph IV(C)(2) shall limit the terms and conditions on which DHS may contract with any payer pursuant to which DHS bears substantial financial risk for the delivery of the services or products identified in Subparagraphs (1) and (2); and

(3) Conditioning rates to any payer for inpatient hospital services on the exclusive use of DHS outpatient services, provided that nothing in this Paragraph IV(C)(3) shall (a) limit the terms and conditions on which DHS may contract with any payer pursuant to which DHS bears substantial financial risk for the delivery of outpatient services; or (b) prohibit DHS from entering into exclusive contracts that require payers to use DHS's outpatient services where rates for those services are not tied to discounts on inpatient rates.

V

Additional Provisions

(A) DAIPA and HealthCare Partners shall:

(1) Inform each participating physician annually in writing that the physician is free to contract separately with any payer on any terms, except with regard to physicians who have agreed to exclusivity in connection with an ownership interest or membership in a qualified managed care plan; and

(2) Notify in writing each payer with which HealthCare Partners currently has or is negotiating a contract, or which subsequently inquires about contracting with HealthCare Partners, that each provider on HealthCare Partners' provider panel is free to contract separately with such payer on any terms, without consultation with DAIPA or HealthCare Partners.

(B) DHS shall file with plaintiffs each year on the anniversary of the filing of the Complaint in this action a written report disclosing the rates for inpatient hospital services to any payer, including any plan affiliated with DHS, or in lieu of such a report, documents sufficient to disclose those rates for each payer (other than Medicare and Medicaid). Plaintiffs agree not to disclose this information unless in connection with a proceeding to enforce this Final Judgment or pursuant to a court or congressional order.

VI

Compliance Program

Each defendant shall maintain an antitrust compliance program (unless the defendant dissolves without any successors or assigns), which shall include:

(A) Distributing within 60 days from the entry of this Final Judgment, a copy of the Final Judgment and Competitive Impact Statement to all officers and directors;

(B) Distributing in a timely manner a copy of the Final Judgment and Competitive Impact Statement to any person who succeeds to a position described in Paragraph VI(A);

(C) Briefing annually in writing or orally those persons designated in Paragraphs VI (A) and (B) on the meaning and requirements of this Final Judgment and the antitrust laws, including penalties for violation thereof;

(D) Obtaining from those persons designated in Paragraphs (VI) (A) and (B) annual written certifications that they (1) have read, understand, and agree to abide by this Final Judgment, (2) understand that their noncompliance with this Final Judgment may result in conviction for criminal contempt of court and imprisonment and/or fine, and (3) have reported violations, if any, of this Final Judgment of which they are aware to counsel for the respective defendant; and

(E) Maintaining for inspection by plaintiffs a record of recipients to whom this Final Judgment and Competitive

Impact Statement have been distributed and from whom annual written certifications regarding this Final Judgment have been received.

VII

Certifications

(A) Within 75 days after entry of this Final Judgment, each defendant shall certify to plaintiffs that it has made the distribution of the Final Judgment and Competitive Impact Statement as required by Paragraph VI(A); and

(B) For 10 years, unless the defendant dissolves without any successors or assigns, after the entry of this Final Judgment, on or before its anniversary date, each defendant shall certify annually to plaintiffs whether it has complied with the provisions of Section VI applicable to it.

VIII

Plaintiffs' Access

For the sole purpose of determining or securing compliance with this Final Judgment, and subject to any recognized privilege, authorized representatives of the United States Department of Justice or the Office of the Attorney General of the State of Connecticut, upon written request of the Assistant Attorney General in charge of the Antitrust Division or the Connecticut Attorney General, respectively, shall on reasonable notice be permitted:

(A) Access during regular business hours of any defendant to inspect and copy all records and documents in the possession or under the control of that defendant relating to any matters contained in this Final Judgment;

(B) To interview officers, directors, employees, and agents of any defendant, who may have counsel present, concerning such matters; and

(C) To obtain written reports from any defendant, under oath if requested, relating to any matters contained in this Final Judgment.

IX

Notifications

Each defendant shall notify the plaintiffs at least 30 days prior to any proposed (1) dissolution of that defendant, (2) sale or assignment of claims or assets of that defendant resulting in the emergence of a successor corporation, or (3) change in corporate structure of that defendant that may affect compliance obligations arising out of Section IV of this Final Judgment.

X

Jurisdiction Retained

This Court retains jurisdiction to enable any of the parties to this Final Judgment, but no other person, to apply to this Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this Final Judgment, to modify or terminate any of its provisions, to enforce compliance, and to punish violations of its provisions.

XI

Expiration of Final Judgment

This Final Judgment shall expire ten (10) years from the date of entry.

XII

Public Interest Determination

Entry of this Final Judgment is in the public interest.

Dated: _____.

_____

United States District Judge

Note: The Danbury Hospital Medical Staff List by Department, Statement of Department of Justice and Federal Trade Commission Enforcement Policy on Providers' Collective Provision of the Related Information to Purchasers of Health Care Services, and Statement of Department of Justice and Federal Trade Commission Enforcement Policy on Provider Participation in Exchanges of Price and Cost Information are attachments to the proposed Final Judgment filed with the Court. A copy of the attachments may be obtained from the Department of Justice, Legal Procedures Unit.

Competitive Impact Statement

Pursuant to Section 2(b) of the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16(b)–(h) (''APPA''), the United States files this Competitive Impact Statement relating to the proposed Final Judgment submitted for entry in this civil antitrust proceeding.

I

Nature and Purpose of the Proceeding

On September 13, 1995, the United States and the State of Connecticut filed a civil antitrust complaint alleging that defendant HealthCare Partners, Inc. (''HealthCare Partners''), defendant Danbury Area IPA, Inc. (''DAIPA''), and defendant Danbury Health Systems, Inc. (''DHS''), with others not named as defendants, entered into an agreement and took other actions, the purpose and effect of which were, among other things, to restrain competition unreasonably by preventing or delaying the development of managed care in the Danbury, Connecticut area (''Danbury''), to willfully maintain DHS' market power in acute, inpatient care, and to gain an unfair advantage in markets for outpatient services, in violation of Sections 1 and 2 of the Sherman Act, 15 U.S.C. §§ 1, 2. The Complaint seeks injunctive relief to enjoin continuance or recurrence of these violations.

The United States and the State of Connecticut filed with the Complaint a proposed Final Judgment intended to settle this matter. Entry of the proposed Final Judgment by the Court will terminate this action, except that the Court will retain jurisdiction over the matter for further proceedings that may be required to interpret, enforce, or modify the Judgment, or to punish violations of any of its provisions.

Plaintiffs and all defendants have stipulated that the Court may enter the proposed Final Judgment after compliance with the APPA, unless prior to entry plaintiffs have withdrawn their consent. The proposed Final Judgment provides that its entry does not constitute any evidence against, or admission by, any party concerning any issue of fact or law.

The present proceeding is designed to ensure full compliance with the public notice and other requirements of the APPA. In the Stipulation to the proposed Final Judgment, defendants have also agreed to be bound by the provisions of the proposed Final Judgment pending its entry by the Court.

II

Practices Giving Rise To The Alleged Violations

DHS's 450-bed acute care facility, Danbury Hospital, is the sole source of acute inpatient care in the Danbury area. It faces no competition from other general acute care hospitals in the market for these services and, accordingly, possesses a monopoly in general acute inpatient care. The Hospital also provides outpatient surgical care and other services.

By 1992, managed care organizations had recruited a sufficient number of physicians with active staff privileges at Danbury Hospital to offer managed care plans to employers and individuals in the Danbury area. The introduction of managed care plans into the Danbury area reduced the Hospital's market power in inpatient services by decreasing the number of hospital admissions and the length of hospital stays, thereby causing the Hospital to lose significant inpatient volume. Additionally, the introduction of managed care plans resulted in increased competition among doctors and reduced referrals to specialists in

DOPS (Danbury Hospital's affiliated multispecialty practice group).

In 1993, DHS took steps to form an alliance with virtually every doctor on its Hospital's medical staff to protect the economic interests of both the Hospital and the doctors and forestall the continued development of managed care plans in Danbury. On May 6, 1994, HealthCare Partners was incorporated to represent jointly Danbury Hospital and physicians in negotiations with managed care organizations, and DAIPA was created as the vehicle for physician ownership in HealthCare Partners. Danbury Hospital and DAIPA jointly own HealthCare Partners, and each appoints six of the twelve directors of HealthCare Partners' board of directors.

Only active members of Danbury Hospital's medical staff could be owners of DAIPA. Over 98% of the doctors on Danbury Hospital's medical staff joined DAIPA. Each paid a small fee. None committed to any integration of their practices.

Each doctor who joined DAIPA contracted with HealthCare Partners and authorized it to negotiate fees on the doctor's behalf. The doctors authorized HealthCare Partners to enter into non-risk-bearing contracts in one of two ways.[1]

First, it could prepare a minimum fee schedule and present it to each doctor for approval. A doctor's approval would then authorize HealthCare Partners to enter into non-risk-bearing contracts on behalf of the doctor without further consultation so long as the resulting fees equalled or exceeded the minimum fee schedule.

Alternatively, HealthCare Partners could negotiate fees on behalf of all the doctors and then present each doctor with the collectively negotiated fee schedule. Each doctor would then have the opportunity to accept this jointly negotiated fee schedule.

HealthCare Partners negotiated two contracts using this latter approach and succeeded in obtaining generous fees for the DAIPA doctors. Indeed, one of the contracting managed care plans was forced to increase its fees to doctors outside of the Danbury area to avoid the excessive administrative costs it would have incurred to administer one fee schedule for Danbury and a separate schedule for the other areas in which it operated.

The Hospital's goal in forming HealthCare Partners was to eliminate competition among physicians in order to further its broader goal of reducing or limiting the impact of managed care plans on its monopoly in acute inpatient services. In furtherance of these goals, the Hospital also used its control over admitting privileges to reduce competition in physician and outpatient services markets. The Hospital adopted a Medical Staff Development Plan in part to limit the size and mix of its medical staff. This Plan effectively controlled the entry of new physicians into Danbury and thereby insulated HealthCare Partners from competition. The Hospital also announced a policy that required its doctors to perform at least 30% of their procedures at the Hospital. This announcement caused a reduction in the use of a competing outpatient surgery center.

Based on the facts described above, the Complaint alleges (1) that the defendants entered into a contract, combination, or conspiracy that eliminated competition among physicians, reduced or limited the development of managed care plans, and reduced or limited competition among outpatient service providers, all in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1 and (2) that HDS took exclusionary acts that had the purpose and effect of maintaining Danbury Hospital's market power in acute inpatient hospital services and gaining an unfair advantage in markets for outpatient services, in violation of Section 2 of the Sherman Act, 15 U.S.C. § 2.

III

Explanation of The Proposed Final Judgment

The proposed Final Judgment is intended to prevent the continuance or recurrence of defendants' agreement to eliminate competition among doctors and reduce or limit the development of managed care in the Danbury area. The proposed Final Judgment is also intended to prevent the continuance or recurrence of DHS's exclusionary conduct. The overarching goal of the proposed Final Judgment is to enjoin defendants from engaging in any activity that unreasonably restrains competition among physicians, outpatient service providers, or managed care plans in the Danbury area, or that willfully maintains Danbury Hospital's market power in acute inpatient services, or gains Danbury hospital an unfair advantage in markets for outpatient services, while still permitting defendants to market a provider-controlled managed care plan.[2]

A. *Scope of the Proposed Final Judgment*

Section III of the proposed Final Judgment provides that the Final Judgment shall apply to defendants and to all other persons who receive actual notice of this proposed Final Judgment by personal service or otherwise and then participate in active concert with any defendant. The proposed Final Judgment applies to DHS, DAIPA, and HealthCare Partners.

B. Prohibitions and Obligations

Sections IV and V of the proposed Final Judgment contain the substantive provisions of the Judgment.

In Section IV(A), DAIPA and HealthCare Partners are enjoined from setting or expressing views on the prices or other competitive terms and conditions or negotiating entity is a Qualified Managed Care Plan (''QMCP''—as defined in the proposed Final Judgment and discussed below). However, DAIPA and HealthCare Partners are permitted to use a messenger model, as discussed below.

Section IV(B)(1) enjoins DHS, DAIPA, and HealthCare Partners from precluding or discouraging any physician from contracting with any payer, providing incentives for any physician to deal exclusively with DAIPA, HealthCare Partners, or any payer, or agreeing to any priority among themselves as to which will have the right to negotiate first with any payer. Nothing in Section IV(B), however, prohibits physicians from agreeing to exclusivity in connection with an ownership interest or membership in a QMCP.

Section IV(B)(2) prohibits the sharing of competitively sensitive information. DHA, DAIPA, and HealthCare Partners are enjoined from disclosing to any physician any financial or other competitively sensitive business information about any competing physician and from requiring any physician to disclose any financial or other competitively sensitive information about any payer. An exception permits any defendant to

[1] While the doctors also authorized HealthCare Partners to enter into risk-bearing contracts, HealthCare Partners has not exercised this authority. Even if it had, or does in the future, the negotiation of risk-bearing contracts would not justify the unlawful negotiation of non-risk-bearing contracts that occurred here. *See* Statements of Enforcement Policy and Analytical Principles Relating to Health Care and Antitrust (''Health Care Policy Statements'') that the U.S. Department of Justice and the Federal Trade Commission issued jointly on September 27, 1994, 4 Trade Reg. Rep. (CCH) ¶ 13,152, at 20,794 n.35.

[2] This relief comports with the Health Care Policy Statements, and in particular with the principles enunciated therein that a provider network (1) should not prevent the formation of rival networks and (2) may not negotiate on behalf of providers, unless those providers share substantial financial risk or offer a new product to the market place. Statement 8, 4 Trade Reg. Rep. (CCH) ¶ 13,152, at 20,788–89; Statement 9, *id.* at 20,793–94, 20,796.

disclose such information if disclosure is reasonably necessary for the operation of a QMCP in which that defendant has an ownership interest, or if the information is already generally available to the medical community or the public.

Section IV(B)(3) enjoins DHS, DAIPA, and HealthCare Partners from owning an interest in any organization that directly or through an agent or other third party sets fees or other terms of reimbursement, or negotiates for competing physicians, unless that organization is a QMCP and complies with Sections IV (B)(1) and (B)(2). However, defendants may own an interest in an organization that uses a messenger model.

Section IV(C)(1) enjoins DHS from exercising its control over staff privileges with the purpose of reducing competition with DHS in any line of business, including managed care, outpatient services, and physician services. Nothing in the Final Judgment limits DHS' authority to make staff decisions for assuring quality of care.

Section IV(C)(2) prohibits DHS from conditioning the provision of inpatient hospital services to individuals covered by any payer on the purchase or use of DHS' utilization review program, qualified managed care plan, ancillary or outpatient services, or any physician's services, unless the physician services are intrinsically related to the provision of inpatient care. (These prohibitions, however, do not apply to any organization or any contract in which DHS has a substantial financial risk.)

Section IV(C)(3) prohibits DHS from conditioning rates to any payer for inpatient hospital services on the exclusive use of the Hospital's outpatient services. Nothing in this Section limits the terms and conditions on which DHS may contract with any payer pursuant to which DHS bears substantial financial risk for the delivery of outpatient services.

Section V of the proposed Final Judgment contains additional provisions with respect to DAIPA and HealthCare Partners. Section V(A) requires DAIPA and HealthCare Partners to notify participating physicians annually that they are free to contract separately with any payer on any terms, except with regard to those physicians who have agreed to exclusivity in connection with an ownership interest or membership in a QMCP. Similarly, DAIPA and HealthCare Partners must notify in writing each payer with whom HealthCare Partners has or is negotiating a contract, or which subsequently inquires about contracting, that each of its participating physicians is free to contract separately with such payer on any terms and without consultation with DAIPA or HealthCare Partners.

Under Section V(B), DHS must file with plaintiffs annually on the anniversary of the filing of the Complaint a written report disclosing the rates for inpatient hospital services to any payer, including any plan affiliated with DHS. In lieu of a report, DHS may file documents disclosing the rates for each payer other than Medicare and Medicaid.

Section VI of the proposed Final Judgment requires defendants to implement a judgment compliance program. Section VI(A) requires that within 60 days of entry of the Final Judgment, defendants must provide a copy of the proposed Final Judgment and the Competitive Impact Statement to all officers and directors. Sections VI (B) and (C) require defendants to provide a copy of the proposed Final Judgment and Competitive Impact Statement to persons who assume those positions in the future and to brief such persons annually on the meaning and requirements of the proposed Final Judgment and the antitrust laws, including penalties for violating them. Section VI(D) requires defendants to maintain records of such persons' written certifications indicating that they (1) have read, understand, and agree to abide by the terms of the proposed Final Judgment, (2) understand that their noncompliance with the proposed Final Judgment may result in conviction for criminal contempt of court, and imprisonment, and/or fine, and (3) have reported any violation of the proposed Final Judgment of which they are aware to counsel for defendants. Section VI(E) requires defendants to maintain for inspection by plaintiffs a record of recipients to whom the proposed Final Judgment and Competitive Impact Statement have been distributed and from whom annual written certifications regarding the proposed Final Judgment have been received.

The proposed Final Judgment also contains provisions in Section VII requiring defendants to certify their compliance with specified obligations of Section VI(A) of the proposed Final Judgment. Section VIII of the proposed Final Judgment sets forth a series of measures by which plaintiffs may have access to information needed to determine or secure defendants' compliance with the proposed Final Judgment. Section IX provides that each defendant must notify plaintiffs of any proposed change in corporate structure at least 30 days before that change to the extent the change may affect compliance obligations arising out of the proposed Final Judgment.

Finally, Section XI states that the Judgment expires ten years from the date of entry.

C. Effect of the Proposed Final Judgment on Competition

1. The Prohibitions on Setting and Negotiating Fees and Other Contract Terms

The prohibitions on setting or expressing views on prices and other contract terms or negotiating for competing physicians, set forth in Section IV(A), provide defendants with essentially two options for complying with the proposed Final Judgment. First, HealthCare Partners and DAIPA may change their manner of operation and no longer set or negotiate fees on behalf of competing physicians, for example by using a ''messenger model,'' a term defined in the proposed Final Judgment. Second, HealthCare Partners and DAIPA may restructure their ownership and provider panels to become a QMCP.[3]

DAIPA jointly owns HealthCare Partners with DHS and appoints six of HealthCare Partners directors. DAIPA includes competing physicians among its owners on whose behalf HealthCare Partners negotiates fees and other competitively sensitive terms and conditions. These physicians do not share financial risk. The proposed Final Judgment prevents HealthCare Partners and DAIPA, under their present structures, from continuing to set or negotiate fees or other terms of reimbursement collectively on behalf of the competing physicians. (Section IV(A)) Such conduct would constitute naked price fixing. *Arizona* v. *Maricopa County Medical Soc'y,* 457 U.S. 332, 356–57 (1982).

The proposed Final Judgment does not, however, prohibit HealthCare Partners and DAIPA, as presently structured, from engaging in activities that are not anticompetitive. In particular, while the proposed Judgment enjoins HealthCare Partners and DAIPA from engaging in price fixing or similar anticompetitive conduct, it permits HealthCare Partners and DAIPA to use an agent or third party to facilitate the transfer of information between individual physicians and purchasers of physician services. Appropriately designed and administered, such messenger models rarely present substantial competitive concerns and indeed have the potential to reduce the transaction costs of negotiations

[3] Of course, HealthCare Partners and DAIPA could simply cease operations and dissolve.

between health plans and numerous physicians.

The proposed Final Judgment makes clear that the critical feature of a properly devised and operated messenger model is that individual providers make their own separate decisions about whether to accept or reject a purchaser's proposal, independent of other physicians' decisions and without any influence by the messenger. (Section II(H)) The messenger may not, under the proposed Judgment, coordinate individual providers' responses to a particular proposal, disseminate to physicians the messenger's or other physicians' views or intentions concerning the proposal, act as an agent for collective negotiation and agreement, or otherwise serve to facilitate collusive behavior.[4] The proper role of the messenger is simply to facilitate the transfer of information between purchasers of physician services and individual physicians or physician group practices and not to coordinate or otherwise influence the physicians' decision-making process.[5]

If, on the other hand, HealthCare Partners or DAIPA wants to negotiate on behalf of competing physicians, it must restructure itself to meet the requirements of a QMCP as set forth in the proposed Final Judgment. To comply, (1) the owners or members of HealthCare Partners or DAIPA (to the extent they compete with other owners or members or compete with physicians on their provider panels) must share substantial financial risk, and comprise no more than 30% on a nonexclusive basis, or 20% on an exclusive basis, of the physicians in any relevant market; *and* (2) to the extent HealthCare Partners or DAIPA has a provider panel that exceeds either of these limits in any relevant market, there must be a divergence of economic interest between the owners and the subcontracting physicians, such that the owners have the incentive to bargain down the fees of the subcontracting physicians. (See II(L) (1) and (2)) As explained below, the requirements of a QMCP are necessary to avoid the creation of a physician cartel while at the same time allowing payers access to larger physician panels.

a. QMCP Ownership Requirements

The financial risk-sharing requirement of a QMCP ensures that the physician owners in the venture share a clear economic incentive to achieve substantial cost savings and provide better services at lower prices to consumers. This requirement is applicable to all provider-controlled organizations since without this requirement a network of competing providers would have both the incentive and the ability to increase prices for health care services.

The requirement that a QMCP not include more than 30% on a nonexclusive basis, and 20% on an exclusive basis, of the local physicians in certain instances is designed to ensure that there are available sufficient remaining physicians in the market with the incentive to contract with competing managed care plans or to form their own plans.[6] These limitations are particularly critical in this case in view of defendants' prior conduct in forming negotiating groups with nearly every physician with active staff privileges at Danbury Hospital.

The 20% and 30% limitations will prevent defendants from aggregating market power to pursue and achieve the same type of anticompetitive effects that led to this action. Consistent with the reasons for these limitations, the proposed Final Judgment permits recruitment of new physicians, and thus an increase in the supply of physicians in the Danbury area, even if that recruitment causes a QMCP to exceed the 20% or 30% limitation. Similarly, defendants will not violate the proposed Final Judgment if these limits are exceeded as a result of a physician exiting any relevant market.

In addition, the 30% limitation does not apply where a QMCP includes any single physician or pre-existing practice group that already has more than a 30% market share. In these circumstances, no aggregation of market power could occur as a result of the practice group joining the QMCP. To quality for this exemption, the pre-existing practice group must exist as of the date of the filing of the Complaint in this action (Section II(I)) For example, Danbury Hospital would violate the Final Judgment if it owns an interest in a QMCP in which DOPS participates as an owner on a nonexclusive basis and, after the filing of the complaint, DOPS acquires physician practices that cause it to exceed the 30% limitation or increase its market share in markets where it already exceeds 30%.[7]

b. OMCP Subcontracting Requirements

Many employers and payers may want managed care products with panels larger than permitted by the 20% and 30% limitations. The QMCP's subcontracting requirements are designed to permit a larger physician panel, but with restrictions to avoid the risk of competitive harm. To offer panels above the 20% and 30% limits, a QMCP must operate with the same incentives as a nonprovider-controlled plan. Specifically, the owners of a QMCP must bear significant financial risk for the payments to, and utilization practices of, the panel physicians in excess of the 20% and 30% limitations. These requirements significantly reduce the incentives for a QMCP to use the subcontracts as a mechanism for increasing fees for physician services.

Consequently, the proposed Final Judgment permits a QMCP to subcontract with any number of physicians in a market provided important safeguards are met. Under Section II(L)(2) of the proposed Final Judgment, the subcontracting physician panel may exceed the 20% or 30% limitation if the organization bears significant financial risk for payments to and the utilization practices of the subcontracting physicians and does not compensate those subcontracting

[4] For example, it would be a violation of the proposed Final Judgment if the messenger were to select a fee for a particular procedure from a range of fees previously authorized by the individual physician, or if the messenger were to convey collective price offers from physicians to purchasers or negotiate collective agreements with purchasers on behalf of physicians. This would be so even if individual physicians were given the opportunity to ''opt in'' to any agreement. In each instance, it would in fact be the messenger, not the individual physician, who would be making the critical decision, and the purchaser would be faced with the prospect of a collective response.

[5] For example, the messenger may convey to a physician objective or empirical information about proposed contract terms, convey to a purchaser any individual physician's acceptance or rejection of a contract offer, canvass member physicians for the rates at which each would be willing to contract even before a purchaser's offer is made, and charge a reasonable, non-discriminatory fee for messenger services. The proposed Final Judgment gives guidelines for these and other activities that a messenger may undertake without violating the Final Judgment. (Section II(H))

[6] The proposed Final Judgment embodies the parties' stipulation that only physicians with active staff privileges (not including those with just courtesy privileges) at Danbury Hospital are in any relevant physician market. One anticompetitive effect remedied by the proposed Final Judgment was the reduction in competition among these physicians, which allowed both the exercise of horizontal market power in physician markets and the willful maintenance of the Hospital's market power in acute inpatient hospital service. Accordingly, the 20% and 30% limitations apply to this universe of doctors. The proposed Final Judgment specifies three separate product markets to which these limitations apply: adult primary care doctors (Section II(M)(1)), OB/GYNs (Section II(M)(2)), and pediatricians (Section IIM)(3). The limitations also apply to any other relevant product market for physician services. (Section II(M)(4)) The proposed Final Judgment permits plaintiffs to give written approval of relevant markets differing from those specified.

[7] In contrast, the 20% limitation does not have an exception for pre-existing practice groups because in an exclusive arrangement such practice groups could have the incentives and ability to create the same type of cartel that the proposed Final Judgment is intended to break up.

physicians in a manner that substantially replicates ownership. These requirements will assure that there is a sufficient divergence of economic interest between those subcontracting physicians and the owners such that the owners have the incentive to bargain down the fees of the subcontracting physicians. Indeed, without these requirements, the organization could serve as a cartel manager for all members of Danbury Hospital's active medical staff by, for example, passing through directly to payers substantial liability for making payments to the subcontracting physicians.

A QMCP would meet the subcontracting requirements if, for example, a QMCP were compensated on a capitated, per diem, or diagnostic related group basis and, in turn, reimbursed subcontracting physicians pursuant to a fee schedule. In such a situation, an increase in the fee schedule to subcontracting physicians during the term of a QMCP's contract with the particular payer would not be directly passed through to the payer but rather would be borne by a QMCP itself. This would provide a substantial incentive for a QMCP to bargain down its fees to the subcontracting physicians.

On the other hand, the subcontracting requirements would *not* be met if a QMCP's contract with a payer were structured so that significant changes in the payments by a QMCP to its physicians directly affected payments from the payer to a QMCP, or if the payer directly bears the risk for paying the panel physicians or pays the panel physicians pursuant to a fee-for-service schedule. The requirements would also not be satisfied if contracts between a QMCP and the subcontracting physicians provided that payments to the physicians depended on, or varied in response to, the terms and conditions of a QMCP's contracts with payers.[8] Any of these scenarios would permit a QMCP to pass through to payers, rather than bear, the risk that its provider panel will charge fees that are too high or deliver services inefficiently.[9]

2. Prohibitions Against Exclusionary Acts

In addition to helping to organize HealthCare Partners and DAIPA, DHS used other exclusionary acts to maintain its market power in acute impatient hospital services and to gain an unfair advantage in markets for outpatient services. The proposed Final Judgment eliminates the continuance or recurrence of such exclusionary acts.

Section IV(C) of the proposed Final Judgment prohibits Danbury Hospital from exercising its control over staff privileges with the purpose of reducing competition with the Hospital in any line of business, tying the availability of inpatient services to any other service, or conditioning favorable inpatient rates on exclusive use of Danbury Hospital's outpatient services. These prohibitions are crafted to permit Danbury Hospital to assure the quality of care delivered at the Hospital, participate in managed care plans, retain freedom to contract on acceptable terms, and compete aggressively in outpatient markets, while at the same time ensure that Danbury Hospital does not unlawfully abuse its monopoly in acute inpatient services. The Hospital is also required to report annually its inpatient rates to payers. (Section V(B))

3. Other Substantive Provisions

Section IV(B)(2) of the proposed Final Judgment enjoins the disclosure to any physician of any financial or competitively sensitive business information about any competing physician. It also enjoins defendants' requiring any physician to disclose competitively sensitive information about any payer. This provision will ensure that defendants do not exchange information that could facilitate price fixing or other anticompetitive harm.

Section V(A) requires DAIPA and HealthCare Partners to give notice to doctors and managed care plans that each doctor currently under contract with HealthCare Partners is free to contract separately from DAIPA and HealthCare Partners. This will help abate any continuing effect from the unlawful conspiracy.

4. Conclusion

The Department of Justice believes that the proposed Final Judgment contains adequate provisions to prevent further violations of the type upon which the Complaint is based and to remedy the effects of the alleged conspiracy and DHS' exclusionary acts. The proposed Final Judgment's injunctions will restore the benefits of free and open competition in the Danbury area and will provide consumers with a broader selection of competitive health care plans.

IV

Alternative to the Proposed Final Judgment

The alternative to the proposed Final Judgment would be a full trial on the merits of the case. In the view of the Department of Justice, such a trial would involve substantial costs to the United States, the State of Connecticut, and defendants and is not warranted because the proposed Final Judgment provides all of the relief necessary to remedy the violations of the Sherman Act alleged in the Complaint.

V

Remedies Available to Private Litigants

Section 4 of the Clayton Act, 15 U.S.C. § 15, provides that any person who has been injured as a result of conduct prohibited by the antitrust laws may bring suit in federal court to recover three times the damages suffered, as well as costs and a reasonable attorney's fee. Entry of the proposed Final Judgment will neither impair nor assist in the bringing of such actions. Under the provisions of Section 5(a) of the Clayton Act, 15 U.S.C. § 16(a), the proposed Final Judgment has no *prima facie* effect in any subsequent lawsuits that may be brought against one or more defendants in this matter.

VI

Procedures Available for Modification of the Proposed Final Judgment

As provided by Sections 2 (b) and (d) of the APPA, 15 U.S.C. § 16 (b) and (d), any person believing that the proposed Final Judgment should be modified may submit written comments to Gail Kursh, Chief; Professions & Intellectual Property Section/Health Care Task Force; United States Department of Justice; Antitrust Division; 600 E Street, N.W.; Room 9300; Washington, D.C. 20530, within the 60-day period provided by the Act. Comments received, and the Government's responses to them, will be filed with the Court and published in the Federal Register. All comments will be given due consideration by the Department of Justice, which remains free, pursuant to Paragraph 2 of the Stipulation, to withdraw its consent to the proposed Final Judgment at any time before its entry, if the Department should

[8] Nothing in the proposed Final Judgment prohibits a QMCP from entering into arrangements that shift risk to subcontracting physicians, such as may be desirable to create cost-reducing incentives, so long as those arrangements are consistent with the criteria for a QMCP set forth in Section II(L) of the Judgment.

[9] Similarly, a QMCP would fail the ownership replication restriction of Section II(L) of the proposed Final Judgment if, for example, the owners paid themselves a dividend and then, through declaration of a bonus, paid the same or similar amount to the subcontracting physicians. The same would be true if the owners otherwise structured dividends, bonuses, and incentive payments in such a way that ensures that subcontracting and owning physicians receive equal overall compensation.

determine that some modification of the Final Judgment is necessary for the public interest. Moreover, the proposed Final Judgment provides in Section X that the Court will retain jurisdiction over this action, and that the parties may apply to the Court for such orders as may be necessary or appropriate for the modification, interpretation, or enforcement of the proposed Final Judgment.

VII

Determinative Documents

No materials and documents of the type described in Section 2(b) of the APPA, 15 U.S.C. § 16(b), were considered in formulating the proposed Final Judgment. Consequently, none are filed herewith.

Dated: September 13, 1995.

Respectfully submitted,

Mark J. Botti,

Pamela C. Girardi,

Attorneys, Antitrust Division, U.S. Dept. of Justice, 600 E Street, N.W., Room 9320, Washington, D.C. 20530, (202) 307–0827.

Christopher F. Droney,

United States Attorney.

Carl J. Schuman,

Assistant U.S. Attorney, Federal Bar No. CT 05439, 450 Main Street, Hartford, Connecticut 06103, (203) 240–3270.

Certificate of Service

I, Carl J. Schuman, hereby certify that copies of the Complaint, Stipulation, Competitive Impact Statement, and Notice of Lodging in *U.S.* v. *HealthCare Partners, Inc., et. al.* were served on the 13th day of September 1995 by first class mail to counsel as follows:

David Marx, Jr.,

McDermott, Will & Emery, 227 West Monroe Street, Chicago, Illinois 60606–5096.

James Sicilian,

Day, Berry & Howard, CityPlace, Hartford, Connecticut 06103.

Carl J. Schuman

[FR Doc. 95–24596 Filed 10–3–95; 8:45 am]

BILLING CODE 4410–01–M

DEPARTMENT OF LABOR

Labor Advisory Committee for Trade Negotiations and Trade Policy; Meeting Notice

Pursuant to the provisions of the Federal Advisory Committee Act (Pub. L. 92–463 as amended), notice is hereby given of a meeting of the Labor Advisory Committee for Trade Negotiations and Trade Policy.

Date, Time and Place: October 12, 1995, 10:00 am–12:00 noon, U.S. Department of Labor, Room S–1011, 200 Constitution Ave., NW., Washington, DC 20210.

Purpose: The meeting will include a review and discussion of current issues which influence U.S. trade policy. Potential U.S. negotiating objectives and bargaining positions in current and anticipated trade negotiations will be discussed. Pursuant to section 9(B) of the Government in the Sunshine Act, 5 U.S.C. 552b(c)(9)(B), it has been determined that the meeting will be concerned with matters the disclosure of which would seriously compromise the Government's negotiating objectives or bargaining positions. Accordingly, the meeting will be closed to the public.

For further information contact: Fernand Lavallee, Director, Trade Advisory Group, Phone: (202) 219–4752.

Signed at Washington, D.C. this 25th day of September, 1995.

Joaquin Otero,

Deputy Under Secretary, International Affairs.

[FR Doc. 95–24668 Filed 10–3–95; 8:45 am]

BILLING CODE 4510–28–M

Bureau of Labor Statistics

Business Research Advisory Council; Notice of Meetings and Agenda

The regular Fall meetings of the Business Research Advisory Council and its Committees will be held on October 25 and 26, 1995. All of the meetings will be held in the Conference Center of the Postal Square Building, 2 Massachusetts Avenue, NE., Washington, DC.

The Business Research Advisory Council and its committees advise the Bureau of Labor Statistics with respect to technical matters associated with the Bureau's programs. Membership consists of technical officers from American business and industry.

The schedule and agenda for the meetings are as follows:

Wednesday, October 25, 1995

8:30–10:00 a.m.—Committee on Price Indexes

1. Consumer Price Index
   a. Current measurement issues
   b. CPI Revision
2. Producer Price Indexes
3. Other committee business

10:30–12:00 p.m.—Committee on Compensation and Working Conditions

1. Update on COMP2000
2. Highlights from the Temporary Help Services Workers News Release
3. Highlights from the Employee Benefits Surveys of Small Establishments and State and Local Governments
4. Other business

1:30–3:00 p.m.—Committee on Occupational Safety and Health Statistics

1. 1994 Census of Fatal Occupational Injuries report
2. How to access BLS safety and health data
3. Report on the Fiscal Year 1996 budget for the program
4. Election of Vice-chairperson
5. Status of the Survey of Employer-Provided Training

3:30–5:00 p.m.—Committee on Employment Projections

1. Status of on-going work
2. Publication plans for the 1994–2005 projections
3. Plans for research and analysis in Fiscal Year 1996
4. Proposal for scenario building

Thursday, October 26, 1995

8:30–10:00 a.m.—Committee on Productivity and Foreign Labor Statistics

1. Report on recent developments in the Office of Productivity and Technology
2. Measurement of productivity growth in U.S. manufacturing
3. Comparison of multifactor productivity growth in manufacturing in the U.S., Germany, and France
4. International comparisons of unemployment indicators: trends and levels

10:30–12:30 p.m.—Council Meeting

1. Chairperson's opening remarks
2. Commissioner Abraham's address and discussion
3. BLS data on the Internet
4. Chairperson's closing remarks

2:00–3:30 p.m.—Committee on Employment and Unemployment Statistics

Discussion

1. Current Employment Survey redesign issues
2. BLS and the new workforce legislation

Updates

1. New directions in the Mass Layoff Statistics program
2. The National Wage Record Database

The meetings are open to the public. Persons with disabilities wishing to attend should contact Constance B. DiCesare, Liaison, Business Research Advisory Council, at (202) 606–5903, for appropriate accommodations.

Signed at Washington, D.C. the 26th day of September 1995.

Katharine G. Abraham,

Commissioner.

[FR Doc. 95–24669 Filed 10–3–95; 8:45 am]

BILLING CODE 4510–24–M